

INVESTOR RELATIONS

THE DISRUPTION OPPORTUNITY

A REPORT OF THE NIRI THINK TANK
ON THE FUTURE OF INVESTOR RELATIONS



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Foreword

One hallmark of great professional associations is their work to collaboratively envision and proactively help shape the future of their professions. As part of NIRI's 50th anniversary celebration, *The Think Tank on the Future of Investor Relations* was conceived by the NIRI Board of Directors as a future-focused analysis of the investor relations (IR) profession. The Board charged the Think Tank with identifying the primary forces driving change, as well as potential developmental pathways to ensure continued relevance and professional success.

Guided by this lofty goal, the Think Tank convened in mid-2018, assembling a diverse group of 12 thought leaders who embarked on an intellectual exploration. The group did not try to achieve the impossible – predicting the future – but it did set out to consider a range of possible futures and the implications for IR practitioners.

This initiative recognizes that investor relations is evolving, which is no secret to IR professionals. A NIRI member survey conducted in conjunction with the Think Tank found that over the next 10 years, 97 percent of respondents believe the profession will change, and 83 percent believe that the speed of this change will increase.

In fact, this project surfaced an urgent and deep concern held by some that IR has reached a “burning platform” moment. Driven by changes in the capital markets, technology, financial and political activists and other pressures, investor relations is facing a crossroads moment presenting two possible scenarios: IR continues along the same path and becomes a tactical and less relevant function, or the profession changes to successfully overcome these challenges

and broadly realize its full potential as trusted strategic advisor and its position at the nexus of stakeholder engagement to drive business and social value.

As the steward of the profession, NIRI must take a leadership role in guiding practitioners to recognize these concerns and identify the scope and ramifications of the changes facing IR. NIRI must also be proactive in recommending how practitioners and those who serve the profession – including NIRI – plan for and adapt to change in order to maintain and increase the relevance of IR.

This report provides background and a summary of the Think Tank's work and suggests next steps for the IR profession. The Board's intent with this report is that it be an invitation for IR professionals and those in the broader capital markets engagement ecosystem to participate in a continuing dialogue about shaping the future of IR. This report includes a toolkit for creating provocative programming that will ultimately help foster a shared understanding of our collective long-term goal for the IR profession, and ideally, how we will proceed toward that goal.

NIRI thanks Lynn Tyson and Smooch Reynolds for their leadership on this important project, and each member of the Think Tank for their thoughtful insights and commitment to advancing the IR profession. Recognition also goes to NIRI CEO Gary LaBranche and Chief Programs Officer Matt Bruschi for an outstanding job interpreting and executing the Board's vision for the Think Tank. And finally, it is important to acknowledge that the work of the Think Tank on the Future of Investor Relations was made possible thanks to the generous support of Broadridge Financial Solutions.

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Summary

The profession of Investor Relations is changing, disrupted by external forces and other challenges, and pushed to renew and revitalize or become less relevant.

The Think Tank affirmed a long-standing desire for IR professionals to be recognized as trusted strategic advisors in the corporate C-suite and to return the IR profession to its longstanding position as a leading advocate for the integral role of public companies for driving business and social value. Some have attained this status, but for many it remains aspirational due to gaps in people's skills to play that strategic role. C-suites also often don't know the potential value of IR as they don't see it performed well in many cases. The consensus of the Think Tank is that the profession must take action now to attain this long-held aspiration and regain its voice in the public domain or risk a decline in value and relevance. The goal of the Think Tank is to inspire urgent, vigorous debate within the IR ecosystem to define a clear path forward.

The Process

To help inform the work of the Think Tank, NIRI conducted a member survey in November 2018 on related issues, highlights of which are referenced throughout this report and are included in Appendix E.

The Think Tank began deliberations by considering external challenges in the environment and internal transitions within investor relations. These conditions are ripe with both challenge and opportunity. The Think Tank questioned why the fundamental, widespread and enduring vision of IR as strategic advisor continues to elude many in the profession and if now is the time to finally achieve this vision. The Think Tank also discussed what drivers of change compel it and considered how a failure to achieve it might risk the marginalization and decline of the profession.

This latter point of potential marginalization and decline struck a chord. Disruption in the IR profession emerged as a consistent theme in Think Tank discussions and in the NIRI survey. Investors are changing how they invest and interact with public companies. The structure of the markets that public companies trade on has and will continue to fundamentally change. The knowledge, skills and experiences that public company C-suites demand from IR candidates in 2019 is significantly different than it was 20, or even just 10 years ago. IR professionals cannot simply expect to continue functioning in the same way and be successful in the future. The consensus of the Think Tank is that **IR is at a true inflection point where it *must* begin to evolve in the context of the changing environment or it will become a low-value, tactical function.**

Recognizing these issues is a key first step, however marshalling the resources to plan and make fundamental change in a profession takes time. The pace of the change impacting IR is quickening, so it's urgent that the industry come together to chart a successful path forward.

The Think Tank discussed several of the most significant of these change drivers and challenges affecting the IR profession including:

THE CHANGING NATURE OF INVESTORS

- *The rise of index/passive investing and the decline of active management.* The shift to passive investing has been underway for several decades with some estimates indicating that passive funds now account for 45 percent of U.S. equity mutual fund and ETF assets under management (up from less than 5 percent in 1995), and active management now accounting for just 10 percent of equity trading volume. Will the pendulum ultimately swing back to active management? Who will the critical investors of the future be? How will/should the role of IR change to serve these evolving investor types? NIRI member survey respondents ranked the

COMMENTS FROM THE NIRI SURVEY

“Corporate governance and ESG will become increasingly important roles in IR given the increase in index ownership.”

changing nature of investors as the third greatest challenge for IR professionals over the next 10 years.

- *Increasing shareholder activism.* A new generation of activists is on the rise with even the largest institutional fund managers becoming involved, including BlackRock, Vanguard and State Street. 2018 represented a record year for the number of investors engaged in activism, the number of activist campaigns and the capital deployed. Will these trends continue, and what are the implications for IR professionals vis-à-vis their role in corporate governance and related issues?
- *Growing interest in Environmental, Social and Governance (ESG) investing and demand for ESG disclosures.* The growth of investing strategies that prioritize ESG factors has been strong with some estimates indicating that ESG assets have increased by more than 200 percent in the U.S. over the last decade, and worldwide ESG assets under management now total more than \$30 trillion. Demand for corporate ESG information from these investors and other interested parties has risen as well. How will these trends evolve, and will ESG be perceived as a priority for companies from a business practice, disclosure and shareholder engagement perspective? How will the ESG agenda broaden and what role will IR professionals play in a company's ESG accountability and disclosure?

CAPITAL MARKETS STRUCTURAL AND TECHNOLOGICAL CHANGE

- *Increasing reliance by private companies on private equity funding and M&A rather than accessing public markets, and the resulting decline in the number of public companies.* About 3,600 issuers were listed on major U.S. stock exchanges at the end of 2017, down more than half from 1997. With the decrease in the number of publicly traded companies, and the allowance of 2,000 record holders of private companies before being required to be public, up from 300, should IR professionals take a broader role in working with private companies and their investors? What other markets might emerge for funding corporate growth, and what role should/could IR play in these markets? Just over two-thirds of NIRI survey respondents anticipate that the number of publicly traded companies will either decrease or decrease dramatically over the next 10 years. They ranked the decline in the number of public companies as the second greatest challenge facing the IR profession. What role can IR play in the public domain to advocate for the benefits of job creation, capital flows, etc. that can only occur in the public equity markets?
- *The transition to quantitative/algorithmic driven trading.* Estimates suggest that quantitative trading now accounts for more than 70 percent of U.S. equity volume, and that it will continue to grow. These computer-based models execute extraordinary trading volumes at very high speeds and are predicted to begin leveraging artificial intelligence to guide their trading patterns. As this fundamental shift in the buy-side continues apace, will corporate narratives matter, and will there continue to be a role for IR professionals to play in telling these corporate stories? How can IR professionals remain expert in this area?
- *The growth of data analytics/artificial intelligence.* As data proliferates and decisions are increasingly more automated, where will human interpretation and intervention still be essential? How will IR professionals understand and proactively address the exponential growth of data that shareholders are accessing? Data analytics and artificial intelligence were ranked a very close fourth and fifth by NIRI survey respondents in terms of the challenges these pose for the IR profession over the coming 10 years. How can IR adapt its historical use of data to create compelling messages to all stakeholders, and to respond to these latest trends in data analytics?
- *MiFID II and the decline of the sell-side.* The Markets in Financial Instruments Directive (MiFID) II regulations took effect in Europe in January 2018, and the impact to global capital markets has been varied. One effect is that equity research spending (and sell-side coverage) has generally declined. Some public companies have seen research coverage decline as sell-side analysts leave equity research, and Investor Relations Officers (IROs) have experienced more competition for IR jobs from some of these former sell-side

COMMENTS FROM THE NIRI SURVEY

“(Future IR professionals will need to understand) implementation of AI and data analytics, using that technology as a multiplier of IR effectiveness.”

“The impact from MiFID II is likely to be profound in ways we aren’t thinking about.”

analysts. Will these issues represent risk or opportunity for IROs and their companies? Seventy-six percent of NIRI member survey respondents believe it will be more likely for IR professionals to come from or have experience in the sell or buy-side over the next 10 years, and ranked this trend as the greatest challenge confronting IR professionals.

EXPANDING KNOWLEDGE AND COMPETENCIES REQUIRED IN IR

- *Growing and changing role of IR.* As C-suites seek IR professionals with stronger business acumen; greater financial modeling, financial statement and competitive analysis skills; direct shareholder relationships (without sell-side and/or corporate access); and greater regulatory affairs savvy, will the existing IR talent pool be sufficient to meet these rising expectations? What tools are available to IR professionals to conduct regular self-assessments, and participate in continuous learning?
- *IR Evolving as a Team Function.* Perhaps driven by the factors described in the previous bullet, there is ongoing discussion in the industry about the potential or necessary evolution of IR into more of a team, rather than individual function, with a range of roles comprising IR, FP&A, Treasury, Marketing, Communications and Governance, for example. Will IR evolve from a position with a defined skill set to a team of individuals with complementary skill sets?

A Time for Engagement – and Action

These discussions ultimately led to several critical questions for the IR profession to consider, and will be useful in guiding professional development programming (see the “Next Steps” section, and Appendix D):

- What is the preferred future for the IR profession?
- What actions are IR professionals individually and collectively taking today to shape this future?
- What does/would it mean to live up to the aspiration of trusted strategic advisor?
 - How can IR professionals build trust in their situational judgment?
 - How can IR professionals shift from the daily tactical demands of the job to a strategic role?
 - With whom are IR professionals acting now as a strategic advisor?

Based on its analysis of the near-term changes impacting the IR

COMMENTS FROM THE NIRI SURVEY

“Many IROs do not know their companies broadly and need to get a deeper understanding of the businesses they represent to be respected as executives/advisors to [C-suite] executives.”

“In the future, investors will expect IROs to be just as good with the numbers as the CFO, which will require far more financial training than IROs in the past may have received.”

“(I see) consolidating functions going forward to gain efficiencies and alignment ... reporting directly to the CEO.”

COMMENTS FROM THE NIRI SURVEY

“Many different departments and functions are seeking the role of trusted advisor to the C-suite and senior management. IR needs to look in the mirror and ask itself, what unique value can and does it provide that will give it this strategic advisor mandate in the years ahead?”

profession, and the medium-term challenges and transitions facing IR, the Think Tank’s preferred future for IR includes:

- IR professionals as trusted strategic advisors – attainment by IROs, and acceptance in C-suites
- Conveners and integrators of multidisciplinary teams in communications and analytics – acknowledging the evolving collaborative IR cross-functional role
- Champions of strong capital markets – advocating for clarity and transparency in building and maintaining trust with investors, regulators and the public

Of these possibilities, the Think Tank coalesced around the concept of IR as trusted strategic advisor as the highest and best future vision for the profession. The Think Tank concluded that amid the myriad of changes affecting the profession, IR professionals can and must take steps to prepare to finally achieve this vision. Investor relations professionals need to, on an individual basis, engage in frank

self-assessment in understanding the value they provide and any weaknesses they may have.

Based on its assessment, the Think Tank concluded that in order to meet the profession’s future aspirations and challenges, IR professionals must have:

- Business acumen with a big picture view of all functional areas; a multidisciplinary skill set to break down corporate silos to advance corporate strategy
- Strategic foresight pursuing long-term results and identifying potential trends
- Expert level ability to communicate effectively with the investment community
- Integrity and emotional intelligence
- Global economics and geopolitical knowledge
- More operational experience and industry specific knowledge to provide deeper context
- Knowledge of how to measure and interpret progress toward corporate goals
- Regulatory affairs knowledge
- Increased understanding of the evolving investment community and market structure

Seizing the Strategic Opportunities Ahead

As noted, the goal of elevating IR professionals to trusted strategic advisors was central to Think Tank discussions. Encapsulated in this is the reality that IR is a natural strategic advisory role with an extraordinary vantage point to create value for all stakeholders. Executive level IROs are psychological business partners to the C-suite. They are truth-tellers who offer straight talk to all parties.

The trusted strategic advisor role is, however, elusive for many. It isn’t necessarily part of the job, and likely won’t appear in the job description. C-suites don’t always see IR performed strategically, and therefore don’t necessarily know the value of IR excellence. The role of strategic advisor is a mantle earned through successful experience, and by the possession of a myriad of qualitative, quantitative and non-quantifiable factors often described as “executive presence.”

Attaining this status represents an opportunity for many IR professionals that begins with honest self-assessment. It involves professional executive development, the “executive first, IRO second” mindset, situational judgement, mastery of priority knowledge and competency expectations, and a deep understanding of the many ways IR professionals can fail.

Becoming a trusted strategic advisor is, however, achievable as evidenced by those who have reached this status in IR, and those who have moved into other C-suite roles, board roles, those who counsel C-suites on behalf of IR counseling firms, etc. Those that aspire to this status must be prepared to face constraints and obstacles including, for example, their own personal inhibitions, and challenging corporate culture norms. Proper due diligence is also necessary preceding and during the interview process to avoid entering a situation where IR is under-valued.

A related opportunity is the idea that the IR profession is at the nexus of stakeholder engagement driving business and social value. This incorporates a broader view of IR audiences and connections beyond the traditional narrow view of “shareholders,” given the trend of the expanding portfolio of IR responsibilities, with greater access

and engagement with other key stakeholders. Investor Relations is a team activity, with the IR practitioner providing strategic leadership to a multi-disciplinary effort within a company.

The associated knowledge, skills and competencies for success here include integrity and authenticity, relationship management and emotional intelligence, and a deeper understanding of transparency and disclosure. It requires more collaboration with other corporate engagement functions, both internally and externally.

New priorities for the profession include seeking greater harmonization of ESG reporting practices, and a better understanding of how the ESG agenda of stakeholders may continue to develop and/or broaden.

Ideally, the Think Tank project is a first step toward achieving these ends. The conversation now needs to be taken up by the broader IR community as discussed in the next section.

Next Steps – An Invitation to NIRI Chapters and the Capital Markets Engagement Ecosystem

The work of the Think Tank is the first step in what should now become a broader, urgent discussion within the IR community to consider the future of, and properly position IR in terms of its trusted strategic advisory role. This report and related resources are an invitation to this strategic and provocative conversation among IR stakeholders. NIRI will use this report to kickstart this dialogue through publications, professional development programming, online discussions, etc. NIRI chapters are encouraged to continue these conversations locally. These programs and discussions will ideally:

- Explore how the profession’s identity and roles may evolve in a changing environment
- Identify new knowledge and skills IR professionals will need
- Generate dialogue and discovery around the highest contributions that IR professionals can make to their companies, investors and society in the future

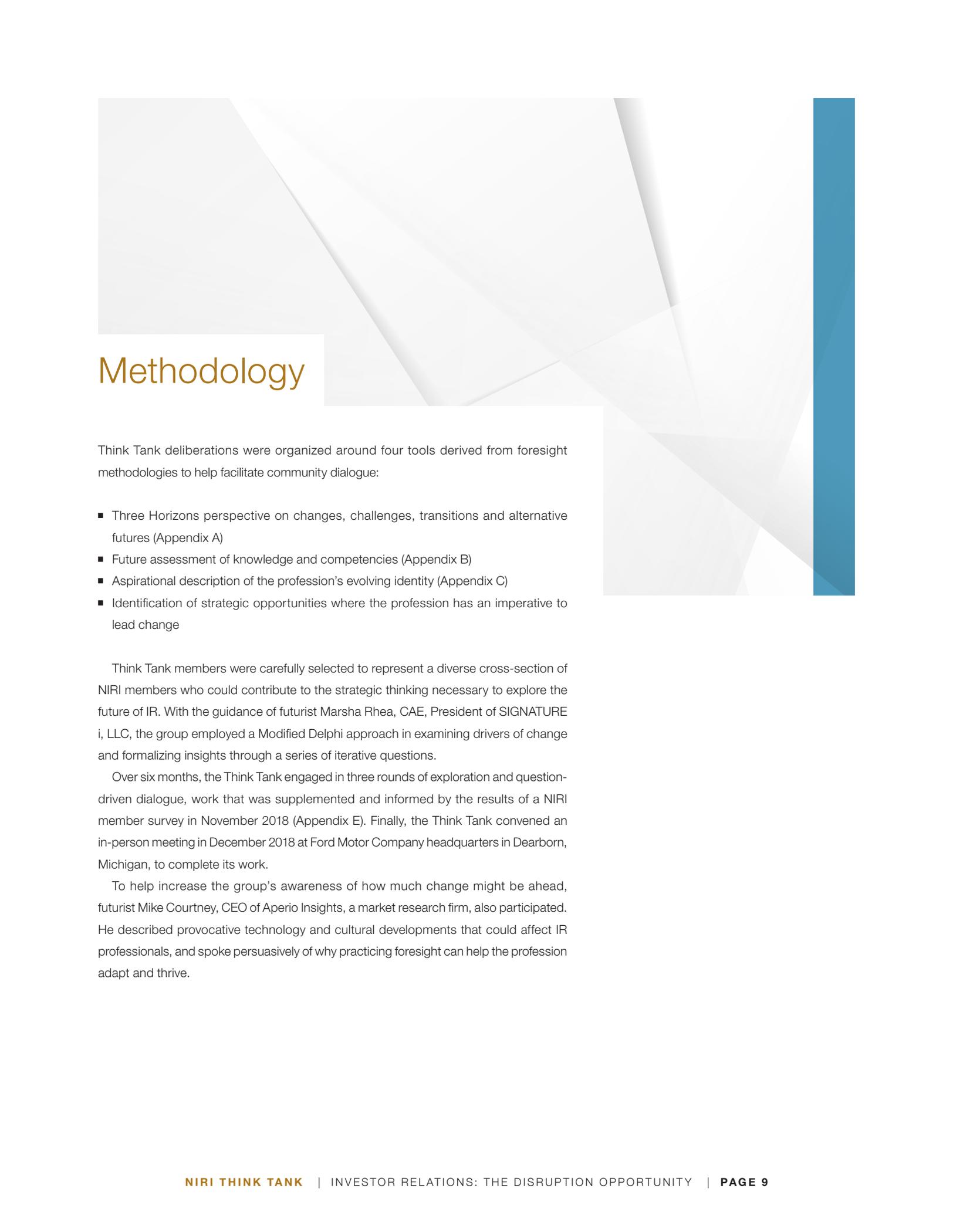
Following the Think Tank’s lead, chapters are encouraged to continue these discussions in order to specifically address what it will take for the IR profession to achieve its long-standing goal of elevating IR to the role of trusted strategic advisor in the C-suite.

- What is the preferred future for the IR profession?
- What actions are IR professionals individually and collectively taking today to create this future?
- What does/would it mean to live up to the aspiration of trusted strategic advisor?

- How can IR professionals build trust in their situational judgment?
- How can IR professionals shift from the daily tactical demands of the job to a strategic role?
- With whom are IR professionals acting now as a strategic advisor?

NIRI chapters and others in the capital markets engagement ecosystem are invited to participate in this type of continuing dialogue on the future of IR, and are encouraged to take advantage of the Chapter Programming Toolkit provided in Appendix D.

This resource enables local chapters to develop new programming that roughly follows the process of the Think Tank. It creates opportunities for stimulating discussion around the profession’s evolving identity, and drivers of change that may be somewhat unique considering the specific demographics associated with regions, industries, etc. This toolkit also provides opportunities for local assessments of potential professional development gaps and/or priorities for future chapter programming.



Methodology

Think Tank deliberations were organized around four tools derived from foresight methodologies to help facilitate community dialogue:

- Three Horizons perspective on changes, challenges, transitions and alternative futures (Appendix A)
- Future assessment of knowledge and competencies (Appendix B)
- Aspirational description of the profession's evolving identity (Appendix C)
- Identification of strategic opportunities where the profession has an imperative to lead change

Think Tank members were carefully selected to represent a diverse cross-section of NIRI members who could contribute to the strategic thinking necessary to explore the future of IR. With the guidance of futurist Marsha Rhea, CAE, President of SIGNATURE i, LLC, the group employed a Modified Delphi approach in examining drivers of change and formalizing insights through a series of iterative questions.

Over six months, the Think Tank engaged in three rounds of exploration and question-driven dialogue, work that was supplemented and informed by the results of a NIRI member survey in November 2018 (Appendix E). Finally, the Think Tank convened an in-person meeting in December 2018 at Ford Motor Company headquarters in Dearborn, Michigan, to complete its work.

To help increase the group's awareness of how much change might be ahead, futurist Mike Courtney, CEO of Aperio Insights, a market research firm, also participated. He described provocative technology and cultural developments that could affect IR professionals, and spoke persuasively of why practicing foresight can help the profession adapt and thrive.

APPENDIX A

Three Horizons Perspective on Changes, Challenges, Transitions, and Alternative Futures

Three Horizons analysis provides a succinct overview of what's changing, increases awareness of what's uncertain and requires response and invites others to join in defining their aspirations for a preferred future. Provided here is the Think Tank's Three Horizons analysis.

1 ST HORIZON	HIGH IMPACT	MODERATE IMPACT	STRATEGIC QUESTIONS
<p>Changes We Can See Now</p> <p>1-3 years in the future</p>	<p>Changing nature of investors</p> <p>Structural changes in the capital markets</p> <p>Influx of buy-and-sell side analysts</p> <p>Growth of ESG investing and reporting</p> <p>Technological innovations (data analytics, AI, automation, etc.)</p>	<p>Workforce shifts</p> <p>Increasing diversity</p> <p>Geopolitical instability</p> <p>Decline in the number of public companies</p> <p>MiFID II and decline of the sell-side</p>	<p>Will the pendulum swing on passive investing back to more active management?</p> <p>Will the demands for transparency and disclosure continue to increase?</p> <p>Will data or the narrative become more important?</p> <p>How will ESG evolve? Will it be perceived as a priority by companies? By investors?</p>
2 ND HORIZON	EXTERNAL CHALLENGES	INTERNAL TRANSITIONS	STRATEGIC QUESTIONS
<p>Challenges and Transitions</p> <p>3-7 years in the future</p>	<p>Challenges to capitalism</p> <p>Market cycles</p> <p>Social and political unrest</p> <p>Increasing regulatory requirements</p> <p>Technology advances and disruptions</p>	<p>Changes in roles and responsibilities:</p> <ul style="list-style-type: none"> ■ Financial analysis ■ Shareholder engagement ■ Outsourced corporate access ■ Regulatory affairs/oversight <p>Increasing knowledge and competency demands</p> <p>Management team priorities and pressures</p>	<p>Will the IR talent pool be sufficient to meet rising role expectations?</p> <p>Can we quantitatively demonstrate the value of IR?</p> <p>Will the focus shift from shareholder engagement to stakeholder engagement?</p>
3 RD HORIZON	PREFERRED FUTURE	FEARED FUTURE	STRATEGIC QUESTIONS
<p>Alternative Futures</p> <p>7-10 or more years in the future</p>	<p>Trusted strategic advisors</p> <p>Champions of strong capital markets</p> <p>Conveners and integrators of multidisciplinary teams in communications and analytics</p>	<p>Marginalized role</p> <p>Public and policy maker distrust</p> <p>Capitalism under attack</p>	<p>Will the IR role integrate communications and analytics or bifurcate into two distinct career pathways?</p> <p>Is there a timeless need for IR? If so, how might the ways in which IR meets those timeless needs change?</p> <p>What is your preferred future and what actions are you taking today to create it?</p>

APPENDIX B

Future Assessment of Knowledge and Competencies

With the assistance of NIRI member survey data, the Think Tank postulated how knowledge and competencies might increase or decrease and assessed what might be most important for IR professionals to know in the future. The group concluded that IR professionals must engage in self-assessment, commit to professional development and strive to gain experience in and master the breadth of disciplines that define IR to become accomplished executives.

PRIORITY EXPECTATIONS	BASELINE REQUIREMENTS		STRATEGIC QUESTIONS
<p>Business insight with a big picture view of all functional areas</p> <p>Corporate strategy/strategic planning</p> <p>ESG experience</p> <p>Experience as strategic advisor to key management decision makers</p> <p>Relationship building and management</p> <p>Situational judgment</p>	<p>MOST IMPORTANT:</p> <p>Accounting</p> <p>Capital markets structure and operation</p> <p>Competitive analysis</p> <p>Corporate governance</p> <p>Financial statement analysis</p> <p>Financial modeling and forecasting</p> <p>Regulatory compliance</p> <p>Regulatory affairs knowledge</p>	<p>LESS IMPORTANT:</p> <p>Cybersecurity</p> <p>Media relations</p> <p>Software development</p>	<p>What should the gradient of expectations from entry level to senior executive look like?</p> <p>Are changes needed in the IR Body of Knowledge and competencies to reflect perceived changes in knowledge and competency expectations?</p> <p>Should individuals have a discipline of self-assessment and continuous learning?</p> <p>As data proliferates and decisions are increasingly more automated, where will human interpretation and intervention still be essential?</p> <p>Will IR evolve from a position with a defined skill set to a team of individuals with complementary roles and skill sets?</p>
	<p>IMPORTANT:</p> <p>Company brand and reputation management</p> <p>Global economics and geopolitical knowledge</p> <p>Industry specific experience</p> <p>Integrity and emotional intelligence</p> <p>Investor targeting</p> <p>Operational experience</p>		

APPENDIX C

The Profession's Evolving Identity: Typical IR Today and in the Future

Provided here is the Think Tank's aspirational description of the profession's evolving identity. This can be a powerful tool for generating dialogue as IR professionals and the broader IR community considers the profession's future.

TODAY'S TYPICAL IR FOCUS	FUTURE IR FOCUS
Tactical and transactional	Strategic
Information reporters	Scanners, interpolators and synthesizers
Relationship manager	Trusted advisor
Communicator of company reputation and brand	Driver of business and social value
Go-between	Equivalent to speaking with C-suite
Shareholder liaison	Stakeholder educator
Source for business performance data	Master interpreter of critical business metrics
Early warning system	Ethical advisor invoking accountability

APPENDIX D

Chapter Programming Toolkit

The work of the Think Tank is the first step in what should now become a broader discussion within the IR community to consider the future of, and properly position IR in terms of its trusted strategic advisory role. NIRI chapters and others in the capital markets engagement ecosystem are invited to participate in this type of continuing dialogue on the future of IR and are encouraged to take advantage of the Chapter Programming Toolkit provided in this appendix. The resources included are:

1. Evolving Identity Chart: Typical IR Focus Today and in the Future — This chart can be a powerful tool for generating dialogue around the aspirational description of the profession's evolving identity as IR professionals and the broader IR community consider the profession's future. Recommended for a 60-90 minute conversation.

2. Three Horizons Perspective on Changes, Challenges, Transitions, and Alternative Futures Chart — Three horizons analysis provides a succinct overview of what's changing, increases awareness of what's uncertain and requires response, and invites others to join in defining their aspirations for a preferred future. It is helpful in conducting a deeper dive considering the local economic climate and drivers of change, and in inviting people to describe their preferred and feared futures. It is recommended as prework to prepare for a 60-90 minute conversation about what the future might hold.

3. Future Assessment of Knowledge and Competencies Chart — Tool for local professional development committees to assess gaps and priorities for future programming. This tool might also be a helpful guide for self-assessment.

Three Horizons Perspective on Changes, Challenges, Transitions, and Alternative Futures

Three Horizons analysis provides a succinct overview of what's changing, increases awareness of what's uncertain and requires response, and invites others to join in defining their aspirations for a preferred future. This tool is helpful in conducting a deeper dive considering local situation, drivers of change and inviting people to describe their preferred and feared futures. How would you modify the Think Tank's assessment to better reflect what you observe and forecast for the future? Recommended as prework to set up a 60-90 minute discussion to develop a more localized assessment of the future.

1 ST HORIZON	HIGH IMPACT	MODERATE IMPACT	STRATEGIC QUESTIONS
Changes We Can See Now 1-3 years in the future			
2 ND HORIZON	EXTERNAL CHALLENGES	INTERNAL TRANSITIONS	STRATEGIC QUESTIONS
Challenges and Transitions 3-7 years in the future			
3 RD HORIZON	PREFERRED FUTURE	FEARED FUTURE	STRATEGIC QUESTIONS
Alternative Futures 7-10 or more years in the future			

Future Assessment of Knowledge and Competencies

Tool for local professional development committees to assess gaps and priorities for future programming. Also useful for individuals engaged in self-assessment.

PRIORITY EXPECTATIONS	BASELINE REQUIREMENTS		STRATEGIC QUESTIONS
	Most Important:	Less Important:	
	Important:		

APPENDIX E

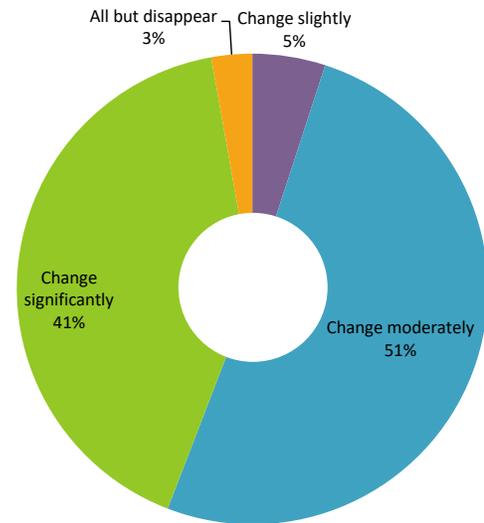
NIRI Study on the Future of Investor Relations – Survey Highlights

All NIRI members were invited to participate in this electronic survey through direct e-mail invitations from November 19 to December 3, 2018. A total of 181 individuals participated, yielding a response rate of approximately 7 percent. Highlights of survey responses are presented below.

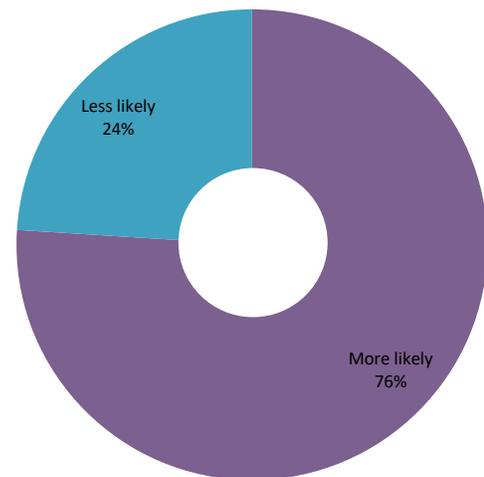
Please rank order the top three areas you believe will pose the greatest challenge for IR professionals in the next 10 years. Please only rank the top three.

Item	Overall Rank	Score	Total Respondents
MiFID II & decline of the sell-side	1	1,329	118
Decline in the number of public companies	2	888	80
Changing nature of investors	3	867	79
Data analytics	4	582	53
Artificial intelligence	5	532	48
Changing range of ESG expectations	6	464	44
Instantaneous communication and social media	7	396	37
Growing reliance on private equity capital	8	391	36
Transparency and accountability	9	318	29
Splintered, polarized society	10	85	8
Diversity and inclusion	11	75	7
Contingent workforce, gig economy	12	42	4

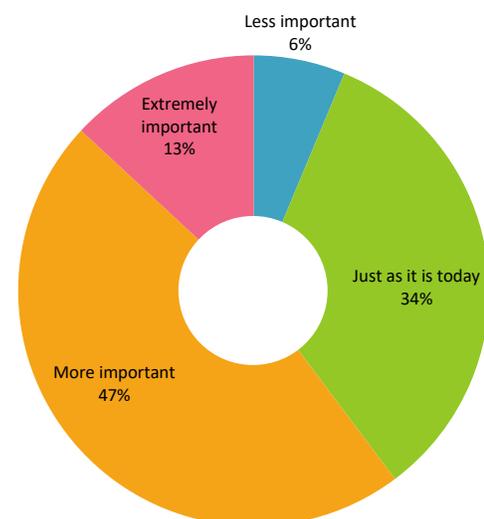
Please indicate the answer that you think best completes this statement:
Over the next 10 years, the profession and practice of IR will:



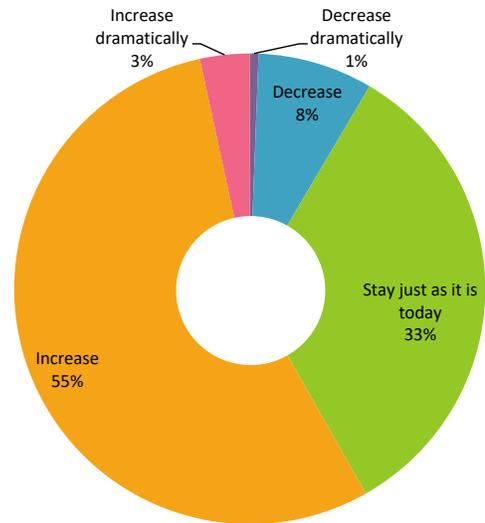
Over the next 10 years, will it be more likely or less likely for IR professionals to come from or have experience in the sell-side or buy-side?



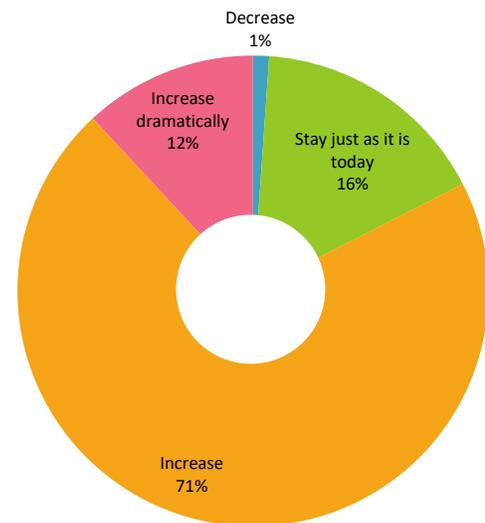
How will financial analysis in IR be viewed in the next 10 years?



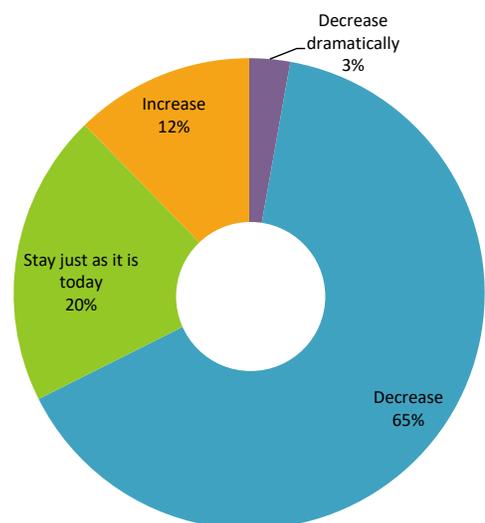
Over the next 10 years, government regulation and other oversight will:



Over the next 10 years, the speed of change for IR professionals will:



Over the next 10 years the number of publicly traded companies will:



INVESTOR RELATIONS

THE DISRUPTION OPPORTUNITY

About NIRI

Founded in 1969, NIRI is the professional association of corporate officers and investor relations consultants responsible for communication among corporate management, shareholders, securities analysts and other financial community constituents. The largest professional investor relations association in the world, NIRI's more than 3,300 members represent over 1,600 publicly held companies and \$9 trillion in stock market capitalization.

About SIGNATURE i

SIGNATURE i helps leaders of organizations discover, plan and do their signature work in the world. We empower you to lead change through our strategic consulting services, futures research and facilitation. SIGNATURE i president Marsha Rhea, a futurist, guided the work of the Think Tank.

About Broadridge Financial Solutions

Broadridge is a global Financial Technology leader. We provide shareholder communications, technology and data solutions to enrich client engagement, navigate risk and optimize efficiency. Dorothy Flynn, President of Broadridge Corporate Issuer Solutions, participated in the Think Tank.