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Leading Utilities' CEOs Present Long-Term Plans to Investors at 7th CEO Investor Forum

Presentations address information needs of institutional investors, representing more than \$25 trillion in AUM

CHICAGO, May 8, 2019 —CECP's [Strategic Investor Initiative](#) (SII) hosts the seventh **CEO Investor Forum** in Chicago, with long-term plan presentations by the CEOs of **American Electric Power (AEP)** and **Public Service Enterprise Group (PSEG)** to institutional investors. The event will also feature an **Executive Workshop** for investor relations, corporate social responsibility, and sustainability professionals to strategize together on the development of long-term investor facing plans at their companies. Previous CEO Investor Forums have [featured the CEOs of nearly 30 companies](#), such as **Allstate, IBM, Unilever, and Voya Financial**.

- **SII's 7th CEO Investor Forum:** Wednesday May 8, 2019, 8:00 a.m. – 12:00 p.m. CT
- **Venue:** Union League Club of Chicago, 65 West Jackson Boulevard, Chicago, IL
- **Luncheon:** 12:00 p.m. – 1:30 p.m. (for CIF and workshop participants)
- **Executive Workshop:** 1:30 p.m. – 3:30 p.m.

The presentations can be watched during and after the event via Wall Street Webcasting:
<https://cecp.me/3051mis>.

A CECP and KKS, Harvard Business School report, [The Economic Significance of Long-Term Plans, found early evidence](#) that the presentations at CEO Investor Forums triggered abnormal market returns of 1.83% and share turnover of 7.6%. Companies that communicated plans with higher-quality information – particularly around the themes of Corporate Purpose and Competitive Positioning – also saw higher market reactions.

Building on a significant body of original research and ongoing feedback from institutional investors, SII has [released a template](#) for companies seeking to develop and communicate effective long-term strategic plans that help inform investment, voting, and engagement decisions. According to buy-side investors, the long-term should be described in terms of goals, metrics, and milestones, to enable a deeper understanding of the strategy and to track progress as it is implemented.

The CEO Investor Forum audience of institutional investors will hear long-term plan presentations from:

- Nicholas K. Akins, Chairman, President & CEO, **AEP**
- Ralph Izzo, Chairman, President & CEO, **PSEG**

In addition, confirmed speakers include:

- Bill McNabb, former Chairman & CEO, **Vanguard** and co-chair, CECP's Strategic Investor Initiative
- Ilene S. Gordon, retired Chairman, President & CEO, **Ingredion**
- Jon Hale, Global Head of Sustainability Research, **Morningstar, Inc.**
- Donna F. Zarcone, President & CEO, **The Economic Club of Chicago**

"For too long, companies have sacrificed long-term value creation to generate short-term results, which erodes the sustainability strategic investors seek," said Bill McNabb, Former Chairman, **Vanguard; SII Advisory Board Co-Chair**. "It's through the groundbreaking efforts of the Strategic Investor Initiative that companies and investors can change how businesses plan and act. CECP, with the 200 global CEOs in their coalition, is the right organization to lead this transformation."

"The world's largest asset managers are unambiguous in their mandates for companies to demonstrate long-term value creation," said **Daryl Brewster, CEO, CECP**. "Through the CEO Investor Forums, CECP is providing an opportunity for companies and their CEOs to share their long-term visions and be on the leading edge of market-changing innovation."

While each long-term plan presentations are unique, CEOs presenting at CEO Investor Forums address three main themes:

1. **Growth:** CECP suggests CEOs talk about plans for future growth, with goals, metrics, or milestones mapping to future years with a minimum five-year trajectory. Companies should articulate their view of the future market place, their industry's operating environment, how future trends may affect their company's operations, and how their growth plans address these related opportunities.
2. **Strategy:** The CEO should consider including overarching commentary on the role of the Board of Directors in formulating the long-term strategy and its processes for monitoring management in delivery of the plan. This is intended as a focused narrative about future performance, not past performance.
3. **Risk:** A long-term plan provides a corporation with an opportunity to communicate its view of key financially material risks, including long-range mega-trends (such as climate-related risks) and the relevant frameworks used to identify environmental, social, and governance (ESG) factors. The majority of this discussion should ideally focus on the strategy and resources allocated to address future risks.

Following the CEO Investor Forum, the two-hour Executive Workshop hosted by SII will take business leaders through all aspects of developing a long-term plan. The session was designed to enhance collaboration between the different departments involved in planning for a company's long-term growth, strategy, and risk. Topics will include:

- The business case to deliver a long-term plan
- What long-term oriented investors do and do not want to see in a long-term plan presentation (LTP)
- Best practices in developing a long-term plan
- How to create a long-term plan

SII is co-chaired by Bill McNabb, former Chairman & CEO, **Vanguard**, and Alex Gorsky, Chairman & CEO, **Johnson & Johnson**. SII's [Advisory Board is composed of leading investors](#) representing more than \$15 trillion in assets under management.

The seventh CEO Investor Forum is generously supported by **KPMG**. SII is also supported by **Bloomberg LP**, **the Ford Foundation**, **Heron Foundation**, and the **Robert Wood Johnson Foundation**.

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ABOUT CHIEF EXECUTIVES FOR CORPORATE PURPOSE (CECP)

CECP is a CEO-led coalition that believes that a company's social strategy — how it engages with key stakeholders including employees, communities, investors, and customers — determines company success. Founded in 1999 by actor and philanthropist Paul Newman and other business leaders to create a better world through business, CECP has grown to a movement of more than 200 of the world's largest companies that represent \$11.3 trillion in revenues, \$23.8 billion in societal investment, 17.4 million employees, and \$15 trillion in assets under management. CECP helps companies transform their social strategy by providing customized connections and networking, counsel and support, benchmarking and trends, and awareness building and recognition.

ABOUT THE STRATEGIC INVESTOR INITIATIVE

The Strategic Investor Initiative is a coalition of thought leaders committed to the long-term movement. Collectively, SII is developing a new platform for leading companies to create, convey, and deliver long-term plans to long-term investors. SII's vision is to spark the movement of trillions of dollars of capital to companies demonstrating performance excellence over the long-term. SII provides tools and resources designed to introduce and support market behaviors that ultimately deliver sustained long-term value for all stakeholders.