

Elements of effective investor-facing long-term strategic plans

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Content Expectations: Building on the themes of our [Investor Letter to CEOs](#), through feedback from institutional investors we have identified content elements essential to an effective investor-facing CEO-delivered long-term plan:

- **Additive to existing disclosures:** add information to the public domain or provide additional context for existing disclosures.
- **More than marketing — contextualized disclosures:** a strategic plan narrative is not a recitation of good news stories. Initiatives should be contextualized to help investors assess their significance.
- **Focused by materiality** —a long-term plan should disclose information that is material to the operating performance and financial prospects of the business
- **Integrated discussion of material ESG issues** —part of an integrated discussion – not a silo or presented as list of “awards.”
- **Forward looking information** – a long-term plan is an opportunity for a company to meaningfully talk about the future across a broad range of value-relevant topics, accompanied by goals, metrics and milestones.
- **Direct connection to financial prospects & operational performance:** a long-term plan should focus on long-term business value and performance. (For more detail, see SII’s latest white paper, [Emerging Practice in Long-Term Plans](#))

The Economic Significance of Long-Term Plans: Our research collaboration with Professor George Serafeim and KKS Advisors provides early evidence that long-term plans can disclose value-relevant information that helps inform investment decisions. We find that plans rich in detail and forward-looking information see more significant market reactions. The presentations by BD, Medtronic and PG&E provide examples of such plans (view [videos and transcripts](#)). A summary of this research is set out in [Harvard Business Review](#).

9 Themes for an effective long-term strategic plan -with 22 Underlying Issues to guide disclosure: Supplementing the content of our Investor Letter to CEOs, these themes provide the basis and content suggestions for an effective long-term plan presentation. These can help your CEO outline an authentic and decision-useful long-term strategic plan.

