

A photograph of the Houston skyline at night. In the foreground, a dark metal bridge with a railing and a perforated metal support beam is visible. The bridge spans a grassy area with some low-lying plants. In the background, several skyscrapers are illuminated, their lights reflecting on the dark blue sky. The most prominent building is a tall, blue glass skyscraper with many lit windows. Other buildings of varying heights and shapes are also visible, some with distinctive architectural features like rounded tops or stepped profiles. The overall scene is a mix of urban architecture and natural elements, captured in a low-angle shot that emphasizes the height of the buildings.

SpencerStuart

2018 Houston
Spencer Stuart
Board Index

ABOUT SPENCER STUART BOARD SERVICES

At Spencer Stuart, we know how much leadership matters. We are trusted by organizations around the world to help them make the senior-level leadership decisions that have a lasting impact on their enterprises. Through our executive search, board and leadership advisory services, we help build and enhance high-performing teams for select clients ranging from major multinationals to emerging companies to nonprofit institutions.

Privately held since 1956, we focus on delivering knowledge, insight and results through the collaborative efforts of a team of experts — now spanning 57 offices, 30 countries and more than 50 practice specialties. Boards and leaders consistently turn to Spencer Stuart to help address their evolving leadership needs in areas such as senior-level executive search, board recruitment, board effectiveness, succession planning, in-depth senior management assessment and many other facets of organizational effectiveness.

For more than 30 years, our Board Practice has helped boards around the world identify and recruit independent directors and provided advice to board chairs, CEOs and nominating committees on important governance issues. We serve a range of organizations across geographies and scale, from leading multinationals to smaller organizations. In the past year alone, we conducted more than 600 director searches worldwide, and in North America one-third of those assignments were for companies with revenues under \$1 billion.

Our global team of board experts works together to ensure that our clients have unrivaled access to the best existing and potential director talent, and regularly assists boards in increasing the diversity of their composition. We have helped place women in more than 1,800 board director roles and recruited more than 600 diversity executives around the world.

In addition to our work with clients, Spencer Stuart has long played an active role in corporate governance by exploring — both on our own and with other prestigious institutions — key concerns of boards and innovative solutions to the challenges facing them. Publishing the *U.S. Spencer Stuart Board Index* (SSBI), now in its 33rd edition, is just one of our many ongoing efforts.

Each year, we sponsor and participate in several acclaimed director education programs, including:

- » Next-Gen Board Leaders (NGBL), an initiative designed to foster a community of current and aspiring directors to spark discussion around the challenges, opportunities and contributions of a younger generation in today's boardrooms
- » The Global Institutes, sponsored by the WomenCorporateDirectors (WCD) Foundation
- » The Corporate Governance Conference at Northwestern University's Kellogg School of Management
- » The New Directors Program, a unique two-year development program designed to provide first-time, non-executive directors with an exclusive forum for peer dialogue on key issues and "unwritten rules" of corporate boards, produced in partnership with the Boston Consulting Group, Frederick W. Cook & Co., Davis Polk, Lazard and PricewaterhouseCoopers

Social Media @ Spencer Stuart

Stay up to date on the trends and topics that are relevant to your business and career.



© 2018 Spencer Stuart. All rights reserved.

For information about copying, distributing and displaying this work, contact: permissions@spencerstuart.com.

Contents

1	INTRODUCTION
3	BOARD COMPOSITION
3	Board Size
4	New Independent Directors
5	Director Tenure
5	Female Representation
5	Mandatory Retirement
6	Age of Directors
7	BOARD ORGANIZATION AND PROCESS
7	Board Declassification
8	Chair and CEO Roles
9	Lead/Presiding Directors
10	Board Meetings
11	DIRECTOR COMPENSATION
11	Board Retainers
12	Committee Compensation
13	2008 – 2018 COMPARISON
13	How Does Your Board Measure Up?
15	COMPARATIVE BOARD DATA

Introduction

A variety of forces — including an increasingly complex business environment, an unprecedented pace of change, a growing number of risks as well as intensifying investor focus on the diversity and quality of the boardroom — has led many boards to begin reshaping themselves.

72

New independent directors

Recognizing the strategic imperative for new perspectives and experience, boards are increasingly adding directors with backgrounds in tech, digital, consumer marketing and other areas of emerging importance. They are casting a wider and deeper net to identify directors who are interested in taking on board roles, and they are looking to increase their diversity, as well.

Board transformation is hindered, however, by one fact: the chronic low rate of director turnover means there can only be gradual shifts in the overall complexion of U.S. boards. And the modest pace of change is likely to persist, yielding just incremental evolution of corporate boardrooms.

Within that context, Spencer Stuart's Houston office is proud to present its 2018 *Houston Spencer Stuart Board Index*, which examines trends in board composition, practices and compensation among Houston's leading companies. The 84 companies included in this year's index are headquartered in the Houston area, and are publicly traded on one of the major stock exchanges (NYSE or NASDAQ).

20%

Women among all directors

In keeping with the larger trends, we are seeing a movement in Houston organizations toward:

More new directors: Forty-two (50%) of the 84 companies in the index elected new board members, compared to 29 of the 83 (35%) in the 2017 index. A total of 72 new independent directors were added, up from 45 in 2017 — a 60% increase.

Women in the boardroom: Houston companies added 24 (33%) new independent female directors, up from 7 (16%) in 2017.

Other highlights from this year's index include:

Less mandatory retirement: 58% of Houston boards report having a mandatory retirement age, down from 67% in 2017. By comparison, 71% of S&P 500 boards report a mandatory retirement age.

More separation of chair and CEO roles: 71% of Houston companies separate the chair and chief executive officer roles, up from 69% last year. By comparison, 50% of S&P 500 companies separate the chair and CEO roles.

Higher cash retainers: The average cash retainer increased from \$78,309 in 2017 to \$84,720 in 2018, a rise of 8%, but it is still well below the S&P 500 average of \$124,306. The average retainer (\$114,333) for Houston companies with revenue of more than \$10 billion is comparable to the overall S&P 500 average.

Our analysis is based on data from the companies' 2018 proxy filings and supplementary research. Throughout the survey, we draw comparisons between the 2018 results and those reported in prior years. Where relevant, we also compare Houston board practices to those of the S&P 500, as reported in the 2018 *United States Spencer Stuart Board Index*.

Editor's note:

The index examines 84 public companies based in the greater Houston area. The companies included in the index must have been publicly traded on one of the major stock exchanges (NYSE or NASDAQ). All data were culled from each company's DEF14A proxy statement most recently filed with the U.S. Securities and Exchange Commission between October 16, 2017, and August 10, 2018, except where noted. Apergy Corporation, which was spun out of Dover Corporation this year, has not filed a 2018 proxy statement but board composition and compensation data was collected from other SEC filings.

In order to provide readers with more comparable data, the following master limited partnerships were excluded from this year's report: Boardwalk Pipeline Partners, Buckeye Partners, Cheniere Energy Partners, Crestwood Equity Partners, CVR Refining, Enbridge Energy Partners, Enterprise Products Partners, Genesis Energy, Hi-Crush Partners, Phillips 66 Partners, Plains All American Pipeline, Plains GP Holdings, Spectra Energy Partners, Western Gas Partners, Western Gas Equity Partners and Westlake Chemical Partners.

Archrock data was taken from the proxy statement filed March 16, 2017; a 2018 proxy statement has not been filed by the date of this report due to merger activity.

Diamond Offshore, Spark Energy and Baker Hughes, a GE company are "controlled" companies under NYSE and/or NASDAQ listing standards and have different committee and independence requirements than non-controlled companies.

Ultra Petroleum Corporation data was taken from the 10K/A filed April 27, 2018.

71%

Boards separating the chair
and CEO roles

Board Composition

Board composition has become increasingly important as the economic, competitive and regulatory landscape has changed. Investors are taking more interest in boards, scrutinizing issues such as director tenure, skills and qualifications, and diversity. As a result, boards are adding directors with a greater breadth of perspectives and different kinds of experience. The number of new independent directors elected to S&P 500 boards during the 2018 proxy year rose to 428, an increase of 8% from 2017 and the most new directors added since 2004.

Houston boards appointed 72 new directors in 2018, compared with 45 in 2017. Twenty-three percent of Houston boards added two or more directors, up from 13% in 2017. The average tenure of Houston directors is 7.3 years, down from 8 years in 2017.

We also see a notable increase in the number of women serving on Houston-area boards. Houston companies added 24 new female independent directors to boards in 2018, representing 33% of new directors. That's more than double the percentage from 2017, when women represented 16% of new directors. By comparison, 40% of new directors in the S&P 500 are women.

TWO-THIRDS OF HOUSTON BOARDS HAVE NINE OR FEWER MEMBERS

- » Houston boards average nine directors, which is unchanged from 2017. S&P 500 companies average 10.8 directors, which was also the same in 2017.
- » Sixty-six percent of Houston boards have nine or fewer members, virtually identical to 2017 (67%).
- » Houston's larger companies tend to have larger boards: 73% of companies with revenue in excess of \$10 billion have 10 or more members, compared with 35% of Houston companies overall.

Houston board breakdown by company revenue						
Number of directors	Overall Houston	>\$10B	\$4B to \$10B	\$2B to \$4B	\$1.2B to 2B	<\$1.2B
7 or fewer	24%	0%	21%	7%	30%	50%
8 to 9	42%	27%	36%	67%	50%	30%
10 to 11	23%	40%	29%	20%	15%	15%
12 or more	12%	33%	14%	7%	5%	5%
Average board size	9.0	11.0	9.3	9.2	8.4	7.9

Note: Columns may not total 100% due to rounding.

LARGE RISE IN THE NUMBER OF NEW INDEPENDENT DIRECTORS

- » Seventy-two new independent directors were added to Houston boards during the 2018 proxy year, up from 45 in 2017, 50 in 2016 and 65 in 2015. (Twelve of the 72 new independent directors are associated with just two companies, McDermott International and Apergy Corporation. McDermott reconstituted its board as part of the CB&I merger and Apergy was spun out of Dover Corporation as an independent company.)
- » Overall, 12% of independent directors are new to Houston boards, compared with 9.6% for the S&P 500. Of the new independent directors, 21 (28%) are currently or have previously held positions of chair/CEO/president/COO or vice chair.
- » Twenty-three percent of Houston boards added two or more independent directors, up from 13% in 2017.
- » Forty-nine percent of Houston boards added at least one new independent director, up from 35% last year and 43% in 2016. Over the past 10 years, as many as 49% (2018) and as few as 16% (2008) of Houston companies elected new independent directors.
- » Eighty percent of Houston directors are independent, largely unchanged over the past five years. By comparison, 85% of S&P 500 directors are independent.
- » The number of Houston boards with more than one inside director declined from 48% in 2017 to 45% in 2018. Having more than one inside director was much more common in the pre-Sarbanes-Oxley era (before 2002): for example, in 2000, 74% of Houston boards had more than one inside director.
- » Of the 72 new independent directors who were appointed in 2018, 43% have a background in energy and utilities, 13% are from industrial manufacturing and 13% come from private equity. Houston boards also added six new directors from high-tech and telecommunications.

New Independent Directors — Industry Backgrounds

Industry background	Number of directors	Industry background	Number of directors
Energy/utilities	31	Accounting	4
Industrial/manufacturing	9	Transportations products & services	2
Private equity/investment	9	Consulting	1
High tech/telecommunications	6	Government	1
Professional services	4	Healthcare	1
Financial services	3	Not-for-profit/academics	1
Total new: 72			

FEWER BOARDS HAVE MANDATORY RETIREMENT REQUIREMENTS

- » This year, 58% of Houston companies report having a mandatory retirement age, compared with 67% last year and 66% in 2016. By comparison, 71% of S&P 500 boards disclose a mandatory retirement age.
- » Five Houston companies (6% of all companies) have adopted term limits, ranging from 10 to 15 years. By comparison, 5% of all S&P 500 companies have term limits.
- » Mandatory retirement ages for Houston boards range from 70 to 80, and the average age is 73.5.

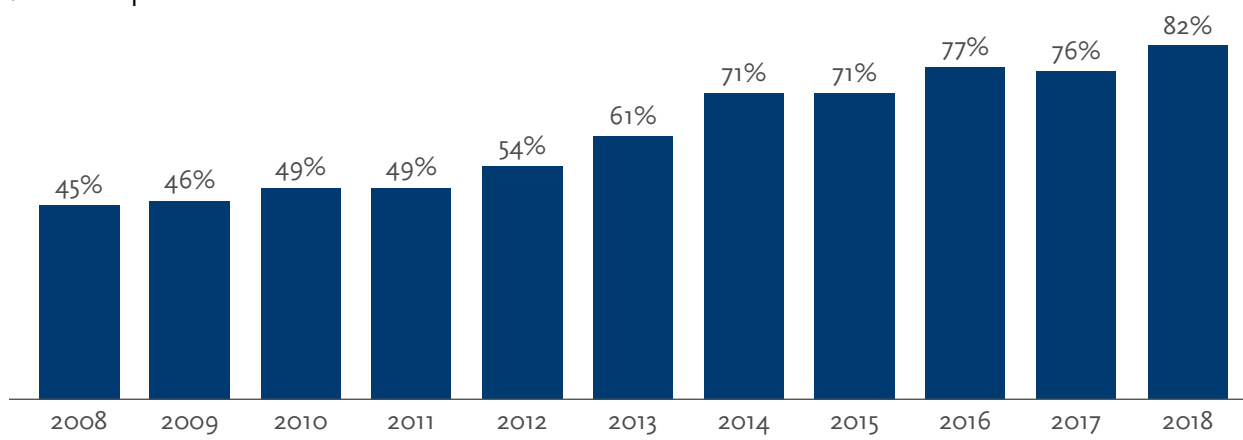
AVERAGE BOARD TENURE DECLINES TO JUST OVER SEVEN YEARS

- » The average tenure of Houston directors is 7.3 years, compared to 8.2 years for the S&P 500. This is a slight dip from the average tenure of 8.0 years among Houston boards in 2017.

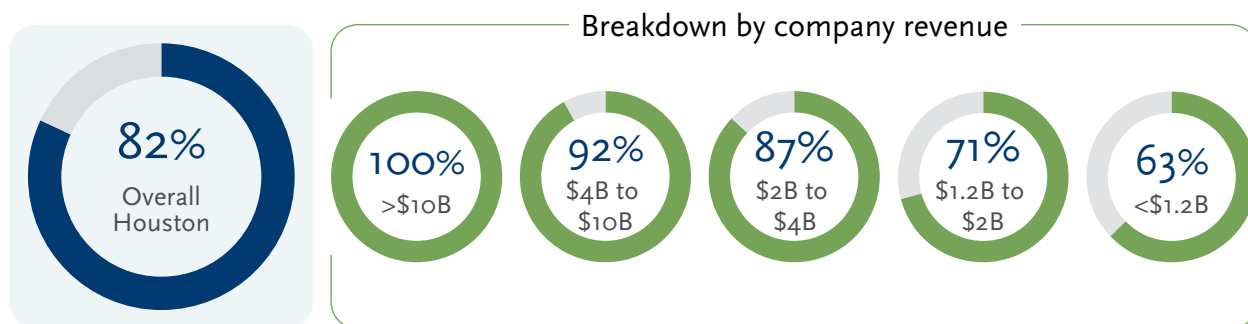
20% OF BOARD DIRECTORS ARE WOMEN, A NEW HIGH

- » There is no question that the number of women on Houston boards is growing, although there is still room for improvement. The overall percentage of female independent directors increased to 20% up from 16% last year and 15% in 2016. In 2011, just 8% of Houston board directors were female.
- » Women are still underrepresented on Houston boards compared to the S&P 500, where 28%, of all directors are women, up from 22% last year.
- » Eighty-two percent of Houston companies have at least one female director, and 43% have two or more. Those numbers are up from 76% and 29% in 2017, respectively. By comparison, 100% of S&P 500 companies have at least one woman on the board, and 87% have at least two female directors.
- » Thirteen Houston companies have three or more women directors: Camden Property Trust, ConocoPhillips, Kraton Corporation, LyondellBasell Industries, Noble Corporation, Occidental Petroleum, Phillips 66, Schlumberger, Service Corporation International, Stage Stores, Sysco Corporation, Tailored Brands and TechnipFMC. Last year, just eight Houston companies had three or more female directors.
- » Among the 24 companies with revenues of \$5 billion or more, 23 (96%) have at least one female board member, compared with 100% last year and 93% in 2016. Each of the 15 companies with revenues greater than \$10 billion has female representation on its board.

% of Companies with at Least One Female Director



% of Companies with at Least One Female Director



AVERAGE AGE OF HOUSTON DIRECTORS DIPS SLIGHTLY

- » The average age of board directors is 63.3 years, compared to 63.8 last year. The average age of independent directors on S&P 500 boards is 63.0, essentially the same as in 2017.
- » Prosperity Bancshares has the oldest average board age, at 71.4. The board with the youngest average age is EP Energy, with an average age of 48.

Average Age of Directors



Board Organization and Process

In keeping with their interest in board composition and refreshment, investors have become more vocal about areas of governance such as director term length, tenure and independent board leadership. Increasingly, investors are questioning the independence of long-tenured directors, and some are classifying directors as independent or non-independent based on their tenure.

Some boards are responding by revisiting policies related to board refreshment — for example, the percentage of Houston-area boards that are declassifying (moving to one-year terms) is rising. Investors also expect boards to have strong independent board leadership, and some say independent chairs are the best way of achieving that goal. Accordingly, 71% of Houston boards in 2018 have a separate chair and CEO, compared to 50% for the S&P 500. The number of lead and presiding directors has declined as more boards separate the chair and CEO roles and appoint independent chairs.

DECLASSIFICATION OF BOARDS INCREASES

- » Declassifying is on the rise among Houston boards: In 2018, 74% of Houston boards are declassified, an increase from 70% in 2017 and 67% in 2016. Six years ago, just 54% of Houston boards had one-year terms.
- » Declassified boards are much more common among S&P 500 companies, as 92% of boards in the S&P 500 are declassified.

Term Length

Length of term	Houston #	Houston %	S&P 500 %
1 year	62	74%	92%
3 years	22	26%	8%
Total boards	84	100%	100%

MORE THAN 70% OF HOUSTON BOARDS SPLIT CHAIR AND CEO ROLES

- » Seventy-one percent of Houston companies separate the chair and CEO roles, up from 69% in 2017 and 60% in 2016. Houston boards are more likely to adopt that structure than companies in the S&P 500, where 50% of boards separate the roles.
- » Eleven (18%) of the companies separating the chair and CEO roles have an executive chair.

Houston Boards Separating the Board Chair and CEO Roles

Company	Chair	Company	Chair
Adams Resources	Townes Pressler*	NCI Building Systems	James S. Metcalf
American National Insurance	Ross R. Moody	Newpark Resources	Anthony J. Best
Apache Corporation	John E. Lowe	Nexeo Solutions	Dan F. Smith
Apergy	Daniel W. Rabun	NOW Inc.	J. Wayne Richards
Archrock	Gordon T. Hall	Occidental Petroleum	Eugene L. Batchelder
Bristow Group	Thomas C. Knudson	Oceaneering International	John R. Huff
C&J Energy Services	Patrick Murray	Oil States International	Mark G. Papa
Cardtronics	Dennis F. Lynch	Par Pacific Holdings	Melvyn N. Klein
Carrizo Oil & Gas	Steven A. Webster	Patterson-UTL Energy	Mark Siegel*
CenterPoint Energy	Milton Carroll*	Quanta Services	David M. McClanahan
Cheniere Energy	G. Andrea Botta	Rowan Companies	William E. Albrecht
Comfort Systems USA	Franklin Myers	Sanchez Energy	A.R. Sanchez, Jr.*
Crown Castle	J. Landis Martin	Select Energy Services	John Schmitz*
CVR Energy	SungHwan Cho	Southwestern Energy	Catherine A. Kehr
Diamond Offshore Drilling	James S. Tisch	Spark Energy	W. Keith Maxwell
EnSCO plc	Paul E. Rowsey	Stage Stores	William J. Montgoris
EP Energy	Alan R. Crain	Sterling Construction	Milton L. Scott
Exterran Corporation	Mark Sotir*	Stewart Information Services	Thomas G. Apel
Forum Energy Technologies	C. Christopher Gaut	Superior Energy Services	Terrence E. Hall
Group 1 Automotive	Stephen D. Quinn	Sysco	Jackie M. Ward
Halliburton	David Lesar*	Tailored Brands	Dinesh S. Lathi
IES Holdings	Jeffrey L. Gendell	Targa Resources	James Whalen*
KBR, Inc.	Loren K. Carroll	Team, Inc.	Louis A. Waters
Kinder Morgan	Richard Kinder*	TechnipFMC	Thierry Pilenko*
Kirby Corporation	Joseph Pyne*	TETRA Technologies	William D. Sullivan
Kraton Corporation	Dan F. Smith	Transocean Ltd.	Merrill A. Miller, Jr.
LyondellBasell	Robert Gwin	Ultra Petroleum	Evan S. Lederman
Marathon Oil	Dennis H. Reilley	Waste Management	Bradbury H. Anderson
McDermott International	Gary Luquette	Weatherford International	William E. McCaulay
MRC Global	Rhys J. Best	Westlake Chemical	James Chao

*Executive chair based on companies' proxies as of August 10, 2018

LEAD/PRESIDING DIRECTORS COMMON, ESPECIALLY WHEN CHAIR/CEO ROLES ARE COMBINED

- » Just over half (51%) of Houston boards have a lead or presiding director, up from 46% in 2017. By comparison, 80% of all S&P 500 companies report having a lead or presiding director, down from 84% in 2017.
- » Of the 23 companies combining the chair and CEO roles, only DXP Enterprises does not have a named lead or presiding director.

Houston Boards Reporting a Presiding Director*

Company	Presiding director	Company	Presiding director
CVR Energy	Stephen Mongillo	Prosperity Branchshares	James Bouligny
EOG Resources	Charles Crisp	Sanchez Energy	Gilbert A. Garcia
Kirby Corporation	Richard Alario	Westlake Chemical	Rotates among independent directors

Houston Boards Reporting a Leading Director*

Company	Lead director	Company	Lead director
Diamond Offshore Drilling	Edward Grebow	Noble Corporation plc	Gordon T. Hall
Exterran Corp.	William Goodyear	Noble Energy	Michael Cawley
Forum Energy Technologies	Michael McShane	Oasis Petroleum	Michael McShane
Halliburton	Robert A. Malone	Patterson-UTI Energy	Curtis Huff
Huntsman Corporation	Nolan Archibald	Phillips 66	Glenn Tilton
Insperity	Austin Young	Quanex Building Products	Joseph Rupp
Keane Group	Marc G.R. Edwards	Schlumberger	Peter Currie
Kinder Morgan	Michael Morgan	Select Energy Services	Robert V. Delaney
LGI Homes	Bryan Sansbury	Service Corporation	Anthony Coelho
Nabors Industries	John Yearwood	Superior Energy Services	James Funk
National Oilwell Varco	Greg Armstrong	Targa Resources	Charles R. Crisp
Newfield Exploration Company	Steven Nance	TechnipFMC plc	Richard A. Pattarozzi
Nexeo Solutions	Thomas E. Zacharias	Waster Connections	Michael W. Harlan

* Based on companies' most recent proxies as of August 10, 2018.

HOUSTON BOARDS AVERAGE ABOUT ONE LESS MEETING THAN IN 2017

- » Houston company boards met 7.9 times on average, down from 8.8 in 2017. The average S&P 500 board met 8.0 times, a decline from 8.4 in 2017.
- » The number of reported meetings ranged from as few as four to as many as 25. The most common number of meetings was four.
- » Twenty-six percent of companies reported holding 10 or more board meetings, down from 30% in 2017.

AUDIT, COMPENSATION AND NOMINATING/GOVERNANCE COMMITTEES ARE STANDARD PRACTICE

- » All Houston boards have the mandatory audit committee and all have a compensation committee.
- » All but two companies have a nominating, governance, or combined nominating and governance committee. Diamond Offshore Drilling and Spark Energy are not required to have such a committee because they are controlled companies.
- » Other more common committees include the executive committee and the finance committee.

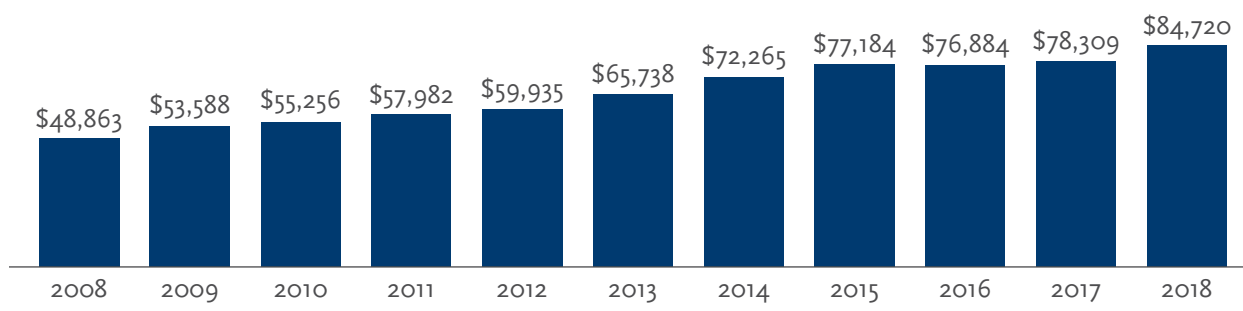
Director Compensation

Methods of director compensation have changed over recent years: Fewer boards provide meeting attendance fees or stock options to non-employee directors. Instead, they are more likely to offer stock grants to directors. Compensation for board leadership roles, including committee chairs and committee service, is also on the rise.

CASH RETAINERS INCREASE BY 8%

- » The average cash retainer for Houston boards is \$84,720, an 8% increase from the 2017 average of \$78,309 and a 73% increase from 2008, when the average retainer was \$48,863. Despite the increases, the average Houston cash retainer remains far below the S&P 500 average of \$124,306.

Average Cash Retainer for Houston Companies



- » The average retainer (\$114,333) for Houston companies with revenue of more than \$10 billion approaches the overall S&P 500 average of \$124,306.
- » Only two of the 84 Houston boards do not report paying a cash retainer to directors. In lieu of a cash retainer, DXP Enterprises and Prosperity Bancshares award significant shares of common stock and provide meeting attendance fees.

Board Cash Retainers

	Houston board breakdown by company revenue*				
	>\$10B	\$4 to \$10B	\$2B to \$4B	\$1.2B to \$2B	<\$1.2B
Minimum	\$45,000	\$75,000	\$55,000	\$40,000	\$40,000
Maximum	\$200,000	\$150,000	\$100,000	\$100,000	\$165,625
Average	\$114,333	\$100,429	\$80,900	\$67,625	\$69,618

* Among companies that provide a cash retainer

AUDIT COMMITTEE CHAIR RETAINERS SIGNIFICANTLY OUTPACE THOSE OF OTHER COMMITTEES

- » The average audit committee chair retainer is 47% higher than the average retainer paid to other committee chairs, and the audit chair retainer has grown from \$19,953 in 2017 to \$22,382 in 2018.
- » Despite the increases, the average Houston audit committee chair retainer still trails the S&P 500 average of \$25,777.
- » The average for all other Houston committee chairs is \$15,186, up from \$13,639 in 2017, \$14,081 in 2016 and \$14,049 in 2015.

Committee Chair Cash Retainers

	% of Houston boards paying this type of compensation	Houston average	% of S&P 500 boards paying this type of compensation	S&P 500 average
Audit committee chairs	89%	\$22,382	97%	\$25,777
Other committee chairs	86%	\$15,186	95%	\$18,599

2008 – 2018 Comparison

Snapshot: 2018 Versus 2008

	2018	2008	% change
Average age of independent directors	63.3	60.7	4.1%
Percent of independent directors who are female	20%	7.1%	182%
Percentage of new directors who are female	33%	36%	-8.3%
Percentage of boards declassified	74%	51%	45%
Percentage of directors who are independent	80%	78%	2.6%
Companies with combined chair and CEO roles	29%	56%	-48.2%
Named lead or presiding director	51%	86%	-41%
Average board size	9.0	8.7	3.4%
Number of board meetings	7.9	7.4	8.1%
Average annual retainer	\$84,720	\$48,863	73.4%

HOW DOES YOUR BOARD MEASURE UP?

It's easy to calculate how your board compares in size and composition to Houston's top companies: Use the following index to assess your board, as well as companies in the S&P 500. (Note that in some cases, the averages mask wide variations among individual companies.)

Board Index of Largest Houston Companies

	Average	Highest	Lowest	Your board
Number of directors	9.0	16	4	
Number of board meetings per year	7.9	25	4	
Percentage of independent directors	80%	100%	17%	
Percentage of female independent directors	20%	50%	0%	
Average age of independent directors	63.3	71.4	48	

We hope you find this tool to be a useful benchmark. If you have any questions, please contact us at 1.713.225.1621. Consultants within our Board Practice can help you assess, analyze and determine the best course of action to evolve your board.

Comparative Board Data

Comparative Board Data

COMPANY TICKER REVENUE (\$ MILLIONS)	NUMBER OF DIRECTORS						BOARD COMPENSATION										DIRECTOR ADDITIONS
	TOTAL	NEW INDEPENDENT	INDEPENDENT	NEW FEMALE	FEMALE	(OUTSIDE DIRECTORS) AVERAGE AGE	PRESIDING (P) OR LEADING (L) DIRECTOR	CHAIR AND CEO COMBINED	MANDATORY RETIREMENT AGE	TERM LENGTH	NUMBER OF BOARD MEETINGS	CASH RETAINER	VALUE OF ANNUAL EQUITY AWARDS	AUDIT COMMITTEE CHAIR RETAINER	COMPENSATION COMMITTEE CHAIR RETAINER	LEAD DIRECTOR ANNUAL RETAINER	
Phillips 66 PSX \$93,072	10	9	0	3	0	66	L	Y	75	3	6	\$125,000	\$200,000	\$25,000	\$25,000	\$50,000	
Sysco SYX \$57,833	13	12	1	4	1	66				1	8	\$100,000	\$160,000	-	-	N/A	Sheila Talton
LyondellBasell LYB \$35,821	12	11	0	3	0	65			75	1	4	\$115,000	\$170,000	\$27,500	\$20,000	N/A	
Schlumberger SLB \$32,189	11	9	0	3	0	63	L	Y	70	1	5	\$115,000	not listed	\$20,000	\$20,000	\$50,000	
ConocoPhillips COP \$31,166	10	9	2	4	2	61	L	Y	72	1	8	\$115,000	\$220,000	\$25,000	\$20,000	\$35,000	C. Maury Devine Sharmila Mulligan
Baker Hughes BHGE \$22,127	9	5	0	2	0	63	L	Y	75	1	4	\$100,000	\$175,000	\$20,000	\$15,000	N/A	
Halliburton HAL \$22,081	12	10	0	2	0	66	L		72	1	6	\$115,000	\$185,000	\$25,000	\$20,000	\$30,000	
TechnipFMC FTI \$14,794	14	12	1	3	0	62	L		72	1	6	\$100,000	\$175,000	\$20,000	\$15,000	\$50,000	Arnaud Caudoux
Waste Management WM \$14,556	9	8	0	2	0	66			75	1	9	\$110,000	\$155,000	\$25,000	\$20,000	N/A	
Kinder Morgan KMI \$13,759	16	13	0	2	0	70	L			1	7	\$200,000	-	-	-	N/A	
Occidental Petroleum OXY \$13,314	11	10	0	3	0	67	P		75	1	7	\$125,000	\$225,000	-	-	N/A	
EOG Resources EOG \$12,478	8	7	1	1	0	68	P	Y	80	1	5	\$140,000	\$140,000	-	-	N/A	C. Christopher Gaut
Group 1 Automotive GPI \$11,465	9	4	0	2	0	65			75	1	8	\$45,000	\$190,000	\$25,000	\$15,000	N/A	
Anadarko Petroleum APC \$11,097	11	10	0	2	0	60	L	Y	72	1	5	\$110,000	\$250,000	\$25,000	\$25,000	\$35,000	
CenterPoint Energy CNP \$10,034	10	8	2	2	1	60	P			1	5	\$100,000	\$130,000	\$20,000	\$20,000	N/A	Leslie D. Biddle Martin Nesbitt
Quanta Services PWR \$9,706	9	8	0	1	0	62			73	1	9	\$85,000	\$139,321	\$35,000	\$25,000	N/A	
Targa Resources TRGP \$9,158	10	6	0	1	0	65	L			3	10	\$76,000	\$115,000	\$20,000	\$15,000	\$15,000	
Huntsman HUN \$8,721	7	6	1	1	0	68	L	Y	75	1	16	\$135,000	\$135,000	\$50,000	\$30,000	\$50,000	Daniele Ferrari

COMPANY TICKER REVENUE (\$ MILLIONS)	NUMBER OF DIRECTORS					BOARD COMPENSATION											DIRECTOR ADDITIONS
	TOTAL	NEW INDEPENDENT	NEW INDEPENDENT	FEMALE	NEW FEMALE	(OUTSIDE DIRECTORS) AVERAGE AGE	PRESIDING (P) OR LEADING (L) DIRECTOR	CHAIRMAN AND CEO COMBINED	MANDATORY RETIREMENT AGE	TERM LENGTH	NUMBER OF BOARD MEETINGS	CASH RETAINER	VALUE OF ANNUAL EQUITY AWARDS	AUDIT COMMITTEE CHAIR RETAINER	COMPENSATION COMMITTEE CHAIR RETAINER	ANNUAL RETAINER	
Westlake Chemical WLK \$8,248	12	8	3	1	0	64	P		75	3	10	\$100,000	\$120,000	\$20,000	\$15,000	N/A	Mark McCollum Jeffrey Sheets Marius Haas
National Oilwell Varco NOV \$7,358	9	8	1	2	1	64	L	Y	72	1	4	\$100,000	\$180,000	\$30,000	\$15,000	\$25,000	Melody Meyer
Cheniere Energy LNG \$6,659	11	9	2	2	0	58			75	1	9	\$90,000	\$120,000	\$20,000	\$20,000	N/A	Andrew Langham Courtney Mather
CVR Energy CVI \$6,018	7	3	0	0	0	67	P			1	6	\$75,000	-	-	-	N/A	
Apache Corporation APA \$5,990	10	9	1	2	0	60			75	1	10	\$100,000	\$200,000	\$20,000	\$20,000	N/A	Rene Joyce
Weatherford International WFT \$5,736	10	9	3	2	2	66			72	1	5	\$135,000	\$184,996	\$22,500	\$17,500	N/A	Roxanne Decyk David King Angela Minas
Marathon Oil MRO \$4,950	8	7	2	2	1	63	P		72	1	12	\$150,000	\$175,000	\$25,000	\$25,000	N/A	Douglas Foshee Lisa Hyland
Crown Castle CCI \$4,932	12	10	1	2	1	63	P			1	7	\$75,000	\$155,000	\$20,000	\$15,000	N/A	Andrea Goldsmith
Waste Connections WCN \$4,679	7	6	0	1	0	67	L	Y	75	1	4	\$100,000	\$160,280	\$25,000	\$25,000	N/A	
Noble Energy NBL \$4,305	9	7	0	1	0	66	L	Y	72	1	18	\$85,000	\$200,000	\$25,000	\$15,000	\$25,000	
KBR KBR \$4,103	9	8	1	2	1	65			75	1	12	\$100,000	\$110,000	\$20,000	\$15,000	N/A	Wendy Masiello
Nexeo Solutions NXEO \$3,895	8	7	2	0	0	57	L			3	7	\$100,000	\$100,000	\$20,000	\$15,000	\$20,000	Brian Selmo Robert Zatta
MRC Global MRC \$2,794	11	8	1	2	1	65			73	1	5	\$75,000	\$125,000	\$25,000	\$20,000	N/A	Deborah Adams
American National Insurance ANAT \$3,435	8	5	0	1	0	70				1	5	\$55,000	\$88,013	\$8,000	\$6,000	N/A	
Insperty NSP \$3,432	9	7	2	2	1	67	L	Y		3	10	\$61,000	\$90,000	\$25,000	\$15,000	\$20,000	Ellen Masterson Randall Mehl
Tailored Brands TLRD \$3,339	9	7	1	3	1	62			75	1	7	\$100,000	\$150,000	\$25,000	\$20,000	N/A	Sue Gove
Southwestern Energy SWN \$3,277	8	7	2	1	0	63			75	1	6	\$75,000	\$200,000	\$20,000	\$15,000	N/A	Gary Luquette Patrick Prevost

Comparative Board Data

COMPANY TICKER REVENUE (\$ MILLIONS)	NUMBER OF DIRECTORS					BOARD COMPENSATION											DIRECTOR ADDITIONS
	TOTAL	NEW INDEPENDENT	INDEPENDENT	FEMALE	NEW FEMALE (OUTSIDE DIRECTORS)	AVERAGE AGE	PRESIDING (P) OR LEADING (L) DIRECTOR	CHAIR AND CEO COMBINED	MANDATORY RETIREMENT AGE	TERM LENGTH	NUMBER OF BOARD MEETINGS	CASH RETAINER	VALUE OF ANNUAL EQUITY AWARDS	AUDIT COMMITTEE CHAIR RETAINER	COMPENSATION COMMITTEE CHAIR RETAINER	LEAD DIRECTOR ANNUAL RETAINER	
Service Corporation Intl. SCI \$3,112	12	10	2	3	2	69	L	Y		3	4	\$90,000	\$180,000	\$25,000	\$20,000	\$30,000	Jakki Haussler Sarah Martinez Tucker
McDermott International MDR \$3,073	11	10	6	2	1	64			72	1	5	\$85,000	\$135,000	\$20,000	\$20,000	\$20,000	Philippe Barril Marsha Williams James Miller Craig Kissel Richard Flury Forbes Alexander
Patterson-UTI Energy PTEN \$2,861	8	6	1	2	1	63	L			1	12	\$75,000	\$175,000	\$15,000	\$15,000	\$20,000	Janeen Judah
NOW Inc. DNOV \$2,781	9	8	1	1	0	62			72	3	4	\$70,000	\$120,000	\$20,000	\$15,000	N/A	Paul Coppinger
Nabors Industries NBR \$2,736	7	6	1	1	1	62	L	Y	72	1	5	\$100,000	\$300,000	\$100,000	\$50,000	\$50,000	Tanya Beder
Transocean Ltd. RIG \$2,688	11	10	1	1	0	59			72	1	4	\$100,000	\$210,000	\$35,000	\$20,000	N/A	Frederik Mohn
Par Pacific Holdings PARR \$2,603	9	6	0	0	0	66				1	5	\$62,500	\$62,500	\$20,000	\$15,000	N/A	
Kirby Corporation KEX \$2,464	9	7	0	1	0	65	P		72	3	11	\$75,000	\$167,500	\$20,000	\$15,000	\$20,000	
Kraton Corporation KRA \$2,005	9	8	2	3	1	62				3	6	\$90,000	\$90,000	\$17,500	\$12,500	N/A	Shelley Bausch Mark Blinn
Stewart Information Services STC \$1,958	9	8	0	0	0	60				1	20	\$40,000	\$60,000	\$15,000	\$10,000	N/A	
Superior Energy Services SPN \$1,956	8	6	0	1	0	68	L		75	1	4	\$85,000	\$200,000	\$20,000	\$15,000	\$25,000	
Newfield Exploration NFX \$1,930	10	9	1	2	0	64	L	Y	72	1	4	\$75,000	\$200,000	\$25,000	\$20,000	\$120,000	Edgar R. “Bud” Giesinger
Oceaneering International OII \$1,892	9	8	1	1	1	64				3	8	\$70,000	\$170,000	\$15,000	\$8,000	N/A	Deanna Goodwin
C&J Energy Services CJ \$1,878	7	6	0	0	0	60				3	17	\$87,500	\$135,500	\$20,000	\$15,000	N/A	
Comfort Systems USA FIX \$1,872	9	8	1	1	0	62			72	1	10	\$60,000	\$140,000	\$30,000	\$20,000	N/A	William Sandbrook
NCI Building Systems NCS \$1,837	12	10	2	1	0	66			75	3	4	\$65,000	\$90,000	\$18,500	\$13,500	N/A	William VanArsdale James Metcalf

COMPANY TICKER REVENUE (\$ MILLIONS)	NUMBER OF DIRECTORS					AVERAGE AGE (OUTSIDE DIRECTORS)	PRESIDING (P) OR LEADING (L) DIRECTOR	CHAIRMAN AND CEO COMBINED	MANDATORY RETIREMENT AGE	TERM LENGTH	NUMBER OF BOARD MEETINGS	BOARD COMPENSATION					DIRECTOR ADDITIONS
	TOTAL	NEW INDEPENDENT	INDEPENDENT	FEMALE	NEW FEMALE							CASH RETAINER	VALUE OF ANNUAL EQUITY AWARDS	AUDIT COMMITTEE CHAIR RETAINER	COMPENSATION COMMITTEE CHAIR RETAINER	LEAD DIRECTOR ANNUAL RETAINER	
Keane Group FRAC \$1,815	11	4	1	1	0	60	L	Y		1	7	\$75,000	initial stock grant only	\$20,000	-	\$100,000	Christian Garcia
EnSCO plc ESV \$1,789	11	10	0	2	0	67			72	1	6	\$100,000	\$200,000	\$20,000	\$15,000	N/A	
Cabot Oil & Gas COG \$1,731	8	7	2	2	1	65	L	Y	73	1	6	\$75,000	\$230,000	\$20,000	\$20,000	\$25,000	Amanda Brock Marcus Watts
Stage Stores SSI \$1,631	7	6	0	3	0	65			75	1	8	\$60,000	\$100,000	\$20,000	\$15,000	N/A	
Conn's, Inc. CONN \$1,519	8	6	0	1	0	53	L	Y	72	1	7	\$70,000	\$75,000	\$15,000	\$10,000	\$20,000	
Cardtronics CATM \$1,486	8	7	0	2	0	62				3	9	\$70,000	\$135,000	\$20,000	\$20,000	N/A	
Adams Resources AE \$1,406	6	4	0	1	0	60				1	4	60,000	-	\$10,000	\$10,000	N/A	
Bristow Group BRS \$1,384	9	8	1	1	0	63			75	1	11	\$90,000	\$125,000	\$20,000	\$20,000	N/A	Gaurdie Banister Jr.
Diamond Offshore Drilling DO \$1,376	8	4	0	0	0	70	L			1	5	\$50,000	\$22,441	\$15,000	\$10,000	\$10,000	
LGI Homes LGIH \$1,374	6	5	0	0	0	55	L	Y		1	5	\$60,000	\$100,000	\$15,000	\$15,000	\$20,000	
Exterran Corporation EXTN \$1,320	7	5	0	1	0	65	L		75	1	7	\$45,000	\$112,500	\$13,500	\$13,500	\$22,500	
Oasis Petroleum OAS \$1,286	6	4	0	0	0	61	L	Y		3	9	\$65,000	\$160,900	\$20,000	\$15,000	\$25,000	
Team, Inc. TISI \$1,216	9	8	2	1	0	64				3	15	\$50,000	\$75,000	\$20,000	\$10,000	N/A	Brian Ferraioli Craig Martin
Rowan Companies RDC \$1,120	9	8	1	1	0	65				1	17	\$80,000	\$200,000	\$15,000	\$15,000	N/A	Thierry Pilenko
Noble Corporation NE \$1,082	7	6	0	3	0	60	L	Y	72	1	4	\$50,000	\$200,000	\$20,000	\$20,000	\$22,500	
EP Energy EPE \$1,068	13	3	3	0	0	48			72	3	12	\$90,000	\$175,000	\$30,000	\$20,000	N/A	Alan Crain Barton Kalsu Robert Reeves
Apergy Corporation APY \$1,063	7	6	6	1	1	61			72	3		\$112,500	\$112,500	\$15,000	\$10,000	N/A	Mamatha Chamarthi Kenneth Fisher Gary Luquette Daniel Rabun Stephen Todd Stephen Wagner

Comparative Board Data

COMPANY TICKER REVENUE (\$ MILLIONS)	NUMBER OF DIRECTORS						BOARD COMPENSATION										DIRECTOR ADDITIONS
	TOTAL	NEW INDEPENDENT	INDEPENDENT	FEMALE	NEW FEMALE	(OUTSIDE DIRECTORS) AVERAGE AGE	PRESIDING (P) OR LEADING (L) DIRECTOR	CHAIR AND CEO COMBINED	MANDATORY RETIREMENT AGE	TERM LENGTH	NUMBER OF BOARD MEETINGS	CASH RETAINER	VALUE OF ANNUAL EQUITY AWARDS	AUDIT COMMITTEE CHAIR RETAINER	COMPENSATION COMMITTEE CHAIR RETAINER	LEAD DIRECTOR ANNUAL RETAINER	
DXP Enterprises DXPE \$1,054	4	3	0	0	0	69		Y		1	4	-	\$ 75,000	-	-	N/A	
Sterling Construction STRL \$1,027	7	6	0	1	0	65				1	9	\$50,000	\$ 50,000	\$25,000	\$15,000	N/A	
Select Energy Services WTTR \$969	9	7	0	1	0	57	L			1	10	\$50,000	\$75,000	-	-	N/A	
Camden Property Trust CPT \$931	10	8	0	3	0	64	L	Y	75	1	7	\$55,000	\$182,500	\$20,000	\$15,000	\$25,000	
Forum Energy Technologies FET \$898	10	8	0	1	0	59	L		72	3	6	\$70,000	\$150,000	\$20,000	\$10,000	\$20,000	
Spark Energy SPKE \$888	5	3	0	0	0	58				3	6	\$75,000	\$320,889	\$10,000	\$10,000	N/A	
Quanex Building Products NX \$868	6	5	0	1	0	67	L	Y	72	1	8	\$55,000	\$80,000	\$15,000	\$10,000	\$20,000	
TETRA Technologies TTI \$860	7	6	0	0	0	64				1	7	\$50,000	\$100,000	\$15,000	\$15,000	N/A	
Sanchez Energy SN \$858	8	6	0	0	0	54	P			3	25	\$75,000	\$211,018	\$20,000	\$15,000	N/A	
IES Holdings IESC \$819	7	5	1	0	0	62				1	11	\$40,000	\$25,000	\$25,000	\$10,000	N/A	Todd Cleveland
Archrock AROC \$817	8	7	0	2	0	61			75	1	14	-	\$112,500	\$13,500	\$13,500	N/A	
Newpark Resources NR \$816	7	6	2	1	1	61			75	1	11	\$55,000	\$150,000	\$30,000	\$30,000	N/A	John Minge Rose Robeson
Ultra Petroleum UPL \$804	7	6	2	0	0	50				1	9	\$165,625	\$279,075	\$15,000	-	N/A	Evan Lederman Edward Scoggins Jr.
Carrizo Oil & Gas CRZO \$783	8	6	1	1	1	69	L			1	5	\$80,000	\$80,000	\$37,500	\$30,000	\$27,500	Frances Aldrich Sevilla- Sacasa
Oil States International OIS \$773	8	7	1	1	0	70				3	8	\$50,000	\$125,000	\$17,500	\$10,000	N/A	Robert Potter
Prosperity Bancshares PB \$711	11	7	0	1	0	71	P			3	4	-	\$65,450	-	-	N/A	

All data were culled from each company's DEF14A proxy statement most recently filed with the U.S. Securities and Exchange Commission between October 16, 2017, and August 10, 2018, except where noted.

Board Governance Trends: A Global View



Spencer Stuart Board Governance Trends is an exclusive source of insight into the way board practices are changing around the world and how they compare across countries. It is a one-stop online resource for the latest data in board composition, governance practices and director compensation among leading public companies in more than 20 countries.

www.spencerstuart.com/research-and-insight/board-indexes

Visit **spencerstuart.com** for more information.

Amsterdam
Atlanta
Bangalore
Barcelona
Beijing
Bogotá
Boston
Brussels
Buenos Aires
Calgary
Chicago
Copenhagen
Dallas
Dubai
Düsseldorf
Frankfurt
Geneva
Hong Kong
Houston
Istanbul
Johannesburg
Lima
London
Los Angeles
Madrid
Melbourne
Mexico City
Miami
Milan
Minneapolis/St. Paul
Montreal
Moscow
Mumbai
Munich
New Delhi
New York
Orange County
Paris
Philadelphia
Prague
Rome
San Francisco
Santiago
São Paulo
Seattle
Shanghai
Silicon Valley
Singapore
Stamford
Stockholm
Sydney
Tokyo
Toronto
Vienna
Warsaw
Washington, D.C.
Zürich



SpencerStuart