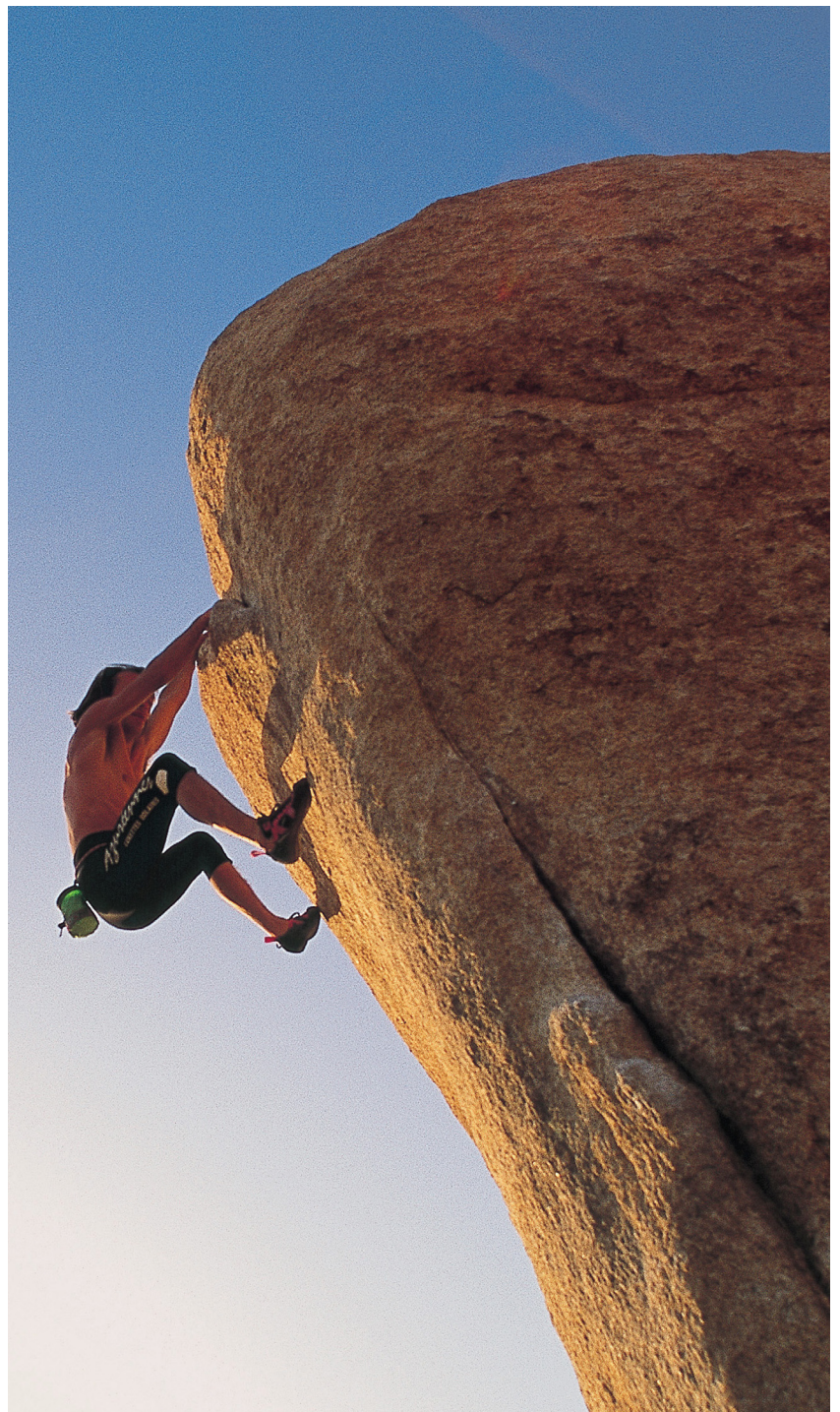




Governance Services

Taking governance to the next level



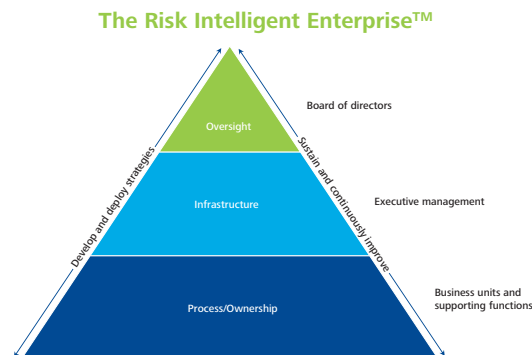
Today's corporate board member is faced with many challenges

Investors, regulators, and Congress have all taken a renewed interest in the role of the corporate board. But when the dust settles on this latest round of reform, one of the most critical purposes of the board will remain unchanged: to ensure the greatest possible increase in shareholder value.

A board must have a clear understanding of how it fits into the organization's overall corporate governance framework if it is to implement strategies to accomplish this mission. As the graphic to the right shows, the board sits at the top of a Risk Intelligent Enterprise's corporate governance program.

In addition to being responsible for a number of truly critical governance elements — including executive talent management, the assessment of the company's strategy and risk programs, and setting the tone at the top — the board must monitor the governance infrastructure and processes owned by executive management and various business units.

To maintain trust and enhance the performance of the organizations they oversee, it is critical for board members to regularly evaluate their processes and identify actionable improvements. In addition to making the board more effective and efficient, this will also create the basis for robust and transparent public disclosures regarding the board, its members, and its activities.



Board Governance Assessments

An evaluation process should uncover opportunities to improve effectiveness and identify efficiencies; it should not be a “check the box” exercise.

Our board governance assessment services are highly specialized and uniquely designed to meet the needs of an individual board and/or its committees. The primary activities include:

- **Current Practice Benchmarking**
The company's practices, policies, and documents are compared to our database and to peer companies
- **Executive Management and Director Interviews and Surveys**
This important step helps us focus the project on the issues of highest interest to the board and management

• Peer and Self Evaluation

Designed to be a positive experience, this process can assist directors in identifying personal development opportunities

We identify instances where policies vary from those recommended by governance organizations or implemented by identified peers. Our findings are generally summarized in the following areas:

- Board competencies and composition
- Practices, processes, and policies
- Information and communication

This framework has been developed over time based on our experiences with other boards and provides a context for the development of practical and actionable recommendations.

Director Development Programs

A better approach

To benefit today's corporate directors, continuing education programs must be delivered by a distinguished faculty that will have credibility with the board. A properly designed program offers opportunities to improve effectiveness, deepen the board's knowledge of external forces and developments and create a healthier working relationship between management and the board. It is then that board continuing education becomes something more valuable — director development, a key element of the board's culture.

Our unique approach to director development programs

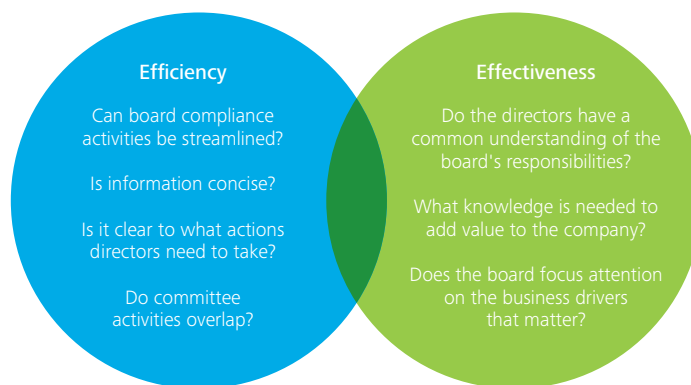
Deloitte applies a customized, consultative approach to the development and delivery of director development programs.

Our live, in-the-boardroom programs are designed to provide an interactive experience that is recognized in its level of customization. We begin with a needs assessment, working closely with those who know your company best, to align the program with the specific challenges facing your company and board. Sessions are focused precisely on what your board wants and needs to know.

Our philosophy is, "If it is of interest to your board, we can build a session to address it." Governance, regulatory requirements, and financial reporting are common starting points for program development, and topics often include:

- Risk Oversight: Creating the Risk Intelligent Board
- Crisis Management
- Enhancing the Board's Business Insight
- Doing Business in Emerging Markets
- The Board's Role in Mergers and Acquisition
- Quality of Earnings and Financial Position

We help board members strike the right balance between effectiveness and efficiency:



Our live, in-the-boardroom programs are designed to provide an interactive, world-class experience that is recognized for its high level of customization.

We can also work with the company to create new board member orientation programs. No matter what topics are selected, the subject-matter specialists deliver content in a manner that recognizes the broad spectrum of experiences represented on most corporate boards, ensuring benefits for both seasoned and new directors.

About the Center for Corporate Governance

Deloitte LLP's Center for Corporate Governance encourages dialogue and knowledge-sharing and provides thought leadership on governance issues to advance collaboration between corporations, board members, the accounting profession, academia, and government. A resource for executives, directors, and the governance community, Deloitte LLP's Center for Corporate Governance activities and programs include:

- Thought leadership and resources
- Webcasts
- Sponsorships and organizational affiliations
- Public policy
- Services

You can access the important work of the Center by visiting www.corpgov.deloitte.com.

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