



XCEO Toner

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XCEO, Inc. introduces the XCEO Performance Index (XPI) as a leading board performance measure

XCEO, Inc., a governance and leadership development consulting firm, introduces the XCEO Performance Index (XPI) as a leading board effectiveness measure addressing best governance practices, board composition, expertise and performance.

As Dr. Curtis J. Crawford, President & CEO of XCEO, discusses in his article "Peer-to-Peer Evaluations: I would rather be discovered doing something great than unrecognized for doing something good", there is no shortage of organizations publicly evaluating boards and providing external assessments of how effective boards are in creating value for shareholders. However, the data and measurements are provided from an outsider perspective and give little insight into the inner workings of any given board. Thus, XCEO designed the XPI based on a comprehensive set of internal board evaluations and board composition data to provide boards with a data-driven, self-evaluated measure representing the collective opinion of its board effectiveness. Unlike other assessments and measurements, the XPI is completely confidential and is strictly for internal board use only.

The XPI serves as a leading indicator of board performance. It utilizes a set of formulas to express a relative range of performance. It is the output of a set of comprehensive, yet easy to use board performance assessments. Two of three assessments are already mandated by the SEC in some form, providing an easy solution for fulfilling regulatory compliance. When the associated support tools and processes are fully deployed, XPI provides an exceptionally valuable measure of the board's progress toward delivering sustainable long-term shareholder value.

XPI Components:

The XPI consists of several key assessment tools, which are tightly integrated into a single evaluation process. Consistent with all products and services within XCEO's portfolio of offerings, the XPI is based on the concept of "SCIENCE". The process is secure, confidential, inexpensive, effective, networked, comprehensive and easy to use. The XPI includes:

Board Leadership Effectiveness (BELIEF) Analysis: This analysis assists boards in measuring their real effectiveness versus their perceived views of reality.

Board Attribute, Skills & Experiences (BASE) Analysis: XCEO developed the BASE Analysis to provide boards with a sustainable, insightful process to assess its overall director skills and experiences.

CEO Operating Performance Evaluation (CEO OPE): This evaluation is designed to assess the CEO's performance against specific measures designed by the board and ultimately acknowledged by the CEO.

XCEO X-Factors: The XCEO X-Factors are additional indicators of a board's commitment to Enlightened Corporate Governance. These factors are believed to be integral to building sustainable long-term shareholder value.

Devising the XPI:

XCEO collaborates with the Corporate Governance Committee Chair, Board Chairman, or another board-designated individual, to assist the board in launching the necessary board and/or individual evaluations with

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the click of a button offering ease and ultimate convenience to the board and its directors.

Directors participate in a simple process to assess its overall effectiveness, its inventory of personal skills and experiences, and a collective assessment of the CEO's operating performance.

The XPI produces one comprehensive, automatically generated report which is easily downloaded into a board-book ready presentation format. The report provides the board with a summary output of the aggregate scores for the three exercise components, BELIEF Analysis, BASE Analysis and CEO Operating Performance Analysis, as well as the board's scores across XCEO's X-Factors. These data are pooled and entered into XCEO's proprietary logarithm to produce one score on a 1 to 10 scale of increasing and decreasing shareholder value. Further, XCEO industry data, benchmarks and detailed analysis are provided for insight and comparison.

The XPI is a standard component of XCEO's Gold Plus Advanced Consulting offering. Gold Plus Advanced Consulting offers board clients a confidential, on-demand consultative partner focusing on board leadership development, director succession planning and risk oversight. XCEO's consulting partnerships are complemented with a variety of board and director leadership and performance assessments, as well as CEO, committee and risk oversight evaluations to provide data-driven, research-based, proven results. For more information regarding XCEO and the XPI, please visit www.xceo.net.

About XCEO, Inc.

Based in Santa Clara, Calif, XCEO Inc. offers Professional Mentoring and Personal Leadership Development Programs, as well as Corporate and Public Sector Governance and Board Leadership Development Programs, for high-aspiration individuals and forward-looking organizations.

XCEO implements these products and services via a comprehensive set of well-defined principles and practices which encourage board directors, highly enlightened executives, and high-aspiration individuals to accelerate toward extraordinary levels of performance and personal achievement.

The XCEO extreme personal leadership Professional Mentoring Programs assist high-aspiration individuals in developing personal career and development plans to achieve senior executive and corporate board level positions.

The XCEO Corporate and Public Sector Governance and Board Leadership Development Programs provide boards and directors with comprehensive consulting services complemented by automated online exercises to evaluate current performance and establish a desired future performance. XCEO offers boards a full-range of products and services needed to properly mitigate risk in the boardroom. XCEO consulting services include risk oversight, CEO, committee, individual leadership and board evaluation components.

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