

Fund Objective:

Makeda Fund invests in US companies with female CEOs. We believe this asset class is well-managed and exhibits strong value creation for long-term holdings. The long-only fund is a diversified, multi-cap, equity fund holding companies with greater than \$500 million in revenue. Exclusions are tobacco, firearms and gambling.

Makeda Fund Performance

Available Upon Request

Makeda Interview with Jane Elfers, CEO, The Children’s Place, Inc. (Nasdaq: PLCE)



MC: What are the key growth areas you see for The Children’s Place in the next 3 years?

JE: At The Children’s Place, we have established four key strategic growth initiatives that guide our efforts:

1. Superior Product -Product will always be our number one priority. We continue to significantly differentiate and upgrade the look of our merchandise. We strive to ensure that we have the right product, in the right channels of distribution, at the right time. In addition to apparel, we offer a full line of accessories and footwear so busy moms can quickly and easily put together head-to-toe outfits.

2. Business Transformation through Technology - Our business transformation through technology initiative has two key components: inventory management and digital transformation. With respect to inventory management, our assortment planning, allocation, replenishment, order planning, and forecasting tools are delivering significant gross margin and inventory productivity benefits. Mobile is the cornerstone of our digital strategy and when designing and developing our digital experience, our starting point is to optimize the mobile experience. Our digital transformation is comprised of three key initiatives: omni-channel initiatives; architectural upgrades; and customer segmentation efforts. During Fiscal 2016, we piloted our first omni-channel initiative, reserve on line, pick up in

store ("ROPIS"), and re-launched our customer loyalty program in conjunction with our new private label credit card program. Our loyalty members and private label credit card holders represent our most loyal customer segment, exhibiting a greater visit frequency and average spend.

3. Growth through Alternate Channels of Distribution - We have established new channels of distribution, including international and wholesale distribution. We currently have 150 stores, e-commerce sites and other points of distribution operating in 17 countries. We also launched our brand on the Tmall e-commerce platform in the China market. In our wholesale business, we launched our replenishment program with Amazon, adding to our existing fashion wholesale business with them, and expanded categories of merchandise available for distribution to our customers.

4. Fleet Optimization - We constantly evaluate our store fleet as part of our very successful fleet optimization initiative. To improve store profitability and productivity, we plan to close approximately 300 stores through fiscal 2020, of which 142 were closed by the end of Fiscal 2016.

MC: What are the biggest challenges you see in The Children’s Place growth objectives?

JE: We have been very successful as all of our strategic growth initiatives to date have been delivered on time and on budget. I would also note that the children's apparel retail market is highly competitive, with one or more of our competitors present in virtually all of the areas in which we have stores. We operate in an increasingly challenging retail environment, facing intense price and promotional competition. However, disciplined execution of our strategic initiatives has enabled us to deliver superior results, despite these headwinds.

MC: How are you setting up the company's team and priorities to compete and excel in your industry?

JE: Overlaying the four key strategic growth initiatives I mentioned above is talent. Talent ultimately defines our success, and over the past several years we have built a best-in-class management team. This talented team is a significant competitive advantage for our Company.

Underlying the four key growth initiatives is a commitment to operational excellence. The Company's commitment to operational excellence includes disciplined expense management, improving store operations, and combined with our finance, compliance, legal and human resources areas, forms the strong base necessary to support our long-term strategic growth initiatives.

Also, while many of our competitors struggle with chronic product and execution issues, we are consistently rewarded by an outstanding customer response to our product. Working together, our talented design, merchandising, sourcing and planning teams have made great progress moving our product forward while at the same time balancing fashion and fashion basics with more frequent, wear-now deliveries. We are gaining market share in a low growth kids apparel segment and we are clearly reaching new customers.

MC: What experiences have shaped your leadership?

JE: My experiences at The Children's Place and previously, at Lord & Taylor, were instrumental in shaping my leadership skills. When I took on the CEO position at both companies, significant turnarounds were required. In both situations, I needed to develop a strategic growth plan, build new management teams, and successfully drive the execution of those strategies, while at the same time dealing with the challenges of a fast moving and difficult macro retail environment. Earlier in my career, I used to think that I took on the CEO jobs that no one else wanted, but after two successful turnarounds of major retailers, I now I realize that I take on the CEO jobs that no one else can do!

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