

Board ^{9TH ANNUAL}
of Boards
CEO Roundtable

*RESTORING TRUST BY
BEING A FORCE FOR GOOD*



Executive Report

FEBRUARY 24, 2014 | NEW YORK CITY



CECP

THE CEO FORCE
FOR GOOD

Board of Boards

9TH ANNUAL

CEO Roundtable

CEOs from around the globe gathered February 24, 2014 at the *Forbes*-named “power player” discussion to share strategies to encourage investment in the community. While CEOs learned that trust in business is low and expectations have never been higher, CECF’s latest trends data pinpointed areas of growth: corporate societal investment **increased** (by 47% since 2007), and became more **focused** (33% gave 50% or more to one program type) and **innovative** (69% was non-cash). But CEOs agreed they could do more.



ATTENDEE PROFILE

- \$2 trillion in revenue
- 2,000 years of leadership experience
- 3 million global employees
- \$1.5 billion in total annual giving

Attendees of the 2014 Board of Boards CEO Roundtable agreed on the steps that must be taken to eliminate the corporate trust gap:

FOUR STEPS TO RESTORE TRUST IN BUSINESS

1. Lead Publicly: CEOs accepted the responsibility of engaging employees and other audiences through storytelling, but asked for support.

- **34%** of CEOs said that the most effective step they can take to help restore public trust in business is to speak publicly, in their own voices, on what their companies are doing; **35%** of CEOs asked for a platform to talk about their good work.
- **Richard Edelman, Edelman:** *“The CEO has to lead by being the Chief Engagement Officer, to build trust and reputation by behaving with genuine humility, moral authority, speed of action, and decisiveness.”*
- **Dominic Barton, McKinsey & Company:** *“Adam Smith said that it is the duty of entrepreneurs to take care of the society in which they operate.”*

2. Empower Employees to Become Your Biggest Champions: CEOs spoke about the power of first engaging the group they know best—employees—and then expanding to consumers and other stakeholders.

- **36%** of CEOs stated that encouragement from employees would matter most in a decision to expand a company’s investment in the community.
- **Ken Powell, General Mills:** *“Our employee engagement programs pay for themselves as they translate into loyalty, brand reputation, and partnerships along the supply chain.”*

3. Expand Collaboration to Strengthen the Company:

CEOs underscored the importance of partnerships with companies, communities, and NGOs to pool solutions, resources, and expertise, and solve community challenges they cannot address alone.

- **37%** of CEOs stated that the most significant obstacle their business faces in embracing more socially sustainable business practices is the overwhelming complexity of societal problems.
- **Hamdi Ulukaya, Chobani:** *“When I opened up the plant to the people in the community, they believed in the product and cheered us on.”*

4. Make the Business Case to Investors: CEOs understood the benefits of a long-term mindset, but expressed that pressure for quarterly results dominated their time. Attendees agreed to devote more time during quarterly calls to addressing long-term performance.

- **20%** of CEOs stated that the most significant obstacle their business faces in embracing more socially sustainable business practices is shareholder pressure.
- **Anne Stausboll, CalPERS:** *“In integrating sustainability into everything we do, we adopted a set of beliefs that address both the responsibility and advantages of being a long-term investor.”*



Timeless quotes from business thought leaders set the tone for the discussion:

Stephen R. Covey: *"You can't talk your way out of what you've behaved yourself into."*

Peter F. Drucker: *"Every single social and global issue of our day is a business opportunity in disguise."*



Anthony F. Earley Jr.



LEFT TO RIGHT: Hamdi Ulukaya, Michael Roth, Shelly Lazarus

2014 EXCELLENCE AWARDS WINNERS

Anthony F. Earley Jr., PG&E Corporation: *"At PG&E, we strive to deliver on our commitment to help our communities be as vibrant as they can be."*

Gregory Page, Cargill: *"It's not so much what we stand for, it's what we won't stand for that forms the foundation of our culture."*



Duncan Niederauer

2014 CEO HONOREES

FORCE FOR GOOD AWARD AND BOARD OF BOARDS KEYNOTE:

Michael T. Duke, Retired President and CEO, Wal-Mart:

"We don't celebrate that we are the biggest company in the world. We celebrate that we have the highest expectations of any company in the world by being the largest."

FOUNDERS AWARD: **Barry Salzberg**, Global CEO, Deloitte Touche Tohmatsu Limited

COLLABORATION AWARD: **Jack Larsen**, CEO, UnitedHealthcare Medicare & Retirement

PACESETTER AWARD: **John Replogle**, President & CEO, Seventh Generation

LAWRENCE A. WIEN LEGACY AWARD: **John Whitehead**, Former Co-Chair, Goldman, Sachs & Co.; Former Deputy Secretary of State

"How we think about long-term planning should be tied to what we think the length of the innovation cycle is, not to some construct of time that we created in our heads looking backwards." - DUNCAN NIEDERAUER, NYSE

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ABOUT CECP: THE CEO FORCE FOR GOOD

CECP is a coalition of CEOs united in the belief that societal improvement is an essential measure of business performance. Founded in 1999, CECP has grown to a movement of 150 CEOs of the world's largest companies across all industries. Revenues of engaged companies sum to \$7 trillion annually. A nonprofit organization, CECP offers participating companies one-on-one consultation, networking events, comparative data, media support, and case studies on corporate engagement. For more information, please visit cecp.co.

BOARD OF BOARDS ATTENDEES

Skip McGee, Chief Executive,
Americas, Barclays

Anson Chan, Chairman and CEO,
Bonds Group of Companies

Anne Stausboll, CEO, CalPERS

Gregory Page, Executive Chairman, Cargill
(2014 Excellence Award Winner)

Marilyn Carlson Nelson, Co-CEO,
Carlson Holdings, Inc.

Hamdi Ulukaya, Founder and CEO, Chobani

Daniel Sullivan, President and CEO,
Collette Vacations

Douglas Conant, Founder and CEO,
ConantLeadership

Barry Salzberg, Global CEO, Deloitte
Touche Tohmatsu Limited (2014 Founders
Award Winner)

Bill Goodwyn, President and CEO, Discovery
Education, Discovery Communications, Inc.

Richard Edelman, President and CEO,
Edelman

Peter L. Malkin, Chairman Emeritus,
Empire State Realty Trust

Anthony E. Malkin, President, Empire State
Realty Trust

James S. Turley, Chairman and CEO
(Retired), Ernst & Young

Martin Dickson, US Managing Editor,
Financial Times

Richard Fore, Chairman and CEO,
Fore Property Company

Glen Nelson, M.D., Chairman,
GDN Holdings, LLC

Kendall J. Powell, Chairman and CEO,
General Mills

David Jones, Former Global CEO, Havas

Henrietta Fore, Chairman and CEO,
Holsman International

S.D. Shibulal, CEO and Managing Director,
Infosys Limited

Michael I. Roth, Chairman and CEO,
Interpublic Group

John Veihmeyer, Global Chairman,
KPMG International

Walter Macnee, Vice Chairman,
MasterCard Worldwide

Dominic Barton, Worldwide Managing
Director, McKinsey & Company

David Stern, Commissioner Emeritus,
National Basketball Association

Robert H. Forrester, President and CEO,
Newman's Own

Duncan Niederauer, CEO, NYSE

Shelly Lazarus, Chairman Emeritus,
Ogilvy & Mather

Olga Colpo, CEO, Participações Morro
Vermelho S.A.

Anthony F. Earley Jr., Chairman,
CEO, and President, PG&E Corporation
(2014 Excellence Award Winner)

Stephen Rusckowski, CEO, Quest
Diagnostics Incorporated

Karim Khoja, CEO, Roshan Telecom
Development Company of Afghanistan Corp.

John Replogle, President and CEO, Seventh
Generation (2014 Pacesetter Award Winner)

Robert J. McCann, CEO, UBS Group Americas

Jack Larsen, CEO, UnitedHealthcare
Medicare & Retirement (2014 Collaboration
Award Winner)

F. William McNabb III, Chairman and CEO,
Vanguard

Michal T. Duke, Retired President and CEO,
Wal-Mart Stores, Inc. (2014 Force for
Good Award Winner)

SPECIAL GUESTS

John Engler, President, Business Roundtable

Charles H. Moore, Executive Director
(Retired), CECP

Steve Odland, CEO, Committee for Economic
Development

Robert Harrison, CEO, Clinton Global Initiative

Jonathan Spector, President and CEO,
The Conference Board



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The 2014 Board of Boards CEO Roundtable is made possible with support from
Newman's Own Foundation and PricewaterhouseCoopers LLP.

Additional Board of Boards takeaways can be found at cecp.co/BoB.

Data Sources: Live CEO polling at 2014 Board of Boards CEO Roundtable and
2013 Giving in Numbers annual trends report.

Pictured on the cover: Michael T. Duke

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