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<<Unidentified Participant>>

Hi, everyone. So, to introduce Mitch Barns, it's my great pleasure to introduce my friend from the Boston area who was, many of you may know him, the cofounder of the Global Reporting Initiative, also the Founder of the Global Institute for Sustainability Ratings and many other things in his long career that he's asked me not to go into, just to be brief. So, ladies and gentlemen, to introduce Mitch Barns, Allen White.

<<Unidentified Participant>>

Thanks, everybody, for coming to the session with Mitch Barns. I think that what we heard from the last session, particularly the IBM presentation, that it's clear we're living in a world where commerce information and technology and media are in a huge and shotgun marriage, that sometimes we wonder where it's all going and how we're all going to control it or it's going to control us. So, Nielsen's been in this business a long time, one of the early information companies in a way, dating back many, many years, which you'll hear about in a moment. And its job is to reach and resonate and get consumers to react to what they're hearing in various media. And of course, the media, where it all began back in the old radio days in the 1910s and 1920s and 1930s, has now become a menu of full-time – overtime menu of tablets and cell phones and Xboxes and Rokus and all the rest of it, all of which are delivering us information at a breakneck speed, hard to digest.

People walking down the streets, as you know, like this instead of like that. And that's the world we live in. So, Nielsen has been in this business as a pioneer for many, many years. And Mitch Barns, its Chief Executive, we're very pleased to have with us today. He was appointed in this role in January 2014 as the Chief Executive. He has, since 1997, lived and worked on three continents and has had leadership roles in all major parts of Nielsen's business worldwide. Throughout 2013, he served as President of Global Client Service, leading the efforts of Nielsen's client service organization worldwide. And before that, he was President of Nielsen's U.S. media business from 2011 to 2013, and where he oversaw development of its analytics practice, guided the integration of its TV and digital groups, and helped transform the unit's client service model.

Prior to joining Nielsen, he spent many years, over a decade, at Procter & Gamble in marketing and brand development and research. So, it's with great pleasure that I welcome to the podium Mitch Barns. Thank you.

<<Mitch Barns, Chief Executive Officer>>

Thanks, Allen. Appreciate it. Yes, as a matter of fact, this Friday will be my 20th anniversary with Nielsen. How about that? March 3rd. Loved every minute. The only thing I love more than

my company is my wife, so talk about long-term. I'm going to begin by giving you a brief tour through the history of our company, and there's two reasons why I'm going to do it. First, I love it. It's a fantastic story all by itself. But more importantly, especially for why we're here today, it informs the DNA of our company. And in particular, you'll see a few pivotal moments in our company's history that really reflect the long-term thinking that has been a part of the way our company has been run and operated really almost since its very founding. So, let me walk you through this history.

Yes, we were founded in 1923. We were founded by a 26-year-old kid who borrowed money from friends and family, sort of like a tech startup of today except for we had no tech back then. And he started a business that was based around the idea of measurement. While we measure consumers today, back then in 1923 we didn't start by measuring consumers. Instead, we started by measuring the performance of manufacturing equipment. And we were working with big companies like General Electric, like DuPont, and a number of others, and that was really the focus of our business for the first many years. Through the Roaring Twenties, our business grew fairly rapidly.

And then around 1930 our business really slowed down as the economy started to slow down. In fact, our employee base, which had reached a peak of 45 people in 1930, dwindled down to only six people by 1933. And our revenues declined by 75% in that period. So, we weren't very long-term oriented in our first 10 years. We were really just creating a business and it was all about entrepreneurial activity. And then we reached this pivotal moment where it was really about survival. And it was in 1933, our founder, Arthur Nielsen, invented a new product. Along with his team of five other people, they invented a new product that focuses on measuring consumer sales of fast moving consumer goods, starting in drugstores and rapidly expanded to grocery stores in 1933.

That saved the company from bankruptcy. And from that day on, our business has remained focused on measuring consumers, and we've grown our business off of that base ever since. 1939, we started our first international expansion. You'd think, given what was going on in the world in 1939, if we were going to expand outside the U.S., a smart place to go would have been Canada, right? That's not where we went. We went to the UK just in time for the beginning of World War II and things falling from the sky and going boom. The reason why we when to the UK was because one of our clients asked us to. And that's always been a part of our company as well, this intense client centricity. And that client is still a client of Nielsen's today. In fact, that client that asked us to go to UK right at the outset of World War II is our longest running client for our company and will remain a client of ours as long as we have anything to say about it.

So, very important long-term thinking in terms of how we orient ourselves with clients. 1936, backing up just a couple of years, we bought a piece of technology in 1936 from MIT and that piece of technology enabled us to measure audiences. And at that time, the primary broadcast medium was, of course, still radio. We invested in that technology for six years before we commercialized it even a little bit, six years of R&D and testing before we began to measure radio audiences in 1942. Eight years later, in 1950, we leveraged that same piece of technology to begin measuring the then emerging form of broadcast media at the time, which was of course

television. We stayed focused on the television audience measurement business for 17 years, losing money in every single one of those 17 years.

In today's dollars, we lost in aggregate over $250 million before, in 1968, turning our first profit in the television audience measurement business, the thing that the world knows us best for today, which is the Nielsen ratings. Today, as I stand here before you, it is the single most valuable market research product on the face of the earth. But it only got to the point where it is today because the company had the long term vision, the long term commitment, to withstand 17 consecutive years of losses in the marketplace to build the franchise that it's emerged to become today.

A number of other things you can see on the history. I won't go into tons of detail, but you can see that our company was acquired in the 1980s by Dun & Bradstreet. And then subsequently we were sold off, broken into two different parts, and then both of those parts were later bought by a Dutch publishing company called VNU. They bought Nielsen Media, the home of our TV ratings in 1999, and they bought AC Nielsen, where we measure consumer packaged goods sales, in 2001, and they put Humpty Dumpty back together again, and so here we are. A private equity consortium took our company private in 2006. We had an IPO in 2011, and our company has continued to develop and grow and emerge ever since.

Again, it's important to understand the history of our company because some of these pivotal moments that you see highlighted here on this slide really inform the DNA and the long-term thinking that's still very present in the way we think about our business and the way we think about our investments. The next thing I want to do is just touch on a few of the things that we think are extremely important for our business to be successful over the long-term. You might think of these are the core competencies that are essential for our business to perform well. When I shared these most recently with our top 200 leaders back in January, I called these the things that – these are the things that we must be the best in the world at, the best in the world at least within our industry in which we operate.

Number one, we have to be the best in the world at measurement because that is the core of our business. And if we're not exceptionally good at what forms the core of our business, we can't expect to be successful over the long run. Second, we have to be outstanding at collaboration. This has not always been true for our company. In fact, historically our company built its success based on what I'll call closed systems and proprietary business models where we owned every aspect of the product. The way the world is emerging today, that doesn't work so well anymore. Today we have some of the data required to create our measurement products. But most of the data that we need to create our measurement products, how we measure audiences, how we measure sales, actually the data belongs to other people. And we need to have them share their data with us, and we need to integrate those different datasets together, apply our data science skills, and then project them out to the marketplace.

But to do that, we obviously have to be outstanding at collaborating with these other players and having good, sound collaborative business models on which our business is based. And so, today this is a very important aspect of our business, and it will be for as long as any of us can see into the future. Number three is about application. We can have the best measurement in the world,

but nobody is really going to pay us any money for it if it doesn't – if the only thing it does is tell them what happened when they look in the rearview mirror, they won't pay us that much money for that. What they want to know is what happened, and then immediately they ask why did that happen. Why did my share go up or why did my share go down? Why are my ratings lower this week than they were last week? Why, why, why? And then as soon as we can answer the question why for them, of course a business leader says what do I do next? So, what happened, why, what next? It's all about application and activation in the marketplace. We have to be the best in the world at helping our clients take action to apply the core measurement products on which our business is based.

And the fourth one on this slide is about execution. Strategy is incredibly important, but the strategy that matter is the one that you actually do. It's not the beautiful one we write down on a PowerPoint slide. Really, your strategy is only as valuable as your ability to make it come to life in the marketplace. And that, of course, is all about execution.

And so, we place inside of Nielsen an extremely high premium on leaders who know how to drive execution, who know how to use the matrix of the big company to collaborate with their colleagues across the different functions and teams to get things done, to make things happen and to do it on time and on or under budget. And that's all about execution. So, we need to be the best in the world, at least within our industry, at these four things.

Let's take a look now at our business strategy. I'm not going to go through every single element on this slide, but there are a few that I do want to touch on. First, the way we think about our business is that we measure what consumers watch and then we measure what consumers buy; what they watch and what they buy.

And then the third part of our business is connecting that data, that measurement about what they watch and what they buy, so that our advertising clients can see the relationship between those two things. If we know what they watch on television, we also know what ads they were exposed to. And then if we know what they've purchased in the store, we can connect the exposure to advertising for brands in the marketplace to its ability to drive incremental sales for our clients in the marketplace.

That's an incredibly valuable thing for us to provide. In fact, it's one of the oldest questions in marketing, so old but still so important that – well, for a long time it was actually not a very answerable question, not at speed, not at scale. And marketers really just got frustrated and stopped asking the question.

It's only been in the last five, seven years that that question has been one that we can answer at scale and at the speed that is actionable for our advertising clients. And it's now the fastest growing part of our business. This part of our business that we now call marketing effectiveness where we connect the watch and the buy data is now growing consistently at high double-digit rates in our business with almost all of that growth occurring in developed markets, which generally are growing at low or mid single digit rates.

So, you can see how attractive an area this third part of our business is emerging to be. So, we measure what they watch. We measure what they buy. Both of those are standalone great businesses on their own, and then this third part where we connect the two. And that is growing very rapidly.

On the left-hand side of this slide, you also see the four values that we hold up as among the most important ideas for our company. They are open, connected, useful, and personal. I'm going to touch on the first one and the last one, open and personal.

Open, this is about not just our business model and our products, but also about us as individuals, as people inside of our company. From a product and a business model standpoint, it's very much about what I said before, which is no longer about proprietary systems. We need to have open systems, open platform, welcoming in data from other players. Collaborative business models require an open value as a company, and so it's very important from a business perspective.

But from personal perspective, open is also an incredibly important idea within our company too. The way we talk about it internally is we say that, look, this is about not just tolerating people who are different from you, who think differently from you, who solve problems differently than you do, who come from different backgrounds and experiences than you do.

It's not just about tolerating those different kinds of people in the company, but it's about seeking them out and valuing the differences in the others inside of our company in order to take advantage of those differences in the biggest and best way possible. One of the ideas we hold dear in our company, in fact, is that the diversity within our company is crucial to our growth and strength and ability to innovate.

And so, it's this open value from a personal perspective that pushes us to get better at that every single day. So, that's that one. The other one I want to touch on briefly is our value that we call personal. This is about personal accountability and also about personal ownership. I stole this one from the CEO of Procter & Gamble, David Taylor, who talks about a similar idea inside of P&G, at least I'm told.

When we have people inside of Nielsen who say our company isn't going fast enough, our company doesn't innovate as much as we need to, what we do is we turn this idea around and we say, yes, I hear you. But what are you doing to help us go faster? What are you doing to help us innovate more? So, this is about personal accountability and making people own that responsibility.

The second thing about personal is the whole concept of ownership. We want people to feel a personal sense of ownership in the culture, in the strategy, in the priorities, in the way we discuss ideas inside the company. We want them to have an ownership stake in that. We also want them to own shares of our company.

And so, we've expanded our equity participation in the company by more than 2X over the past three years. And we recently rolled out an employee stock purchase program that had a very

good initial uptake, even though we're not subsidizing the price of the shares very much at all. So, those are some of the ways these values play out inside of our company.

Over on the right-hand side of the page, there's a few dimensions to our Nielsen brand. And I'm only going to touch on the one on the bottom of the page, and that's about neutrality. It's about neutrality. If you look at the companies we work with today, the Googles and Facebooks of the world, for instance, these companies have all the data that they could ever want about what their users are doing on their platforms.

And so, you might ask why does Google need Nielsen? Why does Facebook need Nielsen? Why are these two companies actually big clients of ours? Well, it's because what they don't have are two things. First, they don't know how their users' activity on their platforms necessarily compares to what those same people do on other digital platforms. We can provide that perspective.

But the second thing is even the more important thing, which is they don't have the neutrality or the independence that the advertisers that they're trying to sell advertising to require in order to spend as much as they want to on these platforms. If you're Procter & Gamble or if you're Unilever or if you're a number of other advertisers, you want your ad to be measured on these digital publishers' platforms by an independent third party measurement provider.

And even though Google and Facebook could probably provide the metrics themselves, they're not independent. They have a conflict of interest in terms of what counts, how to count it. They won't necessarily all do it the same way. That's where Nielsen comes in. We're independent. We measure everybody exactly the same way. And so, we provide that comparability across the entire digital landscape.

That is an incredibly important part of our value proposition in the marketplace. One other thing I want to touch on is just the evolution of what we measure in the marketplace. You see it here for both watch and the buy part of our business.

Let's just take a look at watch for a moment. We started off in 1950 measuring television, broadcast television. And then about 30 years later cable came along, and some people said uh-oh, Nielsen's in trouble. They only know how to measure broadcast TV. Maybe their business will now go away. Well, it didn't happen. We adapted our measurement to incorporate cable, and later we did the same for satellite.

And as digital came along, once again the skeptics said uh-oh, Nielsen's in trouble. I'm not sure they're going to know what to do. How will they measure the digital world? Well, now we measure every digital platform out there. And in fact, on March 1st of this week, we roll out a new metric broadly in the marketplace called total content ratings.

And it's where we'll measure audiences for content across every platform, television, mobile, laptops, iPads, subscription video on demand delivered over-the-top through an Apple TV or a Roku or a Chromecast, you name it. We measure them all now. And we measure all of those

platforms in a way that's comparable so that we can add it all up and represent the total audience to our clients in the marketplace.

On March 1st, we'll begin the next phase of total content ratings, as we call it, begin providing that to the marketplace. And that'll represent a significant milestone for our business. So, every time the world is fragmented and viewing has changed, our measurement methodologies have adjusted and adapted. And that's what enables us to continue to cover the consumer wherever the consumer goes to watch the content that they love.

On the buy side of our business in terms of what people purchase and where they purchase it, it's the same thing. We've had the same evolution. And today's biggest challenge, of course, is measuring purchasing on e-commerce platforms. And then finally, we do this not just in the United States but in 106 markets around the world.

A few thoughts on our emerging ESG strategy. And one thing I want you to take away from the very beginning is that it's very closely aligned with and complementary to our business strategy. These aren't two separate things that operate in a vacuum. We see, in fact, our ESG strategy being right at the center, not in the periphery but right at the center of how we think about our business. We have seven factors here that emerged from in-depth discussions over many months with our investors and, in fact, all across our stakeholder bases.

And they're listed roughly in order of current priority for our business. First is about data privacy. Data privacy, I'm just going to say a word or two about the first handful of these. I'm not going to go into a ton of depth, but I want you to get a sense of how we're thinking about them, so first data privacy. What we think is so important about data privacy is that the consumers we measure have transparency that they're being measured, and they have control over the fact that they're being measured; transparency and control, transparency and control. If we provide that, then we're on solid ground.

Secondly, if we design privacy into our measurement products from the very start rather than only have them be an afterthought at the end of the product development process, we'll also be on solid ground. That's how we think about data privacy, which is closely associated with data security.

Number two is about future-focused leadership and innovation. Here's an area where we have some really meaty examples of long term thinking and long term investment in our company. For instance, one thing is we have a Nielsen innovate incubator that's based in Israel, in which we've invested in 19 technology-based startups over the last few years. We're the only foreign company that the government has put seed money into our incubator program in Israel.

And out of that we get, of course, access to some fantastic emerging technologies, but also just access to some great thinking and great talent. And it's really been an important part of our business, and it'll only grow over time. We also continue to invest very steadily and significantly in R&D. For a business of our size, focused in the area that we're focused on, we have a fairly robust patent portfolio that's up 7X in just the past eight years. Not as big as IBM's, to be clear, but a significant patent portfolio for a company of our size. One of our patents, in fact, won a

technology Emmy in 2016. That turns out to be I think our third technology Emmy. And so, our teams are very proud of that.

Number three on this list is about diversity, representation, and inclusion. I mentioned earlier about how we think about diversity being crucial to our growth and strength and ability to innovate. I'd also point out for you that the last four members who joined our Board, each one of them, our most recent Board additions, have advanced the diversity of our Board, gender, racial, and ethnic diversity.

We mandate diverse slates. Diverse slates are required for all senior leadership position in our company. If a leader wants to recommend a new hire and they haven't developed a diverse slate, then they have to start over. And you only have to do that once and the word gets around pretty quickly. And then lastly, we are very focused on benchmarking against the best companies in the world in this area, and DiversityInc is a great way to do that. We've been honored to be included in DiversityInc's top 50 now for three years running.

Number four, employee relations, this is largely about engagement. And I could give you a million examples of this, but the one that I think really speaks the loudest is we do an employee survey every two years. We had 98% participation in our most recent employee survey. We have 44,000 employees around the world. 98% participation, that really says a lot all by itself, that they would take the time and fill out what is a fairly onerous online survey to share their thoughts about how their company is doing for them, which is really what the point of that survey is all about.

And then finally, I'm not going to talk about numbers six and seven, supplier accountability and energy, travel, and waste on this page, but I do want to touch on community and social impact. The idea that I like to share with my colleagues often is that companies like ours need to care for the communities that they rely on for their business. And so, if you really believe that and if you take that to heart, you have to be investing in your communities.

And so, we do that. We do it through a program that's a long running program at our company called Nielsen Cares. We focus on education, access to technology, clean water and food, and promoting diversity in the communities in which we live and work. We have a concept also called Data for Good. We share data with Project 8, which is helping the world more efficiently allocate food and resources in the emerging world where populations are growing faster than their ability to feed those populations from a local standpoint.

We also provide data to the Kilts Center, which is associated with the University of Chicago. And it makes that date available to academics, some of whom are working on marketing questions, many of whom are also addressing important social questions as well.

And then lastly, Nielsen Cares. We have this thing called Nielsen Global Impact Day, and last June we had 22,000 of our associates take part in more than 1,400 community activities where we're volunteering in our local communities across 92 countries. This is the way our company thinks about itself and its role in the places where we live and work.

Last slide, the future of Nielsen. I've touched on many of these ideas already, and I could really boil it down to just two. The first one is that measurement has always been our business for 94 years now. And it'll be our business, the core of our business, for as long as we can see into the future. That will be the future of Nielsen. How we'll do it will continue to evolve and change. And it will no longer be based just on our own proprietary dataset. It'll much more be based on multiple datasets, some of which we own, many of which we don't own. And so, that collaborative business model becomes more and more important. And that open orientation to the world in which we operate is essential, and essential for us to do well.

The second key idea is that, while measurement will remain the core of our business, to extract the full value and potential from our core measurement data, we have to help our clients apply it to their important business questions. And we have to do that better than we've ever done. And so, for that to happen, it's about connecting that core measurement data with the analytics that drive their everyday business questions, and doing that better and better and better going forward.

And to do that as the speed and at the granularity that our clients require today and increasingly going forward even more granularity, it's going to mean a much more technology centric business for us. We'll move from what we've historically called a professional services business model. Gradually over time, that will shift to much more of a data and software as a service business model. It'll all add up to more speed and efficiency for our clients.

And that will lead to more value for our shareholders, which enables us to continue to do more for all of our stakeholders. That's the way we think about our business. And that page, those ideas, will carry us for at least the next five, probably closer to 10 years. And as we often say to ourselves when we're all sitting around a table, the data is the new oil, and there's never been a better time to do what we do. We have to think about it the right way for today, the right way for tomorrow and as many tomorrows that'll come after that.

So, with that I'll stop there and have a few minutes for hopefully a couple of questions.

Q&A

<Q>: Thanks. Yes, one or two questions. First of all, everybody, let's have a quick thank you to Mitch for his presentation. We have time for one or two questions. Does anybody have a question for Mitch on Nielsen? Go ahead.

<Q – John Queenan>: Hi. I enjoyed the presentation. John Queenan from ADP, another data company. I was just curious, though, since you sit on so much data as well, can you talk to what's driving consumers' behavior now as well as is there much difference that you're seeing? There's a lot of talk about generational difference. You're talking about a lot of divides between urban, suburban. So, first, what's driving consumers' behavior, and has there been much change over the time that you've been tracking it?

<A – Mitch Barns>: On the mobile side, what the biggest drive is the emergence of technology and, in particular, personal technology, mobile technology in people's lives. Nothing's had a

bigger impact on how consumers are consuming media content and how they're responding to advertising than technology and mobile technology. On the other side of our business, fast moving consumer goods, the big trend that we see emerging in the marketplace right now is a shift away from the big brands, not entirely but the big brands aren't growing as much, and more of the purchase decisions, more of the purchases being allocated to more specialty and local products.

You see it in the United States. Frankly, you see it almost everywhere in the world that we look. And this is one of the really important trends on the consumer packaged goods side of the equation. As these big companies are all dealing with cost pressures, zero-based budgeting, as the products fragment inside of their portfolio, that drives the cost up even while they're trying to drive the cost down. And it's making life very, very difficult and complicated for the consumer packaged goods firms right now.

<Q>: Thank you. One more quick question for Nielsen on their long term value creation story. Yes.

<Q>: Yes. Can you talk about how you view your disclosure, Nielsen's disclosure, of ESG data, whether it be to SASB or the more traditional ESG data providers?

<A – Mitch Barns>: You're talking about how we report about ourselves.

<Q>: How you think about that kind of disclosure. There's a varying degree of disclosure across public companies in terms of what they think and the workload and everything else. I'm just curious, as an organization talking about transparency how you view that.

<A – Mitch Barns>: We're still learning our way through it, right? We released our first global responsibility report last year. It was a very in-depth report. Some of the people who were very instrumental in putting it together are here in the back of the room. They could probably tell you more about it than I'm able to, and they would love to do it as well. But it's something that I think has played a very important role for just our – developing our own fluency in talking about our company in these terms, which we have not done throughout all of our history. And it was important for many of our investors who are more focused on those types of issues, and it was probably just as important, maybe even more valuable at least in this first go-round, to our associated inside the company.

For a lot of them, this is one of the things that they assign a huge amount of value to their membership in our company, that they want to work for – especially the millennial generation, they want to work for a company that is transparent and committed to a lot of these issues that are outlined in such a report. And so, our ability to speak openly about those and candidly about where we are against some of those – because we're not great at everything, many of them, we still have huge room for progress – I think it's important. And that genuineness and candor is I think what separates companies. If you're not comfortable with it, they're not going to believe you. And they'll find you out pretty quickly.

<<Unidentified Participant>>

Thank you. And everyone, let’s have one more round of applause for Mitch of Nielsen.