LETTER FROM Co-CEOs

Conscious Capitalism Community,

2016 was a year filled with significant milestones for Conscious Capitalism. We hosted our 10th Annual CEO Summit. We held our most successful Spring Conference to date. We expanded the chapter program. We hired a co-CEO. And now, we are releasing Conscious Capitalism, Inc.’s first-ever Annual Report.

At the close of 2016, over 15,000 supporters had joined the Conscious Capitalism movement. Conscious Capitalism: Liberating the Heroic Spirit of Business continues to provide business leaders who seek to “do well by doing good” with a set of principles by which they can confidently guide their endeavors. We keep this community engaged and inspired through continued productions of our transformational annual events and through the growing number of Conscious Capitalism Chapters around the world.

But just as our Conscious Capitalist Credo encourages (see page 4), we strongly believe we can aspire to even more.

This 2016 Annual Report is a snapshot in time, reflecting back on a fantastic year for the movement, our organization and the committed members of our diverse and vibrant community. But the report is also a benchmark by which we set ambitious yet achievable goals for advancing Conscious Capitalism as a force for good in the world.

The movement is just. Our community determined. Our shared purpose both noble and authentic. But if we are truly to elevate humanity, Conscious Capitalism must become synonymous with “business as usual.” We believe it can.

Thank you for being part of this journey. The work ahead is great. And we hope you are as excited as we are to take it on.

Sincerely,

Doug Rauch & Alexander McCobin
Co-CEOs, Conscious Capitalism, Inc.
ELEVATE HUMANITY THROUGH BUSINESS

Conscious Capitalism, Inc. is a 501c3 non-profit organization dedicated to elevating humanity through business. The practice of Conscious Capitalism includes implementing the tenets of

**HIGHER PURPOSE**

**STAKEHOLDER ORIENTATION**

**CONSCIOUS CULTURE**

**CONSCIOUS LEADERSHIP.**

The organization produces transformational events, workshops, publications and academic research, and supports a growing network of Conscious Capitalism Chapters around the world which serve as communities of inquiry for business leaders, entrepreneurs, coaches, consultants and others interested in advancing the Conscious Capitalism movement. Founded in 2010, Conscious Capitalism, Inc. is headquartered in San Francisco.

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**1984**

R. Edward Freeman publishes *Strategic Management: A Stakeholder Approach*

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**1995**

Muhammad Yunus uses the term “socially conscious capitalist enterprise” for the first time in an *Atlantic Monthly* article

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**2005**

**January**

Patricia Aburdene publishes *Megatrends 2010: The Rise of Conscious Capitalism*

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**September**

FLOW (Freedom Lights Our World) is founded with the purpose of “liberating the entrepreneurial spirit for good.”®

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**October**

John Mackey debates Milton Friedman and T.J. Rodgers in *Reason Magazine*
We believe that business is good because it creates value, it is ethical because it is based on voluntary exchange, it is noble because it can elevate our existence and it is heroic because it lifts people out of poverty and creates prosperity. Free enterprise capitalism is the most powerful system for social cooperation and human progress ever conceived. It is one of the most compelling ideas we humans have ever had.

BUT WE CAN ASPIRE TO EVEN MORE.

Conscious Capitalism is a way of thinking about capitalism and business that better reflects where we are in the human journey, the state of our world today, and the innate potential of business to make a positive impact on the world. Conscious businesses are galvanized by higher purposes that serve, align, and integrate the interests of all their major stakeholders. Their higher state of consciousness makes visible to them the interdependencies that exist across all stakeholders, allowing them to discover and harvest synergies from situations that otherwise seem replete with trade-offs. They have conscious leaders who are driven by service to the company’s purpose, all the people the business touches and the planet we all share together. Conscious businesses have trusting, authentic, innovative and caring cultures that make working there a source of both personal growth and professional fulfillment. They endeavor to create financial, intellectual, social, cultural, emotional, spiritual, physical and ecological wealth for all their stakeholders.

Conscious businesses will help evolve our world so that billions of people can flourish, leading lives infused with passion, purpose, love and creativity; a world of freedom, harmony, prosperity and compassion.

2007

- **February**
  - Raj Sisodia, Jag Sheth and David Wolfe publish *Firms of Endearment*

- **August**
  - John Mackey publishes a white paper titled, *Conscious Capitalism: Creating a New Paradigm for Business*

- **October**
  - First gathering of thought leaders at The Crossings in Austin, TX to discuss how to grow this movement

2008

- **June**
  - John Mackey partners with Sounds True to release *Passion & Purpose* audio program

- **October**
  - The first Catalyzing Conscious Capitalism Conference was held with 120 individuals in attendance (would later be renamed the CEO Summit)

2009

- **March**
  - John Mackey and Michael Strong publish *Be The Solution: How Entrepreneurs and Conscious Capitalists Can Solve All the World’s Problems*
CHAPTERS UNITED STATES

Arizona & Greater Southwest
Austin, TX
San Francisco Bay Area
Boston Area
Central Maryland
Chicagoland Area
Colorado
Columbus
Connecticut
Dallas
District of Columbia
Florida (Tampa)

Houston
Las Vegas
Los Angeles
New York City
Northeast Ohio (Cleveland)
Northern Nevada (Reno)
Orange County (California)
Rochester (New York)
San Diego
Seattle
Southeastern Wisconsin (Milwaukee)

CHAPTERS INTERNATIONAL

Australia & New Zealand (Sydney)
Brazil (São Paulo)
Canada (Toronto)
Chile (Santiago)
Costa Rica (San Jose)

Germany (Berlin)
Israel (Tel Aviv)
Mexico (Guadalajara)
Spain (Barcelona)
United Kingdom (London)

2010

January
FLOW becomes Conscious Capitalism, Inc.

2012

January
John Mackey and Raj Sisodia publish *Conscious Capitalism: Liberating the Heroic Spirit of Business*

May
The first Conscious Capitalism Chapter launches in Australia

2016

Opened office in San Francisco

10th Annual CEO Summit
The beautiful city of Chicago played host to this year’s annual Conscious Capitalism Spring Conference. On the educational and highly engaging three-day agenda were more than 30 practicums that Conscious Capitalism conference attendees have come to love and enjoy. Some of the more popular practicums included:

- **The Trouble with Empowerment: Lessons from Holacracy and the Self-Management Movement**, with Holacracy One CEO, Brian Robertson
- **Creating a Dynamic Culture: Reframing Feedback to Inspire a Conscious Shift**, with Conscious Leaders CEO, Lori Darley
- **Building a Bridge to Millennials**, with Student Maid, Inc. founder Kristen Hadeed
- **Bridging the Values Gap**, with University of Virginia Darden School of Business professor, R. Edward Freeman
- **Build a Better Business with the B Corp Assessment**, with Compass(x) Strategy chief strategist, Nancy Goldstein
- **Finding the Hard-to-Find: Recruiting Strategies that Work**, with Curriculum Associates CEO, Rob Waldron
- **CEO and Leadership Team Journey to Conscious Capitalism**, with Authentic Leadership Institute senior consultant, Timothy Henry

Plus the popular “Get Real” sessions, which this year included: Hyatt Hotels Corporation President & CEO, Mark Hoplamazian; Morningstar CEO, Joe Mansueto; Gold Eagle CEO, Marc Blackman; and Jump Associates CEO, Dev Patnaik.

Conscious Capitalism 2016 also delivered the following highly anticipated Keynotes:

**DANIEL LUBETZKY**  
Founder & CEO, KIND

**JOHN MACKEY**  
Co-founder & CEO, Whole Foods Market

**JULIE SMOLYANSKY**  
CEO, Lifeway Foods

**RAJ SISODIA**  
Professor, Babson College

Later in the year, we announced Philadelphia as host city for Conscious Capitalism 2017 (April 18-20). We look forward to bringing the movement to elevate humanity through business to “The City of Brotherly Love.”
10TH ANNUAL CEO SUMMIT RECAP

2016 marked the 10th year Conscious Capitalism hosted its marquee invite-only event, CEO Summit. As in years past, more than 200 CEOs and executive leaders convened in Austin to spend two engaging days with the foremost authorities in the Conscious Capitalism movement. This year’s Summit was extra special as we brought together an incredibly diverse lineup of keynote speakers, illustrating clearly that Conscious Capitalism is an inclusive “Big Tent” in which leaders looking to elevate humanity through business can find highly-valued support and friendship to help guide them along their journey.

CEO Summit 2016 featured keynotes included:

**JOSTEIN SOLHEIM**
CEO, Ben & Jerry’s Homemade, Inc.

**ARTHUR BROOKS**
President, American Enterprise Institute

**DR. BRENÉ BROWN**
CEO & Founder, COURAGEworks & Brave Leaders, Inc.

**GREG GLASSMAN**
CEO & Founder, CrossFit

**MICHAEL C. BUSH**
CEO, Great Place to Work

**SELIM BASSOUL**
CEO, Middleby Corporation

**DAN T. CATHY**
Chairman & CEO, Chick-fil-A

**THOMAS E. PEREZ**
Secretary of Labor, U.S. Department of Labor

**DENISE MORRISON**
President & CEO, Campbell Soup Company

**TOM GARDNER**
Co-Chairman & CEO, The Motley Fool

**BOB CHAPMAN**
Chairman & CEO, Barry-Wehmiller

**BRIAN MOHR**
Co-founder & Managing Partner, Y Scouts

Conscious Capitalism’s 11th Annual CEO Summit is October 10-12, 2017 in Austin. If you are interested in attending, please contact our Director of Events, Julie van Amerongen at julie@consciouscapitalism.org.
SELECT MEDIA ATTENTION FROM 2016

LESSONS FROM A DECADE OF “CONSCIOUS CAPITALISM”
FORBES, NOVEMBER 11, 2016
The book’s subtitle is “Liberating the Heroic Spirit of Business,” and Mackey and Sisodia emphasize two ways of achieving that: recognizing the moral purpose of business leaders and making them, and the general public, more conscious of the contributions of capitalism to human flourishing. These two key terms reinforce one another: one can’t have much of a sense of purpose without being conscious of it.

CAN YOU REALLY POWER AN ORGANIZATION WITH LOVE?
HARVARD BUSINESS REVIEW, AUGUST 1, 2016
Some very well-known companies such as Whole Foods (founder John Mackey dedicates a whole chapter to love in his book Conscious Capitalism) and Southwest Airlines (their NYSE ticker code is LUV) make explicit reference to love.

WHY INTELLECTUALS HATE CAPITALISM
REASON.COM, AUGUST 12, 2016
...Mackey believes that free markets are the best way not only to raise living standards but also to explore new ways of building community and creating meaning for individuals and society. Conscious Capitalism, the book he co-authored with Rajendra Sisodia, lays out a detailed case for Mackey’s vision of a post-industrial capitalism that addresses spiritual desire as much as physical need.

SHAKTI: THE POWER BASE FOR CONSCIOUS CAPITALISM
THE HUFFINGTON POST, MARCH 29, 2016
Perhaps the most fundamental pillar of Conscious Capitalism is about reimagining leadership. Conscious leaders are fundamentally selfless. They care about people and the purpose of the enterprise ahead of their own ego or personal enrichment. They seek power with rather than power over people.

AT ‘CONSCIOUS CAPITALISM’ GATHERING, CEOS SAY BUSINESS ISN’T BAD
WALL STREET JOURNAL, OCTOBER, 25, 2016
At a time when big business and trade are getting a bad rap, a group of 220 chief executives gathered at a luxury resort here last week to assure one another that capitalism is “awesome.” Part pep rally, part group-therapy session, the 10th annual Conscious Capitalism CEO Summit brought together the leaders to exchange ideas and rev each other up.

CONSCIOUS CAPITALISM: EVOLVING THE NARRATIVE OF BUSINESS
TRIPLEPUNDIT, APRIL 26, 2016
Packing a ballroom with a massive amount of energy, over 600 attendees gathered in Chicago to learn about how to practically apply this conscious approach to business. After talking to many attendees, it was evident that people and companies want to be driven by more than profit. Work teams came together, CEOs brought key staff and if some CEOs could not attend the event, they sent staff so they could learn and bring back content.
Miki Agrawal  
CEO & Co-founder, THINX

Timothy Henry  
Managing Partner, Arete Management

Brett Hurt  
CEO & Co-founder, data.world

Vidar Jorgensen  
Co-founder, Grameen America & Grameen PrimaCare

Roberta Lang  
General Counsel & Global Vice President of Legal Affairs, Whole Foods Market

Doug Levy  
CEO & Founder, TapGoods & Technology Spa

Jack Lowe, Jr.  
Chairman, TDIndustries

John Mackey  
CEO & Co-founder, Whole Foods Market

Alexander McCobin  
Co-CEO, Conscious Capitalism, Inc.

Brian Mohr  
Founder, Y Scouts

Doug Rauch  
Co-CEO, Conscious Capitalism, Inc.

Laura Roberts  
CEO & Co-founder, Pantheon Enterprises

Cheryl Rosner  
CEO & Founder, Stayful.com

Raj Sisodia  
Professor, Babson College

Rand Stagen  
Managing Director, Stagen Leadership Academy

Kip Tindell  
Chairman, The Container Store

James White  
Former Chairman & CEO, Jamba Juice
CCI FINANCIALS

2016

TOTAL EXPENSES: $1,592,393
TOTAL INCOME: $1,821,210

2015

TOTAL EXPENSES: $1,466,819
TOTAL INCOME: $1,753,149

2014

TOTAL EXPENSES: $1,427,063
TOTAL INCOME: $1,473,804

2013

TOTAL EXPENSES: $1,251,016
TOTAL INCOME: $1,419,376

2012

TOTAL EXPENSES: $876,457
TOTAL INCOME: $1,040,583

ANNUAL REVENUE

$0 $500,000 $1,000,000 $1,500,000 $2,000,000
