SIGHTS - R&D 3

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PRIVACY ARE HUGE MODELS TO LEVERAGE
*DATA: HOW DO WE ENGE CONCLUSIONS BASED GET PROPAGATED A

INSIGHTS - RND 4

* POLICY ISSUE: WHAT IS
Before directing your attention to Jon Spector’s letter, I want to thank you, the leaders of our 1,200 member companies, for your engagement and support of The Conference Board. Your participation informs our research and inspires us to provide ever more valuable insights and services.

As you will see in the pages that follow, Jon and his colleagues are executing on one of the most dynamic, technologically advanced strategies in the 97-year history of The Conference Board, and all are driven by the need to address the challenges of doing business in a complex and demanding global society.

Within that context, we describe several initiatives designed to enhance the value of The Conference Board’s research and services. Our aim is to expand our reach and to probe deeper into the issues you tell us are the most timely and important.

Also, I am happy to welcome two new members to our board—Susan Schwab, former U.S. Trade Representative and current Professor of Public Policy at the University of Maryland, and David Schmittlein, John C Head II Dean at the MIT Sloan School of Management. The Conference Board is fortunate to have the benefit of their enthusiasm and insights.

Sincerely,

Alan M. Dachs
Chairman, The Conference Board, Inc.
President and CEO, The Fremont Group
We continue to operate in uncertain times, and the current economic and business environment poses challenges for global business leaders. Economic growth will slow slightly in 2013, driven by reductions in the growth of emerging markets and continued difficulties in Europe. In the United States, we will likely maintain our modest growth path. These broad trends are expected to continue for the next several years.

To help business leaders navigate this environment, our research this year focused on several important themes drawn from executives’ top priorities. Our CEO Challenge survey found that chief executives in the United States and Europe cite global political and economic risk, along with government regulation, as their most pressing concerns. Asian leaders cite innovation as their top challenge, closely followed by human capital.

Last year, we partnered with Nielsen to create The Demand Institute, a research group devoted to understanding the twenty-first-century consumer; the first report examined how the U.S. housing market will evolve over the next five years. We also partnered with the Committee Encouraging Corporate Philanthropy to produce a definitive report on corporate giving practices. And we continue to expand our footprint in Europe and Asia, with an emerging presence in China through The Conference Board China Center, whose membership saw rapid growth in the last year.

Our Economics program is developing monthly leading and coincident economic indexes for Brazil and India, to be launched in 2013. Both countries, among the world's fastest-growing economies, are important parts of the G-20 major economies, with increasing global integration and close trading relationships with the EU, China, and the United States; their economic health is crucial to global growth.

To deliver even more value to our members and put executives more readily in touch with the right program or publication or statistic, we undertook a major restructuring of our four practice areas. And as visitors to our New York space will notice immediately, we just completed a dramatic transformation of our offices, modernizing and upgrading to increase openness and collaboration, and featuring the latest technology to better facilitate member programs.

Last, I want to take this opportunity to welcome Susan Schwab, Professor of Public Policy at the University of Maryland, and David Schmittlein, John C Head II Dean at the MIT Sloan School of Management, to our board of trustees. As we continue to seek ways to deliver more insights to members and help them operate their businesses more effectively, I look forward to working with Susan and David.

Respectfully submitted,

Jonathan Spector
Chief Executive Officer
The Conference Board, Inc.
YEAR IN REVIEW
A YEAR OF RENEWAL

It’s been another tough year, and there’s no end in sight. The U.S. economy is muddling along as weak hiring, nervous consumers, sluggish manufacturing, and a slow housing market continue to hinder the recovery. While some economists are forecasting slightly slower growth for 2013, joblessness—the most visible election-year indicator of a weak economy—remains stubbornly high.

The global picture is no better. The Conference Board Leading Economic Index®, in the United States and across the world, reflects a landscape of slower growth: Asia’s growth rate is slackening, and Europe, which continues to struggle through a banking crisis amid severe austerity measures and uncertainty over the future of the euro, is dragging down the global economy.

In this challenging, volatile climate, business leaders seek clarity and direction; they have even more reason to seek relevant insights that will enable them to navigate through difficult times. And so, to better serve our members, we’ve made the strategic decision to reevaluate our research agenda and the ways in which we provide value to the business community.

To maximize our reach and impact, we made significant organizational changes—most significantly, formalizing our knowledge areas into four key practice areas: Corporate Leadership; Economies, Markets & Value Creation; High-Performing Organizations; and Human Capital. The practices are four of the most important vehicles we have for collaboration across the organization. They are formal structures that will enable and accelerate the free flow of ideas to and from our membership.

Our research agenda now focuses exclusively on the critical issues that keep executives up at night. We believe that aligning research, products, and delivery into four practices is the most effective way to provide maximum impact, relevance, and value.

The new structure creates a clear pathway to our members, enabling all parts of the organization to deliver and solicit the most relevant insights about complex issues at the intersection of business and society. The new organization advances the development of an even more vibrant intellectual community, in which all aspects of The Conference Board are connected and focused on delivering more impact than ever before.
Practices: The Free Flow of Ideas

Corporate Leadership

Our Corporate Leadership practice assists members on a wide range of corporate governance, risk, and sustainability issues. The practice is widely recognized for its comprehensive portfolio of benchmarking data and qualitative research. Our annual Corporate Contributions Report provides data on U.S. and international contributions and giving to specific beneficiaries. In the future, this benchmarking tool will be produced in association with the Committee Encouraging Corporate Philanthropy. The U.S. Director Compensation and Board Practices Report analyzes board structure and director compensation information for 334 public companies registered with the U.S. Securities and Exchange Commission. Developed and published with NASDAQ and NYSE Euronext, this report is designed as a benchmarking tool, with more than 120 corporate governance data points analyzed by company size and industrial sectors.

The second edition of CEO Succession Practices documents and analyzes the succession events of CEOs of S&P 500 companies. In addition to updates on historical trends, the report features discussions of 2011’s most notable cases of CEO succession. The Proxy Voting Fact Sheet is the result of a collaboration between The Conference Board and FactSet; it is updated each March, May, and July and complements the Proxy Voting Report, a comprehensive annual benchmarking report on the proxy voting season.

The Corporate Leadership practice also conducts comprehensive research on sustainability issues. The report Sustainability Matters: Why and How Corporate Boards Should Become Involved addresses important issues for boards overseeing sustainability strategy, and Sustainability Practices: 2012 Edition analyzes the most recent disclosure of environmental and social practices by the 3,000 global public companies that compose the Bloomberg ESG 3000 index.

The practice continues to publish our popular Director Notes series—concise action reports providing immediate guidance on specific pressure points facing boards. The 25 reports produced this past fiscal year focused on issues such as risk management, the proxy season, European corporate governance, and sustainability.
Economies, Markets & Value Creation

Our Economies, Markets & Value Creation practice provides timely analyses and insights to help executives foresee market trends and manage successfully in any fiscal environment. The knowledge we share on emerging markets, labor market conditions, and the world’s most dynamic economies forms a foundation on which organizations can manage and sustain growth, maximize revenue, and improve long-term financial performance.

The Conference Board Economics Watch® series features live forecasts and commentary that address changing business and economic conditions worldwide. Complimentary for members of The Conference Board, Economics Watch delivers information via a monthly online briefing by Chief Economist Bart van Ark, as well as a quarterly presentation for China. More than 1,400 executives participated in these webcasts in the last year.

In addition, the practice continues to produce the widely watched Consumer Confidence Index® along with leading economic indexes for 11 countries representing more than two-thirds of global GDP. The Conference Board Help Wanted OnLine® Data Series looks at online labor demand in the United States, providing detailed data on local, state, and regional demand.

In February 2012, we launched The Demand Institute™ (TDI). Jointly operated by The Conference Board and Nielsen, The Demand Institute is a nonprofit, nonadvocacy organization with a mission to illuminate where consumer demand is heading around the world. In the spring, TDI published its first report on The Shifting Nature of U.S. Housing Demand, which forecasts demand over the next few years and examines the market in different parts of the country. Time magazine called the report “one of the most comprehensive and substantive arguments we’ve seen yet that the housing market is nearing the light at the end of the tunnel.”

High-Performing Organizations

Our practice on High-Performing Organizations applies our enterprise-wide perspective to help companies achieve strong performance. This perspective aims to share and integrate expertise in one or more areas of an organization across the enterprise, ensuring that strategies align with structures, processes, and culture.

Every year since 1999, The Conference Board has asked hundreds of CEOs from the world’s leading organizations to identify their most critical challenges. This fiscal year, more than
750 respondents from across geographies and industries revealed the strategies they are implementing to address their most pressing concerns, such as global political and economic risk, government regulation, innovation, and human capital—including attracting, retaining, and rewarding talent. The results were published in The Conference Board CEO Challenge® report. We also hosted a series of CEO Challenge Business Perspectives Briefings in the United States, India, and Asia, focusing on human capital, innovation, and talent in a volatile world.

The practice also continues to produce comprehensive research on corporate finance and measurement, global sourcing, marketing and communications, and operational excellence.

**Human Capital**

The Human Capital practice significantly increased the breadth, scope, and reach of human capital research and insights through publications, business briefings, and conference and council presentations.

In the past year, human capital research addressed a broad range of issues, including employee engagement, job satisfaction, strategic workforce planning, workforce readiness, human capital analytics, improving employment outcomes for people with disabilities, executive coaching, and talent management. We partnered with McKinsey & Company to produce The State of Human Capital, our ongoing joint research initiative.

The practice continued publishing the Human Capital in Review™ series, featuring quarterly literature reviews on key areas, and saw the expansion of the Human Capital Exchange™ web portal with support from Knowledge Partners including the Harvard Business Review, McKinsey & Company, CTPartners, PeopleMatters magazine, CFO magazine, Cornell University, the American Society for Training & Development, and Diversity Executive magazine. We also successfully launched a series of author-led book discussions for the profession. The practice continued the successful Human Capital Watch™, a monthly members-only broadcast series featuring research and practitioner reaction on relevant issues. Nearly 900 executives have participated since the program was launched.

The Conference Board also joined nearly 1,000 attendees at the Clinton Global Initiative-America summit, focusing on creating jobs. Our human capital leaders addressed sessions on workforce development, with particular emphasis on postsecondary credentialing as well as the workforce readiness of returning veterans.
Our human capital programs have global reach and impact. This past year, we conducted a strategic workforce planning engagement with the Singapore Government Ministry of Manpower. We also hosted our first annual meeting, convening members of the entire Human Capital practice to explore areas of greater collaboration across and beyond The Conference Board.

**Knowledge Sharing and Continuous Learning**

The value of membership is best demonstrated by Key Executives—senior-level leaders in member companies who represent a cross section of functions. Key Executives play a significant role in accelerating knowledge sharing and continuous learning across the organization by communicating the benefits of membership to their colleagues. The Key Executive program, introduced this past year, has already grown to 3,000 participants globally, with more than 1,800 in the United States alone.

Research Working Groups at The Conference Board provide senior executives with a cost-effective competitive advantage by addressing emerging business issues. Over the past year, more than 65 member companies participated in six research groups. Meetings were held around the globe; host companies included UPS, Microsoft, Novelis Brazil, PwC, Toyota Europe, ARAMARK, Mattel, and Johnson & Johnson. Participants examined issues such as employee engagement, safeguarding intellectual property in the global supply chain, human capital analytics, global corporate philanthropy, and improving outcomes for employees with disabilities. Research Working Groups received several grants, including support from the U.S. Department of Education, Cornell University, Microsoft, and the Center for Responsible Enterprise and Trade.

During the year, we also launched *The Conference Board Academies*, designed to help senior executives effect change in their organizations. Each program is completed over a three- to five-month period, with every syllabus designed to help participants formulate strategies that suit their company culture and operating environment. Current Academies focus on: Corporate Image and Branding in Europe; Diversity and Inclusion; Governance; Health and Safety; Procurement; and Strategic Workforce Planning.

We redesigned the print and website editions of our quarterly magazine, *The Conference Board Review®*, keeping pace with advancing technology. The magazine continues to raise provocative questions and explore issues,
with cover stories and major articles on whistle-blowers, managing knowledge, executive pay, Wal-Mart’s green initiative, the risks of corporate political spending, handling customers empowered by social media, and how the shifting economy is changing executives’ marketability. And *TCB Review* expanded its presence on Facebook, Twitter, and Google+, maintaining a daily presence in readers’ lives and bringing awareness of The Conference Board to new audiences.

**Relationships at the Highest Level**

Leadership and Experiential Programs continued to grow in popularity, with a focus this year on customized events. We held 11 Experience programs based on the Apollo Program at the Johnson Space Center in Houston, more than double the previous year. Our Normandy Leadership Experience, Gettysburg Battlefield, and Classroom programs also continue to be popular among business leaders. The Classroom programs use case studies and situational analyses to apply leadership insights distilled from our Leadership Experience programs.

In addition to expanding our current offerings, we unveiled several new initiatives, including an Apollo Leadership Experience based at the Kennedy Space Center in Cape Canaveral, Florida, and an Apollo Classroom program.

We also held a five-day Innovation and Benchmarking Tour, a newly created custom program based on member feedback. The event brought together executives in Silicon Valley and San Francisco for site visits to a half-dozen of the area’s most groundbreaking organizations to explore new structures, tools, and processes for fostering a culture of innovation. Based on the success of these events, we are planning more customized programs in the coming year.

In addition to our Leadership programs, The Conference Board held more than 100 global conferences this fiscal year, covering a wide range of topics for more than 12,000 attendees. For members who wish to delve further into issues in a confidential peer setting, Councils continue to offer a collaborative community of several thousand senior executives who get together to understand and problem solve critical issues. More than 110 Councils worldwide span more than 50 functions in a broad array of industries and regions.

**Global Growth**

We continue to expand in Asia, driven by a 22 percent surge in corporate associate membership, reflecting strong interest from local and regional firms. We hosted
14 briefings and roundtables and forged partnerships with several leading professional organizations to bring our research and thought leadership to new audiences, including events in Kuala Lumpur, Bangkok, and Manila. Webcast topics focused on China’s new five-year plan, shared services and outsourcing trends, and strategic workforce planning.

We also launched a new Research Working Group in the region, focusing on how companies are accelerating the leadership development of high-potential employees in Asia. Our Asia Council program also continues to grow. We currently offer 12 Asia-Pacific and Emerging Markets Councils, holding a total of 23 meetings in fiscal year 2012. Several new colleagues joined our Singapore office to support the rapid expansion of our development and council teams, and we continue to maintain our Hong Kong-based team in support of development and council operations in North Asia.

The Conference Board Brussels office hosted the inaugural meeting of the Strategic Workforce Planning Academy, with 15 participants from around the globe representing companies including IBM, Hitachi, Cargill, A.P. Moller-Maersk, and SKF. The Academy helps participants to develop their SWP efforts and prepares them to lead change within their organizations more quickly and effectively.

The Intersection of Business and Society
The Conference Board continues to build on a long tradition of helping business and society. Through the shared experiences of our members, we are constantly reminded that corporate stewardship and societal progress are inextricably linked. We believe that our new structure enables all parts of the organization to deliver the most relevant insights about complex issues at the intersection of business and society. As the global economy becomes ever more volatile, our mission remains steadfast: to help members anticipate and deal with the most critical business issues to improve their business performance—and then to better serve society.

The global environment continues to undergo dramatic changes but is full of opportunities for those who are prepared and forward thinking. With our three-pronged approach—research, peer learning, and leadership development—The Conference Board can help you face tomorrow’s challenges.
KNOWLEDGE AREAS

Our unique knowledge architecture contributes to an enterprise-wide perspective that helps business leaders respond today, anticipate tomorrow, and make the right decisions every day.
We help companies ensure that their leadership strategies meet corporate, ethical, and social objectives. We show companies how to integrate social responsibility into long-range strategic goals. We offer practical analysis of the duties, requirements, and management of shareholders, and critical assessments of risk and opportunity with regard to management, performance, and reputation.

**Research & Insights**

**Conferences**
- Business Ethics and Compliance Conference Chicago
- Corporate Citizenship and Sustainability Conference Washington
- Corporate Community Involvement Conference Boston
- Corporate Community Involvement Pre-Conference Boston
- Corporate Political Spending Conference Washington
- Diversity in Higher Education and the Workplace Conference New York
- Enterprise Risk Management Conference Chicago
- Women’s Leadership Conference New York
- Women’s Leadership Pre-Conference New York

**Council Perspectives**
- Answering The Conference Board CEO Challenge® 2012 Innovation Leads, Uncertainty Lingers
- Board Evaluation Process in the UK and Selected Continental European Countries
- Environmental, Health, Safety, and Sustainability Governance

**What a Difference a Few Years Can Make**

**Expanded Liability in Unclaimed Property Are States Going Too Far?**

**Since the Levees Broke**

**A Snapshot of New Orleans**

**Water Worries**

How Incorporating Long-Term Risk into Strategic Planning Pays Off

**Director Notes**

- Activism and the Move toward Annual Director Elections
- Assessing Pay for Performance
- CEO Succession Planning Current Developments, Shareholder Activism, and Disclosure Practices
- A Closer Look at Negative Say-on-Pay Votes During the 2011 Proxy Season
- Collaboration between Multistakeholder Standards A Governance Perspective
- The Communication Patterns of Corporate Social Responsibility within and across Industries
- Corporate Governance Practices for Initial Public Offerings in the United States
- Effects of M&A Litigation
- Excess Pay and the Dodd-Frank Clawback
- From Enron to Lehman Brothers Lessons for Boards from Recent Corporate Governance Failures
- Global Supply Chain Labor Standards
- Linking Executive Compensation to Sustainability Performance
- Making the Business Case for Corporate Philanthropy
- Proxy Season 2012 The Year of Pay for Performance
- Revisiting Justifications for Board Diversity
- Risk Oversight: Should Your Board Have a Separate Risk Committee?
- The Role of the Board in Accelerating the Adoption of Integrated Reporting
- The Role of the Board in Fraud Risk Management
- Say on Pay in the 2011 Proxy Season Lessons Learned and
Compensation and Board

The 2011 U.S. Director Contributions Report

in a Volatile World

Focusing on Innovation and Talent

Chains

Building Resilient Global Supply

Strengthening the Weakest Link

Building Resilient Communities

No Company Is an Island

about Heroes and Mentors

A Hero Lies in You

Stakeholder Lines of Defense

Corporate Oversight and

Socioeconomic Change Is Shaping

www.conferenceboard.org

ANNUAL REPORT 2012

The Apollo Program at Kennedy

Webcasts

Challenge® 2012

The Conference Board CEO

2012 Edition

How Corporate Boards Should

CEO Succession Practices

2012 Edition

Sustainability Matters Why and How Corporate Boards Should Become Involved

Sustainability Practices 2012 Edition

The Conference Board CEO Challenge®, 2012 Risky Business—Focusing on Innovation and Talent in a Volatile World

The 2011 CEO Succession Report

The 2011 Corporate Contributions Report

The 2011 U.S. Director Compensation and Board Practices Report

Webcasts

The Apollo Program at Kennedy Space Center

Board Evaluations in the UK and Continental Europe

Build Stress Resilience—Grow the Business

Business Ethics The Board of Director’s Role

Business and Sustainability in China How Real Is The New Direction?

CEO Challenge—European Focus

The Changing MO of the CMO How the Convergence of Brand and Reputation Is Affecting Marketers

China and Sustainable Business Practices

Corporate Ambassadors—Redefining the Way We Engage Customers

Economic, Political, and Regulatory Risk: External Challenges for CEOs

Emerging Markets The Quest for Global Expansion

Emerging Practices in Corporate Political Spending (KnowlEdge Series)

The First Six Months under the Dodd-Frank Whistleblower Rules

Global Sustainability Reporting and Corporate Functions Going Public with Performance

Going Public on Data Privacy

Growing Beyond Borders, Minimizing Risks

Innovation Keeping CEOs Awake at Night

The Intangible Drivers of Future Performance and Value

Leadership Experience: D-Day at Normandy

Market Presence Risk Macro Issues and Your Risk Profile (KnowlEdge Series)

Rating the Raters Do You Know Who’s Monitoring Your Sustainability Performance?

Research Partners for Global Corporate Philanthropy

Re-Thinking Risk: How to Proactively Approach Large External Risks

Re-Thinking Risk Turning Water into Opportunity

Review Meeting of Safeguarding IP in the Supply Chain Working Group

The Role of the Board in Risk Oversight

Shareholder Activism—Has It Moved the Needle or Not?

Sustainability and Ethics

A Vibrant New Partnership (KnowlEdge Series)

Sustainability A Top Concern for CEOs in Asia

Technology and Collaboration to Develop and Engage Employees in a Global Workplace (Conference KeyNotes)

The Conference Board Governance Watch™ (5)

Think Global, Act Local Strategies for Success (KnowlEdge Series)

TouchPoints Creating Energy and Direction around Things That Matter

Winning Investors Over Working Papers Series

Shareholder Proposals: Trends from Recent Proxy Seasons (2007-2011)

Peer-to-Peer Learning

Councils

Business/Education Council (U.S.)

CEO Council (Asia-Pacific)

Chief Audit Executives Council (Europe)

Chief Legal Officers Council (Asia-Pacific)

Contributions Council (U.S.)

Contributions Council II (U.S.)

Council for Business Development and Integration Executives (U.S.)

Council of Chief Audit Executives (Europe)

Council of Chief Legal Officers (U.S.)

Council of Chief Privacy Officers (U.S.)

Council of Senior International Attorneys (U.S.)

Council of Strategic Planning Executives (U.S.)

Council on Corporate Citizenship and Sustainability (South Asia)

Council on Corporate Compliance and Ethics (U.S.)

Council on Corporate Governance (Europe)

Council on Corporate Responsibility & Sustainability (Europe)

Council on Governance & Risk Management (South Asia)

Council on Strategic Risk Management (Europe)

European Legal Council (Europe)

Executive Council (U.S.)

Global Council on Business Conduct (U.S.)

Strategic Risk Management Council (U.S.)

Experiential Programs

Leadership Experience: The Apollo Program (14)

Leadership Experience: Battle of Gettysburg (12)

Leadership Experience: D-Day at Normandy (4)

Leadership Experience: Classroom Program (5)

Other Face-to-Face Forums

Board Evaluation Process: Ensuring Board Effectiveness (Business Perspectives Briefing) Amsterdam; Frankfurt; Dublin; London

Breakfast with The Conference Board’s CEO

Business Ethics: The Role of the Board (Business Perspectives Briefing) Paris

Canada/U.S. Senior Leaders Forum

CEO Challenge 2011—Growing the Business (Business Perspectives Briefing) Minneapolis; Dallas

China Center CEO Meeting

Committee on Corporate Political Spending

Communities, Business, and Security Workshop Boston; Seattle; Detroit

Corporate Governance and Compliance Crash Course

Corporate/Investor Summit

Crisis Management (Business Perspectives Briefing) Frankfurt

Directors’ Institute Roundtable Forum

Executive Compensation Director’s Forum

The Future Leader Essentials for 2020 and Beyond (Business Perspectives Briefing) London

The Role of the Board in Risk Oversight (Business Perspectives Briefing) Zurich

The Conference Board Governance Center®

The Conference Board Initiative on Sustainability

Research Working Groups

Corporate Philanthropy with a Global Footprint

Safeguarding IP in the Global Supply Chain
We’re delivering even more comprehensive economic analyses and insights. These include proven strategies to manage and sustain growth, maximize revenue, and improve long-term financial performance. We provide timely, relevant economic research and analysis on the world’s most dynamic economies, and insights and knowledge on emerging markets, labor market conditions, and financial institutions around the world.

We help senior executives foresee economic trends that will affect their businesses so they can successfully manage in any environment.

From webcasts on growth in uncertain times to The Conference Board Economics Watch®, a monthly report including data from our Leading Economic Indexes for the United States and 10 other countries/regions, we constantly address our members’ greatest concerns with a platform for strategic decision making that helps executives stay abreast of changing business and economic conditions worldwide.

Research & Insights

Conferences
Corporate Innovation Lab
New York
Joint Ventures Conference
San Francisco
Strategic Alliances Conference
New York
Executive Action Reports
Europe’s Great Labor Market Divide
Feeling the Pain Wage Growth in the United States during and after the Great Recession

A Perfect Storm: Europe’s Looming Pension Crisis
Revisiting Japan a Year after the Earthquake A Slower Than Expected Recovery
Who’s Afraid of the Cloud?

Periodicals
Business Cycle Indicators for 11 countries (monthly)
China Center Dataflash (monthly)
China Productivity Quarterly

Labor Markets in Review™ (semiannual)
StraightTalk® (quarterly)
The Conference Board Consumer Confidence Index® (monthly)
The Conference Board Measure of CEO Confidence™ (quarterly)
Research Reports
The Linked World How ICT Is Transforming Societies, Cultures, and Economies
U.S. Salary Increase Budgets for 2013
Webcasts
A Discussion on the IMF Fiscal Monitor Report
The Downshifting of American Jobs
Driving Down Growth?
The Effects of the Current Financial Stress on the Real Economy
Fragile China?
Global Economic Policy—What Lies Ahead? (KnowlEdge Series)
Information and Communication Technology: Strategies for the Road Ahead (KnowlEdge Series)
The Intangible Drivers of Future Performance and Value
Leading Economic Index (LEI) Luncheon Briefing
Strategies for Expanding Global Partnerships (KnowlEdge Series)
The Conference Board Economics Watch Asia-Pacific View (4)
The Conference Board Economics Watch China View (4)
The Conference Board Economics Watch European View (8)
The Conference Board Economics Watch Emerging Markets (3)

The Conference Board Economics Watch Mid-Markets (2)
The Conference Board Economics Watch U.S./Global (12)
2012 Productivity Measures
Understanding Financial Conditions and Financial Instability

Working Papers Series
Constructing a Data Set on Labour Composition Change
Impact of ICT on Production of Goods and Services (9 working papers)
Projecting Economic Growth with Growth Accounting Techniques
The Conference Board Global Economic Outlook 2012 Sources and Methods
Total Factor Productivity among Cities in China Estimation and Explanation
U.S. Workers Are Delaying Retirement Who and Why, and Implications for Businesses
Using the Leading Credit Index™ to Predict Turning Points in the U.S. Business Cycle

Peer-to-Peer Learning Councils
The China Council (Europe)
The China Council (U.S.)
Council for Division Leaders—Financial Executives (U.S.)
Council of CFOs (U.S.)
Council of Chief Audit Executives (U.S.)
Council of Chief Financial Officers (Europe)
Council of Corporate Treasurers (U.S.)
Council of Economists (Europe)
Council of Financial Executives (U.S.)
Council of Financial Executives & Controllers (Europe)
Council on Innovation (Europe)
Council on Innovation (U.S.)
Council on Investor Relations (Europe)
Council on Mergers & Acquisitions (Europe)
Emerging Markets Finance Executives’ Council (Asia-Pacific)
Emerging Markets Mergers & Acquisitions Council (Asia-Pacific)
Global Council of Investor Relations Executives (U.S.)
Tax Executives Council (Europe)

Other Face-to-Face Forums
The Economic Outlook for Europe (Business Perspectives Briefing) Brussels; Paris
The Finance Function and External Regulation (Business Perspectives Briefing) Frankfurt
Focusing on Innovation (Business Perspectives Briefing) Paris
Fragile China? (Executive Briefing) San Jose; Seattle; New York; Philadelphia
Launch of Productivity Measures (Business Perspectives Briefing) Frankfurt
Productivity, the Achilles Heel of the Economy (Business Perspectives Briefing) Brussels
Towards a Sustainable Growth Path (Business Perspectives Briefing) Brussels; London
The Conference Board helps companies align strategy with structure and culture throughout their organizations so they can continue to grow and adapt to changing business conditions. We focus on helping companies improve performance through optimizing business processes, implementing effective metrics, and understanding which strategies actually work.
Webcasts

Achieving Service Delivery Objectives in an Outsourced Environment

Building a Brain-Based Organization (Conference KeyNotes)

Building an OED Function (KnowlEdge Series)

Cloud Computing for Sourcing and Procurement

Corporate Ambassadors—Redefining the Way We Engage Customers

Customer Loyalty Measurement Is Broken—Let’s Fix it! (Conference KeyNotes)

Governance Models in Shared Services

Improving People Management and Reducing Turnover in Shared Services Organizations

Innovation Hands On: The Four Critical Steps to Successful Implementation (KnowlEdge Series)

Managing Stakeholders in the Age of New Media

New Trends in SRM

The Rapid Evolution of the Digital Function: Finding the Path to Value Creation (KnowlEdge Series)

Safety: Journey to Zero Fatalities and Serious Injuries

Shared Services and Outsourcing Trends

Social Media and Business (KnowlEdge Series)

The Social Media Evolution

Strategic Leadership in an Operational Role

Unleashing the Power of Social Media Within Your Organization (Conference KeyNotes)

Using Social Media to Drive Operational Excellence

Peer-to-Peer Learning

Councils

Business Continuity & Crisis Management Council (U.S.)

Business Performance Council (U.S.)

Chief EH&S Officers’ Council (U.S.)

Communication and Marketing Council (Asia-Pacific)

Council for Six Sigma Executives (U.S.)

Council for Six Sigma Executives II (U.S.)

Council of Corporate Security Executives (U.S.)

Council on Competitive Analysis (U.S.)

Council on Corporate Brand Management (U.S.)

Council on Corporate Communications (Europe)

Council on Corporate Communications Strategy (U.S.)

Council on Corporate Communications Strategy II (U.S.)

Council on Environmental & Product Stewardship (Europe)

Council on Health & Safety (Europe)

Council on Marketing Research (U.S.)

Council on Marketing Research II (U.S.)

Council on Shared Services (Europe)

Customer Experience Council (U.S.)

Digital Strategy Council (U.S.)

Emerging Markets Functional Excellence and Shared Business Services Council (Asia-Pacific)

Emerging Markets Supply Chain Management Council (Asia-Pacific)

Global Operational Excellence Council (Europe)

Information Research and Management Council (U.S.)

Procurement Leadership Council (Europe)

Product Stewardship and Regulatory Affairs Council (U.S.)

Purchasing and Supply Leadership Council (U.S.)

The Quality Council (U.S.)

Supplier Diversity Leadership Council (U.S.)

Other Peer-to-Peer Forums

Dramatic Changes in Global Supply Chain (Business Perspectives Briefing) Brussels

Due Diligence and Post-Merger Integration (Business Perspectives Briefing) London

Shared Services Renewing Its Strategic Promise (Business Perspectives Briefing) Amsterdam
Every successful business has the best people at its core. The most effective leaders learn from people throughout their organization and inspire everyone to work together effectively through a shared vision.

The Conference Board provides leaders with the tools they need to address the human capital issues they face. We help companies identify and address people-related challenges and opportunities. This approach—which optimizes the development of a workforce that is both talented and engaged—drives shareholder value and increases an organization’s contribution to society.

Research & Insights

Conferences
Corporate Diversity & Inclusion Conference Chicago
Corporate Diversity & Inclusion Post-Conference Chicago
Corporate Diversity & Inclusion Pre-Conference Chicago
Diversity & Inclusion Leadership and Management Seminar (4) New York
Diversity & Inclusion Practitioners Lab (4) New York
Employee Health Care Conference (2) New York; San Diego
Employee Health Care Pre-Conference New York (2); San Diego (2)
Employee Health Care Seminar (2) New York
Executive Coaching Conference New York
Executive Coaching Summit New York
Executive Compensation Conference (2) Chicago; New York
Future Leaders Conference Chicago
Future Leaders Pre-Conference Chicago
Human Capital Metrics Conference New York
Human Capital Metrics Pre-Conference New York
Leadership Development Conference (2) New York; Coronado, CA
Leadership Development Post-Conference (2) New York; Coronado, CA
Managing Employee Energy Practitioners Lab New York
Onboarding New Leaders Practitioners Lab (2) New York
Onboarding Seminar New York
Senior Human Resources Executive Conference New York

Social Media Strategies for HR Seminar (2) New York
Council Perspectives
Multiculturalism in a Post-9/11, Media-Charged World
Talent Management Tomorrow
Seeing around the Corner to Meet Strategic Business Needs
Executive Action Reports
Broadening the Base for Strategic Workforce Planning
The Value of Cross-Functional Partnerships
Engaging Business Leaders in Strategic Workforce Planning A Guide to Effective Conversations
Europe’s Great Labor Market Divide
Fostering Retirement and Financial Security in an Era of Individual Responsibility
Human Capital in Asia-Pacific, 2011-2013: Identifying Top Challenges and Strategies
The CEO Challenge in Asia
Implications for Human Capital Professionals (KnowlEdge Series)

The Conference Board Human Capital Watch™ (10)

Total Reward to Improve Employee Engagement

U.S. Health Care Reform Update: What’s Certain, What’s Not? (Conference KeyNotes)

Using the Arts to Promote Diversity and Inclusion

Using Employee Engagement to Drive Global Growth—One Location at a Time (KnowlEdge Series)

What Do CEOs Think about Human Capital?

Winning with a Culture of Recognition Strategies at the World’s Most Admired Companies

Women and Leadership (KnowlEdge Series)

Working at the Intersection of Human Resources, Ethics, and Compliance – The Need for Collaboration

Web Portal

The Conference Board Human Capital Exchange™ (launched December 2011)

Peer-to-Peer Learning

Councils

China Human Resources Council (Asia-Pacific)

Compensation & Benefits Council (Asia-Pacific)

Council for Diversity in Business (Europe)

Council for Division Leaders—Human Resources (U.S.)

Council for Mid-Market Human Resources Executives (U.S.)

Council of Global Diversity & Inclusion Executives (U.S.)

Council of Human Resources Executives (Europe)

Council of Talent Management Executives (U.S.)

Council of Talent Management Executives II (U.S.)

Council of U.S. Diversity & Inclusion Executives (U.S.)

Council on Compensation (U.S.)

Council on Compensation II (U.S.)

Council on Compensation & Benefits (Europe)

Council on Employee Engagement (U.S.)

Council on Executive Coaching (U.S.)

Council on Executive Compensation (U.S.)

Council on International Compensation and Benefits (U.S.)

Council on Learning, Development, and Organisational Development (Europe)

Council on Learning, Development, and Organizational Performance (U.S.)

Council on Strategic Workforce Planning (U.S.)

Diversity & Inclusion Leadership Council (U.S.)

Emerging Markets Human Resources Council (South Asia; Europe)

Employee Benefits Council (U.S.)

Executive Compensation Management Council (U.S.)

Global Human Resources Council (U.S.)

Global Human Resources Council II (U.S.)

HR Executive Leaders Council (U.S.)

HR Operations Council (U.S.)

Human Resources Council (Asia-Pacific)

Human Resources Council—Mexico (U.S.)

Human Resources Leadership Council (South Asia)

Leadership Development Council (U.S.)

Learning and Knowledge Management Council (U.S.)

The Pensions Council (Europe)

Performance Council (U.S.)

Research Council on Employee Benefits (U.S.)

Strategic Workforce Planning Council (Europe)

Talent & Diversity Council (Asia-Pacific)

Work Life Leadership Council (U.S.)

Other Face-to-Face Forums

Diversity & Inclusion New Leaders Academy (4)

Diversity & Inclusion New Leaders Boot Camp (2)

HR Roundtable Zurich

Leaders of the Future—Closing the Gender Gap (Business Perspectives Briefing) Zurich; Milan

Leveraging Social Networking (Business Perspectives Briefing) Paris

Moving from Operational to Strategic Workforce Planning (Business Perspectives Briefing) Glasgow

Strategic Workforce Planning

How Does Your Company Stack Up? (Business Perspectives Briefing) Bangalore; Gurgaon; Mumbai; Brussels

Total Reward to Improve Employee Engagement (Business Perspectives Briefing) Geneva; Paris

Working at the Intersection of HR, Ethics, and Compliance (Business Perspectives Briefing) London; Frankfurt

Workforce Readiness Barometer

Research Working Groups

Human Capital Analytics Vol 1

Improving Employment Outcomes for Employees with Disabilities

Raising Employee Engagement

What Works Now
INSIGHT

3

OPPORTUNITIES

ARE HUGE

NO LEVERAG
If You Create a Really Good Company, Then You Will Get a Really Good Culture

by Stephen Hester Chief Executive Officer of The Royal Bank of Scotland

I was asked to join RBS as CEO in November 2008 to lead a new team to recover the bank for all who rely on us. The bank had become a British poster child for the things that had gone wrong in banking. With a balance sheet equivalent in size to the UK economy, resting on only the thinnest capital base, it was an institution that had to be bailed out by national taxpayers.

The resultant change has been truly radical, restructuring the £1.6 trillion balance sheet, adjusting the risk profile, refocusing on our customers, and navigating a safe path through a myriad of economic uncertainties.

Our enduring job is to create in RBS a really good company, one that is both safe and sound and one that puts serving customers well at the heart of its thinking. Achieving this means tackling the aspects of our culture that had contributed to our failings, but doing so in a way that nurtures our strengths.

The challenges at RBS are a parallel of the challenges facing the banking industry more widely. It’s possible to look at the scandals that have hit banking in recent years and see them as individual episodes of poor judgment or bad behaviors. In fact, I think it’s more accurate to say that most of them are related to one big problem: banks failing to put their customers first, enough of the time.

The past four years have seen much progress but at the same time our industry remains under some very public scrutiny. This has prompted serious soul-searching by the banks themselves although it hasn’t always spoken to the heart of the problem. The difficult truth is that too often the industry saw customers as a vehicle for making money. This was a cultural attitude that received insufficient challenge in parts of the industry until forced reflection arrived in the form of the financial crisis.

The banking industry in the decade preceding the crisis was focused on income, it expanded too fast, prioritized sales over service, and failed to properly balance the interests of its customers and shareholders with those of its managers. Too much of the ethos became selfish, both personally and institutionally. Of course market economies rely on self-interest as a key driver of activity. But it works best where “enlightened” or “sustainable” self-interest is what’s pursued, not simply quarter-by-quarter success at the expense of long-term value.
In recent times banking lost sight of the customer-compass that successfully guides the best companies across many industries. Banks eroded the founding principle of trust upon which the industry rests; losing the trust of customers, the trust of the public, regulators, and behind closed doors, losing the trust of our people.

In any arena, trust is hard won and easily lost. The starting point for the industry to recover this is simple; we need banks to be direct and open in dealing with the mistakes of the past and accepting of the consequences.

I am very clear that for RBS winning back its reputation will be a slow steady march through numerous changes and improvements; doing the right thing, at the right time for the right reason. Part of this is about strengthening our culture, but there is something oblique about enduring culture change: like the desire to obtain a high share price, it’s rarely best achieved when it’s the primary goal. For me the process starts and finishes with a focus on customers.

Over the course of my career I’ve been fortunate enough to have spent time seeing really good companies across a range of different industries. Regardless of industry or geography, great companies share many of the same hallmarks.

Companies that have distinguished themselves consistently over time in mature markets such as banking have rarely done so on the back of brilliant inventions or flashes of genius. But they have demonstrated that they execute the basics of their business really, really well. These companies get their strategy right, communicate it with absolute clarity, and then implement it consistently at all levels of the firm. They also have a very clear set of values that guide how they do business.

This approach applies to even the most diversified businesses. It’s about pulling ahead and staying ahead through a thousand little things done a little bit better each time. In established industries, success is the accumulation of many marginal gains that are geared towards a single overarching goal or focus. For banks, that focus once again needs to be our customers.

Parts of the banking industry sought greater excitement and thought that some of these business fundamentals didn’t apply. In reality banking needs to listen and learn more from other industries, especially those that have successfully embedded an overwhelming customer ethos that runs uninterrupted from the boardroom to the shop floor.

I have never seen a consistently successful company in any industry, anywhere in the world that didn’t do a better than average job in serving customers. In fact, the most successful companies I’ve seen are almost obsessive about customers because they know that all other success flows from this.

When I speak to our most successful corporate customers I almost always see a consistent human expression of their organizational values. I don’t mean that everyone looks the same or talks the same—complex and global companies don’t have a narrow homogenous culture—but there is a common characteristic in their people, the way they talk about customers and how they go about their business that impresses you.

The challenge of instilling company-wide values in the same way that other large successful firms do is sometimes more difficult because many of the world’s largest banks were formed through mergers, acquisition and in some cases, forced marriages. But it is essential for success.

Banks have a tendency to compare themselves to each other in an attempt to benchmark their own success. In the wake of the financial crisis and the historic scandals that are now coming to light, banks need to look beyond our own narrow industry to understand what it will take for them to become great companies.
## FINANCIALS

### STATEMENTS OF FINANCIAL POSITION (IN US$ THOUSANDS)

For the year ended June 30

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
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<tbody>
<tr>
<td><strong>Assets</strong></td>
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<td></td>
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<tr>
<td>Cash and cash equivalents</td>
<td>$ 1,586</td>
<td>$ 4,900</td>
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<tr>
<td>Accounts receivable, net</td>
<td>6,128</td>
<td>5,406</td>
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<tr>
<td>Investments, at fair value</td>
<td>14,236</td>
<td>15,320</td>
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<td>Deferred charges and sundry assets</td>
<td>1,183</td>
<td>843</td>
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<tr>
<td>Furniture, equipment, software, and leasehold improvements – at cost, less depreciation and amortization</td>
<td>2,757</td>
<td>3,430</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>$ 25,890</td>
<td>$ 29,899</td>
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<tr>
<td><strong>Liabilities and Net Assets</strong></td>
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<td></td>
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<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$ 6,068</td>
<td>$ 6,034</td>
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<td>Advance payments and deferred revenue</td>
<td>10,464</td>
<td>9,442</td>
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<td>Deferred subscription revenue</td>
<td>9,684</td>
<td>10,030</td>
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<tr>
<td>Capital lease obligation</td>
<td>959</td>
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<tr>
<td>Deferred rent</td>
<td>3,698</td>
<td>1,848</td>
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<tr>
<td>Pension liability</td>
<td>22,911</td>
<td>17,127</td>
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<td>Post-retirement benefit obligation</td>
<td>4,841</td>
<td>4,412</td>
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<td><strong>Total Liabilities</strong></td>
<td>$ 58,625</td>
<td>$ 48,893</td>
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<td><strong>Accumulated Deficit</strong></td>
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<tr>
<td>Accrued pension and post retirement</td>
<td>(27,752)</td>
<td>(21,539)</td>
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<tr>
<td>Other</td>
<td>(5,086)</td>
<td>2,440</td>
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<tr>
<td>Temporarily restricted</td>
<td>103</td>
<td>105</td>
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<tr>
<td><strong>Total Accumulated Deficit</strong></td>
<td>$(32,735)</td>
<td>$(18,994)</td>
</tr>
<tr>
<td><strong>Total Liabilities and Accumulated Deficit</strong></td>
<td>$ 25,890</td>
<td>$ 29,899</td>
</tr>
</tbody>
</table>
## STATEMENTS OF ACTIVITIES (IN US$ THOUSANDS)

For the year ended June 30

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue</strong></td>
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<tr>
<td>Subscriptions</td>
<td>$19,216</td>
<td>$18,542</td>
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<tr>
<td>Conferences, councils, and meetings</td>
<td>27,968</td>
<td>26,859</td>
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<tr>
<td>Grants, contracts, and fee-based services</td>
<td>5,256</td>
<td>4,781</td>
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<tr>
<td>Sale of publications</td>
<td>270</td>
<td>242</td>
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<tr>
<td>Investment return appropriated</td>
<td>600</td>
<td>540</td>
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<tr>
<td>Other income</td>
<td>462</td>
<td>248</td>
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<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>$53,772</td>
<td>$51,212</td>
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<tr>
<td><strong>Operating Expenses</strong></td>
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<tr>
<td>Compensation</td>
<td>31,101</td>
<td>28,549</td>
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<td>Purchased services</td>
<td>10,591</td>
<td>10,879</td>
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<td>Travel</td>
<td>2,452</td>
<td>2,151</td>
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<tr>
<td>Meeting location costs</td>
<td>4,580</td>
<td>4,615</td>
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<tr>
<td>Printing, postage, and supplies</td>
<td>1,516</td>
<td>1,666</td>
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<tr>
<td>Depreciation and amortization</td>
<td>767</td>
<td>1,007</td>
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<tr>
<td>Facilities</td>
<td>4,108</td>
<td>4,136</td>
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<tr>
<td>Other expenses</td>
<td>549</td>
<td>782</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$55,664</td>
<td>$53,785</td>
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<tr>
<td><strong>Excess of Operating Expenses over Revenues</strong></td>
<td>$ (1,892)</td>
<td>$ (2,573)</td>
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<tr>
<td><strong>Other Activities</strong></td>
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<tr>
<td>Investment return (less than) in excess of spending rate</td>
<td>(815)</td>
<td>1,349</td>
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<tr>
<td>Pension-related changes other than net periodic costs</td>
<td>(6,902)</td>
<td>7,137</td>
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<tr>
<td>Effect of foreign currency translation</td>
<td>299</td>
<td>(272)</td>
</tr>
<tr>
<td>Cost incurred due to office restructuring</td>
<td>(4,429)</td>
<td>-</td>
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<tr>
<td>Change in unrestricted accumulated deficit</td>
<td>(13,739)</td>
<td>5,641</td>
</tr>
<tr>
<td>Change in temporarily restricted net assets</td>
<td>(2)</td>
<td>5</td>
</tr>
<tr>
<td>Change in accumulated deficit</td>
<td>(13,741)</td>
<td>5,646</td>
</tr>
<tr>
<td>Accumulated deficit at the beginning of the year</td>
<td>(18,994)</td>
<td>(24,640)</td>
</tr>
<tr>
<td><strong>Accumulated deficit at the end of the year</strong></td>
<td>$ (32,735)</td>
<td>$ (18,994)</td>
</tr>
</tbody>
</table>
The Conference Board draws on the support and advice of an extraordinary network of global business leaders. These individuals volunteer their time, knowledge, and insights to reinforce the dual mission of The Conference Board: to help the world’s leading organizations improve their performance and better serve society.

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Yarra Trams

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Non-Executive Director
Newmont Mining Corporation
Member
Commonwealth Remuneration Tribunal

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Executive in Residence
The Australian Centre of Philanthropy and Nonprofit Studies
QUT Business School

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Chief Executive Officer
CLP Holdings, Ltd.

CK Chow
Chairman
Hong Kong Exchanges & Clearing Limited

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Fung Holdings Ltd.

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TH Tan
Chairman
Southern Capital Group Pte

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Member, Board of Trustees
Asian Institute of Management

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First Philippine Holdings Corp.

Washington Z. SyCip
Founder
The SGV Group

Thailand
Sukum Navapan
Group Chairman
Navateepee Group of Companies

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Chief Executive Officer
Gulf Investment Corporation

Oman
Khalid Bin Hamad Al Busaidi
Chairman
Sabco L.L.C.

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Vice Chairman, Executive Committee and President, Chemicals
TOTAL SA

Etienne François Davignon
Minister of State
GDF Suez

Bert De Graeve
Chief Executive Officer
N.V. Bekaert S.A.

Thomas Leysen
Chairman
Umicore S.A.
Chairman
KBC Group

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Director
Crédit Suisse Group
Director
Munich Re

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BAM NV
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Chairman of the Board
Finnish Industries EK
Chairman of the Board
Outokumpu

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Honorary Chairman
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Former Chairman and CEO
Vivendi

Jean-Louis Mathias
Chairman
EDF Energies Nouvelles

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Roland Berger
Honorary Chairman
Roland Berger Strategy Consultants

Michael Diekmann
Chairman of the Management Board
and CEO
Allianz SE

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Chairman of the Board of Directors
Alpha Bank

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Zsolt Hernadi
Chairman and Chief Executive Officer
MOL Group

Netherlands
Peter Bakker
President
World Business Council for Sustainable Development

Wim Dik
Former Chairman & CEO
Royal KPN N.V.

Hans Wijers
Member, Supervisory Board
Heineken N.V.
<table>
<thead>
<tr>
<th>Region</th>
<th>Country</th>
<th>Name</th>
<th>Position/Title</th>
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</thead>
<tbody>
<tr>
<td>Norway</td>
<td></td>
<td>Johan H. Andresen, Jr.</td>
<td>Owner and CEO Ferd Holding AS</td>
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<tr>
<td>Poland</td>
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<td>Maria Wisniewska</td>
<td>President and CEO CEPD N.V.</td>
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<td>Spain</td>
<td></td>
<td>Alfredo Saenz Abad</td>
<td>Second Vice Chairman &amp; CEO Banco Santander, S.A.</td>
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<td></td>
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<td>Isidro Fainé Casas</td>
<td>Chairman INDITEX Group</td>
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<td>Pablo Isla</td>
<td>Chairman and CEO CaixaBank</td>
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<td>Carlos Más Ivars</td>
<td>Executive Chairman PricewaterhouseCoopers – Spain</td>
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<td>Sweden</td>
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<td>Tom Johnstone</td>
<td>President and CEO SKF AB</td>
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<td>Lars G. Nordström</td>
<td>Chairman of the Board Vattenfall AB</td>
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<td>Marcus Wallenberg</td>
<td>Chairman of the Board Skandinaviska Enskilda Banken AB</td>
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<td>Turkey</td>
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<td>Bülent Eczacibasi</td>
<td>Chairman Eczacibasi Holding Company</td>
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<td></td>
<td></td>
<td>Güler Sabanci</td>
<td>Chairman and Managing Director Haci Ömer Sabanci Holding A.S.</td>
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<tr>
<td>United Kingdom</td>
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<td>Paul Anderson</td>
<td>Non-Executive Director BP p.l.c.</td>
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<td>Lord Browne of Madingley</td>
<td>Partner and Managing Director Riverstone Holdings LLC</td>
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<td></td>
<td></td>
<td>Patrick J. Cescau</td>
<td>Former Group Chief Executive Unilever PLC</td>
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<td></td>
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<td>Harald Einsmann</td>
<td>Member of the Board, Harman, Inc.</td>
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<td>Member of the Board, Checkpoint Sys Special Advisor, Tesco PLC</td>
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<td></td>
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<td>Niall FitzGerald</td>
<td>Chairman Hakluyt &amp; Company Ltd</td>
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<td></td>
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<td>Peter J. Grant</td>
<td>Retired Deputy Chairman London Merchant Securities</td>
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<td>Gerard Kleisterlee</td>
<td>Chairman Vodafone AG</td>
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<tr>
<td></td>
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<td>Sir Bryan Nicholson</td>
<td>Former Chairman The Post Office</td>
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<td>BUPA The Cookson Group plc The Financial Reporting Council</td>
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<td></td>
<td>Former President The Confederation of British India</td>
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<td>Sir Martin Sorrell</td>
<td>Group Chief Executive WPP Group plc</td>
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<tr>
<td>Latin America</td>
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<td>Stanley A. Motta</td>
<td>Chairman COPA Airlines</td>
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<td>South America</td>
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<td>Alain J.P. Belda</td>
<td>Managing Director Warburg Pincus LLC</td>
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<td></td>
<td>Brazil</td>
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<td>Tomás González Sada</td>
<td>Chairman of the Board Grupo Cydsa, S.A. de C.V.</td>
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<td>North America</td>
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<td>Antonio Madero</td>
<td>Chairman of the Board and CEO SANLÚIS Corporación, S.A.B. de C.V.</td>
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<td>Federico Sada González</td>
<td>Chief Executive Officer Grupo Corporativo Empresarial Adas</td>
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<td>United States</td>
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<td>Sanjiv Ahuja</td>
<td>Executive Chairman Augere Holdings</td>
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<td>Alfred C. DeCrane, Jr.</td>
<td>Former Chairman and CEO Texaco Inc.</td>
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<td></td>
<td>Robert E. Denham</td>
<td>Partner Munger, Tolles &amp; Olson LLP</td>
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<td>Samuel A. DiPiazza, Jr.</td>
<td>Vice Chairman Institutional Clients Group Citigroup Inc.</td>
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<td>Laurence D. Fink</td>
<td>Chairman and CEO BlackRock, Inc.</td>
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<td>Jacob A. Frenkel</td>
<td>Chairman JPMorgan Chase International Chairman of the Board of Trustees Group of Thirty</td>
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<td>Jeffrey E. Garten</td>
<td>Juan Trippe Professor of International Trade, Finance and Business Yale University School of Management</td>
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<td>Christina A. Gold</td>
<td>Former President and CEO Western Union Company</td>
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<td>Ivan Lansberg</td>
<td>Senior Partner Lansberg, Gersick &amp; Associates, LLC</td>
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<td>Ellen R. Marram</td>
<td>President Barnegat Group</td>
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<td>W. Craig McClelland</td>
<td>Retired Chief Executive Officer Union Camp Corporation</td>
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<td>Hutham S. Olayan</td>
<td>President and CEO Olayan America Corporation</td>
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<td>James W. Owens</td>
<td>Retired Chairman and CEO Caterpillar Inc.</td>
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<td>Henry B. Schacht</td>
<td>Managing Director and Senior Advisor Warburg Pincus LLC</td>
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<td>Anne M. Tatlock</td>
<td>Retired Chairman and CEO Fiduciary Trust Company International</td>
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<td>Paul A. Volcker</td>
<td>Former Chairman of the Board of Governors The Federal Reserve System</td>
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Listings current up to June 30, 2012
CHAIRMAN
OF THE BOARD

Alan M. Dachs
President and CEO
Fremont Group

VICE CHAIRMEN

Josef Ackermann
Chairman of the Management Board and the Group Executive Committee
Deutsche Bank AG
*As of May 31, 2012 – Chairman of Zurich Insurance Group Ltd

Harry M. Jansen Kraemer, Jr.
Executive Partner
Madison Dearborn

Edward B. Rust, Jr.
Chairman and CEO
State Farm Insurance Companies

Ronald A. Williams
Retired Chairman and CEO
Aetna Inc.

MEMBERS

César Alierta Izuel
Executive Chairman & CEO
Telefónica Group SA

George S. Barrett
Chairman and CEO
Cardinal Health, Inc.

Douglas R. Conant
Retired President and CEO
Campbell Soup Company

Samuel A. DiPiazza, Jr.
Vice Chairman, Institutional Clients Group
Citigroup Inc.

Jeffrey E. Garten*
Juan Trippe Professor of International Trade, Finance, and Business
Yale School of Management

Anne Golden†
President and CEO
The Conference Board of Canada

Francisco González
Chairman and CEO
BBVA

Ilene Gordon
Chairman, President, and CEO
Ingredion Incorporated

Raj Gupta
Retired Chairman and CEO
Rohm and Haas Company

Klaus Kleinfeld
Chairman and CEO
Alcoa Inc.

Lim Chee Onn
Chairman
Singbridge International

Vikram Malhotra
Chairman of the Americas
McKinsey & Company

Padraig McManus
Retired Chief Executive Officer
Electricity Supply Board

Michael E. Roach
President and CEO
CGI Group Inc.

Edward B. Rust, Jr.
Chairman and CEO
State Farm Insurance Companies

Jonathan Spector
Chief Executive Officer
The Conference Board, Inc.

Hans Wijers‡
Chairman, Board of Management
Akzo Nobel nv

1 Until July 31, 2011
2 Until August 31, 2011
3 Until June 8, 2012
4 Until April 26, 2012
Our mission is unique

To provide the world’s leading organizations with the practical knowledge they need to improve their performance and better serve society.