Capabilities presentation

October 2016
UP.

IS WHERE EVERY BUSINESS WANTS TO BE.
BUT HOW DO YOU GET THERE?
Businesses are under pressure to perform now more than ever. But without applying a focused effort to their people strategy, organizations are missing the full power and potential of their greatest lever for success.
**IT ISN’T ROCKET SCIENCE, BUT IT IS SCIENCE.**

Korn Ferry knows more about human performance in the workplace than any other organization.

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
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<tbody>
<tr>
<td>One candidate placed every 3 minutes</td>
<td>100,000 people developed in our leadership programs each month</td>
</tr>
<tr>
<td>Assessment data on 4.4M professionals</td>
<td>50+ books published</td>
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<tr>
<td>Engagement data on 6M professionals</td>
<td>Partner to 96% of Fortune’s Most Admired Companies</td>
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<td>Reward data on 20M professionals</td>
<td>Roots dating back to 1943</td>
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<tr>
<td>Management data on 114 countries</td>
<td>Nearly 7,000 colleagues</td>
</tr>
</tbody>
</table>
IT’S NOT IN A SPREAD SHEET. IT’S IN YOUR PEOPLE.

Companies, whose people have high learning agility, are 25% more profitable than their peers.

Fully engaged employees are 2.5 times more likely to exceed performance expectations than their ‘disengaged’ colleagues.

Fortune’s World’s Most Admired companies outperform the S&P 500 by over 5 times and pay their employees 5% less.

CEOs assessed and recommended by Korn Ferry stay 67% longer and deliver 25% greater shareholder value.

Companies that use Korn Ferry’s assessment tool during the recruitment process are 8 times more likely to hire an executive who will be promoted within 3 years.

Clients that use Korn Ferry for CEO succession and development hire external CEOs half as often as the Fortune 500 average.
A total approach to talent

Korn Ferry Executive Search helps you attract the best executive talent for moving your company in the right direction.

Korn Ferry Hay Group helps you align your people and your organization to your strategy – developing, engaging and rewarding your employees to reach new heights.

Korn Ferry Futurestep delivers professional talent that builds up leadership.
Establishing the conditions for success
Korn Ferry’s Superior Performance Framework:
Establishing the conditions for success to maximize performance and results.
Our solutions are aligned to this framework

ORGANIZATION
- STRATEGY EXECUTION AND ORGANIZATIONAL DESIGN
- TALENT STRATEGY AND WORK DESIGN
- REWARDS AND BENEFITS

PEOPLE
- ASSESSMENT AND SUCCESSION
- EXECUTIVE SEARCH AND RECRUITMENT
- LEADERSHIP DEVELOPMENT
## The Korn Ferry difference

<table>
<thead>
<tr>
<th>Boardroom expertise</th>
<th>Consultative relationships</th>
<th>Custom solutions</th>
<th>Easy to work with</th>
<th>Understands strategy</th>
<th>High touch</th>
<th>Innovative</th>
<th>Proprietary research and analytics tools</th>
<th>Statistically validated results</th>
<th>Self-sustaining results</th>
<th>Thought leader</th>
<th>Works at individual, team, and organizational levels</th>
<th>Can meet all of your organization’s people needs</th>
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<tbody>
<tr>
<td>Strategy consultants</td>
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Research, proof, and thought leadership

The definitive study of corporate reputation
Since 1997, Korn Ferry Hay Group has partnered with Fortune to survey the top business executives, directors, and analysts to rank the World’s Most Admired Companies.

Areas of focus
- I/O psychology
- Quantitative psychology
- Clinical psychology
- Educational psychology
- Statistics
- Psychometrics
- Applied mathematics
- Computer science
- Information design and data visualization
- Human resource development

Cutting-edge innovation

McClelland Center

Singapore Research Center
We are known for excellence...

- One of the top ten strategic consulting firms in China
- Learning Leader™ award winner for ‘Innovation in Learning and Talent Management’
- #1 global executive search firm in the world
- Korn Ferry’s Four Dimensional Executive Assessment award winner for ‘Awesome New Technologies for HR’
- Futurestep named ‘Star Performer’ and acclaimed as a major contender in RPO
- Your Leadership Experience won the ‘Best Development Program of the year 2015 award’ at Korn Ferry Hay Group, China
- Activate selected as a Stevie award winner
- 12-time winner for ‘Most Remembered HR consultancy in Reward’ (Brazil)
- One of the strongest and most trusted business brand icons
- Best global/international leadership program
- Baker’s Dozen award winner as one of the leading global RPO providers
- Exclusive leadership partner to the G20’s Business 20 (B20)

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Significant milestones

1943
Edward N. Hay and Associates, Management Consultants established

1940's

1954
Hay Compensation Survey launches

1951
Dale Purves invents Hay Guide Charts, the world’s most-used job evaluation methodology

1960's

1951
Korn Ferry founded in Los Angeles, CA by Lester B. Korn and Richard M. Ferry

1969

1960's

1970-1990
Geographic expansion of capabilities and development of early proprietary software

1970's

1970-1990

1970's

1970
Korn Ferry begins trading on the New York Stock Exchange

1980's

1997
Hay Group launches PayNet and begins ‘World’s Most Admired Companies’ partnership with Fortune

1990's

1997
Korn Ferry launches Futurestep

1998

1990's

1998
Korn Ferry launches the New York Stock Exchange

2000's

2006-2010
Lominger, Newman Group, LeaderSource, Lore, Whitehead Mann, and Sensa acquisitions

2007

2010's

2007
Hay Group launches its employee effectiveness model

2012-2015
Global Novations, PDI Ninth House, and Pivot acquisitions

2016
Advisory business now matches Talent Acquisition business in size

2012
Hay Group’s PayNet is the world’s largest pay database

2015
Korn Ferry and Hay Group combination

2014
Hay Group purchases Talent Q

2014
Hay Group purchases Talent Q
We wrote the book

Our experts have written over 50 books, used by the world’s leading practitioners.

The Leadership Journey:
How to Master the Four Critical Areas of Being a Great Leader
By Gary Burnison
CEO of Korn Ferry,
February 2016
### Industry depth of knowledge

#### CONSUMER
- Consumer Products
- Marketing Services and Advertising
- Media and Entertainment
- Retail
- Sports
- Travel, Hospitality, and Leisure

#### FINANCIAL
- Asset Management and Alternative Investment
- Consumer and Commercial Banking
- FinTech, Electronic Trading, and Transaction Services
- Insurance
- Investment Banking
- Real Estate
- Wealth Management

#### INDUSTRIAL
- Agribusiness
- Industrial Manufacturing
- Infrastructure
- Mobility
- Natural Resources

#### LIFE SCIENCES
- Biotechnology
- Health Care Services
- Life Sciences Contract Services
- Medical Devices
- Pharmaceuticals

#### TECHNOLOGY
- Cloud
- Communications
- Digital
- FinTech, Payments, and Transaction Processing
- IT Professional Services
- Software
- Systems and Devices

#### HEALTH CARE SERVICE
- Hospitals / Health Systems / Physician Organizations
- For-profit and Private Capital Healthcare Services
- Managed Care and Payer
- Academic Medicine
- Healthcare Technology and Services

#### ROLES AND SPECIALTIES
- Associations
- Boards & CEOs
- Corporate Affairs
- Cybersecurity
- Digital
- Diversity Officers
- Education
- Financial Officers
- Government
- Human Resources
- IT Officers
- Legal
- Marketing
- Nonprofit
- Private Equity
- Risk
- Sales
- Supply Chain Management
- Sustainability

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We train the industry with our world-class IP, development, and certification programs

- Korn Ferry Leadership Architect™
- Voices® 360 Feedback
- Korn Ferry Assessment of Leadership Potential
- viaEDGE™
- Korn Ferry Interview Architect™
- Learning Agility Essentials
- Learning Agility Assessments (viaEDGE & Choices)
- Emotional and Social Competency Inventory (ESCI)
- Leadership styles and organizational climate survey
- Leadership Impact for frontline managers
- Talent Q
- Job evaluation & Job analysis

Our accreditations and approvals

- 20,000 HR leaders have participated in our certification courses
- 4,000 professionals trained per year in our job evaluation methodology
- FYI For Your Improvement has 1M+ copies in print

15 business schools use our IP in the classroom

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Our solutions and products
90% of strategy is execution and 90% of execution is people.

We help leaders turn their strategy into reality. We establish the conditions for success by clarifying their strategy, designing an operating model and organization structure that aligns to it, and defining a high-performance culture.

And we enable successful, sustained, and strategic change by engaging and motivating people to perform.

Without exception, FORTUNE’s Most Admired Companies excel at designing and implementing an effective operating model.

Differentiators

 Extensive experience partnering with leaders in the world’s most admired companies to transform their businesses and execute their strategies.
 Deep understanding of people and work and the link to organization performance, based on 70 years of research and experience.
 Proven method to clarify business strategy that helps clients turn their vision into something that can be implemented successfully through people and organization enablers.
 Unique methodology to establish fit-for-purpose operating model and organization structure.
 Deep knowledge of work design and rewards that helps clients optimize workforce and cost.
 Robust culture tool and analytical model that provides insights on organizational sociology, anthropology, and psychology.
 Deep understanding of how to affect change at the individual, team, culture, and organization levels.

Solutions

 Board effectiveness
 Vision, purpose and top team alignment
 Issue-based, business transformation
 Organization alignment

 Organization design and effectiveness
 Culture

Products

<table>
<thead>
<tr>
<th>Strategic Effectiveness Architect</th>
<th>Organizational Culture Assessment</th>
<th>Accountable Organization</th>
<th>Accountability Matrix</th>
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<tbody>
<tr>
<td>Operating Model</td>
<td>Role Profile Matrix</td>
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</table>
Talent Strategy and Work Design

Organizations could achieve a 60% increase in value if they were to realize their strategy's full potential.

We map talent strategy to business strategy and help organizations put their plan into action. We make sure they have the right people, in the right roles, engaged and enabled to do the right things – both now and in the future.

The best companies at ENGAGING AND ENABLING their people achieve 4.5 times the revenue growth of those at the other end of the spectrum.

**Differentiators**
- Market leader in work measurement with the world’s most comprehensive and widely used job evaluation methodology.
- Unmatched understanding of the link between people, work, and organization performance, based on 70 years of research and experience.
- Ability to translate business strategy into talent strategy and critical roles.
- Proprietary approach to building a diversity and inclusion infrastructure to engage the entire workforce and create conditions for all talent to thrive and perform.
- Unique scenario planning approach and software that models a company’s future workforce.
- Innovative employee survey tools that enable leaders to make smarter decisions and drive higher levels of engagement and performance.
- One of the world’s largest databases of employee opinion, enabling leaders to benchmark against industry peers and high performing companies.

**Solutions**
- Talent strategy and management
- Employer brand and value proposition
- Strategic workforce planning
- Job evaluation / work measurement
- Performance management
- Engagement and enablement
- HR organization and effectiveness

**Products**
- Job Evaluation Manager
- Activate Grade a Job
- Job Mapping
- Engaged Performance Survey
- Pulse Survey
- Job Family Modeling
- Activate Job Description
Rewards and Benefits

Reward can account for up to 70% of organization spend. Getting reward right can inspire your people to perform better, meaning you’ll see better results.

We help organizations align reward with strategy. We help them pay their people fairly for doing the right things – with rewards they value – at a cost the organization can afford.

FORTUNE’s Most Admired Companies get a better return from their reward investment, paying 5% less for talent than their peers.

Differentiators
- Unmatched understanding of executive and employee motivation and behavior and the link between work, people, and organization performance.
- The world’s most comprehensive reward databases covering 20 million professionals in 24,000 organizations across 114 countries.
- A truly global consultancy with a diverse group of reward experts.
- Expertise to develop performance management systems that enable organizations to effectively reward high performance.
- Equal pay audits to help organizations foster diversity and inclusion in the leadership ranks and across the workforce, enhancing organization capacity for change and innovation.
- Continuous research to develop new thinking and best practice, partnering for 14 years with WorldatWork and Loyola University Chicago.

Solutions
- Rewards strategy
- Executive rewards
- Rewards definition
- Reward and benefits benchmarking
- Benefits
- Competitive pay data

Products

<table>
<thead>
<tr>
<th>PayNet</th>
<th>Activate Price a Job</th>
<th>Reward Snapshot</th>
<th>Reward Pinpoint</th>
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<tbody>
<tr>
<td>Proxy peer group development</td>
<td>Sales incentive design benchmarking</td>
<td>Reward effectiveness audit</td>
<td>Reward preferences diagnostic</td>
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<tr>
<td>Proxy analysis benchmarking</td>
<td>Compensation structure design</td>
<td>Incentive plan design</td>
<td>Executive pay governance</td>
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<td>Custom reward benchmarking survey</td>
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Assessment and Succession

Half of organizations do not have a solid pipeline of ready-now leaders.

We provide actionable, research-backed insight that allows organizations to understand the talent they have, benchmarked against the talent they need to deliver on the business strategy.

Our assessments allow leaders to make the right decisions about their people for today, and to ensure that the right leaders are ready – when and where they are needed – in the future.

Candidates who are ‘STRONGLY RECOMMENDED’ based on their Korn Ferry assessment scores are 8 times more likely to be in the top tier of performers than the bottom tier

*Korn Ferry Institute study, 2015

<table>
<thead>
<tr>
<th>Differentiators</th>
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<tbody>
<tr>
<td>▪ Deep understanding of the competencies required to deliver outstanding performance in different roles, functions, and for different business challenges.</td>
</tr>
<tr>
<td>▪ Scientifically validated assessment methods for individuals, teams, and the workforce that accurately predict the leadership capabilities, readiness, and fit of internal and external leaders.</td>
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<td>▪ Predictive assessments that indicate CEO tenure and organization financial performance.</td>
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<tr>
<td>▪ Analytical tools that provide a macro-level view of the talent supply against organizational needs.</td>
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<tr>
<td>▪ Evidence-based management practices for building ready-now leadership pipelines.</td>
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<tr>
<td>▪ Culture audits and diagnostics on factors that drive high performance, inclusion, development, and engagement.</td>
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<tr>
<th>Solutions</th>
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<tr>
<td>▪ CEO and board succession</td>
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<td>▪ Succession management</td>
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<td>▪ Success profiling</td>
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<tr>
<td>▪ High potential leader assessment</td>
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<tr>
<td>▪ Capability assessment</td>
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<tr>
<td>▪ Talent tools and products</td>
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<tr>
<td>Korn Ferry Leadership Architect</td>
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<tr>
<td>Talent Q suite of assessments</td>
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<td>Four Dimensional Executive Assessment</td>
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<td>Korn Ferry Readiness Assessment</td>
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<td>360 Assessments: Voices</td>
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<tr>
<td>Korn Ferry Assessment of Leadership Potential</td>
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<tr>
<td>Leadership Styles and Climate</td>
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<tr>
<td>Korn Ferry Talent Review</td>
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Executive Search and Recruitment

Proven top people are a powerful strategic asset, and there is no room for error.

We integrate scientific research with our practical experience and industry-specific expertise to recruit professionals of all levels and functions at organizations across every sector.

In fiscal 2016 we executed 8,375 executive search assignments around the globe.

Differentiators
- Hundreds of thousands of professionals successfully placed.
- The industry’s largest global footprint.
- Unique approach that seamlessly integrates vast practical experience with in-depth scientific research.
- Science-based assessments that are statistically proven to generate better results.
- Use of proprietary web-based technologies and candidate sourcing tools.
- Worldwide talent database spanning all major industries and functions.
- Flexible, scalable access to expertise through a combination of onsite and off-site resources.
- Depth of experience advising boards, leadership teams, and HR leaders on objective diversity and inclusion recruitment practices.

Solutions
- Board director recruiting
- Executive search
- Professional search
- Recruitment process outsourcing (RPO)
- Project recruitment

Products
- Interview Architect® Express
- Four Dimensional Assessment for Executives and KF4D Enterprise Assessment
- Talent Q suite of assessments
- Foresight
Leadership Development

Only 17% of executives are confident their organization has the leadership capabilities it needs.

We activate purpose, vision, and strategy through leaders at all levels of society and organizations.

We combine expertise, science, and proven techniques with forward thinking and creativity to build leadership experiences that help entry- to senior-level leaders grow and deliver superior results.

Less than 1/3 of companies say they are EFFECTIVE at building the next generation of leadership capabilities.

Differentiators

- Deep understanding of who leaders need to be and what they need to do to deliver superior performance through others.
- Unmatched experience developing leaders across the talent continuum – from Boards, CEOs, top teams, and executives to high potentials and the vital many.
- Global ability to design and deliver custom and scalable development solutions in support of culture change, innovation, and strategy implementation.
- Multiple learning experiences that improve bottom line performance, including action learning, simulation, immersion, and technology-based development.
- Leadership team effectiveness model based on empirical research on 120 high-performing teams, in collaboration with Harvard and Dartmouth.
- Worldwide database of national, international, and global executive leadership team profiles.

Solutions

- Top team, vital few and vital many development
- Executive coaching
- Diversity and inclusion

Products

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<thead>
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<th>Korn Ferry Assessment of Leadership Potential</th>
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<td>viaEDGE: Learning Agility</td>
<td>Motives and Values</td>
<td>Activate Journey Apps</td>
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<tr>
<td>Talent Q Suite of Assessments</td>
<td>Diversity and Inclusion Survey</td>
<td>Four Stages of Contribution development framework</td>
<td>Your Leadership Journey</td>
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THE SMARTEST STRATEGY WILL NEVER ACHIEVE THE GOAL WITHOUT THE PEOPLE TO EXECUTE IT.
WITHOUT A STRATEGIC PLAYBOOK, EVEN THE MOST TALENTED PEOPLE CAN’T REACH THEIR FULL POTENTIAL.
UNCOMMON SUCCESS OCCURS WHEN STRATEGY ALIGNS TO PEOPLE.