



CEO Roundtable Executive Report

July 11, 2023

FEATURED SPEAKER: Raj Gupta, Founder, Gupta Governance Institute; retired Chair & CEO, Rohm and Haas; and former Chairman, Aptiv and Avantor

CONTRIBUTING PARTNER: Chris Pinney, President & CEO, High Meadows Institute

This CEO Roundtable explored the process and value of developing and presenting an Integrated Long-Term Plan from the CEO and investor perspectives, the challenges of balancing long-term planning with short-term demands, and the current landscape of ESG reporting.

KEY TAKEAWAYS:

- **Expectations of boards continue to evolve.** With developing technologies, the need for increased cyber security, climate change and ESG reporting, government regulations, the rise of activists and hedge funds, and more, the last several years have seen dramatic shifts to companies' shareholder bases. And with those shifts, the expectations of boards have evolved as well. This necessitates a refreshed, more closely involved and independent board that can effectively balance governance and advisory.
- **Create trust through transparency.** The highest-performing boards have trust-building relationships with their management teams, and those are created through transparency and authentic action. Early alignment around a company's purpose and values will help to lay a foundation of trust and understanding, which allows management more independent decision-making around acting on issues that are important to their company's key stakeholders.
- **Lead with humility.** As corporate leadership teams and boards work together to navigate new challenges, it is essential that they commit to life-long learning. Successfully tackling these emerging challenges requires diversity of thought, humility, and a willingness to stretch beyond what is familiar.

"Constantly refresh to make sure you've got the right skill sets on the board at the right time for the company, as it aligns with the strategy. It'll help you think through some of these issues and bring to bear the different experiences relevant to the challenging times that we're operating in."

- Peter Gleason, President & CEO, NACD

"Regarding competencies that companies are looking for in a board, particularly when addressing sociopolitical issues, intellectual and experiential humility are needed. Your experience may not be the only truth. That should be the governing doctrine in decision making. It's about life-long learning. Extend beyond your familiar boundaries."

- Daria Torres, Founder & Managing Partner, Walls Torres Group

"As a board, when social and political issues do emerge, you ought to have a good, open discussion about how relevant they are, why you should take a position, and what position it should be. This ensures full alignment between the board and the management, and your position is consistent with your key stakeholders' expectations."

- Raj Gupta, Gupta Governance Institute; Retd Chair/CEO, Rohm and Haas; and former Chairman, Aptiv and Avantor

"To have a very strong corporate purpose and set of values helps a management team build trust with their board. Having these determined upfront helps to ensure that, when things happen, everyone is on the same page regarding how to respond."

- Fran Horowitz, CEO, Abercrombie & Fitch Co.

Participating Companies



Abercrombie & Fitch

