

Central Audit Committee Network



CACN

Vision

- The Central Audit Committee Network (CACN) is a group of audit committee chairs from leading companies in Illinois, Indiana, Michigan, Minnesota, Missouri, Ohio, and Wisconsin who are committed to improving the performance of audit committees and enhancing trust in financial markets.
- Since 2007, the network has been organized and led by Tapestry Networks with the support of EY as part of its continuing commitment to board effectiveness and good governance.

Program

- CACN consists of up to 40 members that meet three times each year. Typically, two of the meetings are held face to face in Chicago. The third meeting is conducted virtually.
- Meeting agendas are set in close consultation with CACN members and focus on pragmatic steps to improve audit committee and overall board performance. Face-to-face meetings typically run from 2:30pm through dinner. Virtual meetings consist of a series of interactive sessions scheduled in 60 to 90-minute increments.
- There is no fee to join the network, and members may choose to have expenses for attending meetings in their home network reimbursed by Tapestry Networks.
- Members may attend one meeting of another North American regional audit committee network each year, in order to accommodate issue interests and minimize schedule conflicts. The expenses incurred to attend meetings outside of one's home network are not subject to reimbursement by Tapestry Networks.

Membership criteria

The following criteria will be used to determine network membership:

- Audit committee chairs representing public companies with annual revenues typically exceeding \$2 billion.
- Mix of operating and retired executives.
- Mix of EY clients and non-clients.
- Exceptions to these criteria may be made on a case by case basis.

Members

- Kapila Anand, Elanco Animal Health
- Art Anton, Sherwin-Williams
- Anne Arvia, GATX
- Bruce Besanko, Diebold Nixdorf
- John Bryant, Macy's
- Howard Carver, Assurant
- Pat Condon, Entergy
- Rick Fox, Univar
- Cheryl Francis, Morningstar
- Mark Goldfarb, Charles Schwab
- Marla Gottschalk, Big Lots
- Brad Halverson, Sysco
- Mike Hanley, BorgWarner
- Harry Harczak, Tech Data
- Linda Harty, Parker-Hannifin and Wabtec
- Cara Heiden, Casey's General Stores
- Sandy Helton, Principal Financial Group
- Jay Henderson, The J.M. Smucker Company
- Frank Jaehnert, Nordson
- Tracey Joubert, Cooper Tire
- Laurette Koellner, Celestica, Nucor, and Papa John's International
- Blythe McGarvie, LKQ Corporation
- Michael Merriman, Regis
- Rick Navarre, Covia Holdings
- Neil Novich, Hillenbrand
- Lisa Payne, Masco
- Al Smith, Simon Property Group
- Sherry Smith, Deere & Company
- Pam Strobel, Illinois Tool Works
- Steve Strobel, Newell Brands
- Karin Teglia, Wintrust Financial Corporation
- Michael Todman, Brown-Forman
- Richard Wallman, Extended Stay America and SmileDirectClub
- Pete Wilver, Circor and Evoqua Water Technologies
- Phoebe Wood, Invesco
- Ray Young, International Paper

Member value

- Private peer-to-peer dialogue discussing insights on immediate, practical issues confronting audit committees.
- Sharing of emerging best practices locally.
- Access to insights from well over 100 audit committee chairs in similar audit committee networks through content developed by Tapestry Networks and EY.
- Improved audit committee performance.
- Improved personal effectiveness in the audit committee chair role.
- Contribution to improving corporate governance and enhancing trust in markets.

Network content

- Before each meeting, members are provided with brief, curated materials designed to stimulate dialogue at network meetings.
- After each meeting, a *ViewPoints* is published. That document draws upon the meeting discussion and similar meeting discussions with other networks across the United States.
- Members are encouraged to share the *ViewPoints* with board colleagues and others in their personal networks.

Confidentiality

- The network uses a modified version of the Chatham House Rule whereby names of members and their company affiliations are a matter of public record, but comments made during meetings and pre-meeting conversations are not attributable to individuals, companies, or industries.
- Insights developed by the network, and emerging best practices shared by network members, are sanitized and published by Tapestry Networks. They may then be distributed by members to colleagues on audit committees and boards, and their advisers, and may be distributed by EY to its clients and others.

Expected time commitment

- Members are asked to commit to at least 12 months' membership.
- Members can expect to spend about two days combined per calendar year on network business. The time commitment comprises both preparation for and participation in network meetings.

Network alumni

Members are encouraged to remain in contact with the network after they have ceased to be active members. Network alumni:

- May attend one final network meeting after they have left the network
- Are eligible to receive network-related content
- May be invited to special meeting events or dinners on an ad hoc basis

Tapestry and EY

- Tapestry Networks is a privately held professional services firm. Its mission is to advance society's ability to govern and lead across the borders of sector, geography, and constituency. EY is a global leader in assurance, tax, transaction and advisory services. EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients.
- Since its inception, CACN has been organized by Tapestry Networks pursuant to a services agreement with EY, under which EY pays Tapestry Networks a services fee and reimburses Tapestry Networks' out-of-pocket expenses (including the expenses of some network members incurred in connection with attending network meetings).
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