

WELCOMING REMARKS AT LCDA CONVENING OCTOBER 2019

12:00 pm Lunch Opens

12:30 pm Program Begins, Esther introduces Roel

Hello y Buenas Tardes.

Let me be one of the first to welcome you to the Fourth Annual LCDA Board Leaders Convening. I am honored to serve as the Chair of the Latino Corporate Directors Association, the LCDA, at a pivotal time for the organization and our drive to impact the governance landscape.

Let me also add the thanks of LCDA's members to the Bank of America and its senior management, including its CEO Brian Moynihan, for being our host and letting us convene in their iconic New York City offices. By being in this venue, we are certainly at the center of Corporate America.

In just three short years, LCDA has positioned itself at the forefront to accelerate the placement of Latinos on corporate boards. This Convening has quickly become the most prominent gathering of Latino leaders (which include CEO's, senior executives, and directors).

We have the LCDA's own board of directors to thank for the vision and committed work that has brought us so far. I would like to thank the board and ask them to PLEASE STAND. I also want to acknowledge and thank Esther Aguilera, our CEO, and her incredible team, who have worked tirelessly throughout the year to advance our mission and put this great event together. Of course, the ultimate success of this event will be largely due to your attendance and commitment to LCDA's mission.

A few quick words about who we are and why we are convening. The LCDA is the only organization comprised of Latinos that serve on publicly traded and large private company boards. We are bipartisan. We do not endorse political candidates or positions. We do not lobby for legislation. LCDA shares its research and statistics with agencies and groups that request it. Our members individually at times provide informed testimony and expertise.

Our Director members are part of some of the largest and most influential corporations, mutual funds, and private equity portfolio companies. I would like to acknowledge the LCDA MEMBERS, PLEASE STAND. This year, we formalized an Executive membership category of LCDA which includes C-level and board-qualified Latinos who are primed for the boardroom. Executive members represent professionals in every sector— including accounting, technology, healthcare, and the legal profession. Over the last two days, many of the Executive members have participated in the prestigious LCDEF BoardReady institute.

In other words, LCDA represents a very unique group of influencers in the corporate world. Our mission can be simply described as doing what it takes in a professional manner to increase Latino board representation, and to ensure that Corporate America is aware of our consumer influence, our talents, and our members' motivation to contribute in the business world.

LCDA members are not satisfied with the status quo. For example, today, the latest figures through 2019, reflect that Latinos comprise only 2.7% of Fortune 1000 companies. While Latinas, as a group, only represent 0.9% of directors on Fortune 1000 companies. This compares with women as a group being about 24% and African Americans comprising about 9% of the same group of companies. We certainly applaud and cheer the progress of women and our brethren African Americans - although their numbers need to also substantially improve. We do not believe this is a zero-sum game. Latino directors on corporate boards should increase along side women and other minorities.

LCDA supports Latinos to be considered for board director positions, not as political correctness, but instead through making a compelling business case. Our organization represents fabulously qualified inciteful and articulate business professionals for every industry and sector, including technology. Latinos bring a great set of skills to the board room that contribute substantially to the performance of the company.

The under representation of Latinos on boards is especially troublesome when one considers the macro-economic factors regarding our community that many of you well know:

- **the US Latino GDP is now \$2.3 Trillion— if the American Latino community were a country, it would be the 8th largest in the world, just behind France.**
- **Latinos comprise just under 60 million in the US, about 18% of the population, and growing.**
- **Latinos launched 4.3 million new companies in the last decade, many by Latinas. Latino impact is everywhere.**

Latinos skew young. Every month 50,000 Latino citizens reach the voting age of 18.

Latinos will comprise 80% of the growth of the US work force over the course of this century.

Almost one in three babies in America is Latino and the percentage is growing.

There is a huge opportunity in serving the incredibly large and growing, young American LATINO population that most American businesses are missing. In addition to bringing valuable business skills and experience, we at LCDA believe that qualified Latinos on boards can help companies in capturing as customers and clients in this vital Latino portion of the population that will increase the bottom line.

In this convening today, we pose the question to our outside partners and business friends – why are there so few Latino directors on boards? Today, business groups like the US Business Chamber of Commerce, the Business Roundtable, and institutional investors – such as Blackrock, New York Commons and others all support diversity and inclusion on boards. These investors often write to boards, such as the ones I serve on, and encourage directors to add more women to their boards. However, they often don't mention Latinos and other minorities in promoting diversity. Today, we also ask, "Why is that?" "Why are institutional investors not supporting Latinos and other minorities when they communicate with boards of directors?" We at LCDA believe that Latinos are certainly part of any definition of diversity for a corporate board.

The reason for these low numbers cannot be that there is a lack of talent and qualifications. For years I used to hear that excuse. Today anyone who says that there is a lack of qualified Latinos is simply not serious in looking for Latino talent. Again, one has only to look at our members. LCDA is ready to assist and has an abundant network of highly skilled and talented Latinos business professionals in every industry.

So today, we look forward to learning from and receiving advice from the various speakers and participants. Our speakers have much to teach us and we have much to share as well. Today, we will have the following exciting panels:

- **Search Firms: The Changing Face of the Boardroom**
- **The Fearless Board**
- **The Inquisitive Audit and Risk Committee**
- **Navigating Investor Activism**
- **Engaged Investing: A Conversation with Matt Peltz of Trian Partners**
- **Investors & Influencers: Good Governance, Board Disclosure, & Board Diversity**

I will also have the opportunity to have a candid and frank discussion with Brian Moynihan, the CEO, of our host, Bank of America.

So, today enjoy the all-star list of panels and speakers. Let's all learn how we together can work with our sponsors and partners to move the needle and improve Latinos participation on boards.

Enjoy the day.

Thank you