



CREATING IMPACT
IN AND FROM THE
BOARDROOM

Global Board Survey

2019

Contents

4	INTRODUCTION
5	CONTEXT
7	THE ANALYSIS
8	Time Spend, Remuneration and Focal Points for Boards
10	Megatrends and Board trends
12	Gazing into the Future
15	Board Composition – Size, Diversity, Competencies, Succession
20	Independency, Age Limits, Term Limits
21	Board Effectiveness, Dynamics and Performance
24	Board Recruitment, Board Evaluations, Board Education
27	CONCLUDING
28	BEHIND THE SURVEY DATA

Introduction

Corporate boards have never attracted more attention than what we see today; from how they are composed over the influence they carry to how they act and perform, attention is received from the entire organization internally, all the way from the man or woman on the floor and all the way up to the C-suite, but also from politicians, public authorities, media, investors and all the rest of the business environment.

With global supply- and value-chains but with growing trends of nationalism, supplemented by corporate scandals, many judged from new ethical standards, and adding increased investor activism, we have all the ingredients needed to put further pressure on the individual contributions to the board and the overall performance by the board. The number of operational activities, and the detail of these activities to which the board is expected to be familiar with, is growing rapidly. Directors' responsibilities are expanding and the implied liabilities are being scrutinized in an increasingly litigious environment.

Take all this – and add the exponential development in technology innovation and business model development that our businesses are facing – and you have The New Normal that corporate boards all have to acknowledge and deal with. Some boards we can look to for inspiration, others will more seek to be inspired themselves. In January and February 2019, we asked around our sizeable global network of chairmen and board members, and we are very proud to hereby present to you the findings of our **Global Board Survey 2019 – Creating Impact In And From The Boardroom.**

We dig into what separates leaders from laggards among corporate boards. We look at how the ethical landscape is changing. At how international boards look at the near future. At which MegaTrends that set the scene for boards across the globe. And we examine which tools and habits the best performing Chairs take advantage of.

Context

InterSearch – Worldwide Organization of Executive Search Firms and Board Network – The Danish Professional Directors Association have together performed this Global Board Survey 2019 in January and February 2019 among **1.317 corporate chairmen and board members from 64 countries** on all populated continents.

Respondents represent every imaginable industry, all sizes of companies up to turnovers of more than USD 20 Billion per year, and all kinds of ownership structures.

With a survey population as great and dispersed as ours, there will obviously often be regional or country-specific tendencies, or historically or culturally defined demographic trends, however we also see some very strong, universally valid results and trends which we want to highlight here:

- Boards continue to spend more time on doing their job and carrying out their responsibilities, however our respondents actually express that they would like to spend even more time on a variety of tasks – despite the fact that a majority feels underpaid to at least some extent.
- Disruptive / Exponential Technologies is still the MegaTrend that has the attention of almost all board members. In the following spots, other emerging trends are Geopolitical Instability, Climate Change, Increasing Nationalism, and Trade Barriers – most of these have some negative connotations linked to them, and we urge boards and investors to dive deeper into this.
- We see a real change in the ethical standards expected by boards from the outside world – a paradigm shift that is undoubted linked to several recent cases of misconduct in the financial sector, and in leading tech companies that have failed to protect the interest of the users.
- Respondents continue to express an optimistic and confident view on the financial performance in the future, with 57% expecting their company's financial performance to improve in the coming 2 years compared to the past 2 years, and 51% expecting to outperform the competition in the same period.
- The average board in our survey has 6.7 people on board, of which 1.7 are women – corresponding to 26.5%. The improvement in gender diversity is primarily driven by larger companies with more than USD 1B in annual turnover, of which only 9% have 0 women on their board – compared to 27% overall.
- A staggering 83% of women support gender diversity quota-initiatives, while this is only true for 40% of the men. However, the overall support to gender-diversity supporting initiatives has seen a remarkable change from only 41% in 2018 (73% of women, 31% of men), to a total of 50% today
- 58% say that the overall composition seems right to them, while 29% would like to change how the board is composed from a competence point of view.
- The competencies mostly lacking on the current boards, in the board members' personal view, are IT / Digitalization, Innovation, and Customer Orientation.
- Respondents' satisfaction with their fellow board members and Executive Management Teams is not too impressive: 65% think that one or more board members should be replaced at the first given opportunity. Somewhat comforting for the Executive Management group must be that only 51% would like to replace someone from Executive Management.

- A small majority of board members are independent of the company and its largest shareholder(s), but this we expect to change in the future. Investors want more independents to ensure greater transparency and arms-length decision-making processes.
- The strategic areas which the boards feel the least comfortable around are Talent Management / HR, Innovation / R&D, and Brand Position / Customer Understanding.
- Everywhere, we see a very high degree of satisfaction with the working climate on the board.
- 51% undergo regular board evaluations, while the vast majority (70%) of boards still rely primarily on the own personal network to identify new board members.
- 41% have taken an Executive Education Board Program of more than 4 days' duration, underlining the growing professionalization of boards.

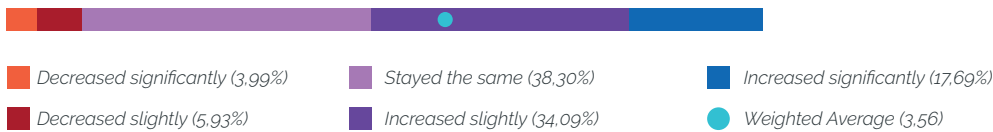
The Analysis

Time Spend, Remuneration and Focal Points for Boards

The workload of boards increases every year. We have seen and documented that in every annual Global Board Survey we have performed over the past 5 years. This year is no exception. Only 10% have

spent less time in the past 12 months, while more than half have seen an increase in the hours spent preparing for and participating in the board meetings.

How much time have you spent on this specific board in the past 12 months in comparison to the previous 12 months?

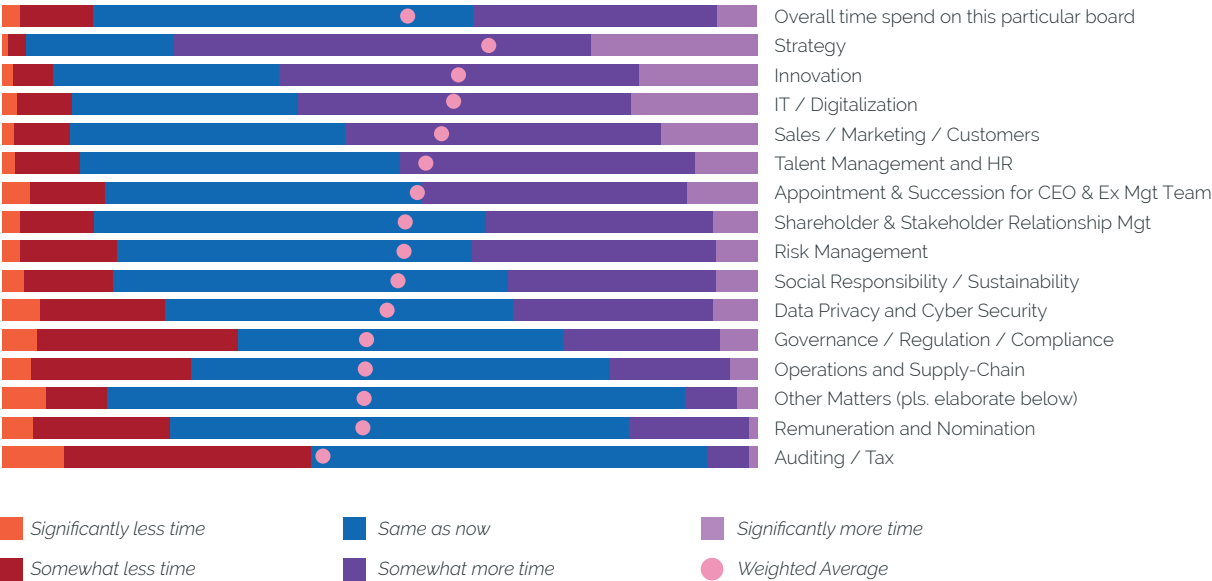


It is easy to conclude from the time spent alone that boards have moved closer in on the company and its executive management. And when examining what boards would increasing like to prioritize in the future, that assumption is supported. Of 15 listed agenda items, the respondents express that they would like to spend even more time on 10 of them, and only very little less on the last 5.

/ Customers, Talent Management / HR, and CEO Succession Management. It seems evident that the more forward-looking, business-oriented and value-creating agenda items are the ones that attract the most attention, while the more traditional pieces of the board's responsibilities (Governance, Risk, Compliance) either already take up sufficient time or are simply growing to be less appealing for the boards. Why? **Boards simply want to create a real impact.**

Strategy is the item on the agenda that boards would like to spend much more time on, followed by Innovation, IT / Digitalization, Sales / Marketing

How much time would you prefer to spend on the following items on this board in the next 12 months compared to the past 12 months?

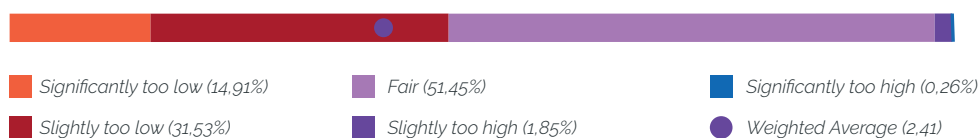


With what seems like an unstoppable spiral of increasing workloads, we were also prompted to look at boards' own perception of their remuneration.

The conclusion is clear; **across the globe board members find that they are in fact underpaid.** Only 2% express that they find their pay to be somewhat in the high end, 51% express the level to be satisfactory, while a compelling 47% find that considering the time spent, the personal contribution, industry benchmark, company's performance, assumed responsibilities

and liabilities, the personal brand exposure, etc., the total remuneration is either slightly or significantly too low. This will probably cause some worry with investors and nomination committees; if the trend continues it might get even more difficult to persuade the most suitable and best qualified people to engage on their boards. **No one, especially board members, likes to feel undervalued.**

How would you rate your total compensation level for this particular board, considering time spent, personal contribution, industry benchmark, company's performance, assumed responsibilities and liabilities, your personal brand exposure, etc.?



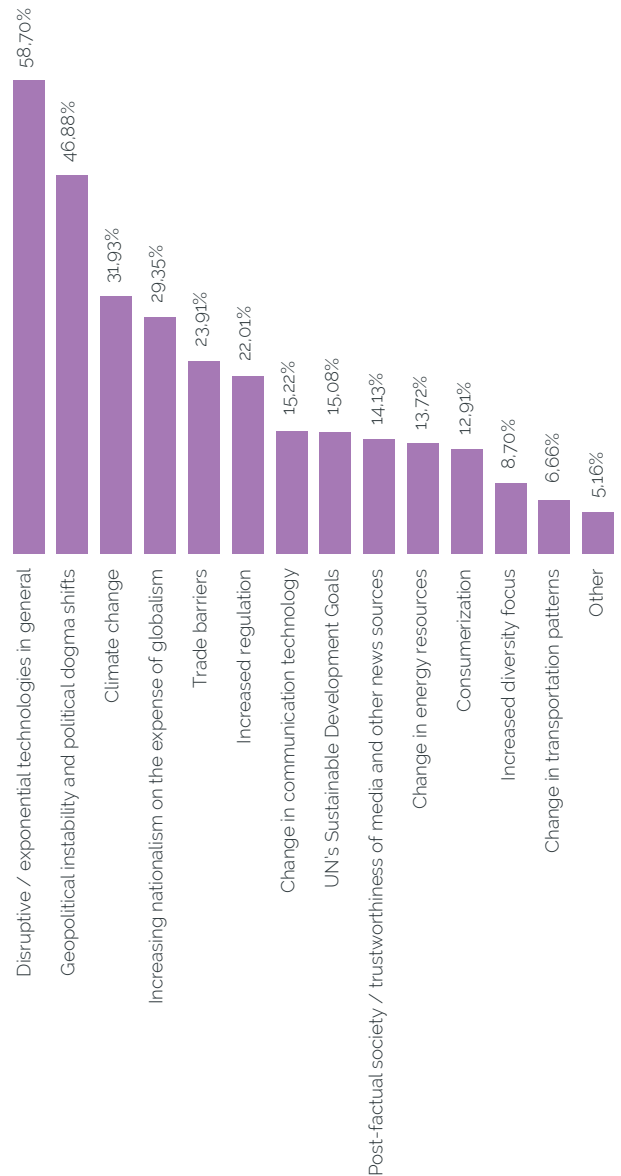
MegaTrends and Board Trends

MegaTrends are trends that have economical, societal and/or political impact of magnitude across a number of geographies over a wide span of time. MegaTrends have been in our focus in every Global Board Survey we have done in the past 5 years, and every year, we have seen the same number one trend; Disruptive / exponential technologies in general. Also this year. But where we have previously seen between 70 – 80% agreeing on this to be number one, that figure is now down to 58%

However, that does not mean that exponential technologies are no longer a trend, but rather that **disruptions are increasingly perceived as the new normal** - which makes room for other emerging trends in the following 4 spots; Geopolitical Instability, Climate Change, Increasing Nationalism, and Trade Barriers.

We would argue that where Exponential Technologies for the most part pose a lot of positive potential, all 4 runner-ups carry economical and societal negative connotations. A small sign of a rising worry on global boards which we will come back to later on.

Which 3 megatrends do you expect to have the most significant impact on society and the economy in your country in the coming 3 years?



When ranking the most significant Board Trends, respondents again this year have a clear winner, Digitalization & Digital Committees. Following in the next spots are Increased Sustainability Focus, More Focus On The Future Of The Business, and Change In Ethical Standards Expected By Boards.

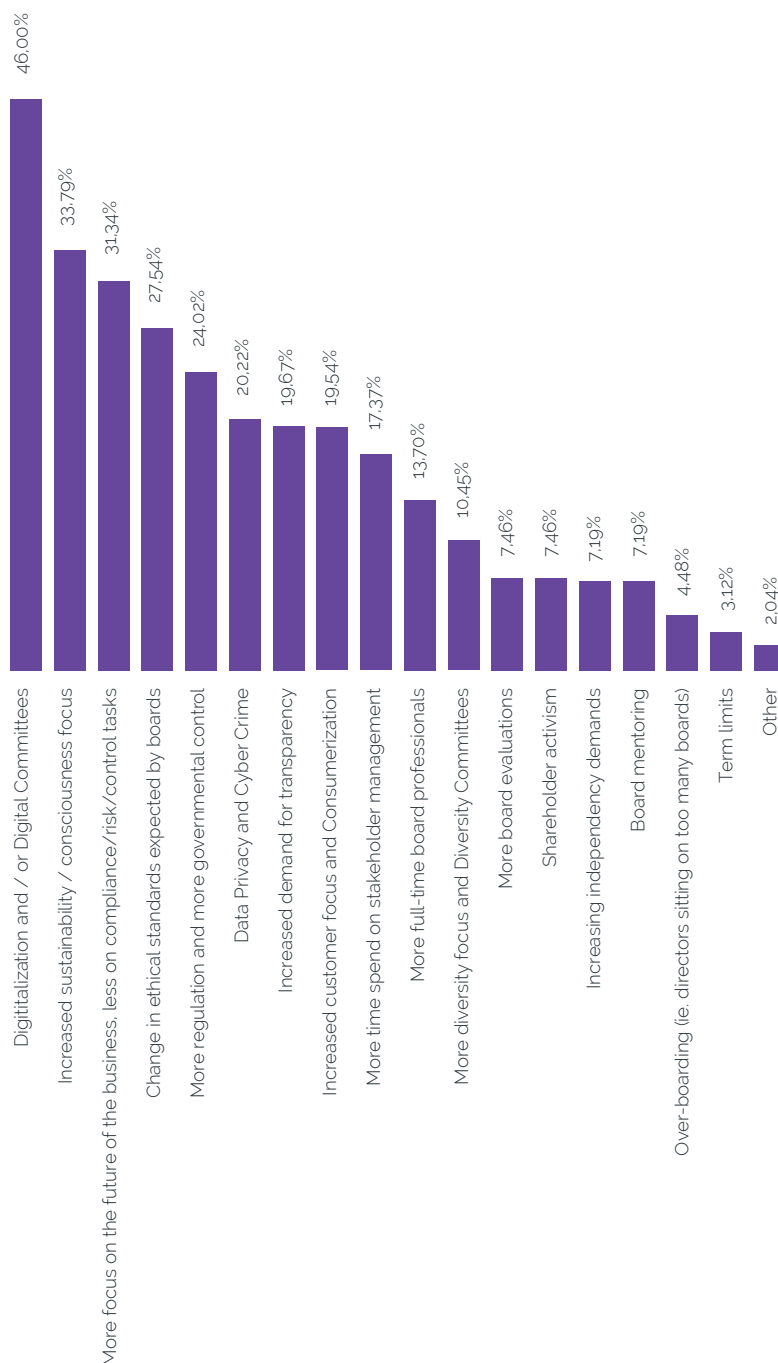
Thus, we see the Disruption MegaTrend having a spillover effect to the board agenda. Same thing goes for the obvious connection between Climate Change (above) and Increased Sustainability Focus.

The increasing focus on the future of the business is evidently a result of what we also saw in Q2, ref. above. Boards have obviously decided that the time for only looking in the rear-view mirror is over.

Probably the most interesting board trend could be the change in ethical standards expected by boards. Normally, we see some degree of soul-searching among leaders, incl. board members, following a large crisis like the end of the dot-com era in 2001 or the financial crisis 7 years later. However, only few will argue that we have seen anything like a large societal, financial or economical crisis during 2018. Nevertheless, the trend is clear: **Board members realize that they too are now being judged not only on their governance and compliance standards, or their value-add to the company, but also on their personal character – individually as well as a group.** Not just for future actions, but also for events that may have taken place 2, 5 or 10 years ago. That is a real dogma shift, as board members will no longer be recruited based on competences and chemistry with the rest of the board alone, but increasingly also based on their character.

One notable difference when examining possible correlations, is that More Focus On The Future Of The Business was replaced by Data Privacy and Cyber Crime when we only looked at companies with an annual turnover over USD 1B. They are the ones that have been most severely hit by Cyber Crime, and the ones that start looking for additional competencies to add to their boards, e.g. to strengthen the Audit & Risk Committee with a Digital Native.

Which 3 board trends do you expect to have the most significant impact on the board / Corporate Governance agenda in your country in the coming year?



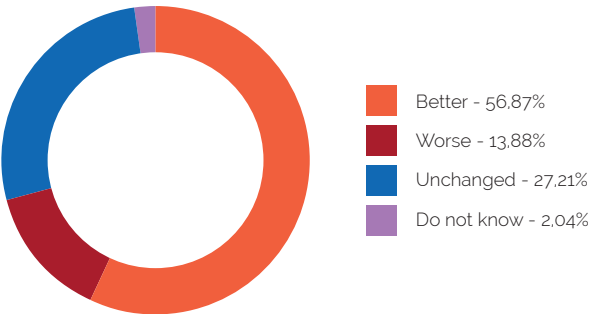
Gazing Into the Future

When asked about their expectations for the company's performance in the coming 24 months, **respondents remain optimistic at large**. 57% believe that the next 2 years will mean even stronger growth than in the previous 2 years, and only 14% think they will see a downturn.

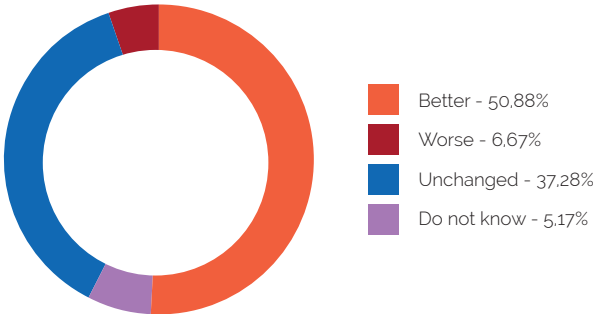
All in all, some very strong positive signs. However, a small hint that respondents may not necessarily feel that we are all in a never-ending growth spiral, is the fact that 68% in 2017 and a staggering 75% in 2018 answered "Better in the coming 24 months compared to the previous 24 months" to the same question in our Global Board Surveys of 2017 and 2018.

Also, when prompted to compare their expectations for their own company with their closest competitors, optimism prevails: 51% expect to do better, and only 7% to do worse than their peers.

What are your expectations for the company's financial outlook for the coming 24 months compared to the past 24 months?



What are your expectations for the company's financial outlook for the coming 24 months compared to that of your closest competitor(s)?



We also examined what board members find to be the most immediate external as well internal challenges for the company. Not surprisingly, the **external and internal challenges are to a great extent interlinked.**

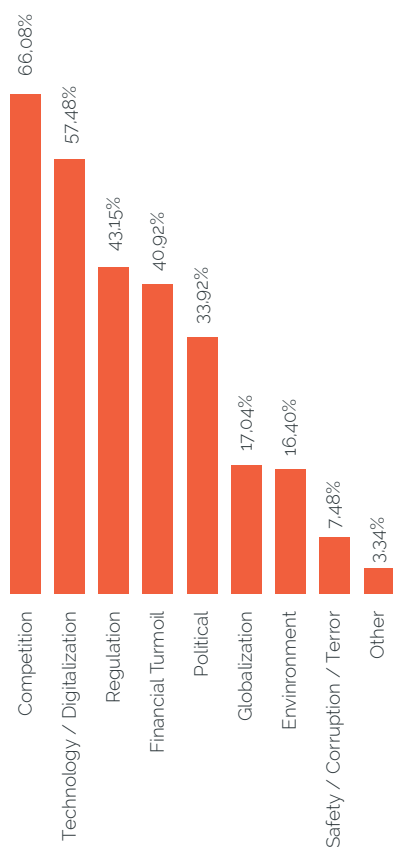
On the external side, Competition and Technology / Digitalization stand out, followed by Regulation and Financial Turmoil.

While on the internal side, strategy is a clear number one, followed by HR, Sales, Financial / Cash, and Innovation. It is the first time in a number of years that we see Financial / Cash taking a top 4 position on this

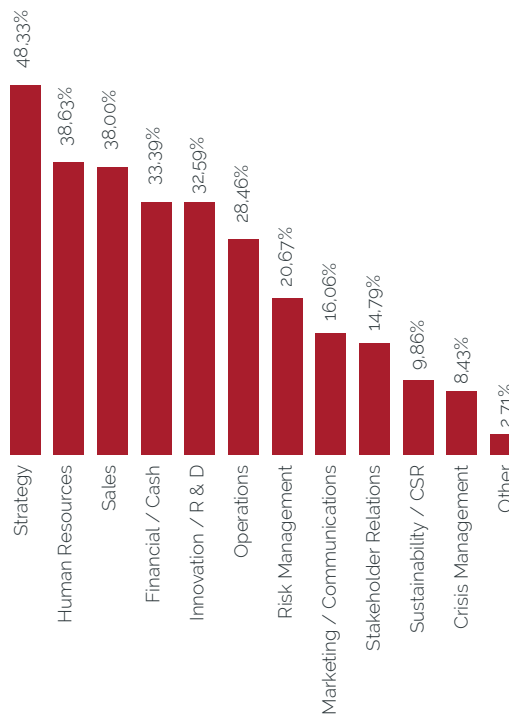
question. Again, just a small token of concern for the future among global boards.

Thus, we are urged to remind boards of what they themselves express that they should be spending (much) more time on; Strategy, Innovation, IT / Digitalization, Sales / Marketing / Customers, and Talent Management / HR, ref. Q2 above. Either by changing the board agenda priorities or by increasing the time spend on board meetings. Because unfortunately the company challenges won't take care of themselves.

Over the next 12 months what are the 3 most important external challenges your company faces?



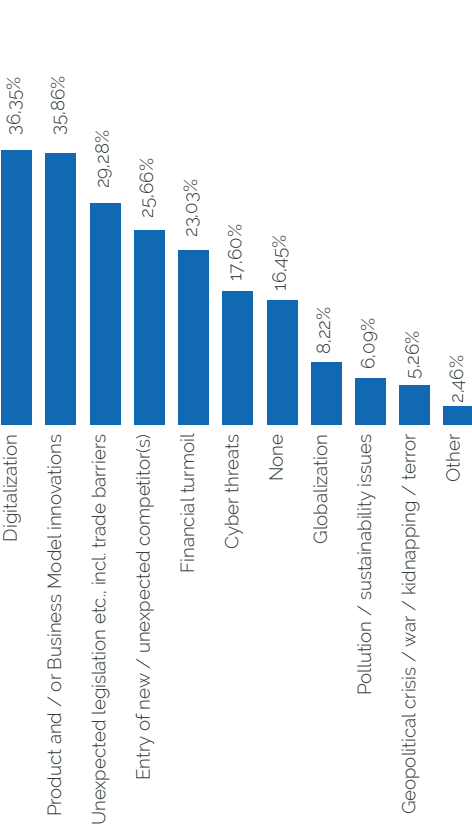
Over the next 12 months what are the 3 most important internal challenges your company faces?



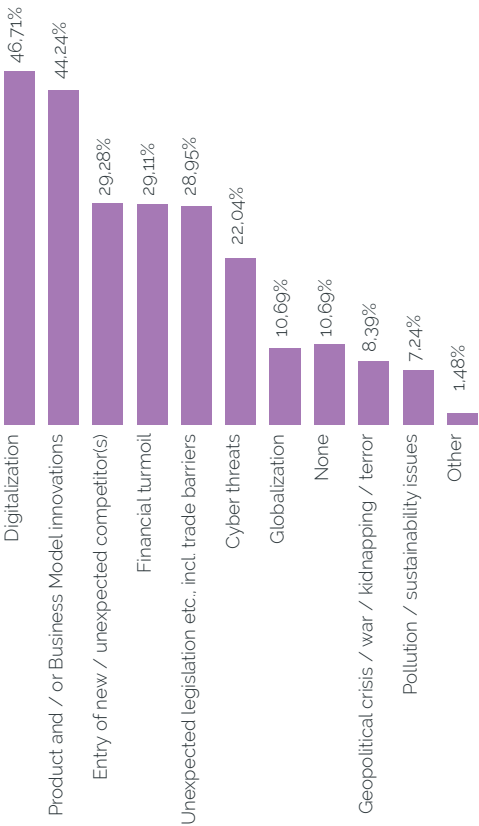
Challenged on what disruptive scenarios, boards have had to deal with over the past two years – and similarly what they are preparing to deal with in the coming two years, a relatively homogeneous picture unfolds: Up until now, boards have primarily had to deal with Digitalization, Product & Business Model

innovations, and Unexpected Legislation. What they expect to face in the future is even more Digitalization and Product & Business Model innovations – with entry of new competitors, financial turmoil, unexpected legislation and cyber threats ranking next.

Has the board had to deal with any of the following disruption scenarios in the past 24 months?



Is the board expecting and / or preparing for having to deal with any of the following disruption scenarios during the coming 24 months?



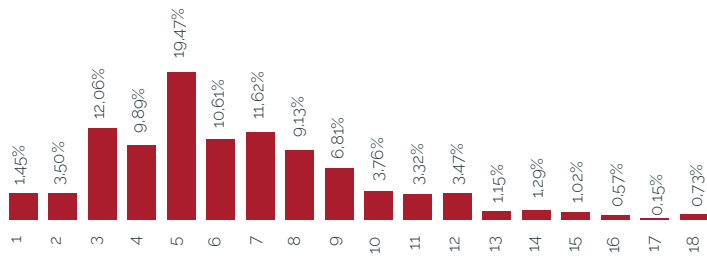
Board Composition Size, Diversity, Competencies, Succession

The total number of board members vary significantly – from 1-18. Most common is a number between **5-9**, and the global average board size is **6,4 directors**.

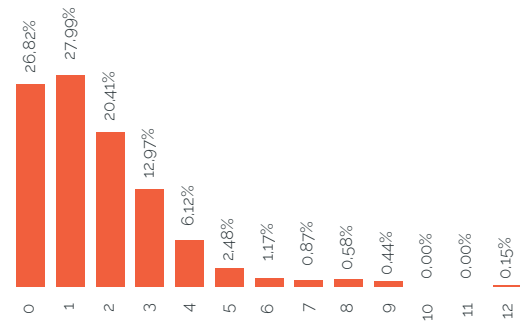
Overall, the average number is 1,7 women – equivalent to a share of **26,5% women of the total number of board members globally** – not as bad as what could probably be expected, but with tremendous variations from country to country.

We have also examined the share of women directors, showing numbers between 0-12. Most notably, **27% of all boards have no women, and another 28% only have one woman on their board**.

How many directors is the board composed of?



Of the total number of directors, how many are women?

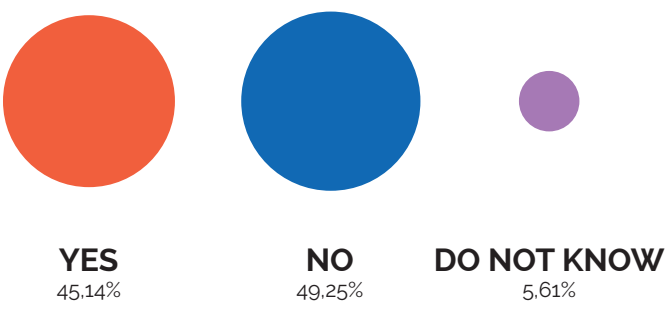


Following up on the previous question, we examined if respondents found that increasing focus on diversity on boards has had an effect on how their board is composed. 45% said yes, and of these 69% said that it had been gender-driven while 50% had looked for more diversity in competencies.

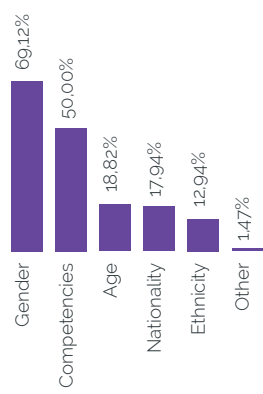
Increased gender diversity is largely driven by large companies. Of companies with more than USD 1B in annual turnover, 67% have seen changes in their board composition, of which 90% had been gender-driven. Only 9% of the companies with more than USD 1B in annual turnover have 0 women on their board – compared to 27% overall.

When asked if respondents agreed with initiatives like e.g. gender quotas, 50% of all respondents said yes to some or a great extent, however with a remarkable difference between men and women among the respondents. **A staggering 83% of women support gender diversity quota-initiatives, while this is only true for 40% of the men.** However, we must note that the overall support to gender-diversity supporting initiatives in last year's Global Board Survey was only 41% (73% of women, 31% of men), ie. implying a landslide shift in opinion over just one year among both men and women.

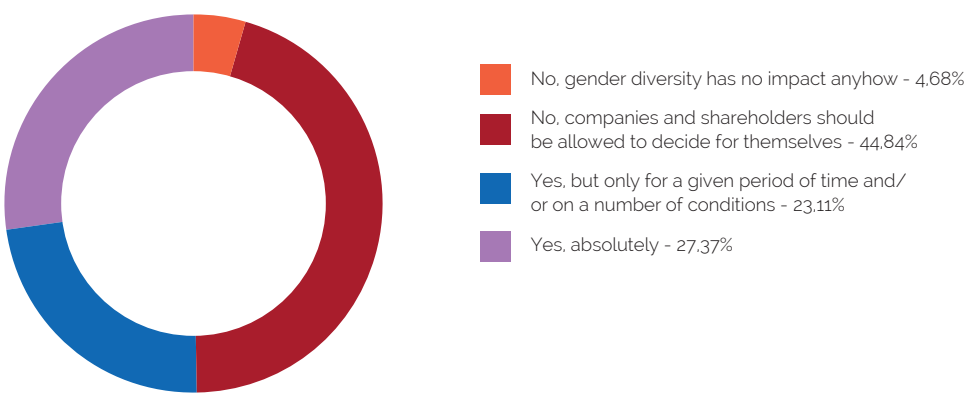
Has increasing focus on diversity on boards had an effect on how your board is composed?



If yes, within?



Do you agree with initiatives leading towards increased gender diversity in the boardroom, like e.g. gender quotas by either law or as part of the Corporate Governance code?



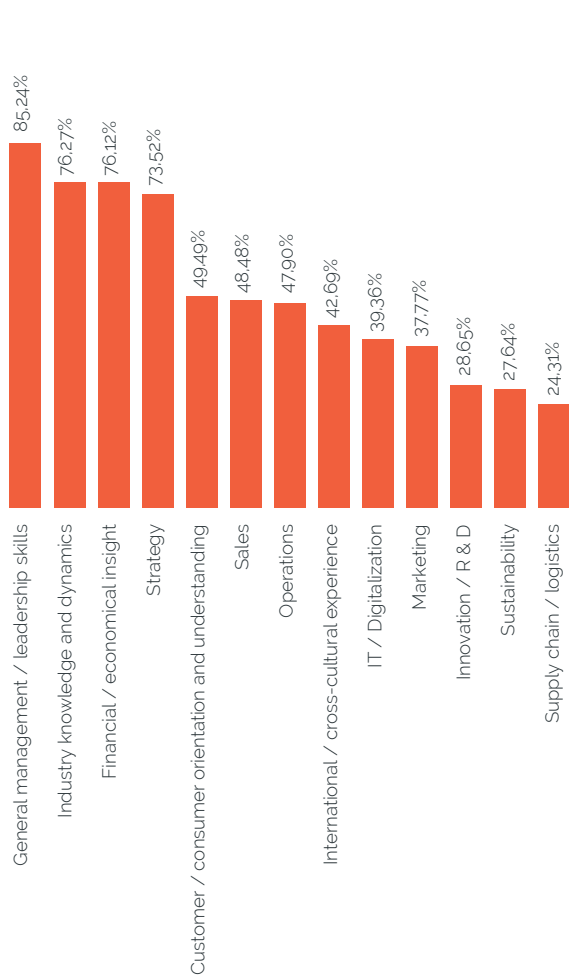
When trying to map what competencies are sufficiently represented on the current board in light of the company's strategy, General Management, Industry Knowledge, Financial / Economics, and Strategy are clearly where boards feel most comfortable.

Areas that could however equally clearly need some strengthening in the board members' personal view are IT / Digitalization, Innovation, and Customer Orientation. There is an obvious, clear correlation to the most

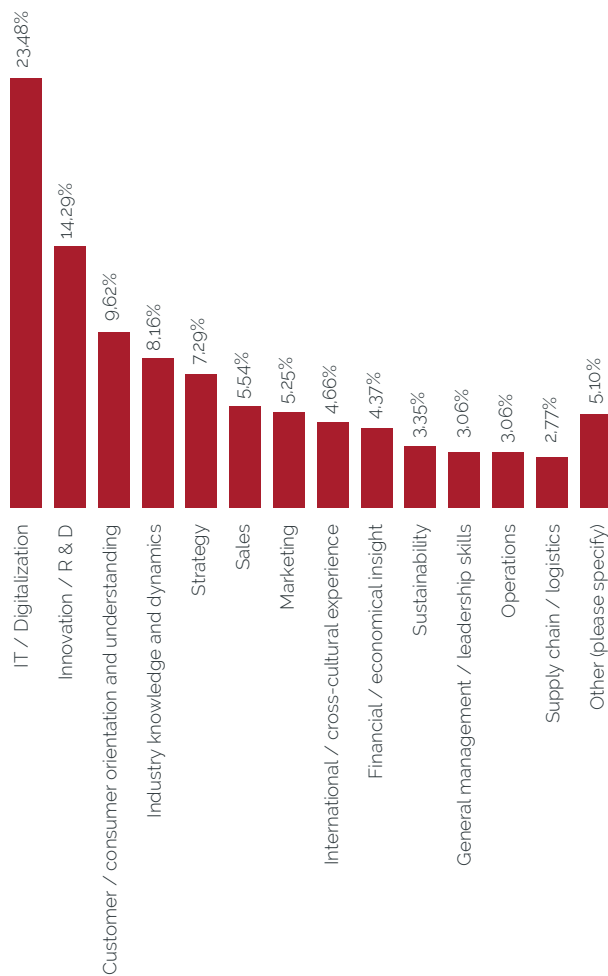
important megatrends, board trends and perceived future challenges here.

58% say that the overall composition seems right to them, while **29% would like to change how the board is composed from a competence point of view**. The remaining 13% is undecided.

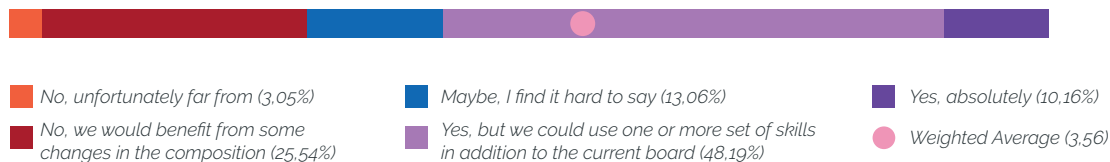
Which competencies would you say are present on the board to a sufficient extent considering the company's strategy and financial situation right now?



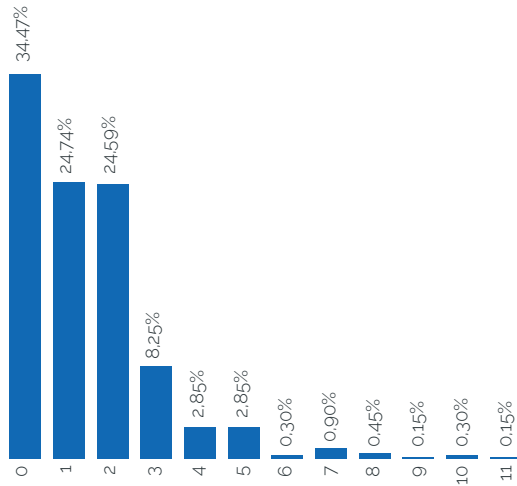
If you could add one more member to the current board, which competency would you personally prioritize?



Do you believe that the current board composition matches the competencies needed for the future in light of the company's strategy?

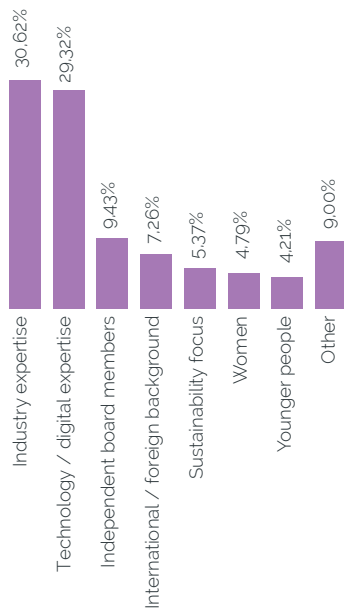


How many directors should in your view be replaced at the next possible General Assembly (or sooner)?



We did however follow up with a question on how many board members should be replaced at the next given opportunity, and this time only 34% said none. **25% thought that one board member should be replaced, and another 25% said two, but 16% found that 3 or more board members should be replaced.** Maybe the satisfaction with their peer board members is not so high after all.

What is your board's actual highest priority for future board profiles?

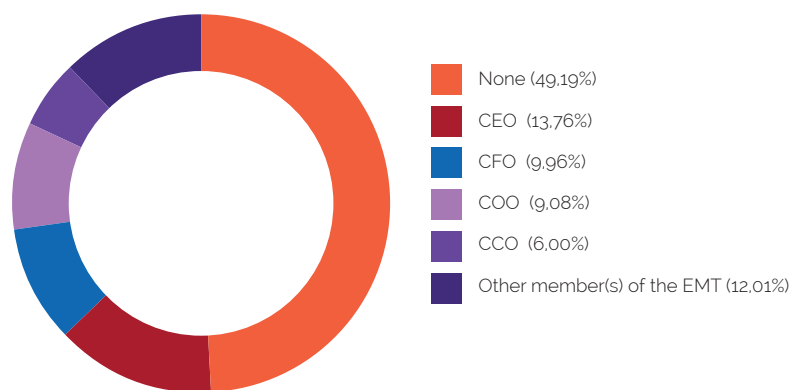


One thing is a personal preference on what the board might lack or need of competencies, another is what the board's actual highest priority is for future board profiles. 31% said industry expertise, 29% said technology / digital expertise, 9% said independent board members, 7% prioritized international board members, 5% are looking for sustainability expertise, and only 5% are looking for more women, and 4% for younger people. **We see this as a discrepancy between what the boards in reality need, ref. above, and what they manage to agree on when prioritizing their recruitment efforts.** We particularly urge investors to follow this trend very closely as we find it troubling that companies would prioritize anything above what it truly needs, no matter the reason behind it.

In continuation hereof, we looked at how respondents felt about the need for changes in executive management. 49% said that no changes are needed while **51% would like to see changes on the Executive Management team within the next 12 months.**

14% would like to change the CEO, 10% said the CFO, 9% said the COO and 6% the CCO. 12% pointed to other members of the executive management team. All in all, a relatively high satisfaction rate in our opinion, considering that the overall global tenure at C-level is just above 5 years on average.

Which member (if any) of the Executive Management Team should in your view be mostly considered for replacement within the next 12 months?

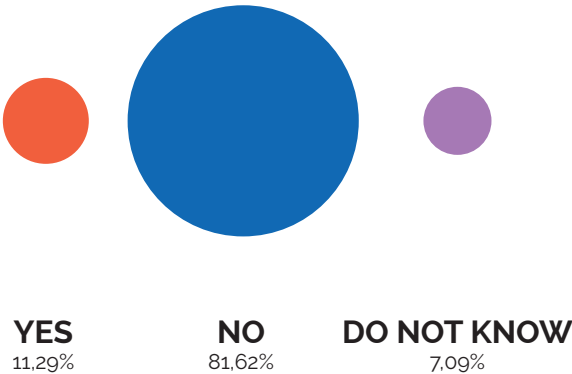


Independency, Age Limits, Term Limits

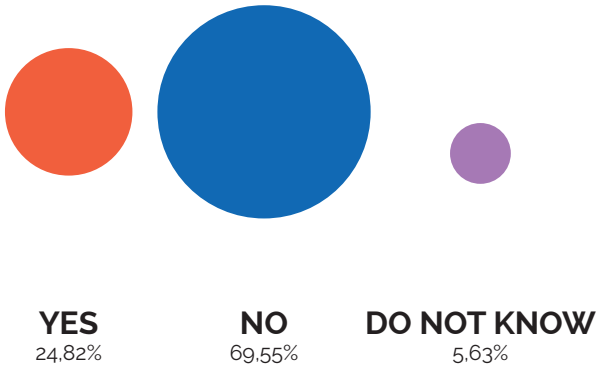
Looking at age limits, only 11% of boards have them, while 25% have term limits. From our experience, on a global level, we expect the proportion of companies with age limits to go down in the future, but the number of companies with term limits to go up. This

trend is supported when comparing with the figures from last year, where 14% had age limits and 22% had term limits.

Do you have age limits on the board?



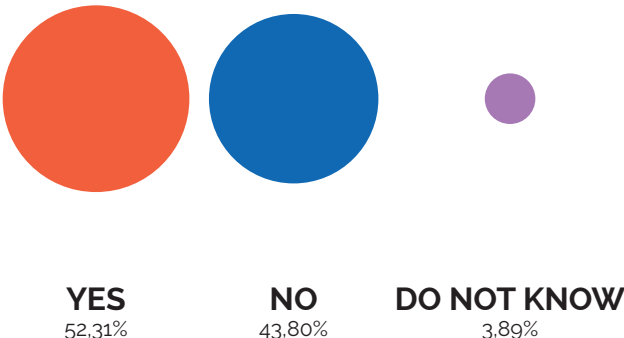
Do you have term limits on the board?



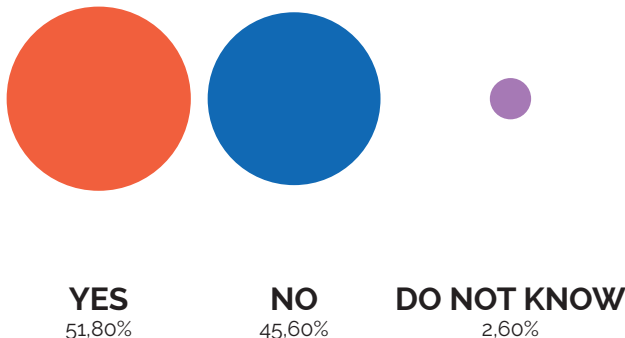
One of the biggest global trends among institutional investors is undoubtedly their focus on increasing the level of independency of board members from the company and major shareholders. 52% report that the majority of the board members are independent of the company and its largest shareholder(s), and another 52% that the chairman is also to be considered independent.

These numbers are on the low side of what they ought to be, even when counting in the share of family-owned and privately held enterprises among the respondents (ref. below). Even in one-tier governance systems like e.g. the US (where Executive Directors are the norm, and the combined role of CEO & Chairman is still hugely accepted), **on all boards at least the majority of the board members ought to be independent.**

Is the majority of the board members independent of the company and its largest shareholder(s)?



Is the chairman of your board independent of the company and its largest shareholder(s)?

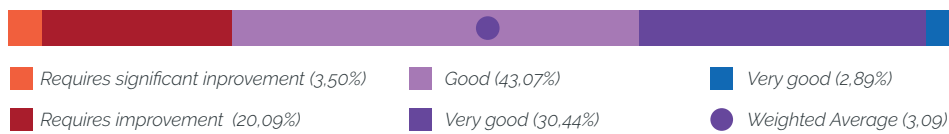


Board Effectiveness, Dynamics and Performance

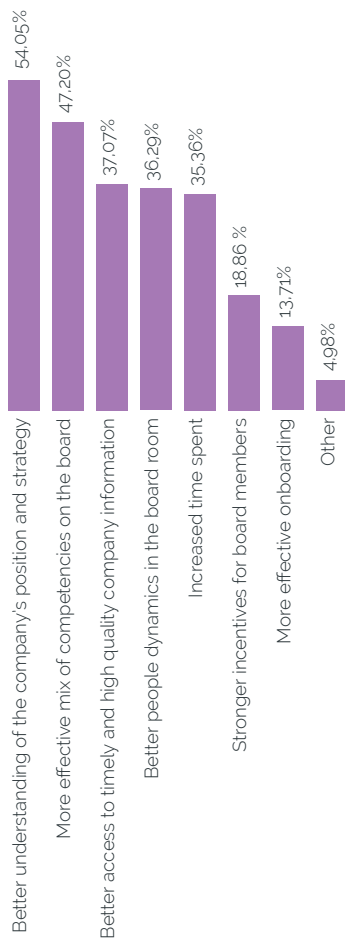
In general, respondents express a relatively high degree of satisfaction with their board's overall performance. Thus, the weighted average is Good. Yet only 3% believe it to be truly excellent, and a total of 24% think the performance could either slightly or significantly improve.

There seems to be quite a high degree of unity regarding what could possibly further increase the boards' performance. 2 factors stand out as potential drivers behind better performance; Better Understanding Of The Company's Strategy and More Effective Mix Of Competencies.

How would you rate the quality of the board's overall performance?



In your opinion what 3 factors would best improve the overall performance on your board?



When probed about the board's overall understanding of the company's strategy within 9 specific areas, the weighted average is above average within 4 areas – but below within 5 areas.

Most particularly the boards feel the least comfortable around Talent Management / HR, Innovation / R&D, and Brand Position / Customer Understanding. Isolated this should not be too much of a surprise as these areas are farthest away from the board's traditional focus.

However, bearing in mind what respondents themselves point to as being the biggest challenges for the companies in the immediate future, and also which areas they would like to spend more time on in board meetings, the outcome here must be disturbing for most boards.

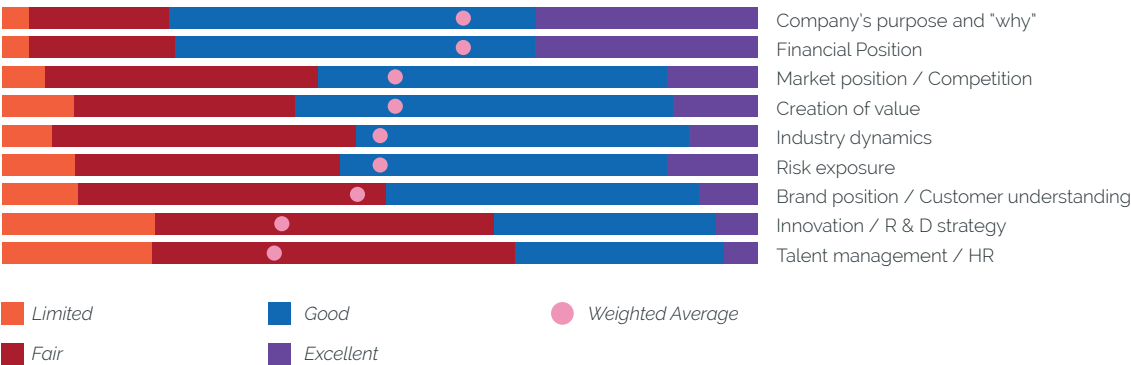
You could say that **board members' desire to add value and create true impact has difficult circumstances** since customer understanding is in essence the key to all current sales efforts; innovation is per se what will determine the future for any business, and a narrow understanding of a company's talent management / HR position provides a poor basis for the ability to attract, develop and retain the best employees for the future.

Key here will be boards' ability to transform from the traditional group of senior business people of typically CEO- or CFO-background with a supervisory focus to an openminded, agile, diverse, goal-oriented, high-performance team, eager to create impact in and from the boardroom.

If formalities, compliance, check-lists and endless reporting on historical issues take up the predominant part of the board agenda, leaving only very little room for intelligent questions, constructive criticism, sound debate, and broad-minded business discussions, then boards only have a role to play in companies where the management is already on their heels either due to misconduct, misrepresentation or simply poor performance.

There is no sign of digitalization taking a break. We see an increased pace at which disruptive technologies are being brought into the business world and thus all players are in the discomfort zone to stay par with competitors or to out-innovate them. The board's new role is to play proactively on this field – and to **get comfortable with being uncomfortable**.

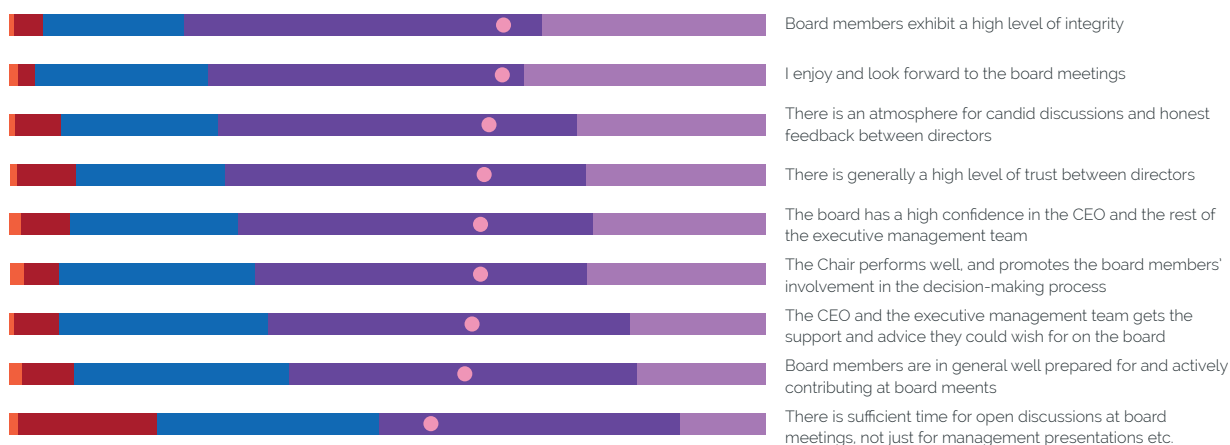
How would you rate the board's overall understanding of the company's strategy within the following areas?



When asked to rate the working climate on the board, **respondents in general express a high degree of satisfaction with their peers and with the board dynamics displayed.** Especially the fact that Integrity, Enjoyment of Board Meetings, and a Candid And Honest Atmosphere take the top 3 spots is to us a sign

that boards are able to conduct themselves and their meetings in a meaningful and respectful manner to the benefit of not only the company but all its shareholders as well as stakeholders.

How would you rate the working climate on the board?



■ Strongly disagree
 ■ Neutral
 ■ Strongly agree
■ Disagree
 ■ Agree
 ● Weighted Average

Board Recruitment, Board Evaluations, Board Education

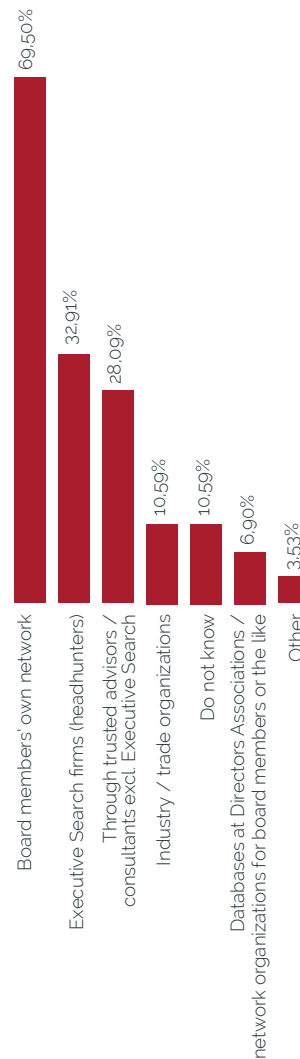
Probably **the most important factor when recruiting a new board member is trust**. And we tend to trust people more if we have known them for some time and seen what they stand for. Hence, board members' own network is still by far the preferred channel to identify potential new board members with an overwhelming 70%.

Nevertheless, with calls from investors for more independent board members, from political side and from the society at large for more diversity; from the regulatory side for more professional board members and in some regions for more transparent recruitment processes, the trend is clear:

More outside advice is being sought; obviously with Executive Search firms as the primary source, followed by other trusted advisors and trade / industry organizations.

From the data at hand, including our Global Board Surveys from the past 5 years, and additional input from our extensive global network of some of the most influential chairmen worldwide, **we expect the utilization of Executive Search firms involved in board searches to at least double over the next 3 years**.

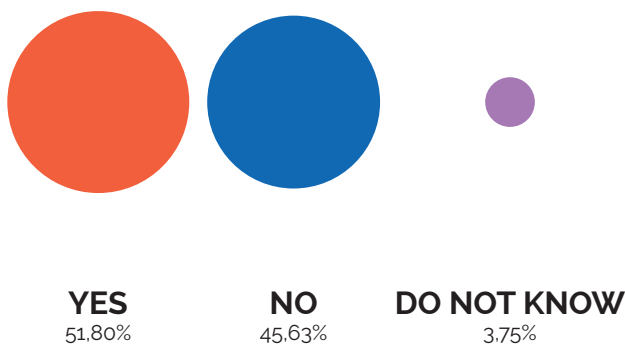
Which sources do you use to identify and attract new board members?



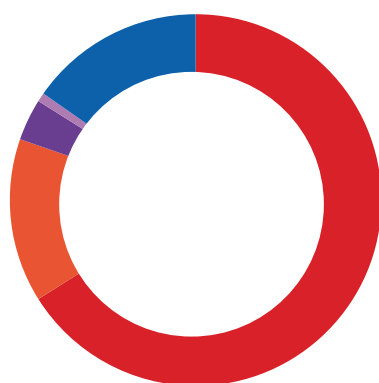
More than half of all boards globally now undergo regular board evaluations, of which two-thirds do them every year. A little more than half did it as a self-evaluation, while at least 25% found help from an external facilitator / consultant. **With growing investor attention on the performance on the board, and their demand for increased transparency, we expect the utilization of evaluations to a grow with up to 50% over the next 2-3 years.**

Like it is already happening in e.g. Sweden and Norway, where the nomination committees are either partly or entirely made up by third party representatives of the largest shareholders, their preferred tool of choice to assess the effectiveness and competence adequacy of the current board is the annual board evaluation, so we will see especially institutional investors zooming in on the evaluation results in advance of the AGM when determining whom to nominate for re-election and whom to replace.

Do you perform regular assessments / evaluations of board performance?



If yes, how often?



How was the latest assessment / evaluation conducted?



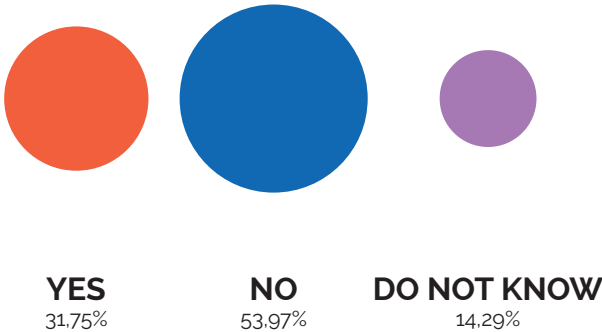
- Every year (66,06%)
- Every other year (14,25%)
- Every third year (3,63%)
- Every fourth year or less (0,78%)
- Do not know (15,28%)

- As a self-evaluation (54,30%)
- With assistance from third party consultants (13,21%)
- As a combination of the two (11,32%)
- Do not know (21,17%)

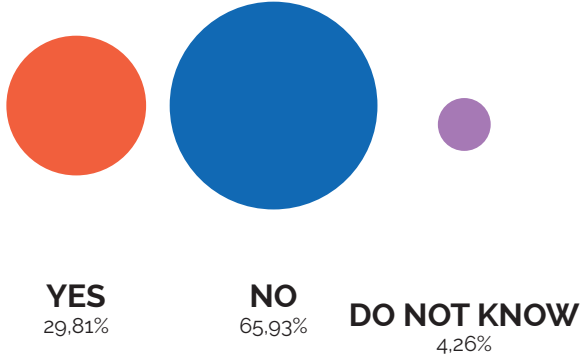
Considering how most board recruitment processes historically have been done (and still is) – through Old Boys’ Network – it should be no surprise that letting a fellow board member go against their will can be difficult to tackle.

Only 32% of boards have a formal process on how to remove ineffective directors from the board – despite that 30% have already had to do so in the past. **It seems obvious that a formal procedure would ease the uneasiness that saying goodbye inevitably implies for both the remaining and the leaving board members.**

Do you have a process for removing ineffective directors from the board?



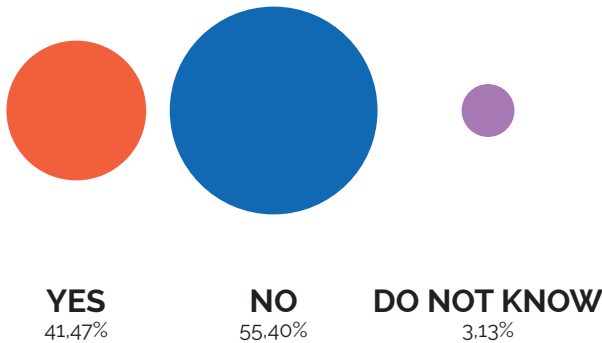
During your term of service, has the board had to remove one or more directors due to ineffectiveness?



Over the past 10 years, board work has undergone a clear professionalization, and with that also a steep increase in the demand for continuous professional development within the board profession. Thus, the industry of executive educational programs focused on corporate governance, board leadership, board effectiveness etc., has seen tremendous growth. As a

result more than **41% of our survey population has either individually or as a group followed a board program** with a duration of minimum 4 days in the past 10 years, and another 3% are planning to do so in the coming year. That is very far from the apprenticeship-like approach that had been prevailing up until around 2007.

Have you individually or as a board undergone any specific 'board training / education' of minimum 4 days duration in the past 10 years?



Concluding

The past 10 years have seen a paradigm shift globally in how corporate boards are working. From a traditional governance / risk / compliance-focused supervisory board that would leave everything related to how the business was run to daily management – to today's professional, ambitious, engaging, value-creation focused, strategic board with a clear self-awareness of its leadership role and impact potential.

Simultaneous, predictability is rapidly being replaced by political dogma shifts, geopolitical instability, exponential technological advancements, severe climate changes, and increasing nationalism on the expense of globalism.

These MegaTrends obviously all pose only further challenges for companies hoping to stay ahead of their competitors. So **how is the wheat separated from the chaff among corporate boards?**

First of all, **the board needs to assume a truly strategic and proactive role** rather than a reactive, opaque position with often over-boarded or over-tenured directors working from an "don't fix it if it ain't broke"-approach. Boards are the ones in charge and the ones the world is increasingly looking at to praise in good times – and looking at to hold accountable when the company is performing poorly or is ethically in dire straits.

Second, **boards need to adopt a purpose- and values-driven modus operandi**. Everything done and decided upon by the board needs to be able to undergo questioning and cross-examination by any type of stakeholder; be it investors, public authorities, employees, the media or the surrounding society, and

everything should be attributable to the purpose and the values which have been specifically defined as the raison d'être for this particular company. Imposters and frauds simply do not have any chance of survival in the future. The level of transparency is just too high.

Third, **the only viable attitude for a boards in the future is one of curiosity, mental agility and ever-adapting to change**. The only constant is change. Narrow-mindedness and past successes won't cut it alone. Thus, all board members will from now on be weighed against a scale of not only Competencies, but equally also Character and Chemistry (ie. with the rest of the board).

Fourth, boards need to embrace diversity. **Vigilance, innovation, adaptability, risk management, agility and transformations are all areas that are better supported by heterogeneity** in competencies and mindsets rather than by homogeneity, hence also better supported by diversity in nationality, age, gender etc.

Fifth, boards must constantly bear in mind why they were originally appointed to the board. It was originally all about shareholders believing they could create an impact and add value. Knowing their company, the industry, the business model. Then, they can be creating that impact and adding that value - to the board, the company and the shareholders. The good news is that **when true Board Leadership is exercised, the potential impact created is not only confined in the boardroom, but extends much further – to the entire company, its shareholders and the surrounding society**.

Behind the Survey Data

As referenced above, the survey population totals 1.317 respondents from 64 countries – on all populated continents.



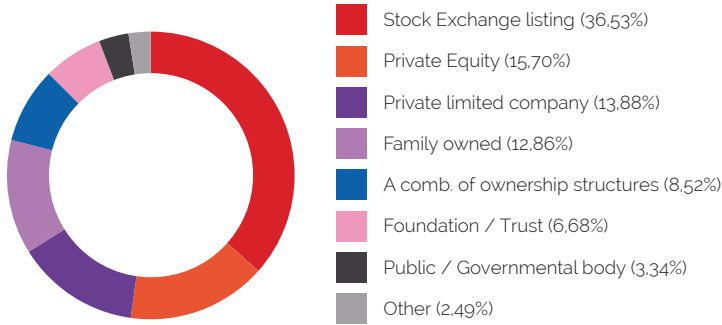
Albania
Argentina
Australia
Austria
Bahamas
Belgium
Brazil
Bulgaria
Canada
Chile
China
Colombia
Curacao
Cyprus
Czech Republic
Denmark

Dominica
Finland
France
Germany
Ghana
Greece
Hong Kong
Hungary
Iceland
India
Indonesia
Ireland
Israel
Italy
Japan
Kazakhstan

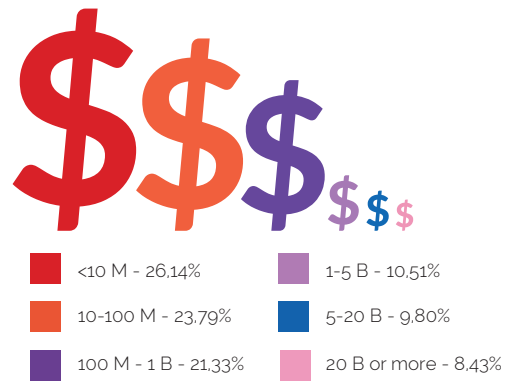
Kenya
Lithuania
Luxembourg
Malaysia
Mexico
Moldova
Netherlands
New Zealand
Nigeria
Norway
Poland
Portugal
Qatar
Romania
Russia
Saint Kitts and Nevis

Saudi Arabia
Serbia
Singapore
Slovenia
South Africa
Spain
Sweden
Switzerland
Syria
Turkey
United Arab Emirates
United Kingdom
United States of America
Vietnam
Yemen
Zimbabwe

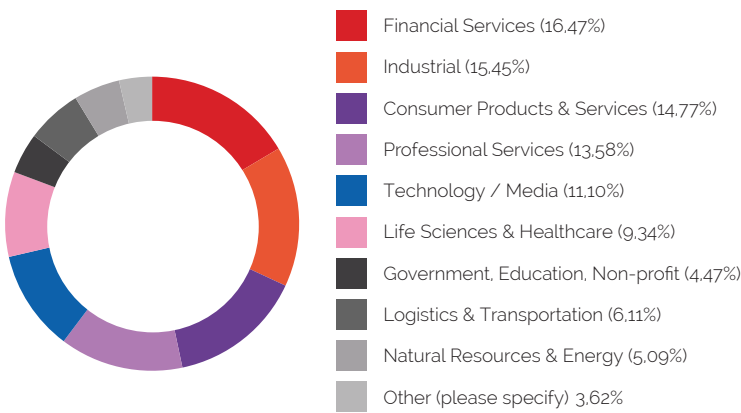
What kind of ownership is the company subject to?



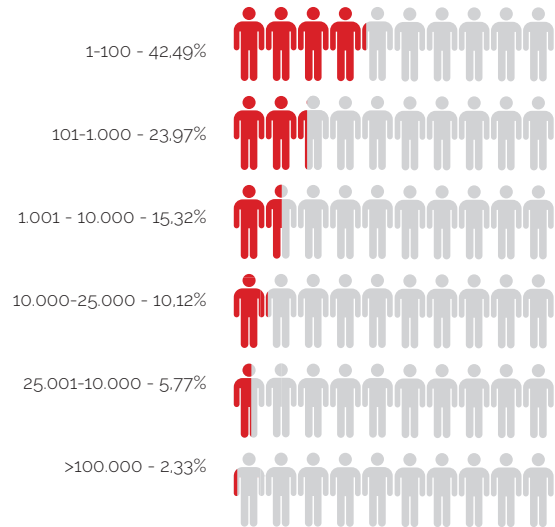
What is the company's total annual turnover? (given in US Dollars)



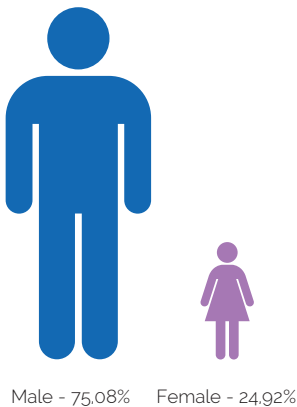
What main industry does your company operate within?



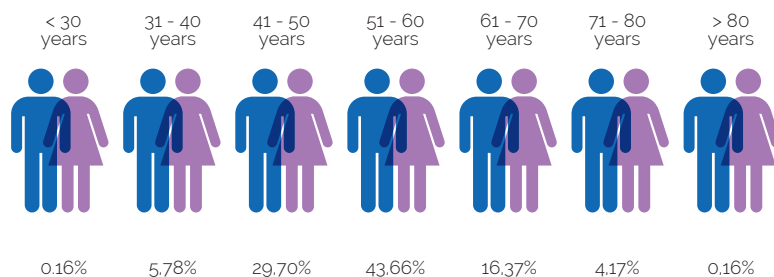
What is the company's total number of employees?



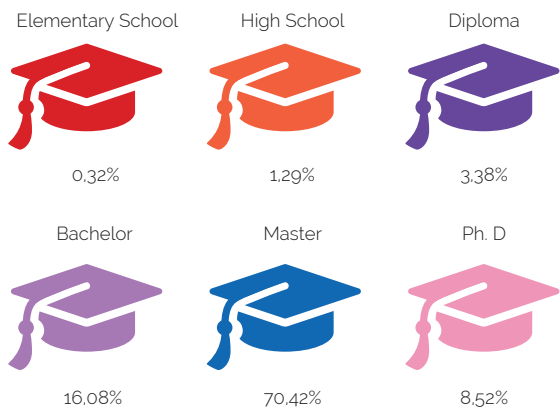
Are you?



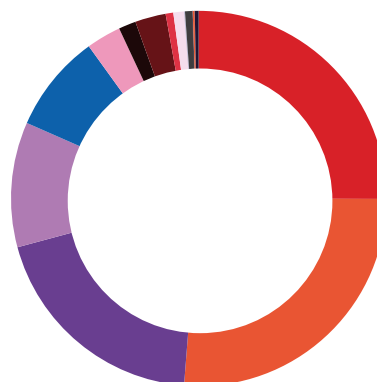
Please disclose your age



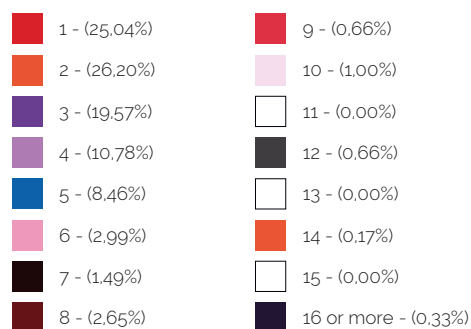
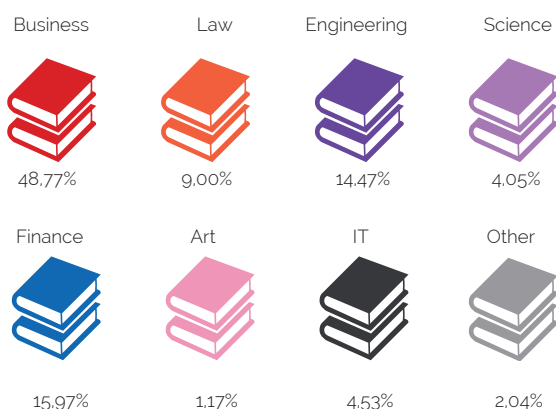
Please disclose your educational background



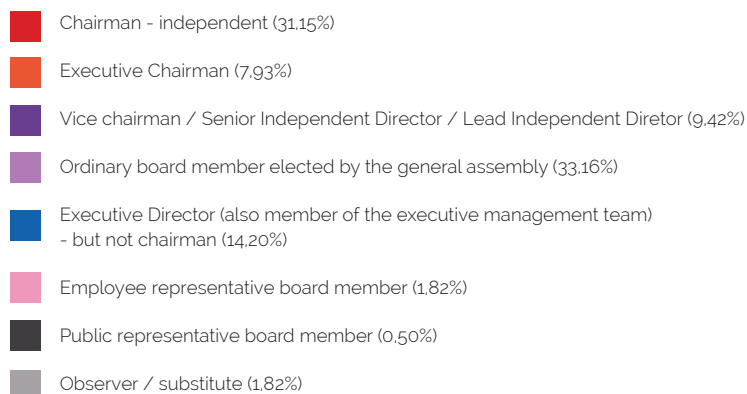
How many corporate boards - public as well as private - do you sit on in total?



Please disclose your field of study



Are you?



Our heartfelt gratitude goes to all the 1,317 global survey participants who volunteered their time, effort and nuanced insight into the board leadership and corporate governance agenda at the highest level. We hope you find the presented collection of visuals, discussions and conclusions from the Global Board Survey 2019 valuable and relevant. You are of course

more than welcome to continue the dialogue with us, and please also feel free to quote the analysis with a clear reference to "Creating Impact In And From The Boardroom - Global Board Survey 2019 by InterSearch and Board Network".



Jakob Stengel

Managing Partner and Global Head of Board Practice, Case Rose | InterSearch and Founder & Chairman of Board Network – The Danish Professional Directors Association

mail: js@caserose.com / js@boardnetwork.dk

phone: +45 2128 2882

Jakob Stengel is among the executive search industry's globally leading board leadership and corporate governance experts, having been involved at the forefront of that agenda for more than 20 years. He is the Editor-in-Chief of the quarterly magazine, Board Perspectives, and holds a degree as Master of Law (LL.M.) from University of Copenhagen.

For further information and contact details on our two organizations, please go to www.intersearch.org and www.boardnetwork.dk.

BOARD · NETWORK

INTERSEARCH
worldwide organization of executive search firms