

Executive Report

CEO Investor Forum

HOSTED BY THE
STRATEGIC INVESTOR
INITIATIVE, CECIP



CEO Investor Forum 6.0

FEBRUARY 25, 2019 | NEW YORK

SAVE THE DATE: Future CEO Investor Forums

May 8, 2019 | Chicago, IL

February 24, 2020 | NYC

Contact SII@cecp.co for more information.



CECP
STRATEGIC INVESTOR
INITIATIVE



CEO Investor Forum 6.0 Overview

Continuing its efforts to promote long termism on Wall Street, CECF's Strategic Investor Initiative (SII) held its sixth CEO Investor Forum on February 25, 2019 in New York City. CEO Investor Forums are the premier platform for CEOs to share their long-term business plans for sustainable value creation with institutional investors. CEO Investor Forum presentations can be viewed at cecp.co/SII.

Speakers at CEO Investor Forum 6.0 included:

- » Alex Gorsky, Chairman & CEO, Johnson & Johnson and Co-Chair, Strategic Investor Initiative
- » Mark T. Bertolini, Former Chairman & CEO, Aetna Inc.
- » Kevin P. Clark, President & CEO, Aptiv
- » Steve Collis, Chairman, President & CEO, AmerisourceBergen
- » Robin Hayes, CEO, JetBlue Airways
- » Barbara Humpton, CEO, Siemens USA
- » Omar Ishrak, Chairman & CEO, Medtronic
- » Mark Schneider, CEO, Nestlé S.A.
- » The Honorable Leo E. Strine, Jr., Chief Justice of the Delaware Supreme Court
- » Peter Van Camp, Executive Chairman, Equinix

The CEOs and senior leaders from **Aptiv**, **AmerisourceBergen**, **JetBlue Airways**, **Nestlé S.A.**, and **Equinix** presented their long-term plans to an audience of institutional investors that together represented **\$30 trillion in assets under management**. Each presentation addressed nine key elements that are important to institutional investors, according to SII and KKS research:



FINANCIAL PERFORMANCE

- » Capital efficiency and profitability
- » Leverage
- » Revenue growth



CAPITAL ALLOCATION

- » Capital allocation plan
- » M&A discipline
- » R&D investment and CAPEX
- » Excess cash



TRENDS

- » Market trends
- » Mega trends



COMPETITIVE POSITIONING

- » Long-term value drivers
- » Medium-term value drivers
- » Short-term value drivers



RISKS & OPPORTUNITIES

- » Assessment of financially material ESG issues
- » Risk management
- » Opportunities



CORPORATE GOVERNANCE

- » Executive compensation
- » Board compensation
- » Role of board
- » Shareholder engagement



CORPORATE PURPOSE

- » What is the purpose and is it aligned with long-term strategy?



HUMAN CAPITAL

- » How is human capital managed over the long term?



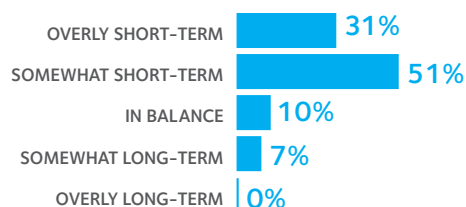
LONG-TERM VALUE CREATION

- » What is the value of strategic partnerships/improving the operational ecosystem?

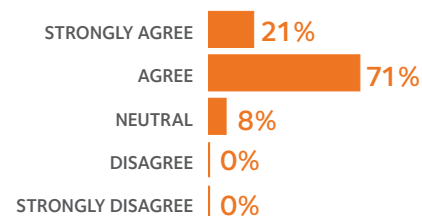


POLL QUESTIONS

Are CEOs:



Will hearing companies' long-term plans influence your proxy voting and engagement strategies?





CEO Investor Forum 6.0 Key Takeaways



Keynote Panel on Mega Trends Facing Global Business:

The CEO Investor Forum kicked off with a panel featuring Alex Gorsky, Mark T. Bertolini, Barbara Humpton, and Omar Ishrak.



"We see a vital and vibrant future for healthcare around the world that is being driven by the continuing expansion of the global middle class. Dedicated to always

putting patients and people first, we remain focused on improving access to and affordability of healthcare, creating healthier communities, and ensuring a healthy mind, body, and environment are within reach of everyone, everywhere."

Alex Gorsky, Chairman & CEO, Johnson & Johnson



"Up until the early 2000s, the plentiful resource was people and the scarce resource was financial capital. That has flipped. Financial capital is now very plentiful and human capital is very much at risk. And yet we've not adjusted our business models to accommodate for that."

Mark T. Bertolini, Former Chairman & CEO, Aetna Inc.



"We're building our business strategies around long-term mega trends, the aging of the population, urbanization of the globe, the digitalization of everything. We actually are on the cusp of a real opportunity thanks to data."

Barbara Humpton, CEO, Siemens USA



CEO Investor Forum presentations
can be viewed at cecp.co/SII



CIF 6.0 speakers (left to right): Erica Karp, Cornerstone Capital; Amy Springsteel, Voya; and Michelle Edkins, BlackRock.



"Believe it or not, our knowledge of how the human body works is still in its infancy. Our technology continues to progress and our ability to make lives better has an unlimited road map. One talks about a sense of purpose; that's a sense of purpose one cannot deny."

Omar Ishrak, CEO, Medtronic



"One of the most important things for all of us at JetBlue is our values. We truly believe it's our commitment to values and our culture that underpins the success of our company....Culture is about time, it's about being there for your frontline crewmembers."

Robin Hayes, CEO, JetBlue Airways



"All of the people of this company care about who we are. And I often say we hire on human qualities every bit as much as intellect and resumé."

Peter Van Camp, Executive Chairman, Equinix



"We believe that our long-term success as a business and our ability to increase value are strongly linked to the positive impact we have on our people, product, and planet. The successful execution of this business model to date has resulted in significant shareholder returns."

Kevin P. Clark, President & CEO, Aptiv



"The old 1980s mantra of 'we are here to make money' is simply no longer good enough. People want to know how you make money and why, the social purpose you are serving, and the long-term consequences of what you are doing."

Mark Schneider, CEO, Nestlé



"We really have embraced the idea of a purpose-driven company fully and believe it's a very essential part of our culture, of our ambition, of our daily existence. Our purpose is we are united in our responsibility to create healthier futures."

Steve Collis, Chairman, President, & CEO, AmerisourceBergen



CEO Investor Forum 6.0 Attendees

ATTENDEES OF THE CEO INVESTOR FORUM 6.0 INCLUDED REPRESENTATIVES FROM:

3BL Media
Abbott Laboratories
Aetna Inc.
AHC Group
Albright Stonebridge Group
Allen & Co.
Amazon.com, Inc.
American Airlines Group Inc.
AmerisourceBergen Corporation
Aptiv
Archetype Wealth Partners
Aspen Institute
Athene Asset Management
Avaap
B6
Balyasny Asset Management
Barclays
BASF Corporation
Batten & Company GmbH
BBMG
BD
Bernstein Research
Blackbaud, Inc.
BlackRock
***Bloomberg L.P.**
BNP Paribas
BNY Mellon
Boston Consulting Group
Boston University
Brahman Capital Corp.
Breckinridge Capital Advisors
Brown Advisory
BrownFlynn
Business Roundtable
CalSTRS

Capital Management International
Casanova/McCann
Chief Investment Officer Magazine
Citadel
Citi
CNBC
Coalition for Inclusive Capitalism
Colcomgroup, Inc.
Comcast NBCUniversal
COMMIT
Convergent Capital Partners
Cornerstone Capital Inc.
Credit Suisse
Crux Capital
Deloitte Touche Tohmatsu Limited
Delwar Capital
Domini Social Investments
Drexel University
Eaton Vance
Edelman
EighthNote Capital
Equinix, Inc.
Ernst & Young International
Exenico LLC
eYeka
FactSet Research Systems Inc.
***The F. B. Heron Foundation**
FCLTGlobal
Federated Investors, Inc.
Financial Times
FiscalNote
Fitch Ratings
Fondazione Dynamo
FORTUNE Magazine

Game Creek Capital
Gardner Russo & Gardner LLC
The Goldman Sachs Group, Inc.
Global ESG Regulatory Academy
Global Sourcing Council
Great Hill Enterprises
Great Lakes Advisors
Hartzfeld Sustainability Advisors
Harvard University
Hermes Investment Management
The Hershey Company
High Meadows Institute
High Touch Investor Relations
Hill Impact
Honeywell International Inc.
HS Management
HSBC Bank USA
Ideon Agency
IHS Inc.
Inherent Group
International Chamber of Commerce
JetBlue Airways
Johnson & Johnson
Journal of Applied Corporate Finance
JUST Capital
Just Results
Kellogg Company
King's College London
***KPMG LLP**
Lavazza
Lazard Asset Management
Leaders Arena

The Lightsmith Group
Loblaw Companies Limited
The Long-Term Stock Exchange
Loomis Sayles & Company
McKesson Corporation
Medtronic PLC
Metallatina
MetLife, Inc.
MICA
Millennium Management
MIT Sloan Management Review
Mpl4
Nestlé S.A.
New York Office of the State Comptroller
New York State Senate
New York University
Nielsen Holdings plc
Olayan Group
Omapi Associates LLC
One Family Merchant Services
Oracle Corporation
Peking University
Point72 Asset Management
PricewaterhouseCoopers LLP
Prudential Financial, Inc.
Refinitiv
Reuters Breakingviews
Rivulet Capital LLC
RLB Governance LLC
Robert Bosch GmbH
Rockwell Automation, Inc.
S&C North America Inc.
S&P Global Inc.
SEE International
Seyfarth Shaw LLP
Siemens Corporation

Sigma Alimentos
South Pole Group
Spectrum Pharmaceuticals
Starbucks Coffee Company
Supreme Court of Delaware
Surveyor Capital
SustainAbility
Sustainability Accounting Standards Board
Swell Asset Management
The TCW Group
TD Ameritrade Holding Corporation
Terra Alpha Investments
Terra Viva Consultoria
Thomson Reuters
Transform Finance
Triple Bottom Line Consulting
UBP Asset Management LLC
UBS
UMB Financial Corporation
University of Virginia, Darden School of Business
University of Wisconsin
Unlimitability Life
Vanguard
Venture Corporation Limited
Viacom Inc.
Voya Financial, Inc.
Walmart Inc.
Wellington Brands
Wellington Management Company, LLP
Wells Fargo & Company
World Economic Forum
World Wildlife Fund
ZRG Partners, LLC

Bold lettering indicates Strategic Investor Initiative Advisory Board member

***Indicates event sponsor**

CEO Investor Forum 6.0 Profile

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CEOs AND C-SUITE
DISCUSSION LEADERS

\$25

TRILLION IN ASSETS
UNDER MANAGEMENT
IN AUDIENCE OF
LONG-TERM INVESTORS

5

CEOs MAKING
LONG-TERM BUSINESS
PLAN PRESENTATIONS

\$350

BILLION IN MARKET
CAPITALIZATION OF
COMPANIES PRESENTING
TO INVESTORS

CEO Investor Forum

HOSTED BY THE
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INITIATIVE, CECP

ABOUT THE STRATEGIC INVESTOR INITIATIVE

CECP's Strategic Investor Initiative (SII) is a coalition of leading companies and investors committed to re-orienting capital markets toward the long term. SII convenes CEO Investor Forums to provide a venue for CEOs to share their long-term strategic plans with audiences of long-term investors. Through leading research, SII assists companies in developing and communicating long-term plans that help inform the decisions of institutional investors.



Looking Ahead

SII will hold its next CEO Investor Forums:

May 8, 2019 | Chicago, IL

February 24, 2020 | NYC

To register, contact SII@cecp.co.

Corporations interested in reserving the last few presentations at the CEO Investor Forums should contact Sarah Bostwick at sbostwick@cecp.co.



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Daryl Brewster, CEO, CECP

Nandika Madgavkar, Senior Director,
Strategic Investor Initiative

Mark Tulay, Senior Director,
Strategic Investor Initiative

About Chief Executives for Corporate Purpose (CECP)

Chief Executives for Corporate Purpose (CECP) is a CEO-led coalition that believes that a company's social strategies—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 strategies by providing customized connections and networking, counsel and support, benchmarking and trends, and awareness building and recognition.

CECP thanks KPMG, the lead sponsor for the sixth CEO Investor Forum, for their support. CECP is also grateful to Bloomberg LP, Ford Foundation, Heron Foundation, and Robert Wood Johnson Foundation for their generous support of the Strategic Investor Initiative. (www.cecp.co/SII)



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