

AESC members and their people are guided by a Code of Professional Conduct and **Professional Practice Standards**. AESC may amend these standards as the profession evolves and adapts to developments in business practice, technology, and the law.

## Introduction

The AESC Professional Practice Standards are aligned with our Code of Professional Conduct (our shared values) and provide a framework for how members conduct their business. Members of the Association of Executive Search and Leadership Consultants (AESC) commit to these Professional Practice Standards as part of admission to the Association.

AESC members follow specific best practices for every step of an assignment. Due to the broad nature of the work we do in the field of talent and leadership consulting, it would be impossible to articulate all these practices. Members' specific practices should always be aligned with and conducted in the spirit of the AESC Code of Professional Conduct and a commitment to the highest professional standards.

The AESC Code of Professional Conduct is summarized through these critical values:

- Ethics & Integrity
- Excellence
- Objectivity
- Diversity & Inclusion
- Confidentiality

## ETHICS AND INTEGRITY: We put integrity above all else

AESC members maintain the highest ethical standards within their firms, with clients and candidates, and in the community. Combining ethical standards with personal integrity strengthens relationships grounded on trust, honesty, and respect. At the senior level of consulting, AESC members serve as trusted talent and leadership advisors to their clients in a consultative process focused on leaders, teams, and cultures. These relationships depend on a strong mutual commitment by all parties involved including the consultant, client, internal leaders, external candidates, and external partners.

Why do we say we put integrity above all else? While we are client-centric and focused on meeting and exceeding client expectations, we will always conduct our work within

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the overall context of ethical standards and personal integrity. An AESC member will not compromise their integrity at any time or for any reason.

Assignments begin by ensuring that all parties have a thorough understanding of the assignment expectations, the roles and responsibilities of each party, the project processes and methodologies, and an understanding of desired outcomes.

#### TERMS OF ENGAGEMENT:

The terms of the engagement should be in writing to ensure clarity on the part of the client and the consultant/consulting team. This written agreement should provide a clear understanding of the assignment from beginning to end, the lead advisor who will be serving the client, the scope of the project, the timing, the fees and payment schedule, deliverables, and specific terms related to the assignment that might include guarantees, off-limits, conflicts, data management, and other important terms.

#### CONFLICTS OF INTEREST:

AESC members avoid conflicts of interest with clients, candidates, and all other outside parties. Where a potential conflict may exist, members disclose and resolve these conflicts mutually with the client, including a waiver of the conflict by the client when appropriate. AESC members accept their responsibility to constantly evaluate, disclose and resolve issues that emerge over the course of an assignment.

#### ETHICS OF AI:

An emerging issue is a commitment to ethical AI development and use. The use of AI should be aligned with our Code of Professional Conduct. This includes such things as protecting privacy and data security, avoiding discrimination and bias, providing transparency, and ensuring fairness and accuracy. Artificial intelligence may support the work we do, but it should never take the place of professional judgment. AESC encourages continuous learning and collaboration, and this includes the rapidly evolving field of generative AI.

### EXCELLENCE: Excellence guides the work we do

AESC members focus on their clients' unique business needs, providing high quality service and using rigorous, evidence-informed, results-focused methodologies. They innovate new solutions when unique and complex challenges require a fresh approach.

AESC members operate at the highest level of the profession and strive to achieve a robust understanding of their clients' businesses and industries, challenges and opportunities, and economic and cultural environments. The work required to meet the standard of *excellence* is

often above and beyond the scope of an assignment and can be an essential differentiator for AESC members, irrespective of their talent and leadership specialty – executive search, leadership consulting, assessment, interim management/on demand services, board effectiveness, DEI consulting, and more.

In each of these areas of specialization, *excellence* means expertise, experience, proven methodologies, continuous learning, understanding relevant tools and technologies, and more. It also means being knowledgeable, ethical, and always keeping the best interests of the client top of mind. Excellence also means complying with relevant local legislation that may govern aspects of our business including such things as data privacy, data security, unlawful discrimination, and pay transparency.

AESC member firms operate on a retained and exclusive basis for executive search, providing expert advice from the beginning to the conclusion of each assignment. This exclusive, client-centered model of operation combined with deep expertise is a key to quality.

To ensure quality, AESC members are careful not to take on an assignment unless they have the right experience and knowledge. They aim for clarity with the client on the scope of the assignment and the deliverables. They strive for frequent and open communication – with clients, candidates, partners, and the assignment team – to help ensure excellence.

## OBJECTIVITY: We exercise independent, objective judgement

Trusted relationships are grounded in knowledge, expertise, honesty, and respect. AESC members provide independent, informed advice based on a deep understanding of the challenges and issues clients face and an impartial consideration of relevant facts.

AESC members provide deep expertise and judgment in their specific areas of focus whether executive search, assessment, leadership consulting, interim management/on demand talent, board effectiveness, or other talent and leadership areas of focus.

In executive search, AESC members apply their industry, function, role, and market knowledge to assist in developing an executive search strategy to ensure that the search can move beyond identifying just the “usual suspects.” They use proven evidence-based and consistent methodologies to improve results and reduce the chance for biased decision-making.

## DIVERSITY & INCLUSION:

We know the power of diverse talent and inclusive cultures

### AESC'S DIVERSITY PLEDGE:

We share a commitment to combat bigotry, prejudice, and discrimination within our own organizations, with candidates and the clients we serve, and in our communities.

**We pledge** to use our collective voices and actions to help create a world that is inclusive, diverse, equitable, and accessible for all.

An overview of our Guiding Principles is shown below:

- **Accelerate:** Each AESC member CEO who signs AESC's Diversity Pledge is committing to developing and deepening actions within their own firms.
- **Educate:** AESC members commit to listen, engage, and learn so that they can do better as employers and as trusted advisors.
- **Advance:** AESC members will develop strong and diverse slates of candidates through robust research, outreach, and alliances.
- **Advocate:** AESC members will advocate with clients to help them embrace best practices that further their diversity and inclusion efforts which, in turn, will enhance business results.

AESC has established regional Diversity Leadership Councils comprised of experienced AESC members. The focus of these groups is to share emerging best practices, furthering our impact as employers and as trusted advisors to our clients.

AESC members know first-hand how diverse talent and inclusive cultures offer organizations a competitive edge. They view diversity in the broadest sense. They know that IDEA-powered (Inclusion & Belonging, Diversity, Equity and Access) leaders intentionally welcome the contributions of all stakeholders while encouraging teams to voice different perspectives, and opinions.

As the competition for leadership continues to intensify, successful organizations must also attract and retain top candidates. AESC members assist clients in the successful onboarding and integration of new leaders, work with clients to build a strong succession strategy for future leaders including leadership development, and help clients identify and build a culture of inclusion that serves to retain all top talent and attract top talent seeking a diverse and inclusive workplace.

For an executive search assignment, AESC members include a broad range of strong candidates who demonstrate the skills, qualifications, and experiences necessary to excel in the role. For that reason, AESC members have jointly agreed they will not support targeted search assignments that exclude candidates based on demographic differences, except in limited circumstances where permitted by law.

## CONFIDENTIALITY:

### We safeguard any confidential information entrusted to us

AESC members protect any confidential information entrusted to them by clients, executives, candidates, partners, or other sources and are committed to data privacy and data security. Members understand that the irresponsible disclosure of information can have unforeseen and potentially catastrophic repercussions. Therefore, members keep all sensitive information on a strictly need-to-know basis.

AESC requires the adoption and use of a consistent set of privacy standards for the protection of personal data in the context of executive search and leadership consulting services, with the aim of improving the protection afforded to individuals and fostering trust in executive search and leadership consulting profession. These standards must be either the AESC Data Protection Guidelines or the members' own standards, provided they are equally strong.

For executive search assignments, information sharing between clients and candidates is a necessary part of the executive search process. Members use such information only in the context of a client assignment. Client, candidate, and information from others including sources and references is never shared beyond the scope of the assignment, and never used for a consultant's own or other parties' personal gain. In these assignments, data is owned by the search firm and is treated as such.

AESC Data Protection Guidelines are intentionally aligned with standards established by the EU General Data Protection Regulation and are designed to cover:

- **Candidates:** Any candidate or potential candidate or a position with a client.;
- **Participants:** Any individual who participates in any assessment provided as part of any executive search or leadership advisory services.
- **Sources:** Any person that provides any view or opinion regarding the qualities or abilities of any candidate or participant for any purpose, including but not limited to the suitability of a person for a particular role with a client.

Confidentiality includes data security and managing the risk of cyber-attacks. It is critical to stay informed about the latest cyber security threats and be knowledgeable about best practices. AESC provides access to training on a wide range of topics to reduce the risk of a data breach.

## CONCLUSION

The Association of Executive Search and Leadership Consultants sets a high bar for ethical standards and professional conduct. Members *choose* to meet and even exceed both industry norms and client expectations, because of their pride and commitment to being among the most ethical, rigorous, and transparent firms in the profession.