



AESC BOARD SEARCH & ADVISORY SERVICES GUIDING PRINCIPLES

DESIGNED TO DELIVER CLIENT-CENTERED
RESULTS

By AESC: The voice of excellence for the executive
search and leadership consulting profession worldwide

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The Association of Executive Search
and Leadership Consultants

AESC BOARD SEARCH & ADVISORY SERVICES GUIDING PRINCIPLES

DESIGNED TO DELIVER CLIENT-CENTERED RESULTS

OBJECTIVE OF THESE GUIDING PRINCIPLES

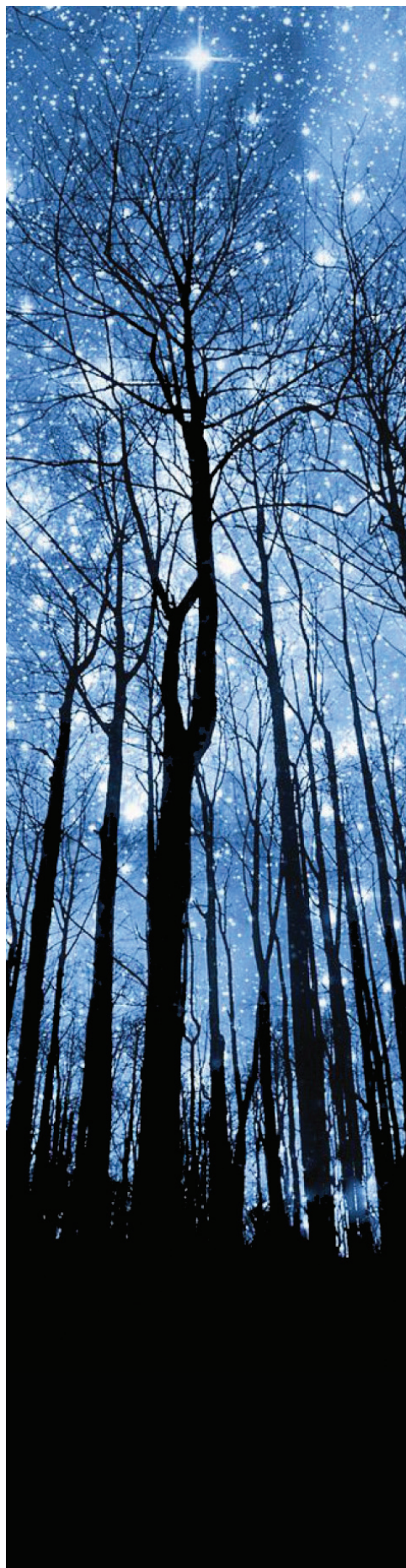
Members of the Association of Executive Search and Leadership Consultants (AESC) are committed to the highest standards of excellence. This is true whether they are part of the largest firms in the world, regional boutique firms, or members of global networks. As the voice of excellence for the profession, AESC has developed the following Board Search and Advisory Services Guiding Principles to ensure that top executive search and leadership consultants meet the highest professional standards and to provide assurance to clients of the value of selecting a firm who has committed to these standards.

These Board Search and Advisory Services Guiding Principles provide clarity around this important body of work as our members strive every day to be trusted advisors to their clients.

DIVERSITY AND BOARDS

Around the world, boards are increasingly focused on enhancing their overall effectiveness and see diversity of board members considered broadly and the right board composition as critical factors to overall board effectiveness. AESC, as the governing body for our profession, confirms that we are fully committed to board diversity (and diversity more broadly). We, as a profession, believe that *diverse boards are better boards and that diversity enhances business results and drives innovation*. We are and will continue to be part of a broader solution to enhance diversity of board and business leadership. One of the six tenets that are part of our Code of Professional Practice is Diversity and Inclusion. AESC members value diverse leadership. They identify the most qualified talent by searching and assessing without bias.

AESC members understand the importance of defining diversity broadly within the context of individual client requirements and regional differences.



They are mindful of ever-changing regulatory requirements around the world regarding diversity, both gender and diversity more broadly defined, and our members have strong networks and use in-depth research that enables them to find the best possible diverse talent rather than just focusing on the “usual suspects.” They pride themselves on thinking creatively when considering available talent, important new high value expertise, and experience aligned with client business strategies.

Our members see their role as “facilitators, influencers and advisors,” but respect the client’s overall ownership of this issue in their role as “decider and selector” of the successful candidate, whether for a board or an executive position. They seek the best possible candidates, aligned with each client’s specific needs and diversity requirements, without bias. In today’s business environment, it is common for a board to specifically include diversity in their board composition strategy, as a requirement of the search. Top executive search professionals are committed to meet this growing need by finding exceptional diverse talent. Our members take pride in working with their clients to clearly define and meet their needs, striving to exceed expectations. The best executive search consultants get results when it comes to building diverse boards.

Diverse boards are better boards.

AESC members are proud of their work with clients to enhance board diversity.

BOARD COMPOSITION STRATEGY

The first step of any board consulting assignment often begins with an open and frank discussion about the client’s board composition strategy. This strategy should be developed within the overall context of the specific client, their industry, and their changing business strategies and future growth opportunities. Creating a matrix of current expertise and diversity, together with an understanding of term and age limits and overall board refreshment strategies, helps the board as it develops an overall succession plan for the board. Working with the client, our members define a clear board composition strategy considering the following:

- Changing business strategies
- Strong board governance and risk management
- Requisite board expertise and diversity mix, including any specific targets and goals
- Board refreshment strategies
- Succession planning

Clients can count on AESC members to help define and then meet their specific board composition needs. AESC members are able to be creative and innovative when it comes to developing and delivering on a fresh board composition strategy.



BOARD SEARCH

FINDING AND ASSESSING THE RIGHT TALENT:

After developing a clear board composition strategy, our members develop a candidate brief (or profile) that defines the ideal candidate aligned with the board composition strategy. Then they begin the important work of finding the right candidate for this assignment. AESC members that specialize in board search pride themselves on developing relationships and building networks of *diverse talent* to meet the changing needs of boards around the world. Clients around the world are seeking to strengthen their boards by adding highly-qualified, diverse talent because they believe, as we do, that diverse boards are better boards. AESC members have strong track records when it comes to finding diverse talent.

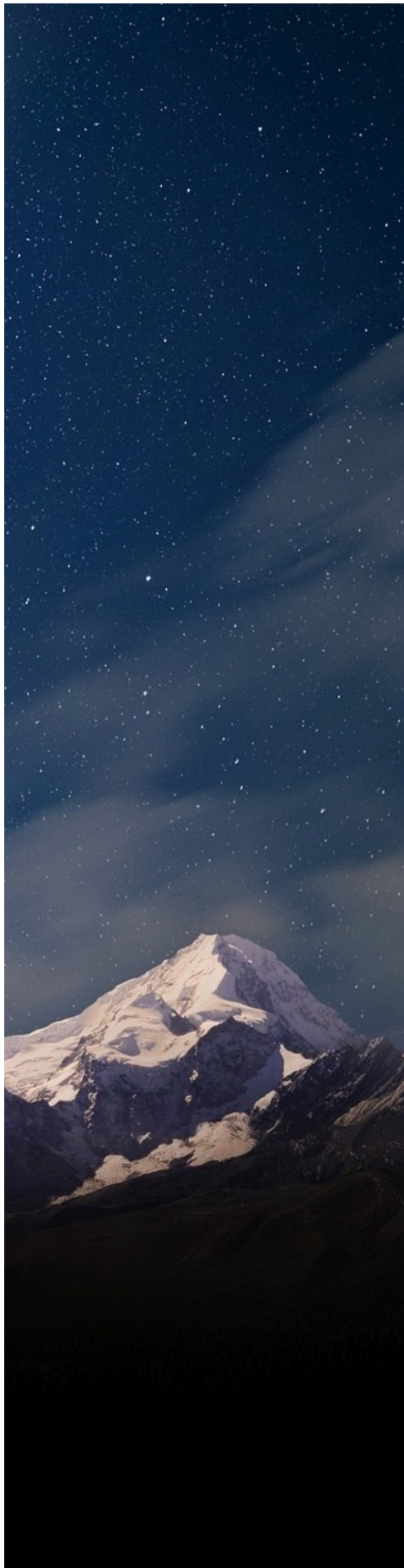
AESC members begin with a long, diverse list of candidates that appear to meet client requirements and often include candidates that are outside the detailed specification, but are intriguing in terms of experience, capabilities and fit. They conduct a broad search, aiming to do so while understanding and managing potential unconscious bias. Top search consultants focus on delivering a slate of top notch candidates that fit within the client's board composition strategy and then fine-tune the initial assessment of potential fit. AESC members embrace their responsibility to help educate clients and make sure they are getting access to the broadest possible range of individuals who can perform successfully. In this role, AESC members strive to create awareness of the broader available talent pool and to help clients maintain a focus on the capabilities and potential of candidates, rather than a narrower view defined only by traditional experiences. With significant client input, they narrow the list down to a short list of candidates that will go through a more comprehensive assessment process. They then present the candidates that will be interviewed by the board (or the Nominating/Governance Committee of the Board).

- Create the right brief, aligned with the Board Composition Strategy
- Long lists and short lists go beyond the "usual suspects," identifying diverse candidates that specifically meet the client's Board Composition Strategy requirements
- Candidate assessment and candidate presentation, avoiding the negative impacts of unconscious bias

AESC members enjoy the challenge of a difficult search and pride themselves on innovative and diverse solutions.

CANDIDATE PREPARATION AND SELECTION:

The final stage of interviewing by the Board and ultimate candidate selection is critical. It is in everyone's best interest that the interview process is well-structured and that the candidate is well-prepared. Our members play an important role with both aspects of this process. They ensure that board members have appropriate background on each candidate and help to structure the interview process. They also ensure that qualified candidates



are well-prepared for the board interview process and have appropriate background on the client, board, culture and strategy. They understand the specific additional support that first time board members may require as this process may be new for them.

- Prepare candidate for interviews with special attention for first time board candidates, focusing on board members, board culture, business strategies and, for first time board members, the role of board members
- Present candidates
- Structure effective board interviews

AESC members know the value that indepth preparation plays in the critical selection process. They are expert at preparing first time board candidates for their board interviews and their board appointment.

BOARD ADVISORY SERVICES

Boards around the world are focused on increased professionalism as well as higher standards of performance and overall effectiveness. Standards for corporate governance may vary around the world, but all would agree that board effectiveness is dependent on a unique combination of board composition, board practices and clarity regarding roles and performance. As board advisors, AESC members are retained by boards to facilitate and advise on board effectiveness processes that may include assessing board culture, creating an inclusive environment that encourages innovative thinking, providing clarity on the roles for the Board, the Board Committees and each individual member and related performance evaluation, and developing effective induction and onboarding processes with special attention for first time board members.

- Assess and adapt board culture to changing requirements
- Induct and onboard with special attention for first time board members
- Create an inclusive board culture
- Strengthen the relationship between the CEO and the Board
- Help define Board, Board Committee, and Board Member role and evaluation

As trusted advisors, AESC members can be counted on to enhance board effectiveness.



BUILD BOARD EXECUTIVE SEARCH AND ADVISORY CAPABILITY

AESC members are committed to the highest professional practices, acting in the best interests of their clients, candidates and our profession. AESC members understand the importance of finding diverse talent and have strong, diverse networks and unique research capabilities, combined with innovative thinking that enables them to move beyond the “usual suspects.” Those that conduct Board Searches and Board Advisory Services understand the unique nature of this type of work and build specific capabilities focused on this unique work. They are committed to AESC’s Code of Professional Practice and we ask that they also commit to these Board Search and Advisory Services Guiding Principles and develop internal training and measures to ensure success.

- Commit to incorporating AESC [Code of Professional Practice](#) and Board Search & Advisory Services Guiding Principles into your board search methodologies
- Develop appropriate internal measures

Board executive search & advisory services require special knowledge and experience and access to top diverse talent. AESC members take this specialization seriously, leveraging strong, specific capabilities to meet the demands of their clients.



ABOUT THE ASSOCIATION OF EXECUTIVE SEARCH AND LEADERSHIP CONSULTING

AESC is the voice of excellence for the executive search and leadership consulting profession worldwide. Our rigorous Code of Professional Practice and Standards of Excellence guide our members in 1,263 offices in 72 countries and beyond to serve as strategic advisors on behalf of their clients. In turn, AESC members are best positioned to provide companies with a competitive advantage—the ability to find, attract and develop the best talent in the world and ensure that executives are successfully integrated. AESC recognizes that diversity is a business imperative. As trusted advisors to those companies that drive economies, lead innovation, and compete across vital sectors and geographies, we know first-hand the power of diverse corporate leadership.

By virtue of selecting an AESC member, clients can be secure in their choice of consulting firm, and can reap the benefits that only a trusted advisor can deliver. To learn more about AESC and to view a list of AESC members, visit www.aesc.org. To learn more about AESC's career service for executive-level candidates, visit www.bluesteps.com.

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AESC CODE OF PROFESSIONAL PRACTICE

Members of the Association of Executive Search and Leadership Consultants are committed to the highest professional practices, acting in the best interests of their clients, candidates, the community-at-large, and our profession.

INTEGRITY

AESC members conduct themselves and their business activities with absolute integrity and are at all times open, honest, and worthy of trust.

EXCELLENCE

AESC members focus on their clients' unique business needs, providing high quality service and using rigorous results-focused methodologies.

OBJECTIVITY

AESC members serve as trusted advisors, exercising independent, objective judgment.

DIVERSITY & INCLUSION

AESC members value diverse leadership. They identify the most qualified talent by searching and assessing without bias.

CONFIDENTIALITY

AESC members always respect any confidential information entrusted to them by clients and candidates.

AVOIDING CONFLICTS OF INTEREST

AESC members avoid conflicts of interest with clients and candidates. Where a potential conflict may exist, members disclose and resolve those conflicts.



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