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, CECP'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

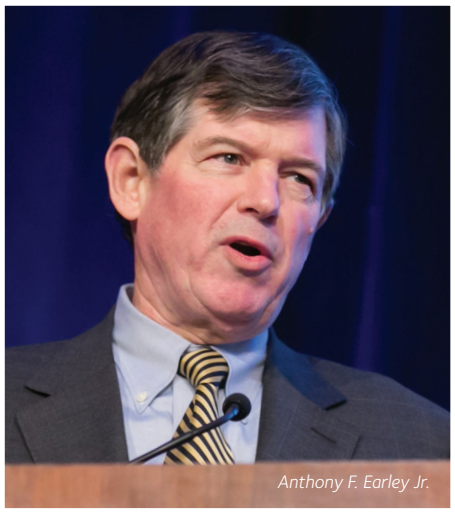
1. **Lead Publicly**: CEOs accepted the responsibility of engaging employees and other audiences through storytelling, but asked for support.
   - **34%** of CEOs said that the most effective step they can take to help restore public trust in business is to speak publicly, in their own voices, on what 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."*

PICTURED ABOVE, LEFT TO RIGHT: *Richard Edelman, Anne Stausboll, Dominic Barton, Duncan Niederauer, Gregory Page, Michael Duke*

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."*

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

CECP 15 YEARS

CECP
THE CEO FORCE FOR GOOD

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.

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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.*