



Korn Ferry Board Survey Finds Dramatic Age Shift In New Directors

November 4, 2015

Korn Ferry Market Cap¹⁰⁰ Boards Seek Different Expertise, 16% of Newly Added Directors Are 49 or Younger

LOS ANGELES--(BUSINESS WIRE)--Nov. 4, 2015-- Korn Ferry (NYSE:KFY), the preeminent global people and organizational advisory firm, today released its annual Korn Ferry Market Cap¹⁰⁰ (KFMC¹⁰⁰), a study of board practices at the largest US companies by market capitalization, entitled "The Class of 2014."

KFMC 2015 key findings for the Class of 2014, or directors newly added to boards, include:

- **Age** – 17% of new directors are 65 and older, while 16% are 49 or younger. On boards as a whole, including both new and incumbent directors, 51% of directors are 65 and older, while 4% are 49 or younger.
- **Functional/industry background** – The most sought-after new directors have a finance/audit background (50%), followed by same industry experience (47%), COO/Operations (32%), and Marketing/Sales (31%).
- **Diversity** – 20% of new directors are women; 9% are African American; 3% are Asian American; and 0% are Hispanic American.
- **Global experience** – 35% of new directors have international work experience, and 21% were born and/or educated abroad.

"The analysis points to efforts by the largest companies in America to add next-generation directors who bring the fresh ideas and insights that are crucial in a rapidly changing business environment," says Korn Ferry Vice Chairman Dennis Carey. "Of particular interest, nearly one in six new directors is 49 or younger."

The report tracks data not only on newly added directors but incumbent directors, noting that 55% of directors have held their board seats for nine years or more.

In addition to the statistical portion of the KFMC¹⁰⁰, which is based on an analysis of proxy information and other publicly available data, the report features an interview with corporate governance expert Martin Lipton, co-founder of law firm Wachtell, Lipton, Rosen & Katz, who shares his views on gaining crucial new expertise on boards, board leadership, and the danger of what he refers to as "short-termism." A "Hall of Fame" section of the report features three prominent contributors to corporate governance: Bonnie Hill, who recently stepped down as the long-time lead director of Home Depot; Irv Hockaday, current lead director of The Estee Lauder Companies and former lead director of Ford Motor Company; and Jack Krol, former chairman of Delphi Automotive PLC and Pacolet-Milliken, and former lead director of MeadWestvaco and Tyco International. The three veteran board leaders discuss what it takes to build a strong board team and work effectively with the CEO.

Each year the Korn Ferry Market Cap¹⁰⁰ (KFMC¹⁰⁰), examines current board practices, as well as characteristics of newly added directors at US companies with the largest market capitalization. Because this group of companies represents leaders in their sectors that regularly demonstrate outstanding results, and the list changes little year to year, the assumption is that they have adopted successful practices that might be extended to other companies.

To download the complete KFMC¹⁰⁰ report, please click here: kornferry.com/institute/KFMC100-2015

About Korn Ferry's Board Practice

Korn Ferry's Board Practice comprises an elite group of senior consultants who have recruited directors for more than 150 of the largest companies in America. Our work encompasses recruiting entire boards for spin-off companies, emerging companies and IPOs, private firms, and those emerging from bankruptcy. We maintain a steady focus on meeting the diverse specification criteria we are charged to recruit as well as ensuring the culture and team fit with other directors that is essential to board effectiveness.

About Korn Ferry

For nearly half a century, clients have trusted Korn Ferry to recruit world class leaders. Today, we are the preeminent global people and organizational advisory firm. Through our best-in-class practitioners and devotion to innovation and science, we are committed to making a powerful impact on people, organizations and society as a whole and producing positive outcomes for our clients and shareholders. The firm currently operates in 78 offices in 37 countries and has approximately 3,900 colleagues. Our knowledge and passion for people has made us the global leader in the business that enables business – the people business. We are ready to help our clients shape their future.

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Source: Korn Ferry

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