

Executive Report

CEO Investor Forum

HOSTED BY THE
STRATEGIC INVESTOR
INITIATIVE, CECP



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?

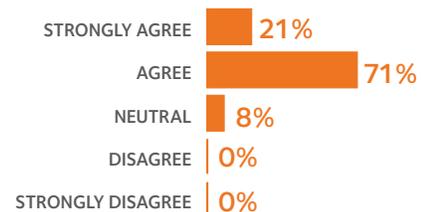


POLL QUESTIONS

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



“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



“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



“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



“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



“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
 Brahma 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
 Omapu 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

9



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
STRATEGIC INVESTOR
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.



CECP

STRATEGIC INVESTOR
INITIATIVE

CECP | 85 Broad Street
27th Floor
New York, NY 10004
212-825-1000
cecp.co

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)



Bloomberg



HERON

