
IR SUMMIT, December 12th, 2017



Change Is Happening Fast and at Multiple Levels



World

- ▶ By 2050, the World population is expected to reach about 10 Billion
- ▶ By 2019, 1/3 of all shoppers will be in China. Today, there are 243 cities with population of +1 Million in China and 1.3 Billion Chinese own smart phones (Total population of Europe). By 2020, 4 out of 10 college graduates across the globe will be either Chinese or Indian
- ▶ By 2020, there will be 200 Billion smart objects worldwide; 26 for every human on Earth
- ▶ By 2025, 50% of operational jobs will have passed on to machines. For every 10 jobs consumed by automation, only 1 will be created
- ▶ Nanotechnology will increase computing capabilities, allowing for brain-like devices . By 2050, Super Intelligence will be in our lives, introducing robots more creative than human brain
- ▶ Bitcoin daily trading volume has surpassed the \$1 Billion threshold in 2017, in November 2017 the daily trading volume surpassed \$5 Billion. Total Bitcoin value is over \$250 Billion
- ▶ Global spending on cybersecurity will exceed \$1 Trillion over the next 5 years
- ▶ Increased societal push for greener operations across the whole supply chain

Industry

- ▶ Every 2 weeks a company is replaced in the S&P 500
- ▶ 63% of Fortune 500 Companies with a major stake in healthcare are new entrants
- ▶ More than 40% of Consumer Goods R&D is crowdsourced
- ▶ In 2016 we produced as much data as in the rest of the history of humankind
- ▶ Automization of industries driven by technologies like 3d printing will change production economics
- ▶ Artificial Intelligence, Machine Learning, Cloud and Big Data will radically change not only society but also how we work
- ▶ In 10 years time, 40% of the jobs people will be doing, do not exist today
- ▶ 65% of children will work in roles that don't exist today
- ▶ The sharing economy will continue to disrupt traditional industries at a higher pace and with a bigger reach. Airbnb is valued at \$30 Billion, as much as Hilton and Hyatt combined
- ▶ Fluidity will continue to increase; Uber and Lyft are responsible for an 80% drop in the price of a New York City taxi medallion

Corporate Life

- ▶ By 2020 50% of Americans will be freelancers
- ▶ In 10 years time it is predicted that 50% of your work force will be freelancers drawn from the «gig» economy
- ▶ Technology gave rise to the gig economy changing the way companies recruit, source and develop talent
- ▶ Service-related industries will continue to grow compared to manufacturing employment in the developed economies
- ▶ Need for immediate business-critical information drives investment in data infrastructure, making all data available, and possibly information overload. Only 8% of companies think they have usable data
- ▶ 3 in 4 Companies have adopted Artificial Intelligence Technology in their workforce, however only 17% of executives say they are ready to manage a workforce that includes humans, robots and AI working side by side
- ▶ By 2025, millennials are expected to make up around 75% of the workforce, at which point Gen Z will also be coming into the workforce. As people are likely to retire later, organizations will need to manage 5 generations in the workforce all with different demands

GOOD LUCK !



IR Function Today



Context

- ▶ The new world is much more complex and challenging than earlier times full of **disruptive technology** and **activist attacks** which lead to **grave infrastructural change** in **Capital Markets**
- ▶ Information flow reached **immense speed** and **risk**
- ▶ **Corporate Governance** and **Regulatory Compliance** are crucial

IR Function

- ▶ IR is effective communication of a Corporation's financial performance and strategy, which drives the **share price**
- ▶ IR is the **pre-eminent link** between the Corporations and the Investors
- ▶ Effective Investor Management requires **persuasive, compelling equity story** but also a **straightforward, trustable story**
- ▶ Internal and External Dialogue is key and needs to be done with **Transparency, Consistency, Clarity, Candor, and Timely**
- ▶ **High Credibility, TRUST** are vital to manage Corporation's perception and its evolution

Competencies

- ▶ Securing / maintaining Investors' confidence demands a **strategic mindset, effective data extraction, and articulation at ripple intelligence level**
- ▶ **Resourceful** Investor Management demands an **innovative mindset** and continuously-fed **intellectual capacity**
- ▶ **Business Judgement** and capacity to **Interpret** are critical assets
- ▶ **Constructive Dissatisfaction** is invaluable
- ▶ **Ingenious Problem Solving** is key
- ▶ **Trading Trends** and **Competitive Activity** are detrimental sources
- ▶ **Attention to Detail** and **Sense of Urgency** are of paramount importance to **Triage** multiple requests from Investors, Analysts, Stakeholders
- ▶ **Effective Network** is essential (go-to-sources, brokerage firms, investment banks, regulatory bodies, media, roadshows, NGOs, and more)
- ▶ Heavy Involvement in **AI, Blockchain, BigData** is no longer a luxury
- ▶ **Business Acumen** and **Finance Background** needed, pure Communications is no longer sufficient