

Trends in Investor Communications

# Key Trends in Annual Reports



# In This Thought Piece

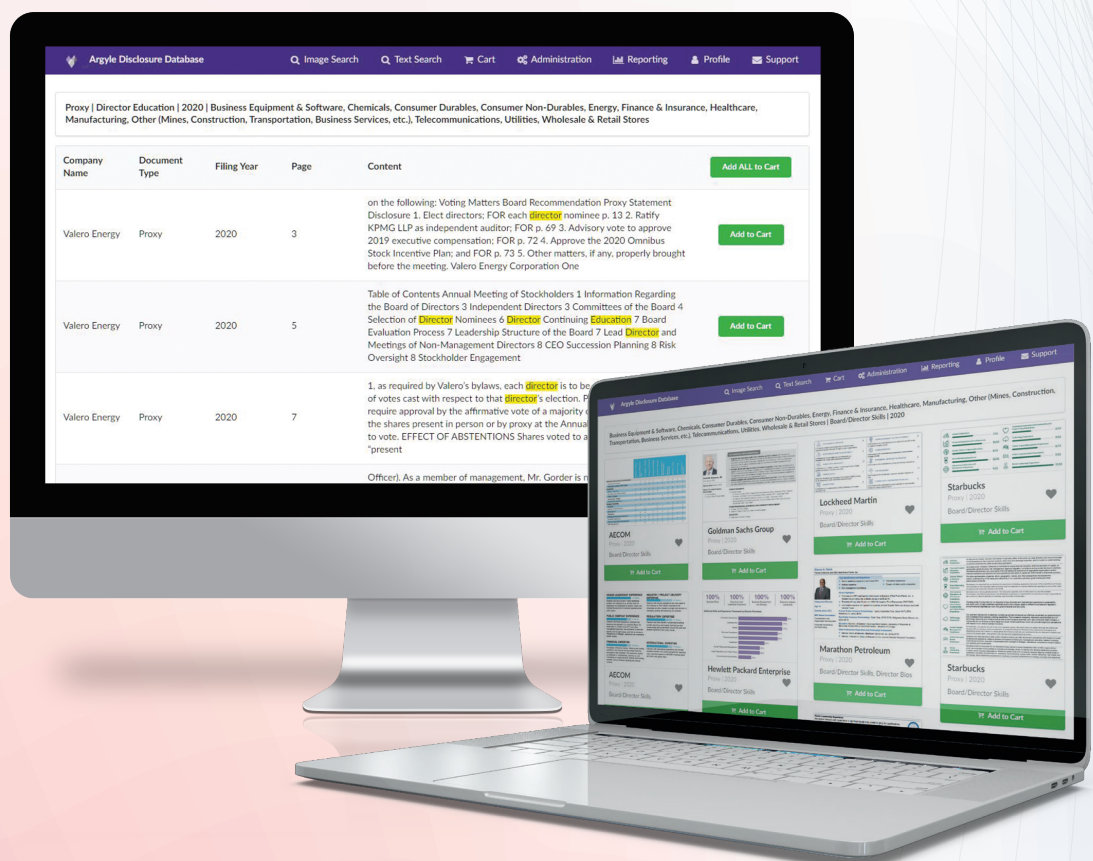
As we observe some of the key trends in annual reports, we see a good deal of attention focused on corporate purpose, strategy, performance, leadership, ESG, addressing the COVID-19 pandemic and online presentations.

In the following pages, we highlight how some of the Fortune 50 and Dow 30 companies are presenting and discussing these key trends to their audiences.

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# Corporate Purpose

Presenting how companies serve people, society, and planet, how companies create value and how companies meet their purpose.

## AmerisourceBergen 2019 Summary Annual Report

AmerisourceBergen's CEO discusses the company's purpose-driven culture and how the company is creating value for their customers, partners and stockholders.

### CEO STATEMENT (PAGES 7-9)

[https://s24.q4cdn.com/386340686/files/doc\\_financials/2019/ABC\\_AnnualReport\\_2019-Final.pdf](https://s24.q4cdn.com/386340686/files/doc_financials/2019/ABC_AnnualReport_2019-Final.pdf)

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AmerisourceBergen Summary Annual Report 2019

## CEO Statement



**Steven H. Collis**  
Chairman of the Board,  
President and Chief Executive Officer

During fiscal 2019, AmerisourceBergen continued to execute its differentiated strategy and position the Company for long-term growth as a pharmaceutical and global healthcare solutions leader. Together, we accomplished many notable achievements, including several high-profile acquisitions, such as the acquisition of Good Neighbor Pharmacy® – a national retail pharmacy chain – through AmerisourceBergen – being ranked #1 in the Specialty Distribution and Practice Management Services category by *Newsweek*. In this dynamic market environment, innovation, advancing partnerships and creating supply chain efficiency, and patient experience enable AmerisourceBergen to continue to create value for our stockholders, and ultimately, the patients they serve. By further strengthening the collective engagement of our stakeholders, we are more unified as we execute on our strategy.

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AmerisourceBergen Summary Annual Report 2019

### Fostering a Purpose-Driven Culture

AmerisourceBergen's purpose provides the direction and guidance through which we evaluate everything that we do. Our purpose – we are united in our responsibility to create healthier futures – means that we recognize our responsibility to provide access to healthcare efficiently and effectively and to operate sustainably. Our purpose unites, motivates and empowers us to deliver value for all of our stakeholders, making a positive impact on our communities, our partners and the patients they serve. Our purpose exists in harmony with our growth strategy to ensure that we are a company that does well, while also being a good

### Creating Value for our Customers, Partners and Stockholders

Overall, AmerisourceBergen performed well in fiscal 2019. Our revenue increased 7% to \$179.6 billion and, on the basis of U.S. generally accepted accounting principles, diluted earnings per share was \$4.04. Adjusted diluted earnings per share increased 9% to \$7.09 due to strong execution across our Pharmaceutical Distribution and Global Commercialization Services & Animal Health teams that delivered adjusted operating income growth, as well as, due to a lower share count. Our

improve product access and efficiency throughout the healthcare supply chain.

2019, combined with our unique pharmaceutical-centric foundation of businesses, enabled us to achieve these results within an ever-evolving healthcare landscape.

In fiscal 2019, our Pharmaceutical Distribution Services segment delivered strong revenue growth of 7%. Our core pharmaceutical distribution businesses achieved strong performance, delivering best-in-class services and solutions to a solid portfolio of customers, while maintaining strong execution across the various groups. Our teams utilize a customer-centric approach to address current market needs and to capitalize on new opportunities, which further differentiates AmerisourceBergen and drives our success. Finally, we successfully integrated H. D. Smith and realized the operational synergies of the acquisition more quickly than

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AmerisourceBergen Summary Annual Report 2019

we expected, bolstering the strong performance of this segment. Our continued strength in Specialty distribution and practice management services produced another year of double-digit growth for that business. Our position in key specialty areas – such as oncology, ophthalmology, and rheumatology – continues to create an advantage for our market-leading Specialty distribution franchise. In addition to growth in our provider customer base, we are benefiting from a robust pipeline of pharmaceutical manufacturer innovation, utilization trends and overall demographics.

In fiscal 2019, our Global Commercialization Services & Animal Health businesses delivered strong revenue growth of 9%. As a group, these businesses continued to unlock value through their focus on building strong partnerships with, and providing robust services for, manufacturers. MWI Animal Health's revenue grew 5%, delivering solid results as it continues to support growth and demand of its

strong customer base, particularly with corporate accounts, where the business is successfully collaborating with key partners to create value commercially. MWI's highly efficient distribution network and strong demand creation capabilities provide pharmaceutical manufacturers with the capabilities required to advance animal health, while further expanding relationships with our customers. Additionally, our global commercialization services businesses collectively grew revenue by 14%. Our portfolio of commercialization services businesses offer pharmaceutical manufacturers critical global specialty and third party logistics services, market access strategies, patient access and adherence solutions, and regulatory and compliance support needed to facilitate access to life-saving pharmaceuticals. These businesses provide differentiated services that continue to create value for manufacturers, especially as even more new, innovative therapies are expected to launch in the coming years.

Those businesses are also benefiting from investments in leading data and technology platforms across the group, like NOVA at World Courier and Fusion at Lash, which continue to drive efficiency and execution excellence. As manufacturers' essential commercialization partner, AmerisourceBergen has invested in forward-thinking and patient-centric solutions and remains committed to further enhancing the customer experience and advancing access and adherence outcomes for manufacturers.

In fiscal 2019, we returned \$1 billion dollars to our stockholders through opportunistic share repurchases and dividends, and invested \$310 million dollars in our businesses through capital expenditures. Our strategic approach to capital deployment enables us to maintain the appropriate balance between returning capital to stockholders, and investing internally and through acquisitions to both sustain our business and further enhance our commercial value proposition.

share increased 9% to \$7.09 due to strong execution across our Pharmaceutical Distribution and Global Commercialization Services & Animal Health teams that delivered adjusted operating income growth, as well as, due to a lower share count."



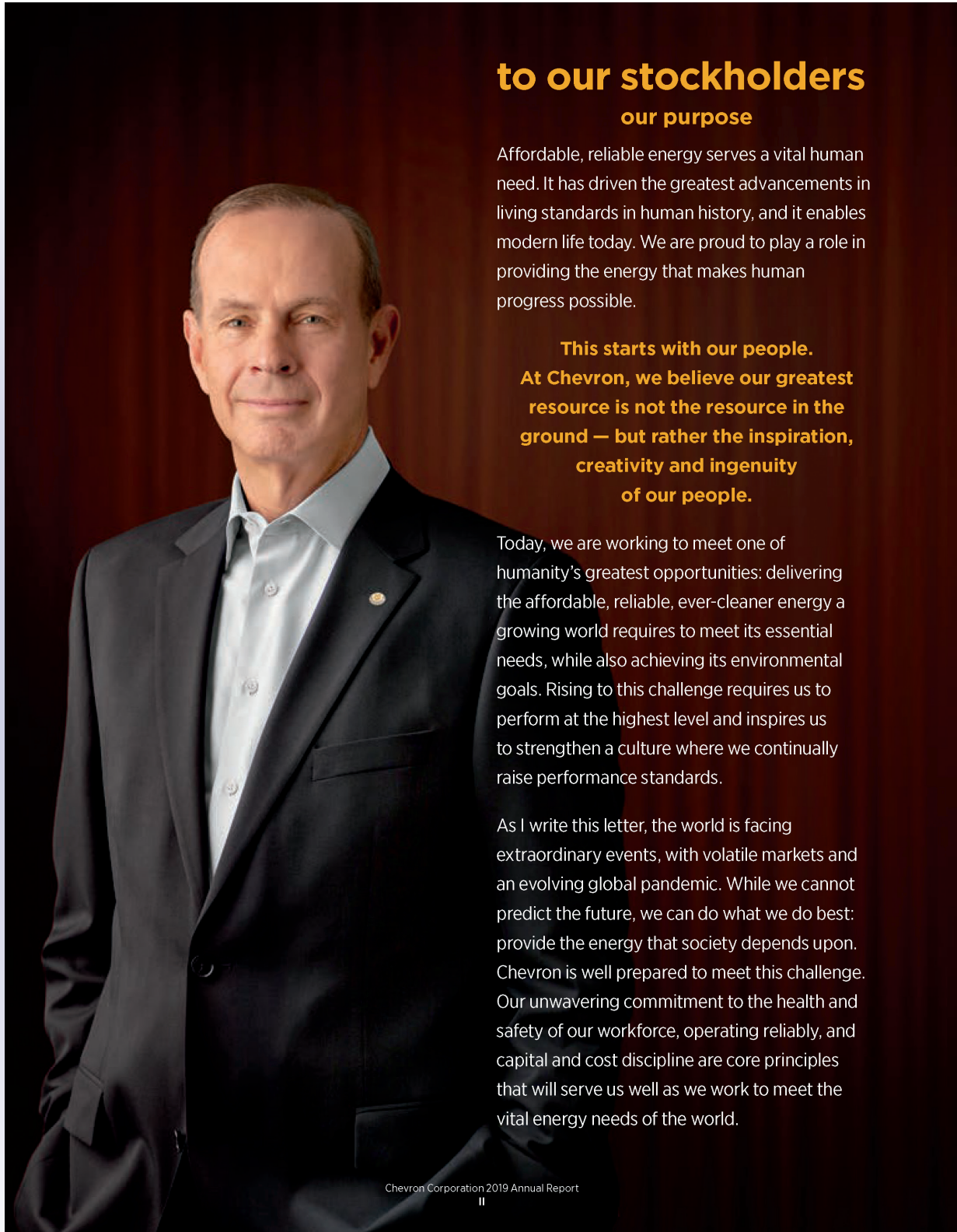


## Chevron 2019 Annual Report

Chevron's Chairman of the Board and Chief Executive Officer begins his letter to the stockholders by presenting the company's purpose: to provide the energy that makes human progress possible.

**LETTER TO OUR STOCKHOLDERS (PAGE II)**

<https://www.chevron.com/-/media/chevron/annual-report/2019/documents/2019-Annual-Report.pdf>



### to our stockholders

#### our purpose

Affordable, reliable energy serves a vital human need. It has driven the greatest advancements in living standards in human history, and it enables modern life today. We are proud to play a role in providing the energy that makes human progress possible.

**This starts with our people.  
At Chevron, we believe our greatest resource is not the resource in the ground — but rather the inspiration, creativity and ingenuity of our people.**

Today, we are working to meet one of humanity's greatest opportunities: delivering the affordable, reliable, ever-cleaner energy a growing world requires to meet its essential needs, while also achieving its environmental goals. Rising to this challenge requires us to perform at the highest level and inspires us to strengthen a culture where we continually raise performance standards.

As I write this letter, the world is facing extraordinary events, with volatile markets and an evolving global pandemic. While we cannot predict the future, we can do what we do best: provide the energy that society depends upon. Chevron is well prepared to meet this challenge. Our unwavering commitment to the health and safety of our workforce, operating reliably, and capital and cost discipline are core principles that will serve us well as we work to meet the vital energy needs of the world.

Chevron Corporation 2019 Annual Report  
II



## Citigroup Inc. 2019 Annual Report

Citigroup presents their mission to provide financial services that enable growth and economic progress.

A MISSION OF ENABLING GROWTH AND PROGRESS (IFC)

[https://www.citigroup.com/citi/investor/quarterly/2020/ar19\\_en.pdf?ieNocache=52](https://www.citigroup.com/citi/investor/quarterly/2020/ar19_en.pdf?ieNocache=52)

### CITI'S VALUE PROPOSITION

# A Mission of Enabling Growth and Progress

## What You Can Expect From Us & What We Expect From Ourselves

Citi's mission is to serve as a trusted partner to our clients by responsibly providing financial services that enable growth and economic progress. Our core activities are safeguarding assets, lending money, making payments and accessing the capital markets on behalf of our clients. We have 200 years of experience helping our clients meet the world's toughest challenges and embrace its greatest opportunities. We are Citi, the global bank – an institution connecting millions of people across hundreds of countries and cities.

We protect people's savings and help them make the purchases – from everyday transactions to buying a home – that improve the quality of their lives. We advise people on how to invest for future needs, such as their children's education and their own retirement, and help them buy securities such as stocks and bonds.

We work with companies to optimize their daily operations, whether they need working capital, to make payroll or export their goods overseas. By lending to companies large and small, we help them grow, creating jobs and real economic value at home and in communities around the world. We provide financing and support to governments at all levels, so they can build sustainable infrastructure, such as housing, transportation, schools and other vital public works.

These capabilities create an obligation to act responsibly, do everything possible to create the best outcomes, and prudently manage risk. If we fall short, we will take decisive action and learn from our experience.

We strive to earn and maintain the public's trust by constantly adhering to the highest ethical standards. We ask our colleagues to ensure that their decisions pass three tests: they are in our clients' interests, create economic value, and are always systemically responsible. When we do these things well, we make a positive financial and social impact in the communities we serve and show what a global bank can do.

# Goldman Sachs Annual Report 2019

Goldman Sachs' Chairman and Chief Executive Officer share the company's mission: to advance sustainable economic growth and financial opportunity across the globe and elaborate on how they deliver purpose.

## LETTER TO SHAREHOLDERS (PAGES 1-3)

<https://www.goldmansachs.com/investor-relations/financials/current/annual-reports/2019-annual-report/annual-report-2019.pdf>



*(from left to right)*  
**John E. Waldron**  
President and  
Chief Operating Officer  
**David M. Solomon**  
Chairman and  
Chief Executive Officer  
**Stephen M. Schey**  
Chief Financial Officer

Letter to Shareholders

## Fellow Shareholders:

As this letter goes to print in mid-March 2020, the world is experiencing a global health crisis that is putting extraordinary pressure on all of society — from every family in the world to the largest and small company, which represents the vast majority of the work force. This includes the nonprofit sector, which provides critical services to the most vulnerable. Government generally has been swift and aggressive to help mitigate the effects of COVID-19. This historic situation is having a profound influence on the most basic of human needs — to be near and among our friends, colleagues and families.

As a firm, we are taking actions to support our people, their families, and our clients. I am proud of how people have reacted amidst these circumstances, demonstrating the resilience and resolve they put forth on behalf of our clients. Further, the work they do today is integral to bolstering and sustaining financial markets, which are critical to the recovery ahead.

As I write this, it is too early to know the full effect COVID-19 will have on the global economy. As our growth plans we will be mindful of the impact this virus will have on broader economic growth. We will work our way past the crisis stage soon and will do our part as a global financial institution to help the global economy from this devastating crisis, which has hurt so many.

As you would expect, we have enacted robust investment. We are operating in dynamic environments is core to who we are.

We have defined our path forward and evolution as a firm. We are working to ensure we are investing for growth in new areas and clients interact with us in an integrated way.

All of this is underpinned by the excellence that we are starting with my leadership team and our Chief Financial Officer, and our

## 2019 Financial Performance

In 2019, the global economy experienced broad-based growth, inflation was subdued and unemployment fell to multi-year lows in key regions, while the outlook for economic growth and geopolitical risk was closely monitored throughout the year. At Goldman Sachs, our business weathered pockets of market volatility and delivered strong performance into year end. Our enduring focus on our clients and our culture of excellence drove solid financial results. Net revenues were \$36.55 billion for the year and return on average common shareholders' equity was 10.0 percent. We remained the industry's leading mergers and acquisitions advisor, and held the #1 position in worldwide equity and equity-related offerings and common stock offerings for the year.

Our businesses generally produced strong net revenues, and the growth we achieved in new initiatives such as our consumer banking business was encouraging. Investment Banking generated net revenues of \$7.60 billion, its second highest annual net revenues. In Global Markets, our broad and diverse franchise across FICC and Equities delivered net revenues of \$14.78 billion, reflecting growing financing revenues. Asset Management produced solid results, with net revenues of \$8.97 billion, amid strong asset inflows; net revenues in Equity investments continue to be robust and rose versus 2018. Rapidly scaling Consumer & Wealth Management generated record net revenues of \$5.20 billion. Firmwide assets under supervision increased during the year to a record \$1.86 trillion.

## Our Purpose and Core Values

We believe that shareholders and stakeholders alike expect companies to explain their purpose and core values. Goldman Sachs' mission is to advance sustainable economic growth and financial opportunity across the globe. Drawing upon over 150 years of experience working with the world's leading businesses, entrepreneurs, and institutions, we mobilize our people and resources to advance the success of our clients, broaden individual prosperity and accelerate economic

progress for all. If we successfully deliver on this purpose, we are confident that we will also succeed in delivering significant value to our shareholders.

We are taking our foundational strengths and applying them as we invest in our future. This means affirming our values while fostering change and innovation. As part of that effort, we distilled our business principles into four core values that inform everything we do. First is the partnership ethos which is central to Goldman Sachs' culture. I'm referring not just to our firm's leadership group, the partners of Goldman Sachs, but also to the philosophy behind our client relationships and the way we interact with our stakeholders. Partnership fosters a sense of ownership and stewardship that is truly unique and differentiated. It encourages collaboration, inclusivity, and teamwork, and it inspires our people to always put our clients at the center of everything we do.

Of course, putting our clients at the center requires exceptional client service, which is our second core value. Having personally spent decades building deep relationships with clients, I can attest to the results we can achieve through long-term dedication to client service. This goes beyond transactional excellence. The connectivity to our people — our ability to offer advice, knowledge, and feedback — is often the most significant driver of value.

As Chairman and Chief Executive Officer, I am intensely focused on integrity. We must have an unrelenting commitment to doing the right thing — always. Particularly in the wake of our experience in Malaysia, I am keenly aware of how the actions of a few can harm our firm. We will continue to assess ways to learn and improve from this experience, and we are committed to ensuring our culture of integrity remains a core value.

Finally, excellence. We are committed to delivering to the very best of our ability. This value permeates our organization from the bottom to the top. It informs the kind of people we attract, the advice we give, and the ways in which we strive to exceed our clients' expectations. Every day, I see examples of the people of Goldman Sachs going the extra mile, working to execute at the highest level possible.



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## Our Competitive Strengths

Today, Goldman Sachs possesses an enviable portfolio of market-leading businesses. Foundational to our success are a number of self-reinforcing competitive strengths within these businesses. First, we firmly believe our biggest competitive strength is the exceptional talent of our people. I frequently hear from clients that our people differentiate us from the competition, and I see it firsthand. Goldman Sachs has developed an ecosystem that attracts and develops top talent from across the globe, giving them platforms to thrive and grow.

We operate in an industry where people and the relationships they build are paramount. Our efforts to find the best people range from extensive campus recruiting all the way to hiring senior talent laterally, including at the partner level. We had 85,000 applicants for 2,600 campus positions for 2020, illustrating our ability to build a workplace where tomorrow's leaders want to be. We are especially focused on ensuring we have the best pipeline of rising talent, and the best programs to develop those leaders. It helps that our history, our people and our ideas have made Goldman Sachs an aspirational brand around the globe. Our brand has proven influential with institutions and in corporate boardrooms, and it resonates with new and different clients, such as consumers.

Closely linked with exceptional talent is the culture of innovation which our people foster. This firm is ready to capitalize on new opportunities; in fact, we are well underway on a number of efforts that I will describe below. We are deeply focused on encouraging innovation and new thinking across all of our businesses.

Additionally, our presence around the world today is truly global. We are able to serve clients everywhere that matters to them. As one sign of our focus on growing this worldwide footprint, our international net revenues have grown 22-fold since 1990, and represent approximately 40 percent of our overall firmwide net revenues. Hand-in-hand with a truly global presence is the remarkable depth of our client relationships. We are a trusted advisor known for the quality and duration of our relationships with corporations, governments, institutions, and individuals. This is because we appreciate that great relationships require investment and patience, in many cases over decades.

Lastly, I highlight our robust risk management culture, which is one of our most important strengths. We have strong processes, deep analytics, empowered risk and control functions, and a culture of honesty and communication.

The risks we face run the gamut: some are financial in nature, while others are operational, technological, or

Goldman Sachs 2019 Annual Report 3



# Johnson & Johnson Annual Report 2019

The J&J annual report always begins with their Credo, and this is elaborated on by their Chairman and Chief Executive Officer in his message to shareholders.

OUR CREDO (IFC)

TO OUR SHAREHOLDERS (PAGES I-II)

[www.investor.jnj.com/annual-meeting-materials/2019-annual-report](http://www.investor.jnj.com/annual-meeting-materials/2019-annual-report)

## Our Credo

We believe our first responsibility is to the patients, doctors and nurses, to mothers and fathers and all others who use our products and services. In meeting their needs everything we do must be of high quality. We must constantly strive to provide value, reduce our costs and maintain reasonable prices. Customers' orders must be serviced promptly and accurately. Our business partners must have an opportunity to make a fair profit.

We are responsible to our employees who work with us throughout the world. We must provide an inclusive work environment where each person must be considered as an individual. We must respect their diversity and dignity and recognize their merit. They must have a sense of security, fulfillment and purpose in their jobs. Compensation must be fair and adequate and working conditions clean, orderly and safe. We must support the health and well-being of our employees and help them fulfill their family and other personal responsibilities. Employees must feel free to make suggestions and complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide highly capable leaders and their actions must be just and ethical.

We are responsible to the communities in which we live and work and to the world community as well. We must help people be healthier by supporting better access and care in more places around the world. We must be good citizens — support good works and charities, better health and education, and bear our fair share of taxes. We must maintain in good order the property we are privileged to use, protecting the environment and natural resources.

Our final responsibility is to our stockholders. Business must make a sound profit to be carried forward, and the future new facilities must be created to these purposes.

Johnson

and optimism as we remain committed to leading across the spectrum of healthcare.

### Our Credo, Company & Culture

You've heard me talk about Our Credo in almost every communication that I've ever delivered—and this letter is no different.

Our Credo is the moral compass that we use to guide our business decisions, and it's the blueprint that outlines how we operate and care for the world. Our Credo is the "red thread" that connects our rich heritage, thriving workplace culture, and the corporate DNA that continues to shape our present and future.

This "red thread" was quite prominent last September. In recognition of the words in Our Credo standing the test of time, we celebrated the 75th anniversary of our Initial Public Offering (IPO) by ringing the historic Opening Bell at the New York Stock Exchange (NYSE). Although we had been in business for almost 60 years, General Robert Wood Johnson II drafted Our Credo shortly before he took the Company public in 1944, creating an opportunity for people to invest in our vision of healthcare and to also understand how we would fulfill that vision. This bold move forward sharpened the focus of Johnson & Johnson and helped us forever open our aperture and create a global approach for defining the future of healthcare every day.

Our Credo is the "red thread" that connects our rich heritage, thriving workplace culture, and the corporate DNA that continues to shape our present and future.

Today I'm proud to see that we have shareholders from every walk of life, small retail investors to large institutions, as well as current employees to retirees. Diverse as they are, the one thing our shareholders hold in common is the belief in our Company, our values, our people, our performance and our purpose. Their trust and confidence inspires us to continue the pursuit of exceeding their expectations and creating long-term shareholder returns.

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MARCH 2020

## To Our Shareholders



Alex Gorsky  
Chairman and Chief Executive Officer

By just about every measure, Johnson & Johnson's 133rd year was extraordinary.

- We delivered strong operational revenue and adjusted operational earnings growth\* that exceeded the financial performance goals we set for the Company at the start of 2019.
- We again made record investments in research and development (R&D)—more than \$11 billion across our Pharmaceutical, Medical Devices and Consumer businesses—as we maintained a relentless pursuit of innovation to develop vital scientific breakthroughs.
- We proudly launched new transformational medicines for untreated and treatment-resistant diseases, while gaining approvals for new uses of many of our medicines already in the market.
- We deployed approximately \$7 billion, primarily in transactions that fortify our commitment to digital surgery for a more personalized and elevated standard of healthcare, and that enhance our position in consumer skin health.
- And our teams around the world continued working to address pressing public health crises, including HIV, Ebola, and most recently Coronavirus—known as COVID-19.

These are some of the many financial and strategic achievements that were made possible by the commitment of our more than 132,000 Johnson & Johnson colleagues, who passionately lead the way in improving the health and well-being of people around the world.

Propelled by our people, products, and purpose, we look forward to the future with great confidence and optimism as we remain committed to leading across the spectrum of healthcare.

Through proactive leadership across our enterprise, we navigated a constant surge of unique and complex challenges, spanning dynamic global issues, shifting political climates, industry and competitive headwinds, and an ongoing litigious environment.

As we have experienced for 133 years, we can be sure that 2020 will present a new set of opportunities and challenges. However, propelled by our people, products, and purpose, we look forward to the future with great confidence.

CHAIRMAN'S LETTER • I

Employing our proven capital allocation strategy enables us to balance our short-term goals with our long-term aspirations, while ensuring we have the resources to invest in long-term growth and meet the needs of our stakeholders. This is how we live into Our Credo values and apply equal focus and commitment to both our performance and purpose. Our four key capital allocation priorities include:

- Investing in growth opportunities for our business that deliver health solutions to the world, via the research and development of new ideas and new approaches. Our substantial investment in innovation spanned multiple opportunities, including our continued work with CAR-T (chimeric antigen receptor T-cell therapy) to treat multiple myeloma and bring new hope to patients fighting this devastating disease. We are also investing in novel ways to eliminate disease at its earliest stage through the World Without Disease Accelerator (WDDA) efforts. The WDDA is currently exploring several innovative approaches that focus on using digital twins to monitor, maintain and personalize an individual's health.
- Delivering a competitive dividend to our shareholders, which increased for the 57th consecutive year, paying out nearly \$10 billion to shareholders in 2019.
- Pursuing mergers, acquisitions and licensing agreements that we believe will add significant long-term value for our shareholders and all other stakeholders. Mergers and acquisitions have accounted for approximately 40% of our

# Strategy

Presenting the company's strategy and business model.

## Cisco 2019 Annual Report

Cisco's Chairman and CEO discusses how their customers drive their company's strategy, which is aligned to the needs of their customers and the outcomes they want to achieve.

LETTER TO SHAREHOLDERS (PAGES 2-3)  
STRATEGY (PAGE 6)

[https://www.cisco.com/c/dam/en\\_us/about/annual-report/cisco-annual-report-2019.pdf](https://www.cisco.com/c/dam/en_us/about/annual-report/cisco-annual-report-2019.pdf)

2 Cisco 2019 Annual Report

## Letter to shareholders

### To our shareholders,

Fiscal 2019 was a great year for Cisco. We began the year with our sights set on continued growth, execution, and innovation. Our teams delivered all three. I truly believe that our portfolio has never been stronger, and I hear this from our customers as well. Technology has never been more critical to them as they navigate the complexity of their environments, and we have an opportunity to help drive their success.

Four years ago, we set out to transform Cisco into a company that will lead our customers' architectural transitions and power their futures. We are reinventing IT architectures designed to deliver a simple and secure value proposition to help our customers succeed. At the same time, we continue to explore how we can provide the solutions to some of the world's most pressing problems.

### Our customers drive our strategy

Our strategy is aligned to the needs of our customers and the outcomes they want to achieve. As we continue to build a highly secure, intelligent platform for digital business, there are six core elements we are focused on: applications, data, security, cloud, infrastructure, and teams. Every investment we make and every product and service we build fits within one of these categories that our customers care about.

We understand that the applications being delivered to organizations represent the technology layer closest to the business opportunity. This is why we are delivering solutions like Application Centric Infrastructure (Cisco ACI), which simplifies, optimizes, and accelerates the deployment lifecycle of applications across data centers and multiple clouds. Another key offering, AppDynamics, provides visibility into applications to help customers make the right decision at the right time. This

"We are reinventing IT architectures designed to deliver a simple and secure value proposition to help our customers succeed."

—Chuck Robbins,  
Chairman and CEO



real-time action is critical in today's world, where success is increasingly defined by speed and agility.

We also know that data is the most critical asset for our customers, and we are helping them not only gain valuable insights from it, but also secure it. In a multicloud world with more data, more users, and more services, the threat surface is expanding while hackers' tactics continue to evolve. We must protect users, data, and workloads that are moving and expanding to the cloud. We are integrating our firewall and secure web gateway capabilities into Cisco Umbrella, our cloud-native platform, to give customers a choice in how they deploy security controls from the network to the endpoint to the cloud. We are developing the capability to orchestrate security

integrated throughout the network, required a new application layer, integrated circuit (ASIC) controller layer, and the controller layer, in Center as the single point of control. Now, intelligence (AI) and capabilities to make it even simpler to use.

For the first time, we refreshed portfolio of wireless access point routing products with wide area network (IS

providers. This is what we are building a multi-tier architecture that helps securely connect any user on any device to any application on any network.

Technology is at the heart of how teams interact. Our customers need effective and simple ways for their teams to work better together to increase collaboration and productivity. They also need new ways to engage with customers and partners to drive enhanced, personalized experiences, efficiency, speed of response, and simplicity of interaction are critical. Our cognitive collaboration solutions use AI and machine learning to bring powerful capabilities to our customers' collaboration experiences. With AI seamlessly integrated across the collaboration suite, our customers can automate tasks, gain contextual insights, and build better relationships.

### When our customers win, Cisco wins

With intent-based networking, software and the network have become increasingly interconnected. To help our customers take advantage of the new opportunities in application design, software development, and automation, we have introduced Cisco DevNet training and certification programs. These programs provide both networking professionals and software developers with skills and industry recognition that translates into jobs and opportunities. Cisco-certified professionals join a global community that is defining the future of our industry.

As we have evolved our portfolio, we have reinvented how we engage with our customers through the entire lifecycle, from the time they buy our technology to the time they use it. This allows them to gain greater value from their technology investments as well as speed in achieving that value, and this is what our Customer Experience teams, in partnership with Sales, are working on every day. We are supporting our customers and partners at every stage, from the planning phase to the development of capabilities and the rollout of subscriptions. We are integrating more intelligence, machine learning, and analytics into our solutions to provide timely insights for customers, and our support-based resources are available to help them address the most challenging projects with greater speed and agility.

We seek to provide customers with flexibility and continual value through our software and subscription-based offerings.

This is why it is so important for us to support our customers through the entire lifecycle. In fiscal 2019 we delivered strong top-line growth and profitability, reporting revenue of \$70.9 billion, up 8 percentage points year-over-year adjusted for the divestiture of our Service Provider Know-Software Solutions business. Today, we have a subscription model across our Enterprise Networking portfolio, and we will continue to broaden our offerings going forward.

When our customers win, Cisco wins. That is why issues such as compliance and data privacy inform our innovation in automation, policy enforcement, and security. It is why we are reinventing IT architectures to help our customers address the unprecedented complexity of today's world to drive their future success.

### With opportunity comes responsibility

I often say to our teams that when we run a great business, it gives us the ability to give back to our communities and to help change people's lives for the better. This is more than just an opportunity—it is a responsibility for businesses around the world to help their people, communities, and planet thrive. Several issues are particularly close to Cisco's heart, starting with the devastating issue of homelessness in Silicon Valley. We are working with Destination Home to provide services and housing for those most in need. We have also entered into a long-term partnership with Global Citizen, which is committed to ending extreme poverty globally by 2030. These are just a few of many examples.

Three years ago, we set a goal to positively impact 1 billion people around the world by 2025 through our social impact grants and signature programs. Today we are almost halfway toward reaching that target. At the same time, we are working to ensure the long-term sustainability of our business. We have set ourselves ambitious targets for greenhouse gas (GHG) reduction, renewable energy usage, plastic reduction, and product reuse, among other targets, taking into consideration the entire ecosystem and lifecycle of the products and services we provide.

In today's dynamic environment, we remain focused on our customers, teams, and communities, and on things we can control. We will continue to invest in silicon, optics, and software, the combination of which is

Cisco 2019 Annual Report 3

### Key milestones

Completely restructured portfolio of campus switches, wireless access points, and enterprise routing products with 50-100% capabilities within our intent-based networking architecture.

With 2.1 million students in 180 countries participating in Cisco Networking Academy in fiscal 2019, we extended our goal of reaching two million Cisco Networking Academy students per year by 2021.

Introduced new software developer training and certification under DevNet, Cisco's developer program.

469 million people positively impacted by our cash grant investments.

50% of employees devoted or volunteered in fiscal 2019.

At the heart of our intent-based networking strategy, we define our new intent-based architecture gives us a unique market advantage and differentiation, while offering our customers the simple, intelligent, and highly secure environments they need to succeed. We intend to continue to build the most innovative products and solutions to unleash the potential of our digital world.

Thank you for your continued support.

Chuck Robbins  
Chairman and Chief Executive Officer  
October 18, 2019

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## Strategy

As our customers add billions of new connections to their enterprises, and as more go to the cloud, the network continues to be extremely critical.

We believe that our customers are looking for intent-based networks that provide meaningful business and analytics across private, hybrid, and multicloud environments. Our vision is to deliver highly secure and intelligent platforms for our customers. Our strategic priorities include accelerating our pace of innovation, and transforming our business model.



### Accelerating our pace of innovation and increasing the value of the network

#### Enabling network automation

Our intent-based networking platform is designed to be intelligent, highly secure, powered by "intent," and informed by "context"—features aiming to constantly learn, adapt, automate, and protect in order to optimize network operations and defend against an evolving cyber threat landscape. For the data center, our strategy is to deliver multicloud architectures that bring policy and operational consistency regardless of where applications or data reside.

#### Security is foundational

Our security strategy is focused on delivering an effective cybersecurity architecture combining network, cloud, and endpoint-based solutions. Our portfolio is designed to prevent, detect, and remediate a cyber attack and to integrate cyber threat intelligence across networking domains. Our intent is to enable our customers to secure their networks for a multicloud world by delivering a platform that continuously detects threats and verifies trust.

#### Powering a multicloud world

Our cloud strategy is to deliver solutions designed to simplify, secure, and transform how customers work in the multicloud world to maximize business outcomes. We are focused on enabling simple, intelligent, automated, and highly secure clouds by delivering the infrastructure to manage complex IT environments through our software and subscription-based offerings. We offer a solution for all cloud environments, including private, hybrid, and public clouds.

#### Unlocking the power of data

We believe the network will play an even more critical role in enabling our customers to aggregate, automate, and drive actionable insights from this highly distributed data, where there is a premium on security and speed.

### Transforming our business model

We are transforming our offerings to meet the evolving needs of our customers. We are increasing the amount of software offerings that we provide and the proportion of subscription software offerings. Increasingly, our offerings are crossing multiple product categories. As our core networking products, we expect we will add more common software features across our core networking platforms.

# ExxonMobil 2019 Summary Annual Report

The letter from ExxonMobil's Chairman and CEO focuses on the company's growth strategy to significantly improve earnings and cash flow generation.

## LETTER TO SHAREHOLDERS (PAGES 4-5)

<https://corporate.exxonmobil.com/-/media/Global/Files/investor-relations/annual-meeting-materials/annual-report-summaries/2019-Summary-Annual-Report.pdf>

EXXONMOBIL 2019 SUMMARY ANNUAL REPORT | LETTER TO SHAREHOLDERS

## STRENGTHENING OUR BUSINESS AND DELIVERING ON OUR COMMITMENTS



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*"Our growth strategy to significantly improve earnings and cash flow generation is underpinned by long-term industry fundamentals"*

As we begin a new decade, we do so with confidence that we are making significant progress on plans to strengthen and grow our business and deliver on the commitment to increase value for you, our shareholders.

Our growth strategy to significantly improve earnings and cash flow generation is underpinned by long-term industry fundamentals – the energy needs of a growing and more prosperous global population – and our competitive advantages of technology, scale, integration, functional excellence, and our highly capable workforce.

Our strategy is supported by the strength of opportunities we've seen since the ExxonMobil merger more than two decades ago. Our broad and diverse growth portfolio, which the industry is capable of generating returns bottom of the commodity price cycle, as value in a favorable cost environment.

In 2019, we saw commodity prices and margins drop to near 10-year lows due to near-term oversupply across the industry. Despite these challenges, we generated \$14 billion in earnings and increased the dividend for the 37th consecutive year, invested in future growth, and continued our work to develop new technology solutions to manage the risks related to climate change.

Across each of our business lines, we made progress on our growth strategy.

In the Upstream, the Liza Phase 1 development

In the Permian Basin, we grew unconventional production by almost 80 percent in 2019, while building out logistics and infrastructure to support a uniquely integrated development approach. Our plan captures additional value for shareholders by linking our producing assets to our refineries and chemical manufacturing operations on the U.S. Gulf Coast.

Elsewhere in the Upstream, we drilled six deepwater discoveries, expanded exploration opportunities in Brazil, and advanced LNG projects in Mozambique and Papua New Guinea.

We invested in our Downstream business to improve the competitiveness and earnings growth potential of our refining network, and recently completed projects in Antwerp, Beaumont, and Rotterdam generated \$300 million in earnings in a challenging margin environment.

Our Chemical business expanded capacity to capture demand growth. Eight growth projects are complete, and funding was approved for another four. Construction and expansion of manufacturing projects along the Texas and Louisiana coast gained momentum with start-up of the Beaumont high-performance polyethylene plant and ground breaking for a steam cracker and derivative product lines near Corpus Christi, Texas.

The strength of our balance sheet enabled us to make many of these investments during the down cycle, taking advantage of an attractive cost environment. These investments are critical given projected energy and product demand growth in the coming decades and natural decline rates associated with producing assets. In fact, the International Energy Agency estimates in their Stated Policies Scenario that nearly \$20 billion of additional oil and natural gas investment is needed by 2040, just to keep pace with demand and avoid a shortfall in supply.

As we grow our operations and build long-term shareholder value, we retain our strong commitment to maintaining a safe work environment and have achieved an almost 80-percent reduction in our lost-time incident rate since 2000. We also continue to pursue emission reduction efforts to mitigate the risks related to climate change.

Our environmental efforts include partnerships and collaborations with universities, government agencies, and leading research organizations to develop breakthroughs in lower-emission technologies. Sustainable climate change solutions require a united effort across industry, academia, government, and broader society.

In 2019, ExxonMobil signed or extended eight significant agreements to advance lower-emission technologies that included working with the U.S. Department of Energy's National Renewable Energy Laboratory and National Energy Technology Laboratory.

As we enter this next decade, we focus on the future – on meeting the needs of a growing global society that seeks affordable, reliable energy with continuously improving environmental performance. Our progress in the past year, our advantaged opportunity set, and our clear forward plan make us confident we can deliver on our commitments and create significant value for you, our shareholders.

Thank you for investing in ExxonMobil.

Darren Woods  
Chairman and CEO

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# GE 2019 Annual Report

The letter of GE's Chairman of the Board and Chief Executive Officer focuses on the company's two strategic priorities: improving their financial position and strengthening their position.

LETTER TO SHAREHOLDERS (PAGES 1 - 5)

[https://www.ge.com/investor-relations/sites/default/files/GE\\_AR19\\_AnnualReport.pdf](https://www.ge.com/investor-relations/sites/default/files/GE_AR19_AnnualReport.pdf)



## Dear fellow shareholder,

Over 60 GE wind turbines work together at Meikle Wind Farm, the largest wind farm in Western Canada, enough energy to power over 34,000 homes in British Columbia. GE uses drones to safely inspect these turbines.

First, a sincere thank you for sharing your ideas and counsel over the last year. When I began as CEO, it was critical for me to listen, not just to replicate what's worked for me elsewhere. Your feedback is playing an important role in our efforts to make GE a stronger, more valuable company.

As I laid out in my last letter, I want this document to serve as a reference point for how we run the company so that we can all keep score together. Looking back at 2019, I hope you see a GE that diligently addressed its most pressing issues with grit and reset its foundation to drive long-term profitable growth. I am proud of the progress our team made together, especially in how we operate. While the impact of this work is only starting to become visible to our investors, I'm confident that the "game of inches" we're playing will become more evident through our results over time.

From the outset, we focused 2019 on two strategic priorities: 1) improve our financial position and 2) strengthen our businesses. We're doing what we said we would do on both fronts, and we're on a positive trajectory for 2020.

## 1 Improve our financial position

Last year, I shared that GE had too much debt and we needed to reduce it thoughtfully and soon. Our work is by no means finished, but we are on the right path.

In 2019, we moved with speed on asset sales to demonstrate that we are serious about reducing both Capital leverage. We cashed to work, including \$5 billion of outstanding GE Capital continues both its asset base and reducing assets by a \$27 billion over two plan. We also enhanced the assumption related to GE Capital care insurance operation.

Looking forward, we see our leverage targets sale of our BioPharm our remaining 37-per Hughes over time to further reduce our including pre-funding and repaying GE's loan. This will also help GE external debt, including matures in 2020.

some time, we've consciously aligning our incentives with yours, tying our business teams' compensation more closely to their respective business results as well as executive compensation more closely to GE's stock performance.

Additionally, I spent significant time making sure we have the right leadership in place. More than two-thirds of my direct reports are new to GE or their role since I began as CEO, and I'm looking forward to welcoming our new CFO, Caroline Dylbeck Haggis, to the team in March. Our new, smaller Board is also now in place, which today includes 10 directors, seven of whom are new to the Board since 2017 and four of whom are women—bringing fresh perspective.

As I think about the thousands of employees and customers I met with this year, each interaction has only deepened my excitement about our work.

diversity of thought, and the right experience for GE. This is a board that is dedicated to doing what is right for the company and has tough, direct, and substantive discussions. GE is becoming a better company as a result.

Overall, as I think about the thousands of employees and customers I met with this year, each interaction has only deepened my excitement about our work. Our people are committed, capable, and enthusiastically driving these changes, and our customers are rooting for us. As we move forward with our lean transformation, we are not looking to

## 2019 DELEVERAGING ACTION

- ✓ Reduced GE Industrial leverage: \$1 debt\* reduction, ending 2019 with net debt\* to EBITDA\* vs. 4.8x in 2018
- ✓ Reduced GE Capital leverage: \$7B reduction, ending 2019 with 3.9x debt\* to equity vs. 5.7x in 2018
- ✓ Agreed to sell BioPharma, part of Healthcare, to DanaHER for ~\$21B

simply "check the box." We are changing the way we run GE, business by business, every day, from the bottom up.

Let me now take you through what our progress looks like by business.

### POWER

We focused much of our energy this year on Power, and our progress illustrates the type of improvements we can make across the company over the long term. Power drove tremendous change in 2019, starting by separating Gas Power from Power Portfolio to improve visibility and accountability in these businesses.

In Gas Power, the team reduced fixed costs by 10 percent and narrowed the perimeter of projects it goes after,

setting evaluation standards across price, terms, and scope. Gas Power also booked 13.5 gigawatts in gas turbine orders during the year, including its 1000-HA turbine order, and launched its new 7HA.03, now the world's largest and most efficient gas turbine.

Power Portfolio, which includes Steam, Power Conversion, and GE Hitachi Nuclear, also improved its commercial discipline and cost structure, applying more rigorous daily management both in our operations and at our jobsites. The team is focusing on subsegments where

## 2 Strengthen our businesses

As we solidify our financial position, it is our next priority—strengthen our businesses—that will drive our long-term transformation. We began with the premise that the people closest to the customer know best how to serve them, so we shifted resources and accountability from Corporate to empower our business units and removed overhead layers in Power and Renewable Energy. These efforts will continue into 2020 and beyond.

We got back to basics in how we work, standardizing common operating metrics

the course of 2019, we laid the foundation to apply lean more systematically across GE, driving better results and, in turn, a better culture.

In my experience, lean transformations succeed when the senior team leads by example. So, in June, more than 100 of our leaders and I spent five days at Power in Greenville, South Carolina, for a Lean Action Workshop. We divided into 10 teams focused on improving our gas turbine manufacturing, repair, and services.

We failed a lot that week. We tried things that didn't work and went back to the drawing board to attack the problem differently. Doing this day after day, a

Component Service Center in Springfield, Ohio, shared with me how he was hopeful the changes they were making at his site would stick. His site leaders were unequivocal: if anything started to slide back to the way it was, they told him, he should call them immediately. Phil shared that he had never experienced that attitude before at GE—and that improvements at the site were only accelerating.

Across our businesses and around the world, we're using lean to make real improvements in safety, quality, delivery, and cost. For example, in 2018, a different Aviation plant in Batesville, Mississippi, was losing up to 15 percent of its output due to production defects. Using lean tools, the plant has been able to reduce losses by more than 60 percent so far, saving millions of dollars' worth of waste. And it applies well beyond manufacturing: our Digital team uses lean to shorten the time it takes for our customers to install or update our software while also creating software for customers to map and eliminate waste in their own processes. This is resulting in significantly quicker turns; for example, we reduced planned downtime on a software upgrade for one major manufacturer by 50 percent.

There are thousands of opportunities like this within GE, each representing untapped potential for customers and investors. This is why prioritizing the goals toward which we've channeled these improvements is so important. Our new series of operational, talent, strategic, and budget reviews is helping our leaders define what "game" we are playing in each business and how we "win." At the

We're doing what we said we would do, and we're on a positive trajectory for 2020

with safety always at the core and focusing our attention on customers, operations, and priority setting. I'm also encouraged

remarkable thing happened. Rather than growing tired with each turn, the teams became more energized. Video flashbacks of the senior leadership team planning team in Greenville, South Carolina, just last week perfectly summed up the week perfectly. The senior leadership team at GE, as I said, was focused—without "on the problems." It was an amazing. And a really fun week. Like, we held lean events week across the company, out pleasure surprises for as well as the flood of began reaching out, and, looking to help, a welder at our Aviation

RENEWABLE ENERGY Renewable Energy is well positioned to serve clean energy markets that are expected to grow rapidly over the coming decades. In 2019, we brought all of GE's renewable and grid assets into this business, creating a differentiated offering that can both produce renewable energy and reliably and safely integrate it into electrical grids. The team achieved record unit volume for onshore wind turbines in 2019 while securing nearly 5 gigawatts of commitments for its new offshore wind turbine, the Haliade™X.

Broadly, though, Renewable Energy's performance was mixed. I think about the dynamics at play in Renewable Energy in three parts. First, Onshore Wind is our most established, profitable business, and it is meeting high customer demand and growing internationally. Second, we're placing technology bets in fast-growing markets. In October, for example, Offshore Wind successfully installed the prototype for the Haliade™X, which already is breaking records for power production by a wind turbine. Third are our required turnarounds in Grid Solutions and Hydropower. Improving project underwriting and daily execution here will be a major focus for us in 2020.



engines are transforming manufacturing. A GE Additive in Cincinnati, Ohio, review a major engine frame designed



Scott Buehler, CEO of GE Gas Power, with Andrew Yam, GE's customer Avista Energy in Alaska. Upon completion of its plant expansion project, the GE power plant in Alaska is expected to generate up to 50 percent of one of the world's greenhouse gas emissions.



GE Healthcare's Motion Factory has been applying lean for decades. Now, using software from GE's Digital Factory™ Operations Hub to digitally transform its operations. The site was recognized by the World Economic Forum in 2019 as one of the world's most advanced manufacturing sites.



Savitri Raju, a GE Hitachi Nuclear Engineering Development Program participant in the Far East in Singapore, India. Researchers and technologists use this space to test ideas and collaborate to create technologies for Energy Management Systems. Referred to as the Energy Management Systems.



David Conway, a Manufacturing Improvement Specialist, works to lean out important processes on the GE's new, most powerful commercial aircraft engine at GE Aviation's Test Operation in Peabody, Ohio.

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## AVIATION

Aviation delivered strong performance, closing its 100<sup>th</sup> year of operation with over \$270 billion in backlog and an installed base of more than 64,000<sup>2</sup> commercial and military engines. This fleet is poised for continued growth; for example, in our commercial business, nearly 70 percent of the CFM56 fleet has had one or fewer shop visits. As these engines fly for decades to come, they will continue to produce predictable revenue.

“

*We are changing the way we run GE, business by business, every day, from the bottom up*

That said, 2019 wasn't without its challenges. Our team worked diligently to support our customers following the grounding of the Boeing 737 MAX, never wavering in their commitment to safety while navigating near-term industry disruption. LEAP continues to be a strong engine program for us, and we delivered 1,736 LEAP engines to Airbus and Boeing platforms in the year.

Aviation's long-term end-market fundamentals remain attractive, and the team is introducing advanced technologies in growing commercial

and military markets. For example, in commercial markets, Aviation's newly certified Passport™ engine powered Bombardier's record-breaking flight between Sydney and Detroit in October, and the GE9X™—the world's largest, most powerful jet engine—is on track for certification in 2020. In military, Aviation's new T901 was selected for the U.S. Army's Improved Turbine Engine Program to power its next-generation Apache & Black Hawk helicopters. Finally, just like in

Springdale and Batesville, teams across Aviation are continuously identifying new opportunities to improve their operations.

## HEALTHCARE

Healthcare performed well in 2019, growing its backlog to \$18.5 billion and segment profit margins to 19.5 percent. The team is at the center of an ecosystem striving for precision health. By bringing together our machines with software, analytics, and artificial intelligence (AI) through our Edison software platform, Healthcare is helping make care delivery more efficient and personalized.

We launched seven new “mission control” Command Centers with customers in 2019, which use predictive analytics and AI to help hospitals coordinate patient care more efficiently. Healthcare also introduced on-device AI on equipment like our Revolution™ Maxima CT, where AI helps position the patient more precisely to improve efficiency, accuracy, and patient comfort during the scan.

We still see room for improvement in Healthcare, particularly driving faster growth and margin expansion in Healthcare Systems. The business is embracing lean throughout its operations; at one lean event at our MR production facility in Florence, South Carolina, the Healthcare team identified \$50 million of potential savings in just four days. Even in this strong business, we're able to deliver further upside.

**This is GE: four mission-critical, global industrial businesses, each with growing backlogs and sizable installed bases** where services represent more than half of our revenue and give us daily opportunities to serve our customers. GE Capital's financing capabilities, including at GE Capital Aviation Services (GECAS) and Energy Financial Services (EFS), catalyze new growth and opportunity for our Industrial businesses and customers, enabling more than \$6 billion in Industrial orders in 2019.

Production Team Leader Milena Chapuis and Manufacturing Process Engineer Estelle Le conduct a quality check on GE Healthcare's advanced visualization software and mammography, including the recent development of Senographe Pristina Magazine's “100 Best Inventions of 2019” for its patient-assisted mammography exam feature.



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We'll continue to shift people, processes, and accountability to the businesses to be closer to customers and reduce cost at Corporate. But if you look at what ties GE together, our “mortar between the bricks”—such as GE Research's advanced work in

broadening access to electricity, healthcare, and transport to enable a better quality of life for their citizens. And we have the long-standing knowledge of local markets, deep expertise in technology and financing, and the ability to manage complex global

hydrogen. While there's more work ahead, GE will continue to be at the center of the energy transition in the years to come.

GE's people rise to challenges like this in every corner of the world every hour of every day. Our leading technology, global network, and exceptional team, anchored in the service of others, are the same strengths I shared with you in this letter last year. I'm confident in our future, even more now than a year ago, because of them.

And atop this bedrock we are making real progress. One Friday morning in October, I drove up to Aviation's plant in Lynn, Massachusetts, where a lean event had just taken place. What I observed there gave me so much pride and hope. One team, flush with excitement, described how they'd significantly reduced production time on an engine part. In response, Barbara Colby, a material handler, urged her supervisors to keep the operators' momentum going. “Don't let them off the hook,” she told her colleagues. I know they won't.

I hope you will hold us to this same level of accountability as we transform GE, one day at a time. We are doing it from a place of greater strength and **with a mission that matters—building a world that works**. Thank you for joining us on this journey.

“

*We are doing it from a place of greater strength and with a mission that matters—building a world that works*

technology and material science. Digital's industrial software and services, and our local capacity and global organization—is helping our businesses serve their customers better and set GE apart.

## Path to growth

Our priorities looking forward are clear. We are solidifying our financial position, continuing to strengthen our businesses, and driving long-term profitable growth. As we execute, we can grow our revenues profitably while improving our overall cash generation—and we will.

GE's mission also holds a larger purpose. It always has. Communities around the world want to generate more sustainable growth,

supply chains to help our customers execute these critical infrastructure projects and be a partner in their progress.

One of the most urgent challenges I've heard from our customers is finding a way to build all of this while reducing their greenhouse gas emissions. Our leadership and Board are focused on this, too. Investing in efficient technology is an important part of the solution, and we've been working on this for decades—from building the world's most powerful offshore wind turbine and most efficient gas turbine, to creating jet engines that are significantly more fuel-efficient than their predecessors, to developing grid-scale energy storage and enabling combustion of carbon-free fuels like



H. LAWRENCE CULP, JR.  
Chairman of the Board and  
Chief Executive Officer

February 24, 2020

Larry Culp with Joe Reschold, Combustion Repair Operations Leader at GE's Aviation Component Service Center (ALCC) in Springfield, Ohio. Combined improvement actions out of a December Lean Action Workshop at ALCC are driving toward a 50 percent reduction in turnaround time of the shop, positively impacting both customers and GE's bottom line.

\* Non-GAAP Financial Measure  
1 IEA, Offshore Wind Outlook 2019, World Energy Outlook special report, November 2019 <https://www.iea.org/reports/offshore-wind-outlook-2019>  
2 Including GE and its joint venture partners

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# Marathon Petroleum Corporation Annual Report

MPC's strategic pillars are presented along with the letter from the company's Chairman and CEO who discusses how the company executed these strategies in 2019. These are further explored in the succeeding pages.

## LETTER TO SHAREHOLDERS (PAGE 1)

## EXECUTING OUR STRATEGIC VISION (PAGES 8-15)

[https://www.marathonpetroleum.com/content/documents/Investors/Annual\\_Report/2019\\_MPC\\_Annual\\_Report\\_and\\_10K.pdf](https://www.marathonpetroleum.com/content/documents/Investors/Annual_Report/2019_MPC_Annual_Report_and_10K.pdf)

### FROM THE CHAIRMAN AND CEO

Fellow shareholders,

Marathon Petroleum Corporation ended 2019 on a strong note, with full-year earnings of \$2.6 billion and excellent value capture across our business. We continued to share our success with shareholders, returning \$3.3 billion through dividends and share repurchases throughout the year. I'm proud to attribute our success to the dedication of our over 60,000 employees, the driving force behind our achievements from coast to coast. We spent 2019 unlocking unrealized value throughout the company, with our strategic pillars ensuring we maintained the right focus: superior execution, integrating refining with logistics and marketing, strong financial discipline, growth through innovation, and sustainability, underpinned by the high-performing culture that makes it all possible.

#### EXECUTING ON OUR STRATEGY IN 2019

These strategic pillars helped guide us to operational and commercial excellence in 2019. Our 16 refineries achieved 96% system utilization, despite significant planned maintenance activity at eight of our refineries. Our Refining teams were able to complete much of this turnaround activity under budget and ahead of schedule.

We optimized our refining system for the anticipated market changes associated with the International Maritime Organization's low-sulfur marine fuel rule, and we continued conversion of our existing Dickinson, North Dakota, refinery to a biorefinery capable of manufacturing 100% renewable diesel from corn oil and soybean oil. In California, we expect our Los Angeles Refinery Integration and Compliance project will be complete in the first quarter of 2020, integrating two formerly separate facilities for greater efficiency and environmental performance.

In logistics, Gray Oak pipeline – of which MPC is a 25% owner – began moving crude oil in the fourth quarter from the Permian and Eagle Ford basins to the U.S. Gulf Coast market.

MPLX LP, our sponsored master limited partnership, continues work to reverse the flow of Capline pipeline, in which MPC holds a 33% ownership interest. The Capline reversal will enable the pipeline to transport crude oil from the Midwest to St. James, Louisiana, beginning in mid-2021. This is expected to provide additional supply flexibility to our Garyville refinery, which has a direct connection to storage at St. James.

As we continued integrating former Andeavor assets acquired through our strategic combination in late 2018, we achieved our target of converting more than 700 retail locations, including stores in the Southwest and on the West Coast. We also continue to expand our presence in Mexico. In addition to significant exports from the U.S. Gulf Coast and investments in refined product distribution, the company is now supplying over 200 retail sites, including almost 180 that are branded ARCO®.

**Synergies:** When we first announced our strategic combination with Andeavor in 2018, we anticipated at least \$1 billion of annual run-rate synergies within the first three years. As we combined our businesses and tapped the innovation and expertise of our talented employees and management team, we realized our synergy potential was even greater. In 2019, we realized \$1.1 billion of total synergies. We are targeting \$1.4 billion of estimated annual run-rate synergies by the end of 2021.

(Continued on Page 2)

#### OUR STRATEGIC PILLARS

MPC's strategic pillars inform our actions on a day-to-day basis, supporting our ability to create value for our shareholders.

Through **superior execution**, we maintain safe, environmentally sound operations while managing cost and driving operational discipline.

Our **integrated value chain** diversifies our earnings and creates value beyond our stand-alone segments, giving us the flexibility to adapt to market conditions.

Our **strong financial discipline** helps grow our profitability, provides through-cycle protection and enables compelling capital returns.

We demonstrate **growth through innovation** as we harness the power of technology to create and capture new business opportunities while also reducing our environmental impact.

We view **sustainability** as an environmental, social and economic responsibility to address the needs of future generations.



MARATHON PETROLEUM CORPORATION | 2019 ANNUAL REPORT | 1

#### 2019 REFINED PRODUCT YIELDS (mbpd)<sup>1</sup>

Gasoline	1,560
Distillates	1,007
Feedstocks and special products	915
Asphalt	87
Propane	55
Heavy fuel oil	49
Total	3,153

<sup>1</sup>Excludes refinery volumes of 90 mbpd.

Our success is defined by our ability to execute across our enterprise, and our Strategic Pillars define how we create value.

#### OUR STRATEGIC PILLARS



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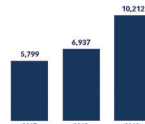


#### RETAIL STORE CONVERSIONS SINCE ANDEAVOR STRATEGIC COMBINATION:

**708**

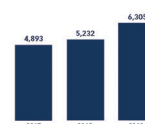
#### RETAIL FUEL SALES

(million gallons)



#### MERCHANDISE SALES

(\$ millions)



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## EXECUTING OUR STRATEGIC VISION: REVENUE-ENHANCING PROJECTS UNDER WAY

► **LOS ANGELES REFINERY INTEGRATION AND COMPLIANCE (LARIC):** Integrating the formerly separate Wilmington and Carson refineries for greater efficiency and environmental performance.

Anticipated completion:  
First half of 2020

► **GARYVILLE COKER DRUM REPLACEMENT PROJECT:** Expect unit capacity increase of approximately 17%.

Anticipated completion:  
First quarter 2020, in time to take of anticipated benefit from Inter Maritime Organization 2020 fuel

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## EXECUTING OUR STRATEGIC VISION: FOCUSING ON SAFETY AND ENVIRONMENTAL STEWARDSHIP

MPC is committed to the safety of those who work at our facilities and the communities where we operate. We are committed to creating a safe environment and work diligently to prevent incidents and injuries throughout all operations. We focus on continually improving our safety management systems and compliance programs by engaging our employee and contractor workforce via training, behavior-based safety programs, contractor safety councils, and sharing best practices and lessons learned.

MPC REFINING OSHA RECORDABLE RATE\*

(Incidents/200,000 hours)



\*The OSHA Recordable Rate is the number of incidents per 200,000 hours of work.

\*\*Based on U.S. Bureau of Labor Statistics data

REFINING PROCESS SAFETY EVENT (PSE) RATE

(Events/200,000 hours)



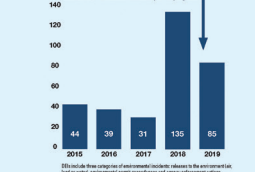
PSEs are defined as uncontrolled releases of a material from a process. The PSE rate is the count of events per 200,000 hours of work. Tier 1 PSEs are the most serious. Tier 2 PSEs are less serious.

Refining losses have declined in the chart, reflecting past years' plant-to-plant air energy conservation.

In 2019, our Refining organization implemented a new system to drive improved DEI performance across the MPC enterprise.

TIER 3 & 4 DESIGNATED ENVIRONMENTAL INCIDENTS (DEIs)

(Count)



DEIs include three categories of incidents: releases to the environment (air, land or water), environmental permit violations and safety performance issues.

This chart includes major MPC releases, conditions, MPC releases and Storage and Environmental Releases from MPC Refining and Environmental Releases from all U.S. 2019. Large releases were last included as of Jan. 1, 2019.

## EXECUTING OUR

The opportunities associated with an extensive part of our short-term strategy. We have made significant investments in research and development of biofuels. In 2019, we delivered approximately 2.4 billion gallons of biofuels to consumers.

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MARATHON PETROLEUM CORPORATION | 2019 ANNUAL REPORT | 13



### ETHANOL

A joint venture between MPC and The Andersons produced more than 460 million gallons of ethanol in 2019, and we blended more than 2 billion gallons of ethanol into the gasoline that we marketed and sold in 2019.



### BIODIESEL

MPC produced more than 70 million gallons of biodiesel at our Cincinnati biodiesel plant in 2019, and we blended almost 100 million gallons of biodiesel into the diesel fuel that we marketed and sold in 2019.



### RENEWABLE DIESEL

We are investing roughly \$470 million to convert our Dickinson, North Dakota, refinery into a 12,000 bpd biorefinery that will process corn and soybean oil to produce renewable diesel. We intend to sell the renewable diesel in the California market to comply with the California LCFS.



### ADVANCED BIOFUELS

Virent is a wholly-owned subsidiary of MPC working to commercialize a novel process — referred to as the BioForming® process — for converting biobased feedstocks into renewable fuels and chemicals. We continue to make progress on our demonstration unit to further develop the Virent technology toward a full-scale application.



### BIOCRUDE

In 2020, we plan to begin purchasing from Fulcrum BioEnergy, Inc. a crude oil substitute that is derived from gasifying pre-sorted separated municipal solid waste. We are investing in our Martinez refinery to allow us to store the feedstock onsite and feed it into our existing fluid catalytic cracking unit.

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# Procter & Gamble 2019 Annual Report

After presenting P&G's performance in 2019, the Chairman of the Board, President and Chief Executive Officer focuses on the company's strategy of letting their customers interact with their brands through the five elements of superiority.

## SUPERIORITY TO WIN WITH CONSUMERS (PAGES IV-VII)

📄 [https://s1.q4cdn.com/695946674/files/doc\\_financials/2019/e28f717a-9858-69a1-8783-00c4604463cd.pdf](https://s1.q4cdn.com/695946674/files/doc_financials/2019/e28f717a-9858-69a1-8783-00c4604463cd.pdf)

iv - The Procter & Gamble Company

The benefits of the portfolio choices we made a few years ago are clearly paying out—focusing and strengthening our portfolio in daily-use categories where performance drives brand choice—in categories where we occupy a number one or two share position, which have historically grown faster than the balance of the Company and done so more profitably. Daily-use categories are important to our retail partners as they drive shopping trips and consumer loyalty is often higher. We're selectively strengthening our portfolio with acquisitions designed to augment our current offerings. For example, we completed the acquisition of the Merck KGaA Consumer Health business, which significantly enhances our international presence in personal health care.

Altogether, it was a good year with much-improved organic sales and share growth, strong constant currency core earnings per share growth, and a continued, best-in-class track record of cash return to shareholders. All of this was delivered while working to address several category-specific challenges and in a difficult, external environment, characterized by volatile and challenging government policies, retail transformation, rising input and transportation costs, and highly capable competition.



We completed the acquisition of the Merck KGaA Consumer Health business, which significantly enhances our international presence in personal health care.

While we're making good progress, we still have work to do to deliver sustained, strong results—balanced top- and bottom-line growth and value creation. We know we need to continue to raise the bar to keep our momentum going.

We are focused on winning with consumers. That's job #1—winning with consumers and shoppers through superiority, fueled by productivity, and delivered by an empowered, agile and accountable organization that is driving constructive disruption across the entire value chain in our industry.

### Superiority to Win with Consumers

Our strategy starts with noticeable superiority across all elements of our consumer proposition—products, packaging, brand communication, retail execution (in-store and online), and consumer and customer value.

This strategic choice is holistic. It recognizes that consumers don't focus on one element of a brand only. Consumers interact with the whole brand—the product, package, what we say and how they feel about the brand, how they experience it in the store or online, and whether it truly creates value versus the alternatives he or she has. When these elements are taken together, they drive category growth, prevent commoditization, and provide the basis to build sustainable competitive advantage. Notably, when we deliver superiority on four or more of the five vectors, we drive all business success metrics: sales, profit, value share, household penetration and category growth.

Category growth is an important point of emphasis. Category growth leads to sales growth that is typically more sustainable than simply taking business from a competitor, and it creates a winning proposition for our retail partners. Importantly, where we grow our categories we disproportionately and sustainably build share.

Take P&G U.S. Fabric Care: over the last 40 years, we've grown sales by five times. That's 500% in a market that has grown 400%. Category growth has been the main driver of P&G's growth, which we've achieved through industry-leading superiority. As a result, our share of the U.S. laundry category has grown five points.

The Procter & Gamble Company - iv

### FIVE ELEMENTS OF SUPERIORITY



#### SUPERIOR PRODUCTS

Products so good, consumers recognize the difference.



#### SUPERIOR PACKAGING

Packaging that attracts consumers, conveys brand equity, helps consumers select the best product for their needs, and delights consumers during use.



#### SUPERIOR BRAND COMMUNICATION

Product and packaging benefits communicated with exceptional advertising that makes you think, talk, laugh, cry, smile, act and buy—and that drives category and brand growth.



#### SUPERIOR RETAIL EXECUTION

In-store: with the right store coverage, product forms, sizes, price points, shelving and merchandising. Online: with the right content, assortment, ratings, reviews, search and subscription offerings.



#### SUPERIOR CONSUMER & CUSTOMER VALUE

For consumers: all these elements presented in a clear and shoppable way at a compelling price. For customers: margin, penny profit, trip generation, basket size, and category growth.

vi - The Procter & Gamble Company

## Noticeable Superiority to Win with Consumers

Together, these five elements drive category growth, prevent commoditization and provide the basis to build sustainable competitive advantage.

See more examples at [www.pg.com/annualreport2019](http://www.pg.com/annualreport2019)

### SUPERIOR PACKAGING

**Olay CELLSCIENCE**  
Olay CELLSCIENCE's super-peptide formula and precision-engineered packaging was specifically designed for China's discerning beauty consumers, who drive in one of the world's most contested, premium skin care markets. This consumer-led innovation helped Olay deliver two consecutive years of strong double-digit organic sales growth in China.



**Scent Beads**  
Our scent beads packaging shows the product and communicates the scent benefits with a distinctive and appealing "sequence scent-release." Scent beads are driving category growth of fabric enhancers, with P&G's scent beads growing strong double-digit organic sales over five years ago.



### SUPERIOR RETAIL EXECUTION

**Advantage Report**  
Customers recognize our efforts in retail execution. For the fourth year in a row, P&G has been ranked the #1 manufacturer globally. We've reached #1 in each key performance area in this independent retailer assessment: strategic alignment, people, category development, consumer marketing, trade & shopper marketing, supply chain and customer service.



**Manufacturer Globally**  
Ranked by retailers across 7 key performance areas

### SUPERIOR PRODUCTS

**Ariel and Tide PODS**  
Our latest innovations in Ariel and Tide PODS deliver excellent results in quick and cold washes—both a performance and a sustainability benefit. Globally, we're growing organic sales of liquid laundry packets double digits, leading growth of the overall laundry detergent category.



**Bounty**  
Bounty—the "Quicker Picker Upper"—has considerably increased its margin of superiority with proprietary technology that delivers strength and is 2x more absorbent vs. the leading ordinary brand. The category grew mid-single digits in fiscal 2019 with Bounty's North America organic sales growing mid-single digits and share growing over half a point.



### SUPERIOR BRAND COMMUNICATION

**SK-II**  
SK-II has grown organic sales double digits for four consecutive years by forging human connections with consumers through disruptive brand building and bold storytelling like the #BareSkinProject. It celebrates the beauty of bare skin—powered by SK-II and PITERA—to combat the belief of nearly half of women who say they must wear makeup to feel confident.



**#BareSkinProject**  
Made possible by P&G's Disruptive Engine

**Dawn**  
Our Dawn hand dishwashing brand is leading messaging that responds directly to consumer insights. Brand communication explains how to use the product and highlights features and benefits that help get the job done, contributing to Dawn's U.S. organic sales growth in fiscal 2019 and one point of share growth.



### SUPERIOR CONSUMER & CUSTOMER VALUE

**Crest**  
From Crest Complete with a great Crest clean, to expert premium Crest Gum Care, our toothpastes provide consumers with expertise value. In fiscal 2019, P&G toothpaste and the overall category grew mid-single digits globally, led by P&G super-premium paste.



**Always Discreet**  
Always Discreet breaks the tradeoff between protection and comfort. Consumers see the value—from liners, pads and underwear to super-premium Bougie that locks and feels more like real underwear. Category penetration is up more than 50% since launch, and we're creating relative value in the category growth.



# Performance

Presenting how companies measure their financial and strategic performance.

## Caterpillar 2019 Annual Report

Caterpillar's 2019 performance is followed by a presentation on how the company executed their strategy.

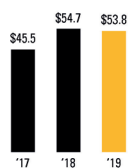
2019 PERFORMANCE AT-A-GLANCE (PAGES 4-7)

[http://reports.caterpillar.com/ar/2019\\_Caterpillar\\_Annual\\_Report.pdf](http://reports.caterpillar.com/ar/2019_Caterpillar_Annual_Report.pdf)

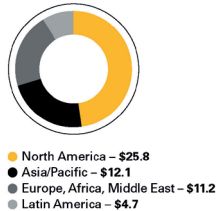
### 2019 PERFORMANCE AT-A-GLANCE

Caterpillar delivered strong operational performance despite a 2% decline in sales and revenue the year. We remained disciplined and focused on maintaining control of our structural costs helped us achieve an operating profit margin of 15.4%. We generated strong operating cash flow as a result, were able to return \$6.2 billion to shareholders, including \$4.0 billion in share repurchases. We also raised the dividend by 20% in 2019 and paid dividends of \$2.1 billion, maintaining our status as a Dividend Aristocrat. We achieved our 2019 Investor Day targets for operating margin and return on capital employed, and substantially all Machinery, Energy & Transportation (ME&T) free cash flow to shareholders.

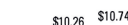
#### Sales and Revenues (in billions)



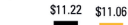
#### Sales by Region (in billions)



#### Profit Per Share (in dollars)



#### Adjusted Profit Per Share (in dollars)



#### EXPANDED OFFERINGS

- Invested approximately \$3.5 billion in research and development (R&D) during the past two years, resulting in a wide variety of new products across all our segments.
- Launched 11 GC models to date, including six new models in 2019, which target customers who prioritize lifecycle value.
- Expanded our portfolio to include a broader range of underground mining products. Introduced new products with fuel-efficiency benefits, including the D6 XC, the world's first high-drive electric drive dozer.

- Responded to customers' needs for reliable engines that are lighter, more efficient and powerful with two new engine platforms, the Cat C13 E and C13B.
- Introduced the well service 3512E Tier 4 Final Dynamic Gas Blending™ dual fuel engine – the first and only Tier 4 Final well service dual-fuel engine in the industry.
- Started production of a new single trailer BMW Solar turbine mobile generator.
- Launched the XCP90, XCP80, XCP100, XCP250, XCP1100 and XCP1900 family of switchable electric power rental packages.



#### SERVICES



- Increased Machinery, Energy & Transportation (ME&T) services revenue 2% in 2019 to approximately \$18 billion, working toward our goal to double ME&T services revenue between 2018 and 2026.



- Helped dealers better forecast customer demand through advanced analytics, enabling them to improve parts availability.



- Achieved target to connect 1 million assets, resulting in one of the largest fleets of connected assets in the industries we serve.



- Leveraged new capabilities to be more customer-focused than ever before, thanks to a renewed focus on customer value agreements.



- Continued to expand digital capabilities, providing actionable insights for our customers. For example, the Cat Inspect app is now being used to provide close to 100,000 inspections per month.



- Expanded the number of mining trucks running Caterpillar's autonomous solutions to 275 trucks, an increase of 48% over 2018. Caterpillar continues to have the single largest autonomous fleet in the world, with customers reporting benefits in the areas of safety, productivity and performance.

#### 2019 END-MARKET HIGHLIGHTS

##### Construction Industries

Modest economic expansion and continued growth in construction activity in North America, in particular for road infrastructure, was offset by weaker demand in Asia-Pacific, due to continued competitive pressures. Lower sales in 2019 were driven by changes in dealer inventories, partially offset by higher end-user demand.

\$22.6B\*

Revenue

\$3.9B

Profit

##### Resource Industries

Mining customers increased capital expenditures as commodity prices were generally supportive of investments. Positive global economic growth drove increased sales for equipment supporting nonresidential construction activities, as well as quarry and aggregates activities.

\$10.3B\*

Revenue

\$1.6B

Profit

##### Energy & Transportation

Declines in North American oil and gas resulted in weaker

\$22.1B\*

Revenue

\$3.9B

Profit

### EXECUTING OUR STRATEGY

Caterpillar continues to execute our strategy for profitable growth, which has three pillars: operational excellence, expanded offerings and services. **Operational excellence** includes the core competencies of safety, quality, Lean and a competitive and flexible cost structure. **Expanded offerings** includes our growing equipment portfolio that meets a broad range of customer needs. **Services** refers to the many ways that we help customers succeed after purchasing a product, including growing digital safely executing this strategy allows us to target profit and free cash flow – while providing customers and creating more opportunities for partners and shareholders.



#### OPERATIONAL EXCELLENCE



- Operating margin of 15.4% is in line with target range.



- Continued our Lean manufacturing journey through synchronization of value chains to reduce lead times, optimize working capital and increase availability.
- Continued focus on improving the competitiveness and flexibility of our cost structure, such as reducing production levels to reflect dealer order patterns and targeting lead times.



- Removed about \$2 billion in structural costs since 2014 by taking an enterprise view to cost management and streamlining our manufacturing approach.
- Continued focus on implementing defect-free initiatives across the company has continued to result in high-quality machines and power systems.

### Achieved our best safety performance on record.

#### ANNUAL REPORT



# Citigroup Inc. 2019 Annual Report

The letter from Citigroup's Chief Executive Officer delivers a detailed discussion of the company's performance.

**LETTER TO SHAREHOLDERS (PAGES 2-5)**

[https://www.citigroup.com/citi/investor/quarterly/2020/ar19\\_en.pdf?ieNocache=52](https://www.citigroup.com/citi/investor/quarterly/2020/ar19_en.pdf?ieNocache=52)

## Letter to Shareholders

Dear Fellow Shareholders,

In 2019, Citi delivered our most profitable year since 2006. The \$19.4 billion we earned on \$74.3 billion in revenues was \$1.4 billion higher than in 2018. Our earnings per share of \$8.04 were up more than 20% compared with the year before. We drove 4% underlying revenue growth across our Consumer and Institutional franchises.<sup>1</sup> We have grown loans and deposits for 16 consecutive quarters.



Michael J. Corbat  
Chief Executive Officer

We continued to make progress toward the financial targets we have laid out. We are on a path to return approximately \$62 billion of capital to our shareholders, exceeding our commitment. To date, we have returned approximately \$53 billion, including a portion of the roughly \$22 billion we gained regulatory approval to return over the 2019 Comprehensive Capital

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Our government clients around the world urgently need infrastructure. The G20 has estimated that nearly \$100 billion is needed for global infrastructure spending by 2040, but there is a spending gap of \$18 trillion. Citi's Public Finance team is playing its part by financing, among other critical projects, the two largest airport public-private partnerships in U.S. history. We also financed the construction of new subway systems in Panama and Peru, helping two fast-growing metropolises in dynamic emerging economies reduce traffic and carbon emissions.

In the communities we serve, one particular infrastructure gap is increasingly pressing: affordable housing. As urban populations soar and cities become less affordable for many, what has long been an acute shortage is becoming a crisis. In 2019, Citi ranked first among U.S. financiers of affordable housing for the 10th year in a row. We financed over \$6 billion worth of affordable rental housing projects. In partnership with developers, nonprofits and governments, our Citi Community Capital team has helped to create or preserve nearly 500,000 affordable units over the past decade.

We have been on the front lines and in charge of leading our industry with our sustainability strategy since joining the United Nations Environment Programme Finance Initiative in 1997 and co-founding the Equator Principles in 2003. That is the first framework developed by responsible financial institutions to assess and manage the environmental and social risks associated with project finance. Flash forward to September 2019 and Climate Week in New York: Citi was the only U.S. bank to sign on to the United Nations' Principles for Responsible Banking, joining a coalition of 130

we entered 2019 amid widespread predictions of a global recession and potential turn of the business cycle. Against that backdrop, the growth we drove came – as we said it would – from working collaboratively and creatively with clients to manage and grow their businesses in an increasingly complex environment characterized by trade routes shifting

There are few areas where the gap between the scale of the need and of the progress to date is wider than in the field of inclusive finance.

global financial firms that have agreed to align their business practices related to climate risks and opportunities with the UN's Sustainable Development Goals and the Paris Agreement. In 2013, Citi achieved our first 10-year \$50 billion Environmental Finance Goal three years early, and in 2019, we exceeded our second 10-year \$100 billion Environmental Finance Goal four years ahead of schedule. In 2019, we were a founding signatory of the Position Principles, a voluntary framework aimed at reducing the carbon emissions of maritime shipping. We are also on track to achieve our goal of sourcing 100% renewable electricity across our global operations in 2020.

There are few areas where the gap between the scale of the need and of the progress to date is wider than in the field of inclusive finance. With the world's unbanked population estimated at 1.7 billion, our Inclusive Finance unit has worked with teams across our firm over the last decade to provide more than 3.3 million entrepreneurs, 3 million of them women, with access to capital and financial services in 34 countries in partnership with the U.S. International Development Finance Corporation, formerly OPIC. The Citibanamex Transfer account has attracted over 10 million customers, 80% formerly unbanked. The Citi Foundation's Pathways to Progress program, which started in 2014 in 10 cities and went

global three years later, has helped prepare more than 850,000 youth for the jobs of today through paid internships, mentorship, workforce training and leadership development. We have invested \$140 million in this initiative to date and will soon be announcing its next stage.

The financial results we reported and the positive economic and social impact that we and our model have on our clients and communities have never been more closely connected. The Mission and Value Proposition at the front of this report describes not just what we do but how and why we do it. As we prepare to host our second Investor Day, in 2020, I have never felt better about our financial strength and competitive position, as measured by all the relevant metrics: revenue, return, income and capital. I have also never felt better or more confident about who we are, what we stand for, and the lasting value of the many things we do for our clients, our communities, our shareholders, our people and all of our stakeholders worldwide. While there is no shortage of challenges ahead, I am confident in our ability to continue to rise and meet them.

Michael J. Corbat

Michael J. Corbat  
Chief Executive Officer, Citigroup Inc.

In our Global Consumer Bank, we sustained momentum by generating 4% annual underlying revenue growth with contributions from all three regions: the U.S., Mexico and Asia.<sup>2</sup> Since establishing a client-centric structure in our largest Consumer market, the U.S., our strategy of unifying Branded Cards and Retail Banking has yielded a steady stream of compelling new products and value propositions, from digital lending to flexible payments. We are targeting a significant opportunity to redefine scale not according to the traditional metrics of assets and footprint but with digitally driven experiences. The strong revenue growth we saw in Branded Cards and \$6 billion in U.S. digital deposit sales – five times that of the previous year – are signs that our integrated client-centric strategy is working. Two-thirds of our digital deposit sales came from outside our physical footprint and half came from our card customers with no prior retail banking relationship with us. We also expanded our relationship with American Airlines to offer a new savings account designed to deepen relationships from cards-only customers to multi-relationship clients.

And we announced a partnership with Google to explore launching a new checking account on Google Pay in 2020, aimed at expanding the reach and breadth of our customer base. In Asia, we entered into new credit card partnerships with digital leaders Grab, Lazada and Indira e-commerce juggernaut Paytm. In Mexico, we continued to leverage Citibanamex's extraordinary prestige and leading market position to deliver double-digit growth in earnings before taxes even in a muted market environment. Our Institutional Clients Group turned in an equally strong performance, driving balanced 4% underlying revenue growth across our franchise that serves corporate (including 90% of Fortune 500 firms), investor and government clients and ultra high net worth households and individuals.<sup>3</sup> International Financing Review summed up the source of our market and wallet share gains when it named Citi 2019 Bank of the Year: "Citi is a truly global – and unique – corporate bank that joins the developed and developing world." Those connections run deep between our banking teams and clients and across products, sectors, markets and regions.

### 2019 NET REVENUES<sup>1</sup>

2019 Net Revenues: \$72.3 Billion

BY REGION



BY BUSINESS



ICB – Institutional Clients Group

<sup>1</sup> Results exclude Corporate/Other revenues of \$1.1 billion and are on a GAAP basis.

<sup>2</sup> Asia GCB includes the results of operations of GCB activities in certain EMEA countries.

### CITIGROUP – KEY CAPITAL METRICS



Our industry-leading Treasury and Trade Solutions (TTS) business is the backbone of our institutional franchise because our global client network makes Citi the first call to manage cash, process payments and create solutions to supply chain challenges and provides opportunities for clients in multiple markets and currencies.

As a pioneer in the fintech space, we have built a strong relationship with our clients, and we are actively exploring new ways to use technology to enhance our services and create new opportunities for our clients.

are not just best of bank but best in life, prompting us to allocate substantial resources and mindshare to exceeding our clients' evolving expectations of engaging with Citi on their channel of choice.

Our strategy to capture the abundant opportunities inherent in this trend is threefold. First, we partner with startups that value our model, global client base and brand to test and deploy new technologies at scale. Second, we invest in firms with demonstrable growth potential and ability to create solutions that deliver real benefits to our firm and clients.

And third, we develop proprietary solutions through our internal IDOX incubation program and network of Innovation Labs. Regardless of source, our intent is the same: tapping technology to eliminate client pain points and frustrations, streamline our processes, and deliver holistic, integrated products and services to customers and clients of all sizes and sectors more seamlessly and efficiently than peers. That strategy is showing results, and Citi's digital leadership has been recognized in each region. Citi was named Best Digital Bank in Asia by Euromoney,

and clients want to work for, and do business with, companies that affirmatively reflect their own priorities and principles, more firms intent on attracting and retaining top talent are rising to the challenge.

Best Digital Bank in Mexico by Global Finance and the firm with the Most Desirable Mobile Banking Features in the U.S. by Business Insider Intelligence.

In August, when the Business Roundtable – an organization of CEOs of major U.S. companies, of which I am a member – announced a revised statement of purpose and

principles for responsible firms, I found the lively debate that ensued healthy and reassuring, but for us at Citi, the approach is not new. The statement said simply that companies should take the interests of all stakeholders – including shareholders, colleagues, clients, suppliers and communities – into account when making decisions. With every action we take, we strive to demonstrate the value we contribute and the values we uphold. Ultimately, taking stakeholder interests into account benefits our shareholders. We have been on this journey for some time and welcome the actions companies are taking to hold themselves accountable to higher environmental, social and governance standards.

We also see this as a positive development because these expectations arise from the higher levels of trust and credibility businesses have built, notably with their own people. Research reveals that a global majority do not trust the media or government to do the right thing for them or for society. Still, three out of four believe their own employer will. As colleagues

and clients want to work for, and do business with, companies that affirmatively reflect their own priorities and principles, more firms intent on attracting and retaining top talent are rising to the challenge.

As for Citi's concrete commitments, our businesses seek out opportunities to address challenges that impact our clients and communities.

<sup>1</sup> Excludes the impact of foreign exchange (FX) translation (constant dollars), as well as pre-tax gains on sale in 2019 of approximately \$250 million on a billion portfolio sale in North America Global Consumer Banking (GCB) and approximately \$250 million on an asset management business in Latin America (LATAM). For a reconciliation of the impact of FX translation on reported results, see Slide 31 of Citi's Fourth Quarter 2019 Earnings Review available on Citi's investor relations website. As used throughout, Citi's results of operations in constant dollars are excluding the gains on sale in non-GAAP financial measures.

<sup>2</sup> Return on Tangible Common Equity (ROTCE) is a non-GAAP financial measure. ROTCE in 2019 excludes a one-time benefit of \$94 million due to the finalization of the provisional component of the impact, based on Citi's analysis, as well as additional guidance received from the U.S. Treasury Department, related to the Tax Cuts and Jobs Act. For the components of the ROTCE calculation, see "Capital Resources: Tangible Common Equity, Book Value per Share, Tangible Book Value per Share and Return on Equity" in Citi's 2019 Annual Report on Form 10-K included with this letter.

<sup>3</sup> Excludes the impact of FX translation, as well as the gains on sale in North America GCB and Latin America (LATAM) GCB described in endnote 1. For a reconciliation of revenues in constant dollars to reported results, see the tables in "Global Consumer Banking-Latin America GCB" and "Global Consumer Banking-Asia GCB" in Citi's 2019 Annual Report on Form 10-K included with this letter.

<sup>4</sup> Excludes the impact of FX translation. For a reconciliation to reported results, see Slide 31 of Citi's Fourth Quarter 2019 Earnings Review available on Citi's investor relations website.



# Lowe's 2019 Annual Report

The letter from Lowe's President and Chief Executive Officer delivers on the significant progress of the company's transformation, highlighted by the company's solid results in 2019. Lowe's made steady, deliberate progress in executing their four strategic initiatives.

## LETTER FROM PRESIDENT AND CHIEF EXECUTIVE OFFICER (PAGES 1-2)

<https://lowes.gcs-web.com/static-files/3441eb1d-2c5d-4a70-97e4-2bdaeb8a8d21>

## DEAR SHAREHOLDERS,



**In 2019, we made significant progress in transforming our Company. While we are still in the early stages of a multi-year transformation, we are confident that we are on the right path to generate long-term profitable growth.**

We delivered solid results in 2019, with total sales growth of 1.2 percent driven by comparable sales growth of 2.6 percent, with all U.S. regions achieving positive comps. Sales growth, supported by strong expense management and improving productivity, led to a 12 percent increase in Adjusted Diluted Earnings Per Share.<sup>1</sup> In fact, fiscal 2019 represented the highest sales and adjusted diluted earnings per share in our Company's history.

Our focus on creating and returning value to our shareholders is evidenced by our fiscal year-end results and delivery of \$1.5 billion dollars to our shareholders through a combination of dividends and share repurchases. Further underscoring our commitment to shareholders, we increased our quarterly dividend by 15 percent, continuing a distinguished track record of increasing our dividend every year since going public.

Our intense focus on retail fundamentals drove our 2019 performance. Our strategic initiatives continued to gain momentum throughout the fiscal year, driven by investments in technology, supply chain, e-commerce, customer service, improved operational performance, operational efficiency and our Pro business. We made steady, deliberate progress executing against our four strategic initiatives:

- ▶ Merchandising excellence;
- ▶ Supply chain transformation;
- ▶ Operational efficiency; and
- ▶ Customer engagement.

We are committed to delivering merchandising excellence by ensuring that we have the right products, in the right place, at the right time, so that our customers can shop any way they want. Our new Merchandising Service Team and Field Merchandising

Teams were critical to improving our execution. We hired and onboarded more than 17,000 vendor-funded Merchandising Service Team associates that improved our reset execution and in-store presentation and enabled our store associates to spend more time serving customers. With the rollout of our Field Merchandising Teams, we improved localization and space productivity in our stores. We also introduced the first phase of our new price management system which will allow us to better systematically analyze, prioritize and implement retail price



moves through the network. We opened 3 new bulk distribution centers and 4 cross-dock terminals. Evolving our infrastructure is a key step toward moving us from a store-based in-home delivery model, to a more efficient market-based model for big bulky product.

We are also working to drive operational efficiency. We made significant changes in 2019 to improve store labor productivity by optimizing our current mix of labor hours to better serve customers, moving from a mix of 40 percent of payroll hours dedicated to tasking and only 40 percent of associate time spent serving the customer. Our investment in over 600 assistant store managers, 5,500 department supervisors and dedicated Pro Leaders is paying dividends. We successfully rolled out our new customer-centric labor scheduling system allowing us to better align our labor hours with peak traffic. This provides better department coverage and customer service, while ensuring that we're using our labor hours efficiently and reducing payroll expense.

Our associates are the cornerstone of our success and they are executing well in our stores. We completed the rollout of customer service training for all 320,000 of our company associates. This new customer service model guides the way we hire, train, evaluate and coach associates. Our improved service philosophy coupled with the deployment of 88,000 SMART mobile devices equips our associates with the tools, processes and skills to better serve customers. This renewed commitment to customer service is evidenced by customer service scores increasing by 500 basis points during the fiscal year.

Our focus on the Pro customer continues to be a catalyst for our U.S. sales growth. Pro customer sales have continued to increase, delivering comps well above the Company average.

supported by compounding benefits from investments in job lot quantities, dedicated Pro department supervisors, designated Pro parking and dedicated loaders to assist Pros in loading big, bulky product. With a strong foundation now in place, we will bolster our Pro platform with strategic initiatives such as Pro loyalty, adding more Pro-related products to the assortment and CRM programs to deepen our engagement and continue to grow sales with this important customer.

We are proud of the progress we delivered in fiscal 2019 and strongly believe our intense focus on retail fundamentals will continue to pay dividends across the business in 2020. As we navigate the ongoing impacts of COVID-19, our thoughts and prayers are with those impacted. I want to thank our associates for their hard work, dedication and commitment to serving the critical needs of customers, first responders and government officials to ensure they have access to the essential products they need to keep their families safe, their businesses running and their communities healthy through this unprecedented time. While COVID-19 introduces a certain level of uncertainty to the retail environment, we are fortunate that we operate in a retail sector where approximately two thirds of what we sell is non-discretionary repair and maintenance items for the home. Therefore, during these unprecedented times you have my commitment that we will continue to support our associates and communities while providing our customers with those essential items they need to keep their homes safe and operational.

*Marvin R. Ellison*  
**Marvin R. Ellison**  
President and Chief Executive Officer

<sup>1</sup>Adjusted Diluted Earnings Per Share is a non-GAAP financial measure. Refer to the Management's Discussion and Analysis section of our Annual Report on Form 10-K for additional information as well as reconciliations between the Company's GAAP and non-GAAP financial results.

# UPS 2019 Annual Report

The Chairman and Chief Executive Officer's letter is all about the company's performance and strategy in "Accelerating Forward", to become the fastest, most technology-enabled company in their industry.

## LETTER TO SHAREOWNERS PAGES

<http://www.investors.ups.com/static-files/e4d06ff9-8dcd-45a7-a8f5-b400c944455e>



### Dear Fellow Shareowner,

#### 2019 was a year of momentum for UPS.

We reached several important turning points in our transformation as we accelerate forward and progress to become the fastest, most technology-enabled company in our industry. Our global integrated network provided UPS and our customers great flexibility to respond to the fast pace of change in the market. Our

innovative services and solutions helped our customers compete and grow, especially the small and medium-sized businesses (SMBs) we serve. And our people led us forward, delivering great service and fostering a culture of continuous transformation.

2019 also marked a significant milestone in UPS history. We celebrated the 20th anniversary of our initial public offering, the largest U.S. IPO on the New York Stock Exchange in the 20th century. Even years ago, UPS recognized the need to transform to facilitate growth. The IPO strengthened our ability to grow, invest and make strategic acquisitions in markets around the world. It also laid the ground for the integrated Smart Global Logistics Network we operate today.

Our integrated network continues to expand and strengthen, and is powered by next-generation technology that is also enabling our enterprise-wide transformation. Technology is improving efficiency, creating additional flexibility, and increasing speed and scalability. It is the backbone of our industry-leading data-driven solutions like UPS My Choice for Business and our Digital Access Program. It is the force that is enabling us to meet the growing demand of global B2B and B2C e-commerce. And it is the connective tissue that integrates UPS physical assets with our increasingly digital world.

Such innovations make it easier for customers to connect with UPS, access our services and enjoy more control over their inbound and outbound shipments. Our network is more responsive to the changing pickup and delivery conditions, thanks to our expanded use of route optimization and navigation software. Importantly, these actions and investments enable us to operate more sustainably. When coupled with our alternative fuel and alternative fleet solutions, we are reducing our environmental impact, the benefits of which will create long-term value for all stakeholders.

We are investing to increase efficiency and to create new capabilities that will generate high-quality volume growth. We launched more new solutions in 2019 than at any other time in recent history. The impacts of our transformation are becoming more visible in our operating performance, even as we invest in new capabilities. We achieved this success due to the creativity and commitment of our 495,000 UPSers around the world.

## Accelerating EFFICIENCIES

We made great strides expanding capacity and automating our Smart Global Logistics Network. Across the U.S., increased automation and improved efficiency drove unit costs down in 2019, helping fuel positive operating leverage and profit growth in the year. Adjusted operating margins expanded 50 basis points\*, an indication that our strategy and investments are improving the fundamentals of the business.

As we move through our transformation and open more automated facilities, we remain confident that we will achieve our goal of a 30% to 35% increase in efficiency. The investments we are making are creating a more nimble, more competitive UPS, to better serve customers today and well into the future.

Here are some highlights for the year:

- \*\*\* We added 11 high-capacity aircraft to our global fleet, the largest annual addition to date, in our multi-year fleet expansion program.
- \*\*\* We opened 20 new or retrofitted automated facilities, adding nearly five million square feet and about 400,000 pieces per hour of automated sort capacity. Combined with 2018, we have opened a total of 41 facilities with 10 million square feet and approximately 800,000 pieces per hour of additional sort capacity.
- \*\*\* We pulled forward efforts to accelerate the U.S. ground network, widening the reach of our next-day ground capabilities and speeding up transit times in key lanes.
- \*\*\* In Europe, we opened a highly-automated superhub in Eindhoven, the Netherlands, a strategic location to connect Western European businesses to our Smart Global Logistics Network and facilitate market access around the world.
- \*\*\* In Asia, time-in-transit improvements and the expansion of our Shenzhen, China air hub are enabling UPS to take advantage of regional growth.

- \*\*\* We made wide-spread technology investments to expand our use of cloud infrastructure, improve cash flow management, and enhance procurement practices — all of which contributed to positive operating leverage.
- \*\*\* We advanced the development of ORION 3.0, our proprietary route optimization and navigation technology that dynamically adjusts and recalculates driver routes based on the remaining packages and pickup requests on the route, together with changing traffic conditions and other factors. Deployment in 2020 is on schedule.

The investments we are making are strengthening our core business. Our integrated network is running exceptionally well, generating new levels of efficiency and flexibility. We continually adjust our network to align capacity with changes in market demand around the world, which results in a lower cost structure and positive operating leverage.

\*See reconciliation of Non-GAAP financial measures on page A1.  
†One basis point equals one-hundredth of a percentage point.



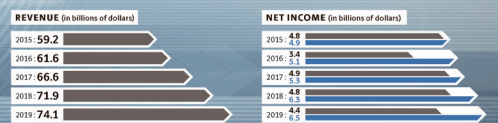
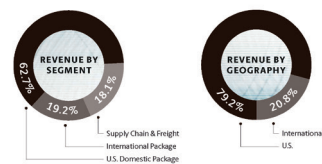
CUSTOMER FIRST. PEOPLE LED. INNOVATION DRIVEN.

## Accelerating DELIVERIES

Speed of delivery is becoming increasingly important to consumers and is a critical competitive differentiator for many of our customers, both large and small. In 2019, we took advantage of the structural shift to faster next-day delivery, leveraging the strength of our expanding automated network to successfully absorb a 22% surge in next-day air volume, while strengthening our position as the e-commerce shipper of choice.

The rapid movement toward next-day and seven-day delivery in the U.S. provides tremendous near-term growth opportunities and we are taking aggressive steps forward to continue speeding up our network to help all customers adapt, especially SMBs. For example, we are improving time-in-transit for 80% of our customers, doubling the amount of volume we handle on Saturdays and launching Sunday delivery. These actions are enabling UPS to take advantage of today's opportunities, while continuing to diversify our growing customer base and generate long-term profitable growth.

In 2019, we forged new paths to accelerate deliveries, creating innovative solutions for our customers. We achieved a milestone in commercial drone aviation when the Federal Aviation Administration (FAA) certified UPS with the first full Part 135 Standard to operate a drone airline at WakeMed, moving lab samples across its vast hospital campus. Working in partnership with the FAA on approvals, we tested similar services at other hospitals and medical campuses, proving drone solutions can accelerate deliveries and provide shortened time-in-transit, helping healthcare professionals better serve their patients. We are continuing to work with the FAA to expand our drone capabilities, as well as create new, breakthrough solutions to serve the evolving needs of our customers.



\*See reconciliation of Non-GAAP financial measures on page A1.

CUSTOMER FIRST. PEOPLE LED. INNOVATION DRIVEN.

## Accelerating GROWTH

In addition to creating greater efficiency and agility in the network, our transformation program is funding reinvestment in new state-of-the-art, customer-focused services and solutions. Our program is enabling UPS to pursue the best market opportunities for diversified revenue growth and long-term financial returns. These growth opportunities constitute our four Strategic Growth Initiatives:

- \*\*\* Small and Medium-sized Businesses (SMBs)
  - We increased the number and variety of retail partners in our UPS Access Point network significantly in 2019, expanding the network to approximately 21,000 locations in the U.S. and 40,000 globally. Ninety percent of U.S. consumers will find a UPS Access Point location within five miles of their home, offering a new level of package pickup and drop-off convenience.
  - We launched UPS My Choice for Business, giving small businesses unprecedented visibility and control over their inbound and outbound shipments.
- \*\*\* B2B and B2C e-Commerce
  - We introduced the UPS Digital Access Program creating preferred relationships and embedding UPS technology directly into leading marketplaces and digital platforms such as Stamps.com, which many SMBs already use. Retail is becoming increasingly integrated across all digital channels as SMBs leverage tools to access larger pools of potential customers than they could have reached on their own. UPS's footprint touches all aspects of the e-commerce ecosystem, from demand generation and shipping to visibility and returns.
  - UPS now enables customers to tender shipments later for next-day ground delivery to 98% of the U.S. population. UPS Extended Hours Pickup for next-day ground delivery solidifies our market leading position in both next-day air and ground coverage.
  - We expanded Saturday pickups and deliveries to help our customers deliver to consumers faster. And, in 2020 we expect to double the amount of Saturday volume we handled in 2019, and will continue to phase in Sunday delivery.
- \*\*\* International Growth Markets
  - B2B and B2C businesses that export to key e-commerce destinations around the world now have a more affordable way to ship with UPS Worldwide Economy. This deferred service provides economical and efficient international options for small businesses shipping lightweight and less expensive products.
  - Customers are now able to reach more destinations with the expansion of our Express services. Postal codes across 40 countries in Europe, Asia, Latin America, Africa and the Middle East were added, significantly expanding the footprint of our time- and day-definite guaranteed international services.
- \*\*\* Healthcare and Life Sciences
  - Healthcare and life sciences customers often need a higher level of visibility and security for their most critical shipments. To meet those needs, we created UPS Premier (next-generation, on-package sensor technology) which enables advanced package tracking and contingency actions for critical shipments.
  - Additionally, we connected all of our global healthcare and life sciences businesses under a single, dedicated UPS Healthcare unit. Wes Wheeler, a healthcare professional with deep experience, leads the unit which supports operations and includes a combined workforce of more than 5,000 employees from Marken, Polar Speed, and all 114 UPS healthcare facilities.



We are moving quickly and intelligently to provide our customers new levels of speed, visibility, control and market access while creating new revenue streams for UPS. And our solutions are taking hold. In 2019, we grew consolidated volume 5.8%, while expanding our operating margins in all three segments. We outpaced the market in U.S. air growth with double-digit volume increases in Next Day Air and our deferred services. Looking forward, we see many opportunities to accelerate high-quality, high-margin volume growth.



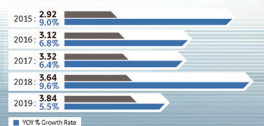
#### DILUTED EARNINGS PER SHARE (in dollars)



#### OPERATING MARGIN (percent)



#### DIVIDENDS DECLARED (dollars per share)



#### SHARE REP



CUSTOMER FIRST. PEOPLE LED. INNOVATION DRIVEN.

### Accelerating EXECUTION

Our financial results demonstrate that our investments and strong execution are having an impact on the fundamentals of the business. Both top- and bottom-line results improved in 2019 due to increased demand for our services and new cost efficiencies in our network.

For the company, consolidated revenue grew 3.1% to \$74 billion and adjusted operating profit grew 10.4% to \$8.2 billion\*.

Globally, we delivered more than 5.5 billion packages, a nearly 6% increase over 2018, driven by B2B and B2C volume growth in the U.S., which helped offset softness in global trade, particularly during the second half of the year.

In U.S. Domestic, revenue grew 6.7% to \$46.5 billion with volume growth across all products. Adjusted operating profit grew 12.7% to \$4.4 billion\* and we generated a margin of 9.4%, or 50 basis points higher than in 2018.

The International segment reported \$14.2 billion in revenue, a decrease of 1.5% due to the dynamic macro environment. Adjusted operating profit rose 6.7% to \$2.8 billion\* and margins expanded, primarily driven by strong execution, cost management and innovative services with a focus on SMB market opportunities.

The Supply Chain and Freight segment delivered another year of strong results, with an 11.2%\* increase in adjusted operating profit and healthy margin expansion. The diversity of our portfolio, coupled with our continued focus on SMBs, helped offset softer business conditions in certain business units.

Once again, UPS generated excellent cash flow — enabling us to invest in our network while rewarding shareowners. We invested \$6.5 billion\* in adjusted capital expenditures and returned \$4.3 billion to shareowners, with \$1 billion of share buybacks and \$3.3 billion in dividends, a per-share increase of 5.5% over the prior year.

Executing our strategies for the long-term benefits all stakeholders — our shareowners, customers, employees, suppliers, and the communities we serve. Operating more sustainably is a core principle of our strategy and business operations. We pursue efficiency at every turn and deploy advanced technology to optimize resources and reduce our environmental impact. We are proud to have been named to the Dow Jones Sustainability World Index for the seventh consecutive year and the Dow Jones Sustainability North America Index for the 15th straight year. Plus, *Corporate Responsibility Magazine* named UPS to its "100 Best Corporate Citizens" annual listing for the 10th straight year.

\*See



### Accelerating FORWARD

We are making significant progress in our transformation. Through the investments we are making today, our network — powered by next-generation advanced technologies — will become even more efficient and flexible. And as we look ahead, we will continue to introduce innovative solutions to help all of our customers grow. We are accelerating our strategies to take advantage of the tremendous growth prospects in the market today. Our actions will open new opportunities for our people and create additional value for our customers and shareowners in the near-term and well into the coming decade.

*David Abney*  
David Abney  
UPS Chairman and  
Chief Executive Officer



# Visa Annual Report 2019

The letter from Visa's Chairman and CEO highlights the factors that drive the company's strong results and the seven strategies they have put in place to secure their long-term success.

## CHAIRMAN AND CEO LETTER (PAGES 4-10)

[https://s24.q4cdn.com/307498497/files/doc\\_downloads/Visa\\_Inc\\_Fiscal\\_2019\\_Annual\\_Report.pdf](https://s24.q4cdn.com/307498497/files/doc_downloads/Visa_Inc_Fiscal_2019_Annual_Report.pdf)

### CHAIRMAN AND CEO LETTER

#### Dear Shareholders,

Over the last 12 months, Visa made tremendous progress leading a dynamic industry and advancing the growth of digital payments globally. Against a backdrop of geopolitical challenges and uneven global economic conditions, Visa delivered outstanding financial and operating results.



Visa is not only a facilitator of payments between consumers and businesses. With new ways to pay, we are evolving into a company that enables money movement for everyone, everywhere. In fiscal year 2019, we made significant strides in advancing our goal to be a single connection point for initiating any transaction, both on the Visa network and beyond.

In this year's letter, I highlight the factors that drove our strong results and the strategies we put in place to secure our long-term success, including:

1. Growing Our Core Business
2. Expanding Partnerships
3. Opening New Payment Flows
4. Enhancing Our Value-Added Services
5. Strengthening Our Foundation
6. Driving Purpose With Impact
7. I

#### CHAIRMAN AND CEO LETTER



Outside the U.S., tap to pay represents more than 50% of face-to-face transactions.

**Tap to Pay**  
Tap to pay is a powerful technology that accelerates our efforts to move the \$17 billion of global consumer spending done in cash and check to our network. Outside the U.S., tap to pay now represents more than 50 percent of face-to-face transactions that run over our network, up from less than 30 percent just two years ago. For a number of reasons, the U.S. has lagged behind most developed countries in adopting tap to pay. During the year, we made great strides in deploying the technology in the U.S. There are now over 100 million Visa contactless cards in the U.S. and more than 80 out of Visa's top 100 merchants in the U.S. have enabled customers to tap to pay at checkout.

Transit continues to be a compelling use case to turn consumers on to tapping as riding public transportation to and from work, home or school is a critical part of daily life. In London, where tap to pay has been live for more than four years, transit users tap to pay significantly more than non-transit users. The New York MTA pilot on select subway and bus lines that launched this year has already reached two million taps. Based on these encouraging early results, we expect transit tap to pay adoption to move quickly in the U.S. in the coming years.

**Ecommerce**  
Digital commerce growth is outpacing physical retail growth, presenting an opportunity to evolve both the security and consumer experience around ecommerce. In fiscal year 2019, we continued the successful implementation of our Visa Token Service, and the service is now live in 100 markets, with 410 million tokens issued to date. The technology works by replacing a consumer's card related sensitive information, such as personal account number, with a unique identifier, or token, which protects transactions when a card or shopper is not physically present. Today, Apple Pay, Google Pay, Netflix and Samsung Pay use Visa Token Service. The combination of Visa's network tokenization functionality with the local and account tokenization capabilities we acquired from Rambus Inc. will facilitate safer, more secure payments across a broader range of payment types.

While online and mobile commerce continues to thrive, the many checkout buttons on any given site make the consumer experience confusing and difficult for merchants to implement and manage. In the latter part of fiscal year 2019, Visa, alongside the other major networks, continued the roll-out of click to pay, enabled by Secure Remote Commerce (SRC). The goal was to help address this problem and transform the ecommerce checkout experience to emulate what we did in the face-to-face environment year ago by having just one terminal for all payment options. SRC establishes a standardized way to make card payments across web and mobile sites, mobile apps and connected devices for the first time. In October, we went live with select U.S. merchants and expect a full commercial launch in the U.S. in early calendar year 2020.

#### Expanding Partnerships

Partnerships are fundamental to Visa's business model. We are building new relationships with emerging players such as digital banks, wallets and a range of fintechs while deepening our engagement with our existing financial institutions and merchant partners. We rolled out our Visa Fintech Fast Track program globally to provide emerging

As part of the World Bank's goal of Financial Access by 2020, we continue helping provide financial access for consumers by 2020. At the end of fiscal year 2018, we reached 396 million consumers worldwide with first-time access to payment product through a Visa-branded account and are confident we will reach 500 million commitment by the end of 2019 calendar year.

Later in this letter, I outline the other ways we are taking to advance Visa's mission to operate as a responsible corporate citizen.

#### Growing Our Core Business

Consumer expectations are increasing by the day. To respond, Visa continues to improve the point-of-sale experience, ensuring digital payments are easier, secure, more seamless,

and available for buyers when they are transacting.

#### Strengthening Visa's role in enabling money movement globally

Advancing our goal to be a single connection point for every transaction, everywhere, both on the Visa network and beyond.



In fiscal year 2019, Visa Direct transactions grew more than 100 percent year-over-year.

partners with the tools they need to more easily scale and leverage Visa's reach, capabilities and security. Additionally, the new Visa Partner Portal provides comprehensive services and resources — including access to Visa application programming interfaces (APIs) — to help fintechs, and all of our ecosystem partners, bring new ways to pay to life.

We are already seeing strong results around the world, including a new agreement with Revolut that enables this leading global fintech to expand its business to five regions, reaching 21 new countries. In Southeast Asia, we have partnered with and invested in Gicart, a mobile super app featuring more than 20 different verticals, spanning payments, food delivery, ride-hailing, laundry, courier services, tickets and more.

With regards to our more traditional partnerships, we extended our long-standing relationship with JPMorgan Chase Bank of America and BBVA, among others. We continue to lead in the co-branded card category, where 13 of the world's top 20 co-branded cards are Visa cards.

The Visa Partner Portal helps fintechs bring new ways to pay to life.



#### Opening New Payment Flows

In fiscal year 2019, we challenged ourselves to unlock a tremendous opportunity that exists beyond consumer-to-business (C2B) physical card payments and beyond our proprietary network. In doing so, we are establishing a strong platform for growth, positioning Visa as the network of choice for any type of payment from anyone to anywhere, including person-to-person (P2P), business-to-business (B2B), business-to-consumer (B2C), business-to-business (B2B) and government to consumers (G2C).

**Visa Direct**  
Visa Direct is our platform for "pushing" payments directly to a bank account or card, often in near real time. The platform's capabilities open our network to cover entirely new types of payment flows, from on-demand gig economy wages and cross-border remittances to insurance disbursements. In fiscal year 2019, these push transactions drove the growth of Visa Direct to more than 100 percent.

In many cases, the work we are doing with clients and partners is upending outdated and time-consuming processes that offer tangible benefits to everyone. For example, Visa is working with PIC Bank and Erie Insurance to let their customers choose to have an electronic claims payment delivered to their bank account in real time, and Invenio by Invenio Technologies is enabling real-time funds disbursements for American Family Insurance.

In the U.S., Apple launched Visa Direct within the Apple Cash P2P service, and Visa Direct now powers seven of the major P2P players in the U.S. We signed partnership agreements with global leaders in cross-border and cross-currency money movement, including iMG, Monogram, Remitly, and Western Union, as well as Citi, the largest acquirer in Latin America now using Visa's network.

**Earthport**  
This year, we acquired Earthport, a strategic acquisition that expands the reach of Visa. Earthport operates the largest independent Account Closing House (ACH) network in the world, enabling Visa to reach 99 percent of the world's banked population in 88 countries, including the top 50 Earthport not only significantly increases our reach, it also delivers a simplified and more cost-effective cross-border payment and money movement experience to consumers and small businesses. The acquisition of Earthport is a good example of how we are expanding our business into new payment types beyond our traditional network.



## CHAIRMAN AND CEO LETTER

### Enhancing Our Value-Added Services

Visa has near limitless opportunities to diversify our revenue streams by expanding the capabilities of our existing network and extending our solutions to support a broad range of payments brands and partners.

#### Fraud Management and Security Services

Visa is constantly looking at ways to add more robust fraud and risk management capabilities that we can extend to our clients and their customers. Over the past year alone, we helped financial institutions prevent an estimated \$2.5 billion in fraud using our artificial intelligence (AI)-powered risk scoring engine. Our Visa Advanced Authorization (VAA) platform uses AI and machine learning to evaluate 500 risk attributes in each authorization request, in real time. Today, more than 8,000 issuers in 129 countries receive VAA scores to help reduce fraudulent transactions.

### Merchant and Acquirer Solutions

As the in-person and online commerce experience continues to converge, Visa is increasingly focused on offering omnichannel solutions for the benefit of consumers and merchants alike. CyberSource enables Visa to offer merchants a one-stop technology solution for accepting payments. In fiscal year 2019, we acquired Paycomet, a cloud-based software provider that brings in-store payment processing to CyberSource's e-commerce payment platform to create a fully integrated payment acceptance solution.

Visa also acquired Verif, a company that enables disputes to be resolved quickly by connecting issuers to more than 25,000 merchant connections immediately when an account holder calls with an issue. This tool reduces costs and friction for all stakeholders if there is a disputed transaction.

### Strengthening Our Foundation

#### Security and Privacy

Visa has, for more than 60 years, placed the highest priority on security and privacy — both outside and inside our own network. For example, Visa uses AI and deep learning technology to monitor our network and understand the threats aimed at our company. Our platform collects billions of security logs each day, providing insight across the network and within our infrastructure. We combine this data with external intelligence on attacks observed outside of our data centers and network.



For more than 60 years, Visa has placed the highest priority on security and privacy.



8 VISA

25 COUNTRIES

To date, we have implemented our sensory branding at more than 1 million points-of-sale in 25 countries



#### Brand

The Visa brand is one of our most critical and valuable assets, driving consumer preference and delivering added revenue for our clients and partners. We continue to invest, grow and evolve our brand. We were the first payment network to use sensory branding — sound, animation and haptic vibration cues that provide assurances that a completed transaction is a secure one. To date, we have implemented sensory branding at more than 1 million points of sale in 25 countries. Sensory branding will become increasingly important as we continue to evolve to a digital-first world.

Sponsorships are a cornerstone of our brand and relationship building strategy. In fiscal year 2019, we renewed our 25-year relationship with the NFL and continued our sponsorship of FIBA and the International Olympic Committee and the International Paralympic Committee. Visa is the only brand in the world that is a major sponsor of these properties, and is also the largest sponsor of women's football in the world.

The sponsorships are not only a great way to build our business, they are an ideal showcase for Visa innovations across the world. This opportunity will be on full display at the upcoming Olympic and Paralympic Games Tokyo 2020, where we will use our brand and technology to bring Japan's vision for the future of digital payments to life.

#### Talent

Since I became CEO of Visa three years ago, I have been consistently impressed by the quality, dedication and clear sense of purpose that everyone at the organization shares. We believe in investing in our people and providing all 19,500 of our employees with best-in-class benefits, compensation and training, ensuring everyone has the resources they need to be successful. Our U.S. retirement plan is in the 50th percentile for high-tech public companies, and we double employee contributions up to five percent of their salary. Critically, we are fully committed to wage equality, regardless of gender, ethnicity or race.



We are fully committed to wage equality.

## CHAIRMAN AND CEO LETTER

### Driving Purpose With Impact

At the heart of Visa's mission to enable individuals, businesses and economies to thrive is a commitment to deliver tangible societal value. Beyond the measurable benefits the migration to digital payments brings, Visa is investing considerable resources to make a positive impact in the world.

In fiscal year 2019, we continued our focus on women's empowerment by educating female consumers on financial issues and providing women entrepreneurs with the tools and training they need to succeed. In January 2019, we launched She's Next, Empowered by Visa, which connects women business owners to their communities, lending options and payment technologies through workshops, training and mentorship. To date, Visa has signed up and hosted women entrepreneurs at workshops across North America, including Atlanta, Los Angeles, New York City, Toronto and Washington D.C.



In addition to Visa doing its part to address the complex issues of climate change, both within our organization and beyond. Within Visa, we committed to transition to 100 percent renewable electricity by 2020 and are on track to meet that goal. We also helped launch Bonds for Good as well as the sustainable investment related Traveler's Initiative, and partnered on a 25-country 'Healthy & Sustainable Living Study' to enhance our efforts to inspire and empower sustainable living for all.

We complement all of our efforts by empowering all of our employees to give back to their local communities through donations of time, talent and funds. We accomplish this through our most beloved program, providing volunteer time off and Visa-organized team volunteer opportunities. In fiscal year 2019, approximately 4,500 Visa employees reported volunteering collectively almost 40,000 hours in their community, with a quarter of those taking advantage of the 16 hours of volunteer time off that Visa offers.



Visa has a rich legacy of aligning our business and our purpose

### Leading Through Change

The history of Visa is one of continuous progress and growth, and fiscal year 2019 was no exception. So that end, I want to pay tribute to someone who helped shape Visa for the last decade: Ellen Richey, who left Visa during the past year. It is an extraordinary individual who served Visa for nearly 12 years, most recently as Vice Chairman of Risk and Public Policy. I wish her all the best in her next endeavors. I am pleased that Vaiana Prabhu, our Chief Financial Officer, has stepped in to assume the role of Vice Chairman, and Paul D. Fabian has joined to fill the important position of Chief Risk Officer. Paul brings a wealth of experience to his role, most recently at American Express.

Finally, in light of their many contributions and the key role technology and product plays in the organization, Rajat Taneja was named President, Technology, and our Chief Product Officer, Jack Forestell, was promoted to Executive Vice President and joined our Executive Committee.

I want to end by thanking all of our stakeholders — clients, partners, shareholders, regulators and employees. Over the past year, we evolved our corporate strategy to lend greater focus, direction and agility to our culture to pursue growth. I am proud of this team and the results we delivered. However, even with all of our success, I challenge myself, and the entire organization, to think and work differently every day. Complacency is unacceptable. Only by pushing ourselves to innovate and disrupt will we continue to grow, ensuring Visa remains at the center of money movement globally and the best way to pay and be paid, for everyone, everywhere.

Alfred F. Kelly Jr.

Alfred F. Kelly Jr., Chairman and Chief Executive Officer

10 VISA



# Leadership

Presenting the composition and insights of the Executive Leadership team and the Board of Directors.

## Bank of America Annual Report 2019

The message from the Lead Independent Director links Bank of America's board to the business.

**A MESSAGE FROM LEAD INDEPENDENT DIRECTOR JACK BOVENDER (PAGES 7-8)**

<http://investor.bankofamerica.com/static-files/898007fd-033d-4f32-8470-c1f316c73b24>

### A message from Lead Independent Director Jack Bovender



Dear fellow shareholders,

As the lead independent director and on behalf of the independent directors of Bank of America Corporation, thank you for choosing to invest in Bank of America. The directors comprise individuals representing a diverse range of informed expertise. Sixteen of the 17 directors are independent; 65% have CEO-level experience; and 35% have senior executive experience at financial institutions.

Your board reviews and approves the company strategy as presented by the management team each fall. The directors oversee the execution of the strategy by engaging in a year-round strategic assessment and planning process. Throughout 2019, our dialogue at the board and with the company's management included regular review of the company's adherence to its tenets

of Responsible Growth, including risk management and environmental, social and governance practices. We remain abreast of developments in markets, the economy and geopolitical issues that may affect them. We discuss and assess trends in the financial services industry, all with an eye toward ensuring the long-term, sustainable value of the company.

I also meet regularly with shareholders and gather viewpoints that I share with the board. This direct engagement with shareholders provides feedback on executive compensation, capital allocation and other important matters. That feedback informs our board meeting agendas and helps enhance our governance discussions. You will find extensive discussion of all of these matters throughout this annual report and in our 2020 Proxy Statement. I encourage you to review this material carefully.

On behalf of the directors, I join Chairman and CEO Brian Moynihan and the management team in thanking you again for your investment in our company.

Sincerely,

*Jack D. Bovender, Jr.*

In the United States, one of the important ways we engage and share success in the communities we serve is through our market president organization. Our network of 90 market presidents is responsible for leading an integrated team to deliver for clients, teammates and the community, serving as the chief executive for Bank of America in that market. You will see a more detailed discussion of how our market president organization does this through the experience of **Raul Anaya**, our Los Angeles market president, on page 21.

### External recognition

Because of our investments in our capabilities and in our people, in 2019 we received recognition in many areas, including for our products and services, for our commitment to our team and to diversity and inclusion, and for our contributions addressing important societal priorities.

We are proud that Global Finance recognized Bank of America as the Best Bank in the World in 2019. In early 2020, Fortune named your company to its list of the 100 Great Places to Work, and as the only global financial services firm on its list of the top 18 Best Big Companies to Work For.

Also last year, our research team was recognized as Top Global Research Firm by Institutional Investor, an honor we held for most of the last decade, including each year from 2011 to 2016.

Global Finance also named Bank of America the Best Consumer Digital Bank in America and Money magazine ranked us the Best Bank for College Students. Reflecting our focus on managing risk well, for ourselves and for our clients, we earned prestigious recognition from Risk magazine, which named us Derivatives House of the Year, Equity Derivatives House of the Year and OTC Client Clearer of the Year.

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Despite headwinds that may arise from time to time, over the last decade we have built a strong, stable platform, with significant liquidity and capital, and we will remain resilient as we maintain disciplined focus on what we can control, which is embedded in delivering Responsible Growth.

As we look ahead to 2020 and beyond, we will maintain our focus on delivering Responsible Growth through disciplined adherence to the tenets I've discussed: by serving our clients, managing risk well and ensuring those results are sustainable through operational excellence, being a great place to work for our teammates, and sharing our success. The three-year company strategy that our board of directors reviewed in the fall of 2019 is based on continued adherence to this approach. And as always, we will continue to learn what is most important to those we serve by asking:

**What would you like the power to do?**

Let me know at [brian.t.moynihan@bofa.com](mailto:brian.t.moynihan@bofa.com)

*Brian Moynihan*

Brian Moynihan  
March 3, 2020

BANK OF AMERICA 2019 | 7



\*Represents a non-GAAP financial measure. For more information on these measures and ratios, and a corresponding reconciliation to GAAP financial measures, see Supplemental Financial Data on page 49 and Non-GAAP Reconciliations on page 101 of the 2019 Financial Review section.

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# Chevron 2019 Annual Report

The Q&A allows the Lead Director to present the Board's insights on topics that matter to Chevron's investors.

## LEAD DIRECTOR: ONE-ON-ONE (PAGE VIII)

<https://www.chevron.com/-/media/chevron/annual-report/2019/documents/2019-Annual-Report.pdf>

### lead director: one-on-one



Chevron's corporate secretary Mary Francis sits down with Chevron's lead independent director Ronald Sugar as he shares his insights on current events and topics that are top of mind for investors.



**Francis:** Chevron now ties executive compensation to specific greenhouse gas intensity reduction metrics. What prompted this change, and when will we know if it has been effective?

**Sugar:** This is a prime example of the accountability called for by the Board. The metrics are not only tied to compensation for executives, they affect compensation for nearly all employees, about 45,000 worldwide. The Board took this action to send a clear signal that lowering Chevron's carbon intensity is important. The four metrics are based on net greenhouse gas intensity, on an equity basis. Setting targets on an equity basis means that the measure includes all Chevron operated and non-operated production. A timeline of 2016-2023 is used to align with the period between the ratification of the Paris Agreement and the first "stocktake." We believe tying these metrics to compensation is an effective means to drive results, draw out the most innovative solutions, and align the daily work of employees to these metrics.

**Francis:** What was the Board's response to the company's fourth quarter 2019 impairments and write-down?

**Sugar:** The impairments and write-downs were a result of management's capital funding decisions. The funding decisions were driven by management's focus on assets that generate the highest returns for shareholders and demonstrate the company's commitment to capital discipline. Management made the decision, with the Board's support, to cut funding for certain assets, primarily the Marcellus and Utica shale, and the Kitimat LNG project, which could no longer compete for investment funds. Capital investment will instead be allocated to assets that are expected to generate higher returns. Impairment charges for other assets that remain in the portfolio were the result of a reduction in management's long-term outlook for commodity prices. It's ironic that the write-down is due in part to the energy industry's success in increasing production of affordable energy.

**Francis:** Forecasts indicate the low-price environment is likely to continue for the foreseeable future. How does the Board ensure Chevron's strategy will deliver value through a challenged business cycle?

**Sugar:** This is a complex business with long lead times, so the strategy must always focus beyond the current business cycle. Chevron does not base decisions on price forecasts, and certainly not near-term prices, alone. The company consults with experts and evaluates data on a variety of fronts — geopolitical, technological, societal and economic — to drive a strategy that is resilient to withstand the downturns and agile to capitalize on the upturns when the market shifts. This disciplined approach has resulted in Chevron being able to increase the annual per-share dividend payout again in 2019.

**Francis:** What is the Board's role in overseeing Chevron's transition to a lower carbon future?

**Sugar:** The Board provides guidance and oversight to management with respect to Chevron's strategy, including its strategy to navigate the energy transition (see *Board oversight discussion in 2020 Proxy Statement, pp. 20-22*). This means that the Board helps management determine how to position the company for success in a lower carbon future. It means we oversee Chevron's risk management policies, processes and practices related to climate change. And it means we must challenge the status quo. In 2018 and 2019, the Board participated in expanded strategic planning sessions that included third-party experts to discuss energy transition issues. As the International Energy Agency has stated, there is no single or simple solution to addressing climate change. The solutions will come from multiple points of innovation. Chevron's strategy to navigate the energy transition focuses on lowering its carbon intensity, increasing the use of renewables, and investing in breakthrough technologies. The Board asked management to develop metrics that demonstrate a commitment to transparency and accountability, and we worked with management to establish specific greenhouse gas intensity reduction metrics that encourage continuous improvement.

# Cisco 2019 Annual Report

Aside from Cisco's focus on diversity, inclusion, and collaboration, the diversity of the company's executive leadership team is also highlighted.

## LEADERSHIP (PAGE 7)

[https://www.cisco.com/c/dam/en\\_us/about/annual-report/cisco-annual-report-2019.pdf](https://www.cisco.com/c/dam/en_us/about/annual-report/cisco-annual-report-2019.pdf)

Cisco 2019 Annual Report 7

## Leadership

### Cisco's executive leadership team



**Chuck Robbins**  
Chairman and Chief Executive Officer



**Mark Chandler**  
EVP, Chief Legal Officer, and Chief Compliance Officer



**Amy Chang**  
EVP and General Manager, Cisco Collaboration



**Gerri Elliott**  
EVP and Chief Sales and Marketing Officer



**David Goeckeler**  
EVP and General Manager, Networking and Security Business



**Anuj Kapur**  
SVP and Chief Strategy Officer



**Francine Katsoudas**  
EVP and Chief People Officer



**Kelly A. Kramer**  
EVP and Chief Financial Officer



**Stella Low**  
SVP and Chief Communications Officer



**Maria Martinez**  
EVP and Chief Customer Experience Officer



**Mark Patterson**  
SVP and Chief of Staff to the Chairman and CEO



**Irving Tan**  
EVP and Chief of Operations

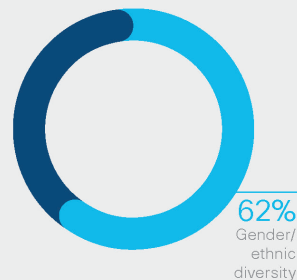


**Michael Timmeny**  
SVP and Chief Government Strategy Officer

### Diverse leadership

At Cisco, diversity, inclusion, and collaboration are fundamental to who we are, how we create the best teams, and how we drive success. A diverse workplace creates a vibrant culture where everyone is welcomed, respected, valued, and heard.

Cisco has signed the CEO Action for Diversity and Inclusion™ pledge. We are delivering on our vision of accelerating full-spectrum diversity—including gender, age, race, ethnicity, orientation, ability, nationality, religion, veteran status, background, culture, experience, strengths, and perspectives. It starts at the top, where 46% of our Executive Leadership Team (ELT) are women and 62% are diverse in terms of gender or ethnicity, making Cisco an industry leader in ELT diversity.



### Leadership@Cisco

Learn more about Cisco's Executive Leadership Team at

<https://newsroom.cisco.com/exec-bios>



# Dow Annual Report 2019

The presentation of Dow's Leadership Team and Board of Directors features the gender and racial/ethnic diversity of the members of the Leadership Team, as well as the diversity of the Board of Directors.

## LEADING FOR SUCCESS (PAGES 4-5)

[https://s23.q4cdn.com/981382065/files/doc\\_financials/2019/oar/DowAnnualReport2019\\_AR-Download.pdf](https://s23.q4cdn.com/981382065/files/doc_financials/2019/oar/DowAnnualReport2019_AR-Download.pdf)



Dow Leadership Team, left to right: Melanie Kalmar, Karen S. Carter, Jack Broodo, Torsten Kraef, Diego Donoso, Howard Ungerleider, Jim Fitterling, Mauro Gregorio, Amy Wilson, Peter Holicki, A. N. Sreeram, Neil Carr, Jane Palmieri

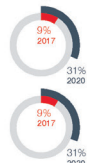
## Leading for Success

Strategic, transparent and responsible leadership is instrumental in driving both near- and long-term value. It not only forms the foundation for lasting success but is important for strengthening the trust of our stakeholders. Meet our Leadership Team.

### Leadership Team Diversity

Female representation among our Leadership Team has increased from 9% to 31%.

The percentage of U.S. minorities on our Leadership Team has increased from 9% to 31%.



### Dow Leadership Team

**Jim Fitterling**  
Chief Executive Officer

**Howard Ungerleider**  
President and Chief Financial Officer

**Jack Broodo**  
President, Feedstocks & Energy

**Neil Carr**  
President, Europe, Middle East, Africa and India

**Karen S. Carter**  
Chief Human Resources Officer and Chief Inclusion Officer

**Diego Donoso**  
President, Packaging & Specialty Plastics

**Mauro Gregorio**  
President, Performance Materials & Coatings; Latin America oversight

**Peter Holicki**  
Senior Vice President, Operations, Manufacturing & Engineering

**Melanie Kalmar**  
Corporate Vice President, Chief Information Officer and Chief Digital Officer

**Torsten Kraef**  
Senior Vice President, Corporate Development

**Jane Palmieri**  
President, Industrial Intermediates & Infrastructure; Asia Pacific oversight

**A. N. Sreeram**  
Senior Vice President, Research & Development and Chief Technology Officer

**Amy Wilson**  
General Counsel and Corporate Secretary  
(As of February 14, 2020)

CEO LETTER

CORPORATE GOVERNANCE

AMBITION

2019 HIGHLIGHTS

1. Independent and active board leads to performance and shareholder value. Our goal is to build a board with: expertise in fields that are different from our own; experience, and a range of tenures. In 2019, four new independent directors

### A Diverse and Independent Board

Metric	2019	2018
Independent directors:	91%	10/11
Public company CEO/CFO experience:	82%	9/11
Public policy experience:	45%	5/11
Technology/science expertise:	45%	5/11
New independent directors:	36%	4/11
Female directors:	27%	3/11
Ethnic/racial diversity:	27%	3/11

More information on Dow's corporate governance, including Dow's corporate governance guidelines, Board Committee charters and Code of Conduct, is available at [investors.dow.com](https://investors.dow.com).

(As of February 14, 2020)

Dow Board of Directors, left to right: Wesley G. Bush, Jacqueline C. Hinman, James A. Bell, Ruth G. Shaw, Jeff M. Fettig, Jim Fitterling, Ajay Banga, Jacqueline K. Barton, Samuel R. Allen, Daniel W. Yohannes, Richard K. Dancie



# Wells Fargo 2019 Annual Report

The letter from the Wells Fargo Chair of the Board focuses on the search for the company's new CEO, new Board members, and creating long-term shareholder value.

## LETTER FROM CHAIR OF THE BOARD (PAGES 2-7)

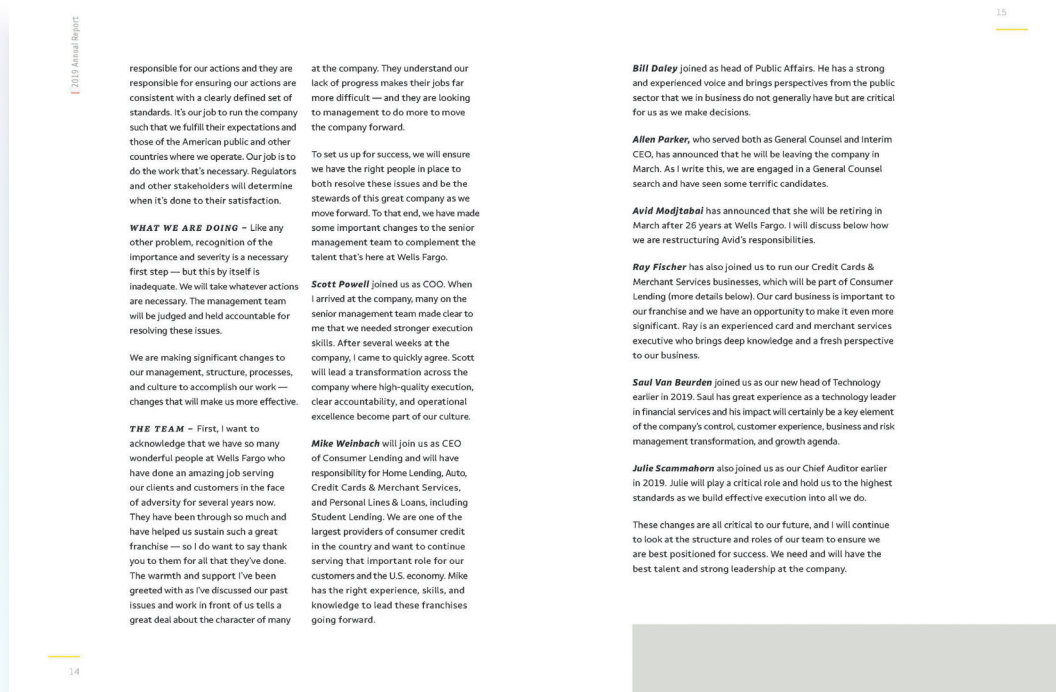
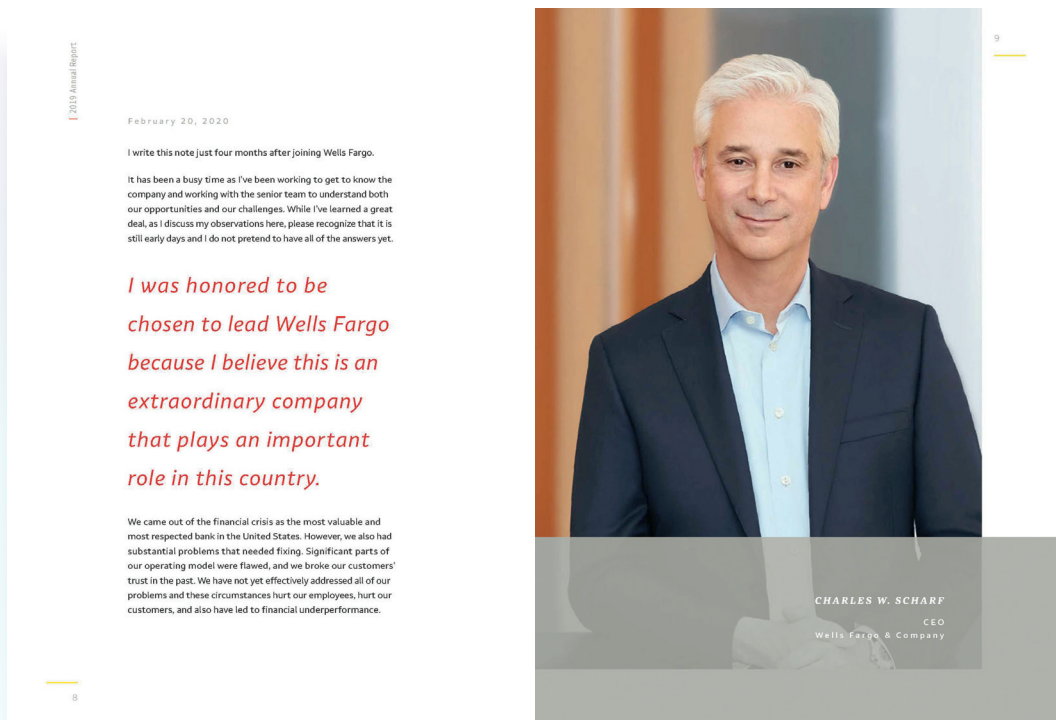
<https://www.O8.wellsfargomedia.com/assets/pdf/about/investor-relations/annual-reports/2019-annual-report.pdf>



In his letter, the new CEO addresses the changes to the senior management team.

## LETTER FROM CEO (PAGES 8-9, 14-15)

<https://www08.wellsfargomedia.com/assets/pdf/about/investor-relations/annual-reports/2019-annual-report.pdf>





Presenting how companies address sustainability of their business, corporate citizenship, human capital management, and future plans for their businesses.

## Bank of America Annual Report 2019

A Q&A with Bank of America's Vice Chairman discusses how the company's sustainability initiatives align with the United Nations Sustainable Development Goals.

### Q&A WITH VICE CHAIRMAN ANNE FINUCANE (PAGES 24-26)

<http://investor.bankofamerica.com/static-files/898007fd-033d-4f32-8470-c1f316c73b24>

#### Addressing society's biggest challenges

Q&A with Vice Chairman Anne Finucane

The Sustainable Development Goals (SDGs) are the world's roadmap to a sustainable future. The SDGs give governments, the private sector, foundations, and others a framework to prioritize resources and policies toward goals we all share: prosperity, equality, human rights, and a sustainable, clean energy future. **Brian Moynihan** lays out in these pages the ways that the private sector can align business operating models with investors seeking to drive capital toward companies that are making progress on the SDGs.

At Bank of America, sustainability is a central characteristic of our operating model. This includes our core financing and advisory capabilities for our clients, how we manage our own operations—our New York headquarters at One Bryant Park was the first Platinum certified LEED skyscraper in the world—our global workplace practices and our philanthropy. By aligning all of our capabilities, we create the scale needed to drive capital toward the world's most important priorities as defined in the SDGs: climate change, affordable housing, clean water and equal access to opportunities for prosperity.



#### Q: How are we driving progress on the United Nations Sustainable Development Goals?

**Answer:** To sharpen our focus on bringing even more business solutions to this work, we recently established a Sustainable Markets Committee, co-chaired by Chief Operating Officer **Tom Montag** and me, to accelerate our progress, identify new opportunities and build upon our work in sustainable finance in particular. While we already are making great progress—we are the largest underwriter of green bonds in the world for instance—the Sustainable Markets Committee will help us expand on that to identify even more opportunities to develop products, capabilities and services in support of our clients as we work together to help realize the achievement of the SDGs.

#### Q: How have we accelerated progress on specific SDGs?

**Answer:** Last year, Bank of America directed more than \$50 billion in capital toward activities that support achievement of the SDGs. I'll highlight a few:



**Affordable and Clean Energy (SDG7) and Clean Water and Sanitation (SDG6):** From 2007 through the end of 2019, we will have financed more than \$445 billion to low-carbon, sustainable business activities in support of energy efficiency, renewable energy and sustainable transportation, and in other areas including water conservation, land use and waste. In our own operations, we are carbon neutral as of 2020.



**Sustainable Cities and Communities (SDG11):** Between 2005 and 2019, we have financed more than \$4.88 billion in affordable housing and community development and more than 8,500 affordable housing units.



**Gender Equality (SDG5):** We support equal pay for equal work. At our company, compensation received by women on average is greater than 99% of that received by men, and compensation received by people of color on average is greater than 99% of non-people of color, as validated by third-party analysis. In addition to compensation, our ongoing work to invest in women as they make meaningful contributions within our company and in our communities includes our focus on being a great place to work for our female clients better, and advancing the economic empowerment of women around the world.



**Zero Hunger (SDG2), Quality Education (SDG4) and Reduced Inequalities (SDG10):** We invested nearly \$250 million in 2019 in global philanthropic giving to advance economic mobility—with \$2 billion in giving since 2009. For example, since 2015, across the globe we've invested nearly \$50 million in support of hunger relief, and \$245 million to advance skill building and jobs for young adults and those with barriers to employment, including addressing issues affecting social justice and racial and gender inequality.



**Quality Education (SDG4):** We invested nearly \$250 million in 2019 in global philanthropic giving to advance economic mobility—with \$2 billion in giving since 2009.

**Reduced Inequalities (SDG10):** We invested nearly \$250 million in 2019 in global philanthropic giving to advance economic mobility—with \$2 billion in giving since 2009.

These are just some of many examples of how we bring our full company and broader influence to address these 17 critical goals.

#### Q: How are you engaging with others externally to drive this work?

**Answer:** We drive global collaboration to address these major societal challenges by engaging with external stakeholders. **Brian Moynihan** discusses in his letter the work he is doing at the International Business Council of the World Economic Forum to develop standardized metrics that define sustainable business practices. We also are working with the World Bank and Stanford University to develop financial vehicles that will deploy greater capital to support the SDGs and close the funding gap. We are working with the Vatican, the United Nations and the Prince of Wales to help harness the power of the capitalist system to be able to address society's needs. In the U.S., our **National Community Advisory Council (NCAC)** consists of senior leaders from social justice, consumer advocacy, community development, environmental, research and advocacy organizations who provide external perspectives, guidance and feedback on our business policies and practices. Our work in these areas is recognized by others: In 2019, we were named to the CDP A list for leadership in addressing climate change. This was our ninth year as a CDP-recognized leader. And for the sixth straight year, we were recognized for ESG leadership on the Dow Jones Sustainability Index (DJSI) World Index.

In addition to the work I'm describing here, please see the following pages for additional examples of the progress we are making.

*“We are addressing some of society's greatest challenges by helping align the various sources of capital—from the business community, the public sector, and philanthropy—with all of Bank of America's financial capabilities and talent, calling on the expertise of our teams and the passion of our employees around the globe.”*

## CVS Health 2019 Annual Report

CVS Health features an overview of the company's priorities in their new CSR strategy, "Transform Health 2030."

**TRANSFORM HEALTH 2030 (PAGE 8)**

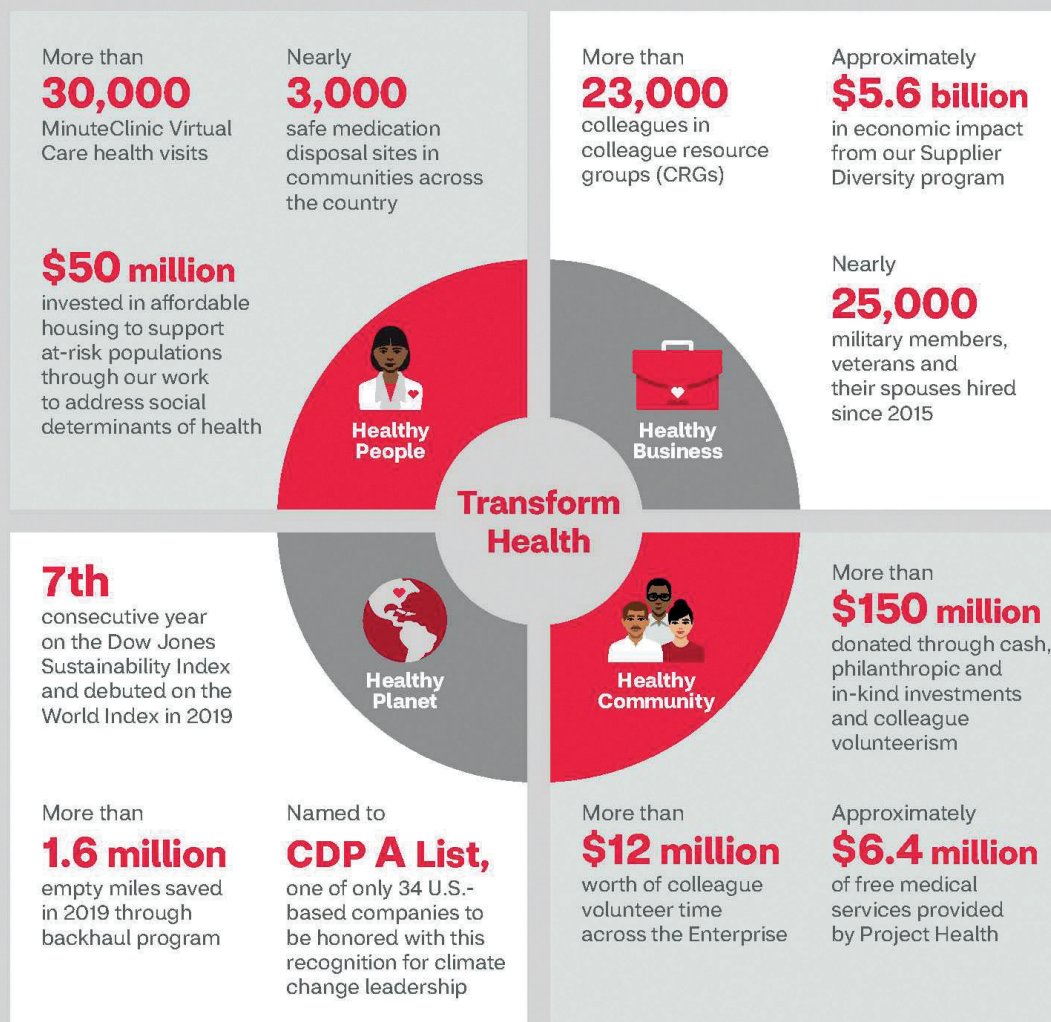
[https://s2.q4cdn.com/447711729/files/doc\\_financials/2019/annual/FINAL-CVS-AR-bookmarked.pdf](https://s2.q4cdn.com/447711729/files/doc_financials/2019/annual/FINAL-CVS-AR-bookmarked.pdf)

### Transform Health 2030

#### New CSR priorities reflect CVS Health's transformation.

CVS Health has long made corporate social responsibility (CSR) a priority, and our efforts have yielded positive results ranging from providing free health screenings to underserved populations to youth smoking prevention and education, disaster relief, support for veterans and workplace diversity. With the addition of Aetna, we have taken steps to refine and extend our CSR strategy over the next decade.

Our new CSR strategy, Transform Health 2030, is grounded in four pillars: Healthy People, Healthy Business, Healthy Community and Healthy Planet. It conveys our mission to use our scale, expertise and innovative spirit to transform the health care experience and invest in community health at the local level. Learn more at [CVSHealth.com/CSR](https://CVSHealth.com/CSR) and by downloading our *CVS Health 2019 Corporate Social Responsibility Report*.





# Dow Annual Report 2019

Dow's annual report features content related to sustainability, from the innovative and sustainable solutions that their products and services offer to their community and environmental initiatives.

**HOW CAN DOW'S MATERIALS SCIENCE ENABLE A BETTER FUTURE (PAGE 6)**  
**ENGAGING OUR PEOPLE AND COMMUNITIES (PAGES 8-11)**

[https://s23.q4cdn.com/981382065/files/doc\\_financials/2019/oar/DowAnnualReport2019\\_AR-Download.pdf](https://s23.q4cdn.com/981382065/files/doc_financials/2019/oar/DowAnnualReport2019_AR-Download.pdf)

## How Can Dow's Materials Science Enable a Better Future?

Our innovative, sustainable solutions make lives better. From the buildings where we live and work to the packaging on grocery shelves to the shoes we wear, Dow is there.

**Personal Care**  
Bio-based and biodegradable **MaizeCare™ Style Polymer** is sourced from non-GMO corn and delivers curl retention and frizz control for haircare.

**Architectural Coatings**  
**Dow PRIMAL™ Bio-based Acrylic Emulsions** are produced with carbon from plants, enable paints with ultra-low odor and low VOC, and help remove formaldehyde – to improve indoor air quality.

**High-Performance Building**  
**DOWSIL™ Silicone Adhesives** are helping protect skyscrapers around the world and save energy by providing a durable and flexible bond for modern glass façades.

**Furniture & Bedding**  
Our **RENUVA™ Mattress Program** brings together recycling companies and value chain participants to build a business ecosystem that turns end-of-life mattresses back into valuable raw materials.

**5G**  
**DOWSIL™ TC-301 Re-workable Thermal Gel** enable reuse and recycling of smartphones while addressing their critical thermal management needs.

## Engaging Our People and Communities

To compete, lead and contribute to the well-being of people and the planet, we need diverse voices, ideas and perspectives to help us arrive at the best solutions possible.

### Attracting and Developing a Diverse Workforce

In 2019, we continued to make progress in key areas of our inclusion & diversity (I&D) strategy:

**emerge**  
be the movement

Our second all-ERG conference connected the work of Dow's employee resource groups (ERGs) to our ambition to become the most innovative, customer-centric, inclusive and sustainable materials science company in the world.

Addressing diversity gaps in employee perception as expressed in Dow's global employee opinion survey:



Activating Employee Resource Groups:  
10% increase in employee participation in ERGs from 2018.

More than 40% of our employees participated in our Employee Resource Groups (ERGs) in 2019. Our 10 ERGs act as catalysts to drive culture change and business results, while also contributing to employee development.

**500**  
alliances selected from

To help us gather better insights and drive meaningful change, we revamped our all-employee survey – named Voice.

OVERVIEW FINANCIAL HIGHLIGHTS CEO LETTER CORPORATE GOVERNANCE **AMBITION** 2019 HIGHLIGHTS

### Making a Positive Impact on Our Communities

Our global citizenship efforts apply our innovative technology, employee expertise and passion, and culture of inclusion to generate transformational and positive change.

#### Focus Areas:

**Advancing Sustainable SOLUTIONS**

We're using our science and expertise to contribute to collaborations that are helping solve global challenges.

**Turning Trash into Cash**  
Through our Business Impact Fund, we teamed up with the non-profit WILDTURST to empower local "wastepreneurs" in South Africa to generate income by collecting, sorting and recycling waste. Dow also is funding the expansion of WILDTURST's recycling villages, which include collection points in schools, shopping centers and other public areas – making it easier to recycle. To date, more than 715 wastepreneurs have participated in the initiative, generating reliable income for them and ensuring waste materials get to the collection points so they can be reprocessed.

**Building Inclusive COMMUNITIES**

To help advance inclusion and strengthen communities, we help equip community influencers to address diversity-related challenges and support organizations that respect unique differences and perspectives.

**Going "All In" with Inclusion**  
Our employees are not only making our company a better and more inclusive place to work, but they are also making our communities kinder and more inclusive places to live. In 2019, we launched the ALL IN ERG Fund. This program offers up to \$200,000 of seed funding to activate Dow's ERG participants in developing innovative programs with external organizations that help solve I&D needs in communities.

**Developing Tomorrow's INNOVATORS**

To ensure a diverse and ready workforce for tomorrow, we are committed to increasing student preparedness in skilled trades, engineering and chemistry, while also cultivating behaviors focused on inclusion, innovation and sustainability.

**Using Robots to Bring STEM to Life**  
Since 2014, more than 200 FIRST Robotics youth teams across six countries have been launched in Dow communities. Most of these teams are mentored by Dow STEM Ambassadors – employee volunteers who spark students' curiosity in STEM through robots, competition and teamwork. Dow also provides financial and technical support for teams.



**350 MT**  
of plastic diverted from landfills and 8 recycling villages upgraded or expanded



**~150**  
projects submitted to ALL IN ERG Fund in first year



**>200**  
FIRST Robotics teams launched in Dow communities since 2014

Achieving targeted premier recognition globally:  
#37 on DiversityInc's Top Companies for Diversity list – up 13 spots from 2018.

We were recognized as a top company for diversity and among the best places to work for disabled and LGBTQ employees in 2019.

globally and across multiple dimensions of

Our goal is to hire and promote the best talent everywhere in the world. Although we've significantly increased representation of women and minorities among our executive leadership and Board of Directors, we're working to achieve better representation at all levels of the company. In 2019, we launched Advocacy in Action, a new talent development program that pairs African American protégés with senior leader sponsors to drive career achievement.

Dow Annual Report

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# Accelerating the Transition to a More Sustainable Planet

Together, with our customers and collaboration partners – and guided by our 2025 Sustainability Goals – we are seeking to make a more sustainable planet.

## Dow's Areas of Focus: Collaborating for Change

Our focus is on three sustainability areas that are critical to our business and where we believe we can make a difference.



### Circular Economy

In 2019, we:

- Became a **founding member of the Alliance to End Plastic Waste**, in which more than 40 companies have committed to invest \$1.5 billion in various projects and partnerships, mainly in Asia and Africa.
- Were named to **Fortune's 2019 "Change the World" list** of companies for our use of recycled plastics in roads. To help improve infrastructure and find new uses for plastic waste, we are working with partners across the world to make polymer-modified asphalt roads with recycled plastic. The results are roads that are less costly and more durable than conventional highways.



### Climate Protection

In 2019, we:

- Initiated a **Carbon Challenge Award with the U.S. Green Building Council** to recognize buildings that have reduced carbon emissions and improved energy efficiency.
- Are producing a **100% renewable-energy-made polyethylene** at our Freeport, Texas, site that results in 13.8 fewer greenhouse gas emissions per pound than the industry average. As part of our 2025 Sustainability Goal on World-Leading Operations Performance, we are targeting to obtain 750 MW of our power demand from renewable resources by 2025 – and today are an industry leader with 700 MW.



### Safer Materials

In 2019, we:

- Hosted our **first customer Sustainability Academy** in China to generate ideas for innovative sustainability projects.
- Were awarded the **2019 Sustainability Champion Award from Green Chemistry & Commerce Council (GCC3)** for our leadership in value chain outreach and development of sustainable materials.
- Expanded our **award-winning Product Stewardship Academy** in Africa and the Middle East. The program proactively engages customers to increase product safety.



**100 kilometers**

of "plastic roads" built globally have diverted nearly 200 MT of plastic from landfills to date



**30%**

of our electricity needs at our four Texas manufacturing sites is sourced from wind power

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OVERVIEW FINANCIAL HIGHLIGHTS CEO LETTER CORPORATE GOVERNANCE **AMBITION** 2019 HIGHLIGHTS

Sustainable

## Partnering to Tackle Plastic Waste

Across the world, we are collaborating with a variety of stakeholders to help find answers to the plastic waste challenge. Where others see plastic waste, we see value.



**Hefty® EnergyBag® Program:** Teaming up with Keep America Beautiful, Reynolds Consumer Products and municipalities to collect hard-to-recycle plastics at curbside and convert them into valuable resources such as fuels.

**Operation Clean Sweep:** Implementing this American Chemistry Council initiative at our manufacturing sites to prevent the loss of plastic pellets into the environment.



**Extended Plastics Partnership for Innovation in Circularity:** Working with UK retailer M&S and Wastebuster to turn recycled plastic food packaging into rigid panels used for playground equipment and other items.

**Alternative Feedstocks:** Working with Fuhrer Ecology Group and UPM Biofuels to produce plastics using feedstocks made from hard-to-recycle plastics and wood pulp residue.



**Project MASARO:** Collaborating on a pilot project to introduce a closed loop waste management system at a boarding school in Indonesia.

**Circular Capital Ocean Fund:** Founding investor in the world's first investment fund dedicated to addressing Asia's plastic crisis.



**Global**  
**#PullingOurWeight Campaign:** In 2019, more than 16,000 employees, families and friends participated in 175 cleanups globally, removing more than 175,000 pounds of trash from beaches and waterways.



**Recycled Bricks for Schools:** Collaborating with Conceptos Plásticos in Colombia to build classrooms using bricks made from recycled plastics.



**Recycling for a Change:** Working with Boomer and Fundación Avina in Brazil to enable waste picker cooperatives to become more productive and profitable.



**Project Butterfly:** Helping to improve waste management and boost economic opportunities by educating communities and kick-starting recycling collections in South Africa, Kenya, Nigeria, Algeria and Ethiopia.



**Alliance to End Plastic Waste Project:** Contributing funding, materials, logistics capabilities and technical expertise to Renew Oceans in India, to help stem the 1.2 billion pounds of plastic waste from entering the Ganges River yearly.

Dow Annual Report

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# ExxonMobil 2019 Summary Annual Report

ExxonMobil provides an overview of how the company is meeting the world's energy needs while reducing emissions.

## ENERGY OVERVIEW (PAGES 8-9)

<https://corporate.exxonmobil.com/-/media/Global/Files/investor-relations/annual-meeting-materials/annual-report-summaries/2019-Summary-Annual-Report.pdf>

EXXONMOBIL 2019 SUMMARY ANNUAL REPORT | ENERGY OVERVIEW

### MEETING THE WORLD'S GROWING ENERGY NEEDS WHILE REDUCING EMISSIONS<sup>1</sup>

Addressing the dual challenge of providing energy while managing emissions requires a long-term perspective, competency in fundamental science and engineering, and significant investment. ExxonMobil has a 135-year history as an energy innovator and is committed to doing its part to help society address this critical challenge.

ExxonMobil continues to make progress on our long-term plans. We do so with a commitment to develop new resources to ensure the world has the energy it needs while also minimizing the environmental impacts, including the risks associated with greenhouse gas emissions and climate change.

ExxonMobil is playing an important role in helping to reduce climate risks through our commitment to manage operational emissions; produce cleaner, more advanced products; conduct fundamental research into advanced technology solutions; and engage in climate policy discussions.

Over the past two decades, ExxonMobil has invested nearly \$10 billion in technology and programs to reduce emissions, resulting in highly efficient operations that have eliminated or avoided more than 400 million tonnes of CO<sub>2</sub>-equivalent emissions.



#### Near-term actions the company is taking to prepare for a lower-carbon future include:

- Expanding supplies of cleaner-burning natural gas
- Improving energy efficiency in operations
- Operating and investing in carbon capture and storage (CCS)
- Reducing flaring and methane emissions from operations
- Developing products – such as premium lubricants, lightweight plastics, and special tire liners – to help consumers improve efficiency and reduce emissions
- Supporting effective climate policy to address the risks related to climate change

#### Longer-term efforts include:

- Progressing advanced biofuels from algae and cellulosic biomass for commercial and petrochemicals
- Researching breakthroughs to improve the commercial viability of CCS for power and industrial applications
- Developing new and efficient technologies that further reduce emissions in refining

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### EXISTING OPTIONS HAVE LIMITATIONS<sup>1</sup>

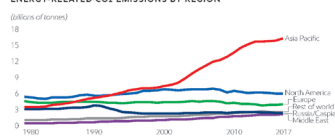
ExxonMobil is uniquely positioned to make significant contributions in the global effort to reduce emissions. By leveraging our deep scientific expertise, we are developing technologies that address the highest-emissions sectors. These sectors – power generation, industrial, and commercial transportation – collectively account for 80 percent of energy-related CO<sub>2</sub> emissions, and there are currently gaps in the technology-solution set limiting broad deployment.

Existing alternatives, such as vehicle electrification and power generated from wind and solar, play an important role in reducing emissions, but only offer partial solutions. Assuming the full electrification of the light-duty vehicle fleet by 2040, global energy-related CO<sub>2</sub> emissions could potentially be reduced by about 5 percent.<sup>2</sup> Every source of energy has challenges, some of which are noted in the table below. Technology advances are needed to address the significant emissions that would remain even

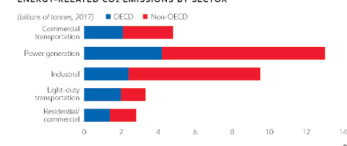
if society fully leveraged vehicle electrification and power generation from wind and solar. Importantly, solutions need to be affordable to encourage broad adoption, especially in developing countries where economic growth leads to increased energy use. The chart at bottom left illustrates the impact of the economic expansion in Asia Pacific and the associated energy-related CO<sub>2</sub> emissions increase, compared with more mature economies in Europe and North America.

	NATURAL GAS / OIL	COAL	SOLAR / WIND
ADVANTAGES	• Energy dense • Affordable • Easily transportable	• Energy dense • Affordable • Easily transportable	• Low emissions • Renewable • Operating costs
CHALLENGES	• Emissions	• Emissions	• Intermittency • Transportability • Geographic compatibility
PERSPECTIVE	Oil and natural gas represent 55% of global energy sources and about 35% of greenhouse gas emissions. <sup>3</sup>	Coal for power generation represents more than 25% of global energy-related CO <sub>2</sub> emissions. Natural gas could cut these nearly in half. <sup>4</sup>	A 737-800 commercial aircraft would require about 10 times its empty weight in batteries to fly for five hours. <sup>5</sup>
ADVANCES REQUIRED	More efficient carbon capture and storage (CCS), biofuels, and energy-efficient manufacturing	More efficient CCS and pollutant mitigation	Long-duration, high-capacity storage solutions

#### ENERGY-RELATED CO<sub>2</sub> EMISSIONS BY REGION



#### ENERGY-RELATED CO<sub>2</sub> EMISSIONS BY SECTOR



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# The Travelers Companies 2019 Annual Report

Travelers features “The Travelers’ Promise” of taking care of their customers, communities and employees. The annual report also features the company’s approach to the changing climate conditions.

## THE TRAVELERS PROMISE (PAGES 10-15)

[http://investor.travelers.com/interactive/newlookandfeel/4055530/TRV\\_2019\\_Annual\\_Report.pdf](http://investor.travelers.com/interactive/newlookandfeel/4055530/TRV_2019_Annual_Report.pdf)



### The Travelers Promise: Taking Care of Our Customers, Our Communities and Our Employees

The Travelers Promise is our commitment to take care of our customers, our communities and our employees. This includes providing our customers with the security they need to invest in their families and businesses and being there to help them recover after a disaster. It also includes caring for the communities in which we live and work through good times and bad. We do this by supporting academic and career success, and by promoting the development of thriving neighborhoods and enriched communities. Finally, it is about making Travelers a great place to work for the best talent in the industry and a great partner for our agents and brokers. In the end, the Travelers Promise is about taking care of the people we are privileged to serve.



#### Taking Care of Our Customers

**Helping Our Customers Protect What Is Important to Them**

We provide coverages our customers need to protect the things that are important to them – their homes, their cars, their valuables and their businesses. We are developing products and services to meet consumers where they are, and we are creating solutions that put our expertise directly in the hands of our customers. By providing the protections our customers need in a simple, straightforward manner, we are giving them the confidence to achieve their personal and business goals – whether that means a bigger car for a growing family or a bigger help for a growing business. Below are a few examples of how we help our customers protect what is important to them.

**Our new Quantum Home 2.0® product.** In 2019, we continued the successful rollout of our Quantum Home 2.0 product, which is now available in 36 states and the District of Columbia. Through its rebuilt quote and issue system, Quantum Home 2.0 makes it easier than ever to tailor flexible and cost-effective coverage packages and specialty options for home and condo owners, tenants and landlords. Its granular pricing segmentation, customizable coverages and ease of quoting offer a sophisticated and simple solution that delivers value to both customers and agents.

**Travelers BOP 2.0.** In 2019, we began the last Owner Policy) 2.0 product. With input from the quoting experience faster and easier with questions, more customer information prefill classifications. We also adjusted our pricing, and provided flexible offerings that allow agents in a way that best meets the needs of our customers.

**Mobile risk management app for business Toolworks®** mobile app helps customers protect their employees safe by providing real-time risk management tools and resources that help

workplace hazards, track safety tasks and evaluate safety considerations, among other things. For example, using can access Travelers’ online construction vibration which is designed to help identify potential ground vibration risks. ZoneCheck centralizes ground vibration data for construction equipment just a few inputs, ZoneCheck calculates how it extend to surrounding structures or people in refine preconstruction surveys and develop m against damage caused by vibration-generation

**Helping Our Customers and Their Employees**

We offer various products and services designed wellness of our customers and their employees safety and ensure that when work-related injuries employees can return to work as soon as they examples of how our innovative products help employees stay healthy.

**Early Severity Predictor®.** By analyzing claim Early Severity Predictor model to help forecast the are the most at risk for chronic pain and t Since its inception in 2015, our Early Severity more than 65,000 injured employees, resulting in surgeries performed and opioids prescribed rapid return to work by impacted employees, resulted in loss cost savings of more than \$15 this model to 100% of the workers compensation we receive.

**MyTravelers® for Injured Employees.** In response needs of our customers and their injured employees number of investments in our workers compensation model, TravComp®. For example, we introduced compensation claim portal, MyTravelers for In

**Helping Our Customers Through a Loss**

Whether an insurance policy is sold to an individual or a business, the policy represents our promise to be there for our customers in the event of a covered loss. Making sure our customers understand the scope of their coverage is an important part of our claim process – a process that also includes sharing timely identification and communication of applicable coverages and limits. For certain claim types, our dedicated loss consultants are available to provide our customers with information about coverages, deductibles and the probable impact to loss history before a claim is filed to help them make an informed decision that is in their best interest. The following examples illustrate how we are using technology to help our customers through a loss.

**Using Smartphones for Quicker, Safer Claim Inspections**

Thanks to innovative virtual inspection and measurement technology, we are able to transform smartphone photos of a property into an accurate, three-dimensional model so that our claim professionals can easily inspect property damage without climbing ladders, and our policyholders can provide information without having to schedule an on-site inspection. In other words, we are creating a faster and easier claim process for our customers, and a safer environment for our employees.

**Using Satellite and Geospatial Technology to View Disaster Areas**

The Travelers Catastrophe Map Viewer provides agents and brokers with searchable, high-resolution before-and-after images of areas affected by disasters. This new capability also provides our claim professionals with the ability to quickly assess damage and begin the claim process – often before physical access to the affected area is possible.

**Wildfire Loss Prevention and Recovery**

We have developed several new Travelers products and services to help our customers mitigate wildfire risk and recover more quickly from wildfire damage. As just one example, we are working with Wildfire Defense Systems (WDS) to give California home and landlord policyholders an added layer of wildfire protection at no additional cost. WDS uses proprietary forecasting and threat analysis to identify which Travelers customers could be impacted by a wildfire, and then assists them in taking preventive measures.

**Taking Care of Our Communities**

Travelers can only have a thriving, sustainable business if our communities are thriving, too. To that end, our connection to the community is fundamental to our company, and it is one of the reasons we work to foster resilience and opportunity in the communities we serve. Below are highlights from our community-focused initiatives.

**Travelers EDGE®: Transforming Tomorrow's Workforce**

Our signature career pipeline program, Travelers EDGE (Empowering Dreams for Graduation and Employment), aims to increase the number of underrepresented students who complete a bachelor's degree and are prepared for a career at Travelers or elsewhere in our industry. Since its inception in 2007, Travelers EDGE has provided financial support, professional development and mentoring to more than 500 students.

**Building FORTIFIED Homes**

Several years ago, we joined forces with Habitat for Humanity® and the Insurance Institute for Business & Home Safety to build affordable, wind-resistant homes to FORTIFIED Home™ standards throughout the United States. In 2019, we expanded that program to include a FORTIFIED building pilot with SBP (formerly the St. Bernard Project), a nonprofit organization that works to shorten the time between disaster and recovery. Through these partnerships, we have helped build nearly 100 FORTIFIED homes for low-income families. In addition, data gathered from the FORTIFIED program helps promote better building codes in hurricane-prone regions and demonstrate the affordability of building to FORTIFIED standards.

**Rewarding Leadership in Community Response**

Travelers is committed to raising awareness about disaster preparedness and the importance of improving response-and-recovery actions after major events. To that end, we offered a \$100,000 Travelers Excellence in Community Resilience Award through our charitable giving arm, the Travelers Foundation, and our public policy division, the Travelers Institute®. In 2019, we were pleased to present the award to Rebuilding Together, Inc., to support the launch of the organization's new program aimed at educating communities about the essentials of safely restoring homes after disasters.

**The Travelers Promise:  
Taking Care of Our Customers, Our Communities and Our Employees**

**Team Rubicon Sponsorship**

Travelers is the exclusive insurance sponsor of Team Rubicon's Mobile Training Center, which provides large-scale training events, recruits volunteers and establishes relationships with state and local emergency management agencies to help communities across the United States prepare for, and recover from, catastrophes. Throughout 2018 and 2019, Travelers provided funding for Team Rubicon to begin scaling its rebuild program, which focuses not only on large catastrophes but also on low-attention disasters – that is, devastating weather events that impact communities but are not large enough in scale to draw media attention and resources from the government and philanthropic organizations.

**Empowering Small Business Owners**

The Travelers Small Business Risk Education (SBRE) program leverages our employees' expertise to help women-, minority- and veteran-owned small businesses learn about risk management and business continuity, develop safety risk management plans and qualify for microloans. During 2019, nearly 500 entrepreneurs attended our SBRE workshops. We also launched a partnership with the venture capital firm Village Capital to provide investment readiness and risk management education through the SBRE curriculum to six diverse entrepreneurial support organizations focused on social enterprise, innovation and access to capital.

**Combating Distracted Driving**

The Travelers Institute has long recognized that every driver, passenger, cyclist and pedestrian has a role to play in enhancing roadway safety. To that end, in 2017, the Travelers Institute launched the Every Second Matters® education campaign to help combat distracted driving. The campaign is founded on three key principles: creating a social stigma around distracted driving; increasing the situational awareness of all roadway users, including pedestrians and cyclists; and examining scalable technology and insurance solutions. In 2019, the campaign hosted nearly 30 educational programs at universities and at industry and safety conferences in communities across the United States, and released two new “Unfinished Stories” videos, which honor real victims of distracted driving by telling their stories through a series of animated shorts.

**The Travelers Champions**

The Travelers Championship® The Travelers Championship which showcases how our strong commitment to the All net proceeds from the T throughout the Greater Hartford sponsor in 2020, the tournament more than 750 local charities for 150 nonprofits in 2019 opportunity for Travelers employees volunteered at the 2019 Travelers tournament – Connecticut's largest sporting event – creates ongoing charitable giving. A recent survey by the Connecticut Economic Resource Center estimated that the average annual economic impact from the tournament is nearly \$70 million.

**Taking Care of Our Employees**

We owe our success to Travelers' extraordinary talent. The expertise of our approximately 30,000 employees is critical to maintaining our competitive advantages in a rapidly evolving business landscape. Our employees collectively drive our performance and fuel our innovation agenda. Fostering a thriving, vibrant and authentic culture is essential to attracting and retaining talented, diverse and qualified employees. We also know that when employees and their families are healthy – physically, emotionally and financially – they can be more fully engaged, both personally and professionally. Below are just a few of the ways we take care of our employees.

**Equitable Compensation Practices**

Our compensation programs are designed to attract, motivate and retain high-performing talent. Our long-standing pay-for-performance philosophy rewards individual and company performance, regardless of gender, race or any other protected classification. In the United States, we have increased the minimum hourly wage to \$15. The median total compensation of our employees was more than \$111,000, and the median total compensation of our full-time U.S. employees, who comprise over 90% of our workforce, was nearly \$128,000, as calculated and reported in our 2020 Proxy Statement for 2019, putting us in the top quartile of the S&P 500.





## Our Approach to Changing Climate Conditions

At Travelers, we're not only well positioned to handle natural disasters – like wildfires, droughts, hurricanes and floods – but also to handle risks that evolve over longer periods of time, such as changing climate conditions. These risks require a different kind of preparation, a different kind of response and a different kind of resilience. Through our thoughtful approach to changing climate conditions, we hope to leave a better world for our children and future generations, while ensuring that our business is positioned for future success.

We rely on a multifaceted approach that allows us to mitigate our exposure to climate-related risks, help our customers manage those risks and meet our long-term financial objectives. To manage our exposure and response to catastrophic events, we use various methods, including proprietary and third-party modeling processes and geospatial analysis, to determine our climate-related risks and make underwriting, pricing and reinsurance decisions. We also regularly evaluate insurance products and services that could be useful to our customers for addressing climate-related risks. Additionally, we are supporting the transition to a lower-carbon economy over time. For example, our dedicated Global Renewable Energy Practice provides solutions for the life span of renewable energy businesses, from research, development and manufacturing to permanent operations, as well as onshore and offshore wind, solar and biopower operations.

Through our range of services, programs and public policies, we take a thoughtful approach to both being a socially responsible company and meeting our overall business objectives. We have several initiatives that seek to mitigate the risks associated with changing climate conditions and support the transition over time to a lower-carbon economy.

### GREENER FOR CUSTOMERS

#### COMMERCIAL INSURANCE

From 2018 to 2019, our Global Renewable Energy Practice grew its gross written premiums by nearly 30%.

We offer renewable energy solutions to cover solar, bioenergy and wind industries.

We cover the additional costs to help policyholders repair, replace or rebuild with "green" materials after a loss.



#### PERSONAL INSURANCE



AMERICAN FORESTS

We are partnering with American Forests, the oldest conservation organization in the United States, to plant a tree when personal lines customers choose paperless billing. We've committed to plant up to one million trees, and as of March 2020, we've planted more than 825,000.

#### WE OFFER POLICIES



For homes and Environmental

On hurricane Business & Home



For hybrid, electric or flexible-fuel vehicles.

For hurricane coverage boats

\*Savings will vary by state, policy type and individual. Discounts are subject to eligibility and availability.

### GREENER FOR COMMUNITIES

We partner with Habitat for Humanity® and SBP to construct IBHS FORTIFIED™ homes.

Since these partnerships began, we have helped build nearly 100 FORTIFIED homes.



### GREENER FOR TRAVELERS

#### OUR OPERATIONS

**35%**

Approximate reduction in greenhouse gas emissions since 2011.

**50%**

Approximate reduction in energy consumption at largest-owned campus since 2006.

**17%**

Electricity that comes from renewable energy sources at our owned facilities.

**100%**

Owned campuses that are ENERGY STAR® certified.



#### OUR PARTNERS

We expect our suppliers to work to minimize any negative environmental impact from their operations, including reducing or mitigating emissions, increasing sustainable use of natural resources, and reducing or eliminating waste.

LEARN MORE: [SUSTAINABILITY.TRAVELERS.COM](https://www.travelers.com/sustainability)

Our climate strategy also includes advocating for, and supporting, community resiliency. We sponsor the Insurance Institute for Business & Home Safety, the BuildStrong Coalition, Habitat for Humanity and the Wharton Risk Center to promote stronger industry standards and more resilient communities.

We are also continually finding cost-effective ways to improve the eco-efficiency of our own operations. We are proud of the progress we have made across the company. Thanks to a lot of hard work, we have reduced our already small carbon footprint. We have reduced our greenhouse gas emissions by about 35% over the past decade. Additionally, all our owned facilities are ENERGY STAR® certified, which means that we are in the top quartile in terms of energy performance standards. We have also entered into a partnership with American Forests to plant up to a million trees – one tree for each personal lines customer who chooses paperless billing. This benefits the environment while saving our company millions of dollars in printing and mailing costs.

We are proud to be the leader among domestic property and casualty insurance companies in issuing a report discussing our approach to managing changing climate conditions, consistent with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Visit [sustainability.travelers.com](https://www.travelers.com/sustainability) to read our TCFD Report and learn more about our multifaceted climate strategy.

# Addressing COVID-19

Presenting how companies are taking actions to address the ongoing COVID-19 pandemic.

## Amazon 2019 Annual Report

Amazon's Founder and Chief Executive Officer discusses the initiatives that the company is taking to address the pandemic such as deliveries of necessary supplies to customers, safety of employees and contractors, and helping companies and organizations in their operations through Amazon Web Services.

### FIRST 3 PAGES OF THE LETTER TO SHAREOWNERS

[https://s2.q4cdn.com/299287126/files/doc\\_financials/2020/ar/2019-Annual-Report.pdf](https://s2.q4cdn.com/299287126/files/doc_financials/2020/ar/2019-Annual-Report.pdf)



To our shareowners:

One thing we've learned from the COVID-19 crisis is how important Amazon has become to our customers. We want you to know we take this responsibility seriously, and we're proud of the work our teams are doing to help customers through this difficult time.

Amazonians are working around the clock to get necessary supplies delivered directly to those who need them. The demand we are seeing for essential products has been and remains high. In the predictable holiday surge, this spike occurred with little warning, creating major challenges in our delivery network. We quickly prioritized the stocking and delivery of essential household supplies, and other critical products.

Our Whole Foods Market stores have remained open, providing fresh food and other vital necessities. We are taking steps to help those most vulnerable to the virus, setting aside the first hour of our Whole Foods each day for seniors. We have temporarily closed Amazon Books, Amazon 4-star, and Amazon Fresh stores because they don't sell essential products, and we offered associates from those closed stores the opportunity to continue working in other parts of Amazon.

Crucially, while providing services around the world—we've been consulting closely with local governments in our operations network. We've conducted audits of the measures taken at sites around the world, including stairway handrails, local health standards across our network.

We've also introduced stand-up meetings during the crisis to ensure that every new hire has employees gathered around them.

A next step in protecting our customers from symptoms. Regular testing of the economy back up is currently available. We're currently testing this virus. Those who enter the economy

We've begun the work of our program managers onto a dedicated team. We're first lab and hope to get in the relevant time

While we explore longer-term solutions, we are also committed to helping support employees now. We increased our minimum wage through the end of April by \$2 per hour in the U.S., \$2 per hour in Canada, £2 per hour in the UK, and €2 per hour in many European countries. And we are paying associates double our regular rate for any overtime worked—a minimum of \$34 an hour—an increase from time and a half. These wage increases will cost more than \$500 million, just through the end of April, and likely more than that over time. While we recognize this is expensive, we believe it's the right thing to do under the circumstances. We also established the Amazon Relief Fund—with an initial \$25 million in funding—to support our independent delivery service partners and their drivers, Amazon Flex participants, and temporary employees under financial distress.

In March, we opened 100,000 new positions across our fulfillment and delivery network. Earlier this week, after successfully filling those roles, we announced we were creating another 75,000 jobs to respond to customer demand. These new hires are helping customers who depend on us to meet their critical needs. We know that many people around the world have suffered financially as jobs are lost or furloughed. We are happy to have them on our teams until things return to normal and either their former employer can bring them back or new employers can hire them. We're also helping people like Joe Duffy, who joined after losing his job as a mechanic at Newark from a friend who is an Amazon operations analyst. Dallas preschooler her school closed on March 9th and now helps manage new inventory. We're helping her return to the classroom.

to protect our customers from bad actors looking to exploit the crisis. We've suspended our stores due to COVID-based price gouging, and we've suspended globally for violating our fair-pricing policies. Amazon turned over information in price gouging of products related to COVID-19 to 42 state attorneys general to price-gouging incidents, we created a special communication channel for and easily escalate consumer complaints to us.

Playing an important role in this crisis. The ability for organizations to access secure computing power—whether for vital healthcare work, to help students record numbers of employees online and productive from home—is critical. In pharmaceutical companies, and research labs are using AWS to care for mitigate the impacts of COVID-19 in many other ways. Academic institutions from in-person to virtual classrooms and are running on AWS to help ensure students are leveraging AWS as a secure platform to build out new capabilities like.

World Health Organization, supplying advanced cloud technologies and technical stand the outbreak, and better contain its spread. WHO is leveraging our cloud to aggregate epidemiological country data, rapidly translate medical training videos to global healthcare workers better treat patients. We are separately making a centralized repository for up-to-date and curated information on the risks of the virus and its associated illness so experts can access and analyze the latest data.

Amazon's Development Initiative, a program to support customers working to bring us to market for COVID-19. Better diagnostics help accelerate treatment and we've committed \$20 million to accelerate this work and help our customers harness While the program was established in response to COVID-19, we also are committed to will fund diagnostic research projects that have the potential to blunt future

Customers around the world have leveraged the cloud to scale up services and stand up responses to COVID-19. We joined the New York City COVID-19 Rapid Response Coalition to develop a conversational agent to enable at-risk and elderly New Yorkers to receive accurate, timely information about medical and other important needs. In response to a request from the Los Angeles Unified School District to transition 700,000 students to remote learning, AWS helped establish a call center to field IT questions, provide remote support, and enable staff to answer calls. We are providing cloud services to the CDC to help thousands of public health practitioners and clinicians gather data related to COVID-19 and inform response efforts. In the UK, AWS provides the cloud computing infrastructure for a project that analyzes hospital occupancy levels, emergency room capacity, and patient wait times to help the country's National Health Service decide where best to allocate resources. In Canada, OTN—one of the world's largest virtual care networks—is scaling its AWS-powered video service to accommodate a 4,000% spike in demand to support citizens as the pandemic continues. In Brazil, AWS will provide the São Paulo State Government with cloud computing infrastructure to guarantee online classes to 1 million students in public schools across the state.

Following CDC guidance, our Alexa health team built an experience that lets U.S. customers check their risk level for COVID-19 at home. Customers can ask, "Alexa, what do I do if I think I have COVID-19?" or "Alexa, what do I do if I think I have coronavirus?" Alexa then asks a series of questions about the person's symptoms and possible exposure. Based on those responses, Alexa then provides CDC-sourced guidance. We created a similar service in Japan, based on guidance from the Japanese Ministry of Health, Labor, and Welfare.

We're making it easy for customers to use Amazon.com or Alexa to donate directly to charities on the front lines of the COVID-19 crisis, including Feeding America, the American Red Cross, and Save the Children. Echo users have the option to say, "Alexa, make a donation to Feeding America COVID-19 Response Fund." In Seattle, we've partnered with a catering business to distribute 73,000 meals to 2,700 elderly and medically vulnerable residents in Seattle and King County during the outbreak, and we donated 8,200 laptops to help Seattle Public Schools students gain access to a device while classes are conducted virtually.

#### Beyond COVID

Although these are incredibly difficult times, they are an important reminder that what we do as a company can make a big difference in people's lives. Customers count on us to be there, and we are fortunate to be able to help. With our scale and ability to innovate quickly, Amazon can make a positive impact and be an organizing force for progress.

Last year, we co-founded The Climate Pledge with Christiana Figueres, the UN's former climate change chief and founder of Global Optimism, and became the first signatory to the pledge. The pledge commits Amazon to meet the goals of the Paris Agreement 10 years early—and be net zero carbon by 2040. Amazon faces significant challenges in achieving this goal because we don't just move information around—we have extensive physical infrastructure and deliver more than 10 billion items worldwide a year. And we believe if Amazon can get to net zero carbon ten years early, any company can—and we want to work together with all companies to make it a reality.

To that end, we are recruiting other companies to sign The Climate Pledge. Signatories agree to measure and report greenhouse gas emissions regularly, implement decarbonization strategies in line with the Paris Agreement, and achieve net zero annual carbon emissions by 2040. (We'll be announcing new signatories soon.)

We plan to meet the pledge, in part, by purchasing 100,000 electric delivery vans from Rivian—a Michigan-based producer of electric vehicles. Amazon aims to have 10,000 of Rivian's new electric vans on the road as early as 2022, and all 100,000 vehicles on the road by 2030. That's good for the environment, but the promise is even greater. This type of investment sends a signal to the marketplace to start inventing and developing new technologies that large, global companies need to transition to a low-carbon economy.

## Caterpillar 2019 Annual Report

The Chairman and CEO begins his letter by thanking employees around the world for enabling their customers to continue to provide the critical infrastructure essential to fight the global pandemic.

**LETTER TO SHAREHOLDERS (PAGES 1-2)**

[http://reports.caterpillar.com/ar/2019\\_Caterpillar\\_Annual\\_Report.pdf](http://reports.caterpillar.com/ar/2019_Caterpillar_Annual_Report.pdf)



I would like to thank employees around the world for enabling their customers to continue to provide the critical infrastructure essential to fight the global pandemic.

As we prepared this year's Annual Report, we were presenting new challenges and providing guidance to manage the crisis such as Caterpillar's as essential to our customers.

Customers use our products to build roads, bridges, and locomotives; maintain clean water systems; and extract the fuels essential to satisfy global energy demand.



Along with our dealers and suppliers, Caterpillar is working to help ensure uninterrupted access to the products and services that our customers rely upon to support society during these difficult times.



and extract the fuels essential to satisfy global energy demand. Along with our dealers and suppliers, Caterpillar is working to help ensure uninterrupted access to the products and services that our customers rely upon to support society during these difficult times.

While we are serving this important need, Caterpillar remains dedicated to the safety, health and well-being of our employees. The Caterpillar team achieved our best safety performance on record in 2019, and we are leveraging our strong safety culture to manage through this pandemic.

Employees who can work from home are doing so. In our facilities that remain open, Caterpillar is taking appropriate precautions and implementing safeguards to protect our team members. We have increased the frequency of cleaning and disinfecting facilities with special attention to common areas. We are following social distancing practices and are implementing other measures consistent with specific regulatory requirements and guidance from health authorities.

We have introduced a number of enhanced benefits to our employees to help them deal with the pandemic. These benefits vary by country based on local medical care systems and various regulatory requirements. The Caterpillar Foundation has also committed \$10 million (USD) to directly support global COVID-19 response activities and help organizations that have been impacted.



In response to the pandemic, we have taken other decisive actions to keep our company strong, including reducing discretionary expenses and suspending 2020 salary increases and short-term incentives for many employees and all senior executives.

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# JPMorgan Chase 2019 Annual Report

A section in the letter of JPMorgan Chase's Chairman and Chief Executive Officer focuses on how the company is "Dealing With an Extraordinary Crisis," discussing how they are helping their customers and taking care of their employees.

## DEALING WITH AN EXTRAORDINARY CRISIS (PAGES 7-11)

<https://www.jpmorganchase.com/corporate/investor-relations/document/annualreport-2019.pdf>

Within this letter, I discuss the following:

### Dealing With an Extraordinary Crisis

1. We go to extraordinary lengths to help our customers – consumers, small businesses, midsize companies, large corporations, and state and local governments.
2. We take excellent care of our employees.
3. We make extraordinary efforts to lift up our communities, especially in challenging times.
4. We are transparent with our shareholders: What they should expect regarding our financial and operating performance in 2020.
5. We are working closely with all levels of government during this crisis – and while we will participate in government programs to address the severe economic challenges, we will not request any regulatory relief for ourselves.
6. We need a plan to get safely back to work.
7. We need to come together: My fervent hope for America.

## DEALING WITH AN EXTRAORDINARY CRISIS

A corporation – essentially any institution – is a living, breathing organism made up of people, technology, institutional knowledge and relationships and is generally organized around mission and purpose. Entering into a crisis is not the time to figure out what you want to be. You must already be a well-functioning organization prepared to rapidly mobilize your resources, take your losses and survive another day for the good of all your stakeholders.

No matter the challenge, we manage our company consistently with principles that have stood the test of time. I have written about these inviolable principles often – the need for extremely talented and motivated employees; a fortress balance sheet that allows us to invest in good times and in bad times; clear, comprehensive and accurate financial, risk and operating reporting to

let us make quick and accurate decisions; a devotion to our customers and communities; and continuous investing in technology to better serve both our employees and our customers. (These principles also underlie an organization's preparedness for tough competition – I was going to write this year that the *competition is back* in all of its facets. There'll be more to come on that next year.)

We are there for our customers, employees and communities in good and bad times – we are a part in the storm. It is in the toughest of times that we need to use our capital and liquidity to help clients – large and small. COVID-19 is one of those extraordinary times. Below are some of the things we are doing to help our company and our customers during this global crisis.

### 1. We go to extraordinary lengths to help our customers – consumers, small businesses, midsize companies, large corporations, and state and local governments.

First and foremost, we have to be prepared to operate under extremely adverse circumstances.

The significant economic fallout from this crisis reinforces the critical need to keep the global financial system fully functioning – and we recognize that our firm is an important part of the global economy.

Corporate plans for resilience for cyber failures, cyber attacks. And while we had not expected a pandemic like this, preparation has paid off in being able to accomplish far more quickly than we originally anticipated. It is absolutely essential to be up and functioning for every day.

How else would we process \$6 trillion in payments or buy and sell approximately \$2 trillion in securities and foreign exchange transactions for our clients on a daily basis? And how else would we raise more than \$2 trillion of credit and capital for our clients each year? Our branches, collectively, have a million customer visits each day, and our combined credit card and debit card transaction volume totals \$1.1 trillion a year.

During this crisis, we have been utilizing our disaster recovery sites and implementing alternative work arrangements globally. We now have more than 180,000 employees working from home (and quite effectively), including traders, bankers, portfolio managers,

and operations and call center teams across the globe. We are ensuring they continue to operate at the highest standards with the proper technological tools and access so they can serve their clients safely and seamlessly. Over the past few weeks, we have had nearly 150,000 concurrent virtual sessions – nearly five times our pre-pandemic average – and we have capacity in reserve to support significantly more demand if necessary.

#### We're taking significant steps to help our consumer customers.

After Superstorm Sandy, Hurricane Harvey and other devastating natural disasters around the globe, after wildfires ravaged California towns and after a number of other tragic events, we stepped up for our customers. Today, we are doing the same across the country as we work individually with customers facing COVID-19 related hardships.

We have been helping our customers, who tell us about their financial struggles as a result of the crisis, and are offering relief measures such as:

- Providing a 90-day grace period for mortgage and auto loan/lease payments and waiving any associated late fees.
- Removing minimum payment requirements on credit cards and waiving associated late fees.
- Not reporting payment deferrals such as late payments to credit bureaus for up to 90 days.
- Continuing to responsibly lend to qualified consumers.
- Waiving or refunding some fees, including early withdrawal fees on certificates of deposit.

You can learn more about our customer response at: [www.chase.com/stayconnected](http://www.chase.com/stayconnected).

Of our approximately 5,000 Chase branches, we have managed to keep three quarters of them open – and safe – for our customers who need our services. In every one of our markets, almost all of our 2,300 branches with drive-up windows have remained open for business, allowing people to maintain a safe distance. Our 17,000 bankers have continued to take appointments and proactively reach out to customers – helping them manage their finances and use our digital tools – often letting customers stay home. In addition, the vast majority of our 16,850 ATMs are well stocked and still functioning to provide needed cash to our customers. Our call centers have not fared as well; many of them have been effectively shut down by local restrictions. As the volume of calls has increased from customers seeking assistance, hold times have also increased. We have mobilized quickly to address this issue, reminding customers that our digital self-service capabilities are always available for them to check balances, deposit checks or make payments. Additionally, we have built new tools – digital and electronic – to allow customers to request relief without waiting for a specialist. And we are making it possible for our displaced phone specialists to work from home.

#### We are also taking significant action to support businesses – small, midsize and large – and state and local governments.

Clearly, some clients may be much more vulnerable than others – for example, transportation companies, hospitality enterprises, hospitals, utilities and, in particular, small businesses that do not have enough capital to withstand sudden and sustained downturns in income. JPMorgan Chase Institute research reveals that 50% of small businesses have less than 15 cash buffer days, reinforcing why small businesses are being heavily disrupted by the current crisis and

will feel the effects for a significant period of time – even as more capital from the recent federal stimulus program reaches them.

To support businesses during this current crisis, we are doing the following:

- Prudently extending credit to businesses of all sizes for working capital and general corporate purposes. For example, in the past 60 days alone, we have extended \$950 million in new loans to small businesses.
- Waiving and refunding fees for those businesses in need and finding ways to help more small businesses through resources available at the Small Business Administration.
- Servicing clients with additional credit through revolving facilities, when appropriate, and stepping in to try to help with credit when others can't or won't.
- Continuing in the ordinary course of business to sustain consumers, businesses and communities with about \$500 billion of credit and capital raised *every quarter*.
- Continuing to maintain undrawn revolving commitments in our wholesale businesses, which totaled approximately \$295 billion as of the close of business on March 31, 2020. Companies have *already drawn down more than \$50 billion* of their revolvers to prepare themselves for the crisis (this already dramatically exceeds what happened in the global financial crisis). Many others have requested additional credit, which we have been offering judiciously – *more than \$25 billion of new credit extensions* were approved in the month of March alone.
- Continuing the issuance of bonds for highly rated companies (\$85 billion) – it may surprise you that the first quarter of 2020 will be *our largest quarter for investment grade issuance*, led by J.P. Morgan.

- Continuing to support vital institutions to keep our communities strong: Increased funding in March included, for example, \$1.9 billion for hospitals and healthcare companies, \$270 million for educational institutions, \$360 million for nonprofits, and \$240 million for state and local governments.
- Continuing to fund construction projects essential to our communities (affordable housing, food banks and grocery stores) through our \$5 billion commitment.

Recognizing the extraordinary extension of new credit, mentioned above, and knowing there will be a major recession mean that we are exposing ourselves to billions of dollars of additional credit losses as we help both consumer and business customers through these difficult times. (We will provide more detail on these actions later in this letter.) Of course, we are in continual contact with our regulators about our actions and efforts.

#### We stand implement support

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#### 2. We take excellent care of our employees.

Times like these reinforce that our employees are our most important asset – they are fundamental to the vibrancy and success of our company. Excellence in everything we do – from operations and technology to service and reputation – depends upon the abilities and character of our employees. Our vast and diverse team of people serves our customers and communities, builds the technology, makes the strategic decisions, manages the risks, determines our investments and drives innovation. Setting aside differing views of our complex world and the risks and opportunities ahead, it is inarguable that having such an extraordinary team – people with guts, brains and enormous capabilities who can navigate whatever circumstances bring – is what ensures our future prosperity.

In last year's letter, I wrote about the many ways we take excellent care of our employees: competitive wages and compensation, 401(k) retirement benefits, health benefits and wellness programs, extensive training programs, volunteer and employee engagement opportunities, generous parental leave policies and much more.

During this pandemic, we have also taken extensive steps to protect and support our employees and their families. For example:

- We continue to pay employees who are at home because they have had potential exposure to the virus or whose health is higher risk. Additionally, we provide paid medical leave to employees who are unwell.
- We have clinical staff internally to support our employees through this difficult time, whether it is fielding general inquiries related to COVID-19 or locating testing or other medical facilities.
- All employees are receiving five additional paid days off to help manage personal needs, which may include dependent care, child care or other issues.

- A special payment of up to \$1,000 has been granted to full- and part-time employees whose job requires them to continue working on site and generally whose annual cash compensation is less than \$60,000.
- All branch employees are being paid for their regularly scheduled hours even if those hours are reduced or their branch is temporarily closed.
- For those who must go to work on-site, we are reinforcing both basic and enhanced personal and office hygiene measures to keep them, their colleagues and their clients safe. We have modified business operations, staggered shifts, changed seating arrangements, closed buildings to nonessential visitors and provided additional equipment where possible. We have also intensified nightly and daily cleaning of all offices and branches worldwide that remain open.

It's amazing how quickly we have mobilized and implemented work-from-home and other resiliency measures – in weeks instead of months or years. There are great lessons to be learned from this experience.

While conditions may sometimes be unusual and difficult, we are functioning smoothly. In fact, over the last month in certain parts of our company, we've had the highest volume and transaction totals we have ever seen.

Needless to say, this success would be impossible without our exceptional employees, and we recognize our responsibility to support both their professional and personal lives now more than ever.

# McDonald's 2019 Annual Report

McDonald's new CEO lays out five principles that will serve as the company's guide in their approach and actions as they navigate through the crisis.

## ANNUAL LETTER TO STAKEHOLDERS PAGES

<https://corporate.mcdonalds.com/content/dam/gwscorp/nfl/investor-relations-content/annual-reports/2019%20Annual%20Report.pdf>

## Annual Letter to Stakeholders



Dear Shareholders, the Global McFamily and our Customers,



It is an enormous privilege to lead this great company. McDonald's is one of the world's great brands, but our impact is so much more. We don't just operate nearly 40,000 restaurants, we offer 40,000 community centers that create opportunities, connections and support networks for tens of millions of people every day. As a lifelong customer, some of my most enduring memories are of times spent at McDonald's—birthday parties, family dinners, nights out with friends, and a host of other occasions. Looking across the whole world, it is clear how McDonald's becomes part of the fabric of our lives.

**...create opportunities, connections and support networks for tens of millions of people every day.**

As I have spent time with people around the system, I have seen the great pride we all have in bringing people together and supporting our communities. This has never been more apparent than in the last few months with the global outbreak of COVID-19. I feel a deep sense of responsibility to protect and enhance the role we play in the world, continuing to forge connections in communities despite the significant challenges we all face.

### Navigating through an unprecedented global crisis

When I assumed my role late last year, the company was in an incredibly strong position. Systemwide sales eclipsed \$100 billion and most major markets were achieving record or near-record franchisee cash flow. Our company had gained momentum.



### The true spirit of McDonald's



This global crisis has revealed the true spirit of the McDonald's system, with everyone working hard to help keep our business running at a time when our communities need us most. We are working with health officials and outside experts to inform our response. That, coupled with the experience of our seasoned leadership team, has and will continue to be critical to ensuring we make the right decisions and support our people along the way.

**...everyone working hard to keep our business running at a time when our communities need us most.**

To that end, we also recently announced Heidi Capozzi as our Executive Vice President and Global Chief People Officer. She is a collaborative, results-oriented business leader with proven experience. I am proud and grateful to have such a talented team in place to lead our company—at all times, but especially now.

### Evaluating our future strategy

Looking ahead, we know that the world will look very different on the other side of this crisis and are taking the necessary actions to ensure we are best set up for an altered business landscape. Our Velocity Growth Plan provides a consistent framework, but we will need to ensure our go-forward strategy also reflects the new operating environment. We are looking at all of the situations that could unfold and will provide updates through the year.

In any case, I am confident in the resilience of our business and the strong foundation we have built. McDonald's has seen a lot

over our 66 years, and while this is the most challenging global crisis in our company's history, we remain confident that we are well positioned for the long term.

### Supporting our people and communities

As we manage through this situation, protecting the well-being of our people, our customers and our broader communities remains our number one priority and guides every decision we make.

We are all too aware that many of our communities around the world face extraordinary challenges, and that won't change any time soon. But when communities are in real need, our business and franchisees step up to help. Amid these fast-moving and difficult realities around the world, we will continue to show up in our communities when they need us most, whatever challenges they may face. That is something I am certain will never change.

Thank you to our shareholders for your continued investment in McDonald's, to our customers for your continued support and enjoyment, and to the entire system for all you do every day to serve customers and communities around the world. I am honored as ever to serve as your CEO.

Be well,

Chris Kempczinski  
President and CEO  
McDonald's Corporation



The outbreak of COVID-19, first in China and later in every other country in which we operate, has created a major business disruption. We are now operating in a completely different world, with tremendous challenges to overcome. Difficult times like these remind us how strong, resilient and purposeful we are as a company, and how we must all work together to get through this crisis.

### Annual Letter to Stakeholders

In this crisis, I laid out five principles to guide our approach and inform our actions through this together. For principles comes naturally, but I turn them as our guiding light:

**1. Stay true to our purpose.** McDonald's has a unique strength: our business is rooted in the three legs of our system—franchisees and global operations. That has guided our response to protect the health and safety of our people, our customers and our communities. As we close in on a new year, we have taken measures at all company levels to support our people and customers. As we close in on a new year, we have taken measures at all company levels to support our people and customers.

**2. Stay true to our purpose.** Because of the strength of our business, we are in a stronger position than ever to ensure we are resilient. The journey we have taken on value, delivery and Drive-Through is more relevant than ever. But as we move forward, we will need to adapt to the side of this crisis and continue to make adjustments.

**3. Stay true to our purpose.** Other and our stakeholders. When we open with our customers, our first step is key to managing through this crisis. It's why we have been in regular communication with our franchisees and our suppliers and third-party suppliers. I am proud of the way the system has banded together to stay true to our purpose.

### Annual Letter to Stakeholders



has been essential to ensuring our operations remain strong. We'll continue to communicate regularly with all stakeholders as we navigate the road ahead.

**4. Lead by example.** We wouldn't ask our customers to go where we wouldn't go, or our crew to work where we wouldn't work. We have been making adjustments to our operations around the world to ensure we live and lead by example, and that has required everyone across the system to be agile. As we assess the changing needs of our business, we will do whatever is necessary to support the system and safeguard the future of our company, even if that means making difficult decisions. In light of the significant impact that COVID-19 has had on the company's global operations, I have volunteered to reduce my salary by half and certain of our most senior Executives have also volunteered to reduce their salaries by one-quarter, at least through September 30. This follows discussions with the Board in recent weeks, and they endorsed this decision.

**5. Stay true to our purpose.** We are here to feed and foster communities and remain committed as ever to that mission. I have seen incredible efforts across the world, particularly by our franchisees and crew, to serve communities in this time of need. This has included the donation of medical supplies and free meals to local health workers across China and the U.S., and the creation of a hospital in Milan, in partnership with our Ronald McDonald House Charities. In Guatemala and Poland, our crew members have gone the extra mile by including handwritten messages of support with meals being donated to health care workers. There are countless inspiring examples like these around the world, and I am proud of the way the system has banded together to stay true to our purpose.



## Target 2019 Annual Report

Target's Chairman and CEO addresses how the company has the ability to respond positively in this crisis, recognizing how their strategy has prepared them while also acknowledging the commitment of their employees.

### LETTER TO SHAREHOLDERS PAGE

[https://corporate.target.com/\\_media/TargetCorp/annualreports/2019/pdfs/2019-Target-Annual-Report.pdf](https://corporate.target.com/_media/TargetCorp/annualreports/2019/pdfs/2019-Target-Annual-Report.pdf)

## Letter to Shareholders



By any measure, 2019 was an exceptional year for the Target team. It's a year that stands on its own, and a glance through this report will demonstrate why. But looking back on it now, what really stands out to me is how 2019 prepared Target for this extraordinary moment we're all navigating together, as our team, guests and communities respond to COVID-19.

Usually I would provide a detailed recap of our previous year's results in this letter. In this unprecedented moment, that doesn't feel right. On one hand, we're focused entirely on the immediate needs of our team and guests. At the same time, I'm more aware and appreciative than ever of the enduring attributes that will help us all move safely beyond this crisis.

At Target, our strategy is an expression of our purpose and values. For years, we've invested to make our proximity to guests work even harder for them. That meant adding brands, fulfillment capabilities and expert service to our nearly 1,900 neighborhood stores, and moving into additional neighborhoods every year. It meant a constant drive to curate the right mix of products across our multi-category assortment. We remained convinced, sometimes against conventional thinking, that stores would continue to matter to our guests, whether they shopped online or in-person.

While it had long been evident in our culture, we formally articulated our purpose a few years ago: To help all families discover the joy of everyday life. Today, with the coronavirus outbreak, everyday life has started to look different for everyone—and our guests have turned to us more than ever.

When they needed to stock up for their families, they came to Target. When they wanted items right away, they looked to us for same-day pickup or delivery. When families were anxious to minimize trips, they found comfort and confidence in a familiar and friendly place—for food, medicine and essentials, but also office supplies and technology to work from home, school items for distance learning, and games, puzzles, electronics and comfort-wear for long weeks in quarantine.

In the best of times, our team meets the world with optimism, inclusivity, connection, inspiration and drive. In the hardest days of this crisis, those values never wavered.

So, while I know there's a lot of work ahead to put this chapter behind us, I also know the Target team will remain steadfast. Our financial strength gives us the ability to keep investing in our team and to shift quickly in response to guest needs. And the same values that have made Target a trusted brand and community resource for decades will be a source of continuity and calm as we all pull together—for each other and for a future that will certainly be brighter than recent days.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian Cornell'.

Brian Cornell, Chairman and CEO

# Online Presentation

Though many companies are already providing online versions of their annual reports, there are only a few companies who level up their presentation and make it more interesting by adding animations, videos and interactive features. The following online annual report presentations are good examples of this improvement.

## CVS Health 2019 in Review

<https://cvshealth2019inreview.com/>

**CVS Health**

CEO Message Financial Highlights Be local Make it simple Improve health Sustainability

**Delivering health when, where and how people need it.**

2019 in Review

### A message from our President and CEO

"Today's consumer has high expectations for how, when and where they want to receive care. CVS Health is in a unique position to provide local health care solutions to millions of Americans."

**Larry J. Merlo**  
President and Chief Executive Officer, CVS Health

**Dear Fellow Stockholders:**

This past year was a remarkable one for CVS Health. We completed our first full year as a combined company with Aetna. and I am pleased with the progress we achieved in executing on our strategic priorities. We have

alth to be the most consumer-centric health company. Powered by our assets, we are transforming the way health care is delivered in the United

### Our differentiated approach to care

CVS Health has built a uniquely powerful platform that will allow us to reshape the consumer health care experience. Our goal: To make care more affordable, accessible and effective. We may still be known best for our nearly 10,000 local touchpoints, but we have staked out leadership positions across the industry. As a result, we can offer standalone and integrated solutions that competitors simply cannot match.

Click on each icon to find out more:

- Walk-in medical clinics MinuteClinic®
- Retail pharmacies CVS Pharmacy®
- Specialty infusion Coram®
- Medical specialty Rx NovoLogix®
- Care management Accordant®
- HealthHUB®
- Benefits administration bswift®
- Local care teams Aetna® Community Care
- Cost management PayFlex®
- Digital tools & services Member website, apps and Apple® health initiatives
- Personal touch Aetna One® Advocate


We're helping people on their path to better health through our consumer-centric, differentiated approach to care.





**Benefits administration**

bswift is an Aetna subsidiary that uses smart analytics and integrated member data to simplify the administration of health care benefits, reduce costs and connect consumers to the resources they need to achieve their health ambitions. Its platform currently serves over 50,000 employers of all sizes and helps people easily choose a plan that's right for them and their families.

# Dow 2019 Annual Report

<http://2019annualreport.dow.com/Y2019/>



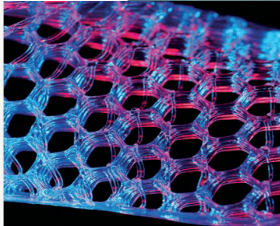


## Is it possible to keep food fresher for longer and reduce plastic waste at the same time?

### Innovative

Alongside our customers, we create materials and solutions for a better tomorrow.


OUR AREAS OF EXPERTISE →

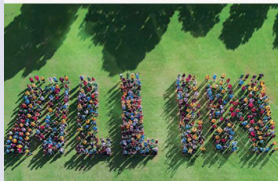


### Customer-centric

We collaborate closely with our customers to help invent solutions to their toughest challenges and strive to make it easier and more enjoyable to do business with us – in person or virtually.

OUR SOLUTIONS →

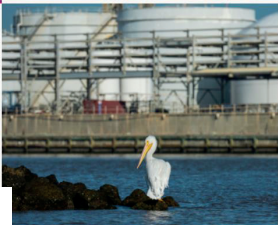




### Inclusive

We champion a fully inclusive workforce that reflects the world in which we do business. Bringing the best minds to the table empowers our employees to exceed customer expectations every day.

OUR INCLUSIVE CULTURE →



### Sustainable

We are committed to leading the transition to a more sustainable planet – through our operations, product innovations and partnerships – as we strive to make a positive impact on society and the world.

OUR SUSTAINABILITY REPORTS →

## How can Dow's materials science enable a better future?

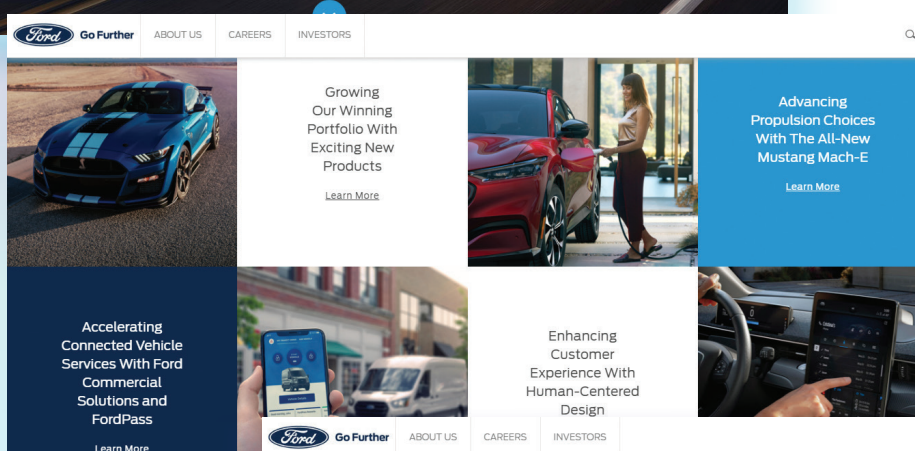
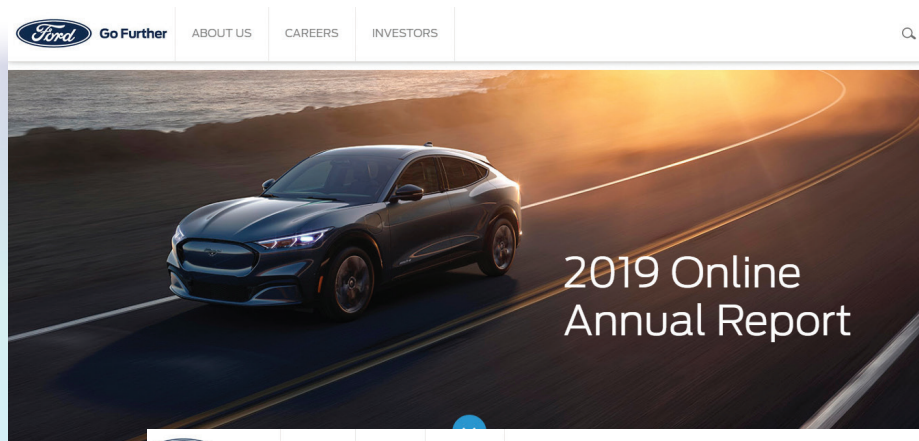
Our innovative, sustainable solutions make lives better. From the buildings where we live and work to the packaging on grocery shelves to the shoes we wear, Dow is there.





# Ford 2019 Online Annual Report

🔗 <https://annualreport.ford.com/Y2019/default.aspx>



### Financial Highlights<sup>1</sup>

Adjusted Free Cash Flow		Revenue		Adjusted EBIT	
2018	2019	2018	2019	2018	2019
\$2.8B	\$2.8B	\$160.3B	\$155.9B	\$7.0B	\$6.4B

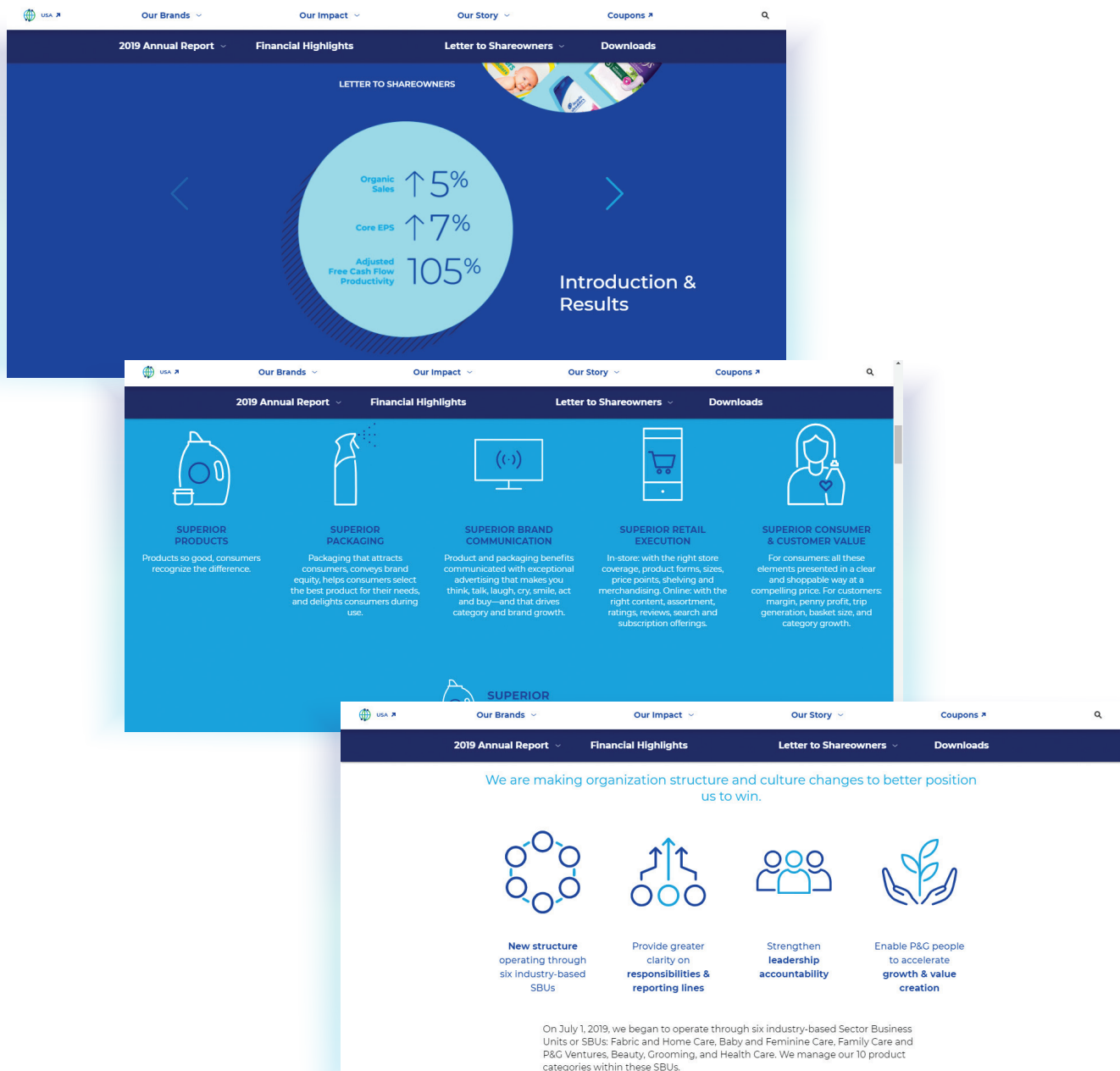
Adjusted EBIT Margin		Adjusted EPS		Cash Balance <sup>2</sup>		Liquidity <sup>3</sup>	
2018	2019	2018	2019	YE 2018	YE 2019	YE 2018	YE 2019
4.4%	4.1%	\$1.30	\$1.19	\$23.1B	\$22.3B	\$34.2B	\$35.4B

<sup>1</sup>Reconciliations of the non-GAAP financial measures designated as "adjusted" to the most comparable financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP") can be found on pages 62 and 63 of the 2019 printed annual report linked here.

<sup>2</sup>Company excluding Ford Credit

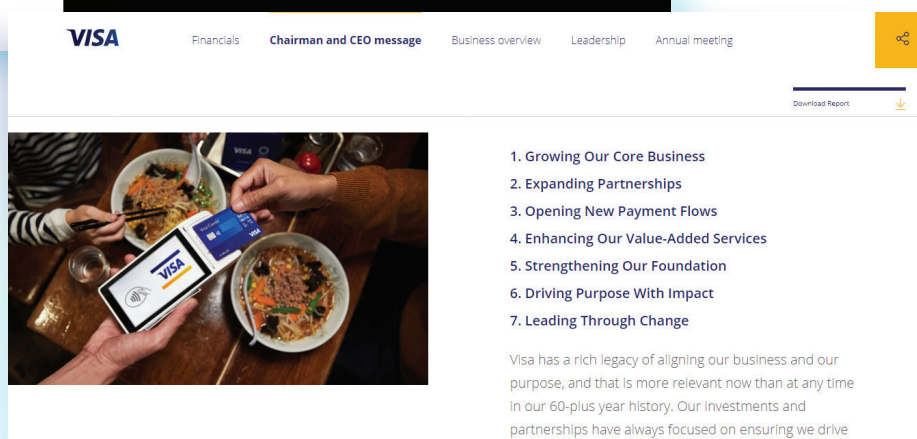
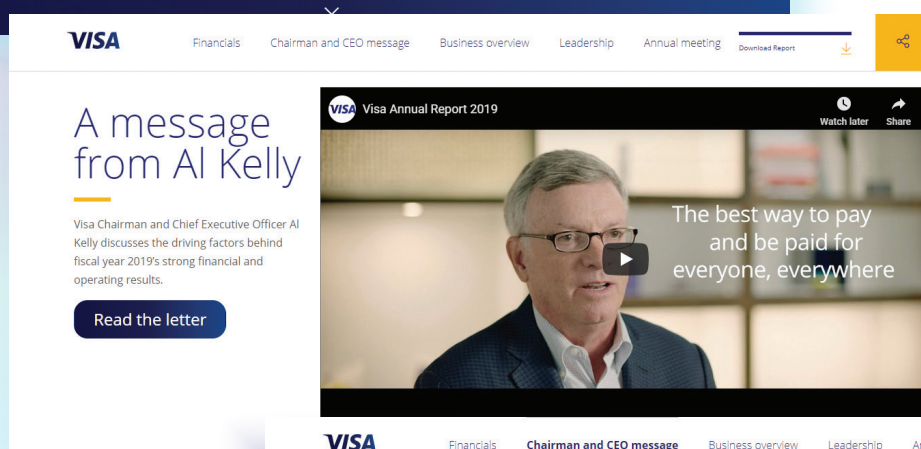
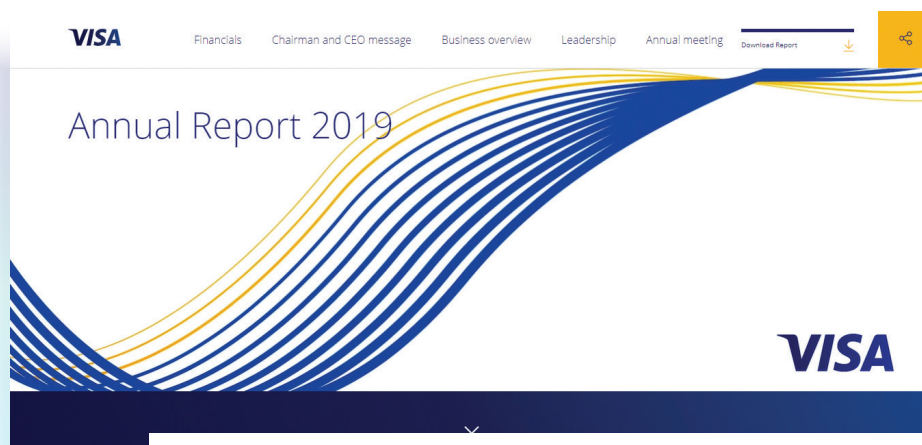
# Procter & Gamble 2019 Annual Report

<https://www.pg.com/annualreport2019/index.html#/letter-to-shareowners>



# Visa Annual Report 2019

<https://annualreport.visa.com/FY2019/default.aspx>







[www.argyleteam.com](http://www.argyleteam.com)

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We are thrilled that communications prepared by Argyle have contributed to trustful relationships between our clients and their readers, whether investors, employees or other stakeholders.

In turn, our commitment to our clients has resulted in meaningful long-term relationships with some of the most respected public and private companies in the world.

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