ASSOCIATION FOR FINANCIAL PROFESSIONALS

2021 AFP®

RISK SURVEY REPORT

Post Crisis and Preparation for the Future

KEY HIGHLIGHTS

Supported by

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This summary report includes highlights from the comprehensive 2021 AFP Risk Survey Report. The complete report comprising all findings and detailed analysis is exclusively available to AFP members. **Learn more about AFP membership.**

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MESSAGE FROM MARSH MCLENNAN

The *2021 AFP® Risk Survey* report highlights the equal roles that technology and people play in enabling treasury teams and their organizations to manage risk effectively. Both were vital to enterprise agility and resiliency throughout the COVID-19 pandemic crisis and in ensuring a consistent, competitive advantage going forward.

Treasury and other risk functions are increasingly tasked with facilitating more timely and forward-looking approaches for managing risks as well as assessing and planning for scenarios on a firm-wide basis. Treasury teams will need to invest in new skill sets, digitalization and automation of core treasury processes, and make faster decisions with larger amounts of and more complex information.

Greater and better leverage of technology is key to strengthening processes and capabilities to identify, assess and respond to evolving and emerging risks. Metrics and data analytics, enabled by the right digital tools to provide frequent, granular, high-quality information across an enterprise, are critical in order to accurately forecast risk and finance metrics and support improved stress testing and scenario analysis.

Equally important are treasury professionals with the business acumen, knowledge and skill sets to leverage new technology. Treasury groups need to focus on developing advanced analytical capabilities for sophisticated risk identification, assessment and risk-financing decisions to serve as key advisors to business decisions.

The COVID-19 pandemic increased the corporate world's focus on the health and well-being of their people. While many employees are struggling with engagement, the competition for talent remains intense. Organizations and treasury functions must focus on developing a compelling employee value proposition and career trajectory paths to nurture, retain and attract top talent.

Marsh McLennan is pleased to sponsor this survey for the 10th year and to continue our dialogue with the financial professional community about how to strengthen an organization's risk management capabilities.

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KEY TOPICS COVERED IN 2021 AFP RISK SURVEY

MOST CHALLENGING RISKS TO MANAGE

RISKS WHICH WILL HAVE GREATEST IMPACT ON EARNINGS

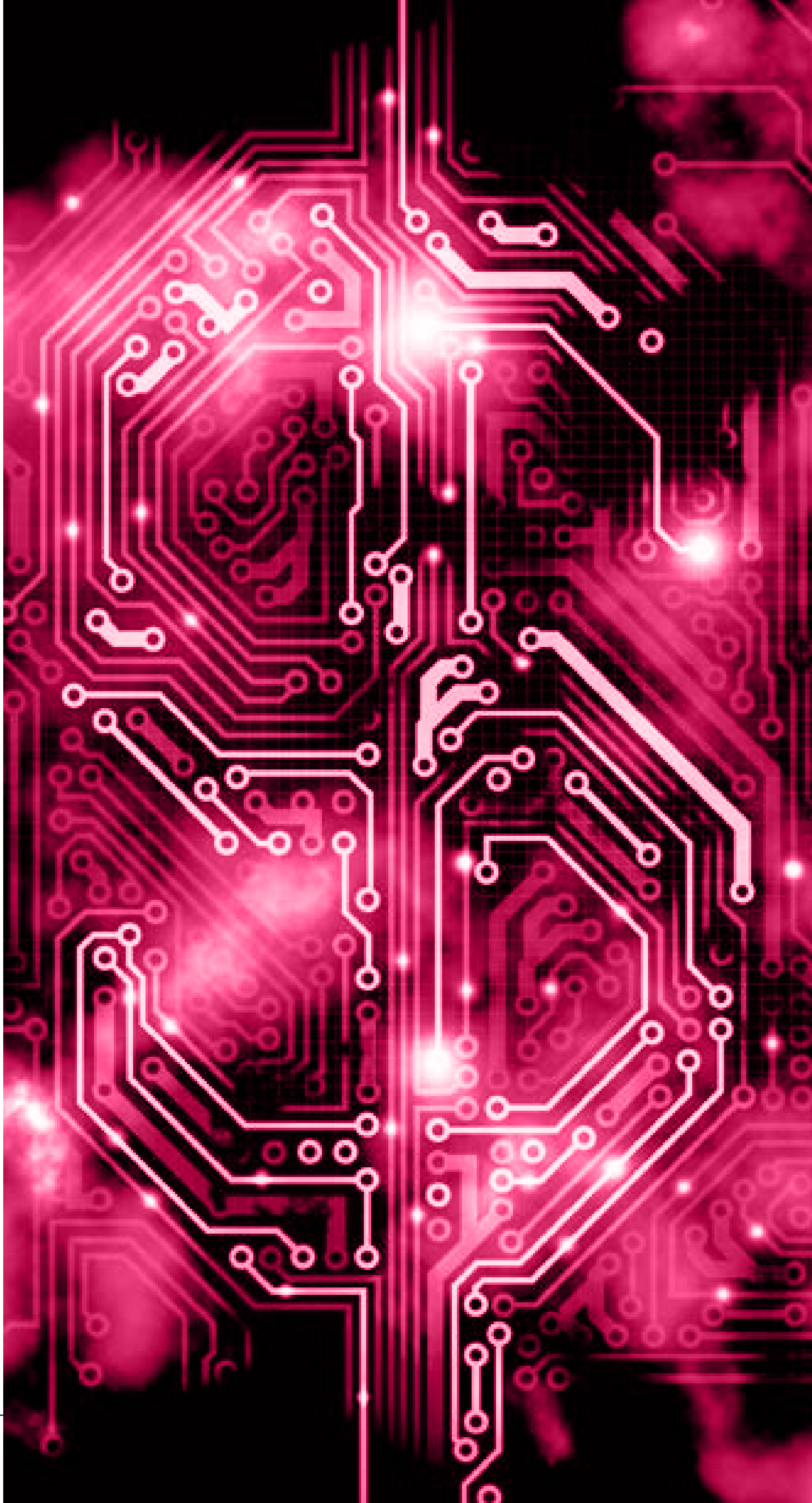
ORGANIZATIONS' EXPOSURE TO UNCERTAINTY IN EARNINGS

RISK MANAGEMENT TECHNOLOGY

KEY LEARNINGS FROM CRISIS

SHIFT IN EMPHASIS ON MITIGATING RISK

RISK MANAGERS PROPELLED TO A MORE STRATEGIC ROLE

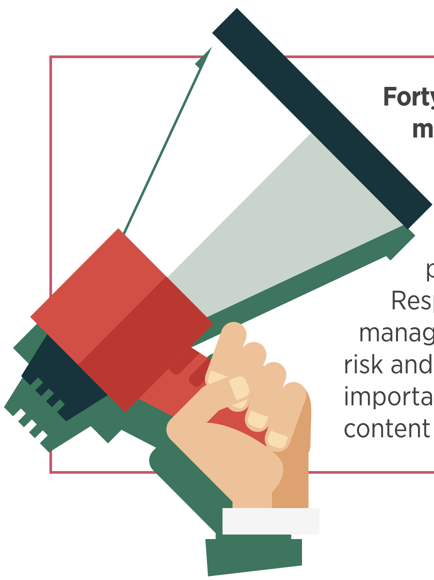


KEY FINDINGS

Managing people effectively is key in withstanding future crises (cited by 84 percent of survey respondents)

Eighty-four percent of respondents believe managing people effectively during a crisis will assist them in coping better during the next crisis. Forty-three percent of respondents consider this very important when dealing with future crises and 41 percent indicate it is important.

This finding suggests it is a key learning for these practitioners as they emerge from the crisis they just faced. Focusing on keeping employees engaged, adapting to alternative work environments, allowing flexibility and assisting staff in dealing with their mental health are some of the areas that organizations will need to enhance going forward. Additionally, equipping staff with the requisite tools that will help them be more proactive, collaborate effectively and identify emerging risks is also essential.



Forty-seven percent of respondents do agree that those managing risks at their organizations in the past 12 months have grown into a more strategic role

Forty-seven percent of respondents do agree that those managing risks at their organization in the past 12 months have grown into a more strategic role. Respondents explain that the contribution of treasury managing macroeconomic risk (interest rates), technology risk and liquidity and financial risk has increased significantly in importance. Senior management at organizations has looked to content experts more often for advice and guidance.

Cybersecurity risks continue to be the most challenging to manage (cited by 47 percent of respondents)

Nearly half (47 percent) of treasury professionals reports that cybersecurity risks (ransomware, phishing, etc.) are currently the most challenging risks to manage. Indeed, the views regarding cybersecurity risks have evolved over the past decade: in 2010, only 12 percent of survey respondents noted that cybersecurity risks were challenging to manage, while in 2021 nearly half report this category of risk is difficult to keep in check. Cybersecurity risks are the most difficult risk to manage across the board, regardless of organization annual revenue or ownership.

Treasury teams should focus on managing cash flow, working capital and liquidity (79 percent) to manage future risks

Nearly eight in ten respondents report that treasury teams should focus on managing cash flow, working capital and liquidity so they can assist their organizations in mitigating future risks. This sentiment reflects the challenges organizations have faced in the past year managing liquidity and cash flow during the pandemic.

Although cash flow and managing liquidity are considered core functions for treasury teams, this finding does indicate that treasurers are focusing more on these areas which were key concerns during the crisis. Organizations were compelled to manage cash flow and liquidity effectively to remain viable. Longer-term strategic responsibilities – while certainly on the radar of treasury professionals – are currently not considered an immediate priority. Beyond just managing these risks, treasury practitioners need to be able to understand and communicate to executive management the importance of cash flow, working capital and liquidity on the organization, as they did during the pandemic crisis. It requires that they collaborate with stakeholders and enhance the resilience of the organization to adapt rapidly to future risks.

Risk managers anticipate strategic, business operations interruptions and macroeconomic risks will have greatest impact on organizations' earnings

Survey results indicate that the risks which will have the greatest impact on earnings in the next three years are strategic risks – e.g., changes in customer demand and purchasing behaviors (cited by 49 percent of respondents) – and business operations interruptions (39 percent). Macroeconomic risks and financial risks follow, cited by 36 percent and 30 percent of respondents, respectively. These results are similar to those of last year's survey in which strategic risks were also reported as the top risks that will have the greatest impact on organizations' earnings in the next three years (40 percent). Business operations interruptions account for the biggest change: 39 percent of respondents in this year's survey compared to 19 percent in 2020.

Ultimately, the ability of business leaders to make smart, informed and timely decisions is what determines success in managing risk. The business climate at the time this survey was conducted posed challenges to treasury professionals as they dealt with risks that were not necessarily priorities in previous years. Maintaining liquidity was key for viable and resilient companies at a time when employees were working remotely, creating an opportunity for unanticipated risks to develop and thus encouraging treasury departments to focus on business interruption planning.

Macroeconomic risks will have an impact on earnings. Some countries have had challenges acquiring COVID-19 vaccines, thus slowing their economic recovery. In addition, the emergence of COVID-19 variants and surges in cases are also preventing a seamless and full global recovery.

INTRODUCTION

At the time this survey was conducted (May 2021), it had been 14 months since the World Health Organization (WHO) labeled the COVID-19 virus a "global pandemic." Organizations around the world were emerging from the brutal crisis caused by this pandemic. Due to vaccine administration disparities in various countries, some nations were closer to attaining a semblance of normalcy than were others.

The impact of the crisis surrounding the pandemic was harsh; many organizations struggled (and continue to struggle) with the challenges that arose. Some industries were severely affected due to quarantine measures and closures imposed, particularly the hospitality, airline and restaurant sectors. Other organizations faced interruptions in their operations due to supply-chain issues or other disruptions affecting their businesses. As employees were required to work remotely, cybersecurity risks became a significant concern. Ensuring the security of computers operating off an organization's network was a priority for business leaders – particularly for staff working in more vulnerable functions.

Although many organizations had business continuity plans in place, some of the procedures laid out in those plans did not address the challenges that emerged due to the pandemic. Being equipped with the necessary technology, tools and analytics was imperative since these tools assisted financial professionals in forecasting risks and allowed them to safeguard against the impact of COVID-19 constraints. Those organizations that had not enhanced their risk management technology to the extent required realized the need to shift their emphasis to investing in technology.

Managing employees was probably the biggest challenge faced by business leaders. Employees were working remotely; many faced child-care issues or were dealing with home-schooling while continuing to do their jobs. Often employees were overworked and fatigued—some struggled with mental anguish. Organizations had little or no experience in managing people during a crisis like this. Additionally, maintaining the culture of an organization in a remote work environment was also trying.

Against this backdrop, the *Association for Financial Professionals® (AFP)* conducted its 10th risk survey. The *2021 AFP® Risk Survey – Post Crisis and Preparation for the Future* – examines the key learnings for treasury professionals as their organizations recover from the pandemic crisis. Most importantly, the survey report highlights the areas on which these professionals need to focus when looking ahead. Responses from 272 treasury practitioners form the basis of this report.

The 2021 AFP® Risk Survey is once again supported by Marsh McLennan. AFP thanks Marsh McLennan for its support of the survey, for help in crafting the survey questions and for sharing its insights into current risk issues. The Research Department of the Association of Financial Professionals® is solely responsible for the content of this report.

MOST CHALLENGING RISKS TO MANAGE

A key responsibility of financial professionals is managing risk. This is a challenging task as it involves anticipating, preventing and safeguarding against risks as well as mitigating them should any risk manifest. The level of difficulty in controlling risks shifts with time and circumstances. Risks that were difficult to identify or manage a decade ago may no longer be significant concerns; similarly, a risk that is top of mind for risk managers currently may have been less of an issue in the past. Two years ago, a global pandemic crisis was a distant thought for almost all financial professionals – now it is a very real crisis and financial practitioners are going to be dealing with its aftermath for a while.

Cybersecurity Risks Continue to be the Most Challenging Risk to Manage

Nearly half (47 percent) of treasury professionals reports that cybersecurity risks (ransomware, phishing, etc.) are currently the most challenging risks to manage. The share of survey respondents holding this view is smaller than the 53 percent who reported cybersecurity risks were of significant concern in the *2020 AFP® Risk Survey Report* and the 51 percent in the *2019 AFP® Risk Survey Report*. Indeed, the views regarding cybersecurity risks have evolved over the past decade: in 2010 only 12 percent of survey respondents noted that cybersecurity risks were challenging to manage, while in 2021 nearly half reports this category of risk is difficult to keep in check. Cybersecurity risks are the most difficult to manage across the board, regardless of organization annual revenue or ownership. Cyber and ransomware attacks have been increasing of late, as we saw with the May 2021 attack on the Colonial Pipeline which resulted in fuel distribution being crippled on the East Coast. As much as organizations prepare for such attacks, they often arise when least expected, leaving companies vulnerable.

Although cybersecurity continues to be on the "risk radar" for many, the year-over-year comparisons suggest fewer practitioners regard it as a significant risk. This is either due to organizations being able to mitigate cybersecurity risk by using enhanced technology or companies having stepped up their cybersecurity protocols (due to their workforce working remotely) by identifying risks promptly and being more proactive when managing the risk.

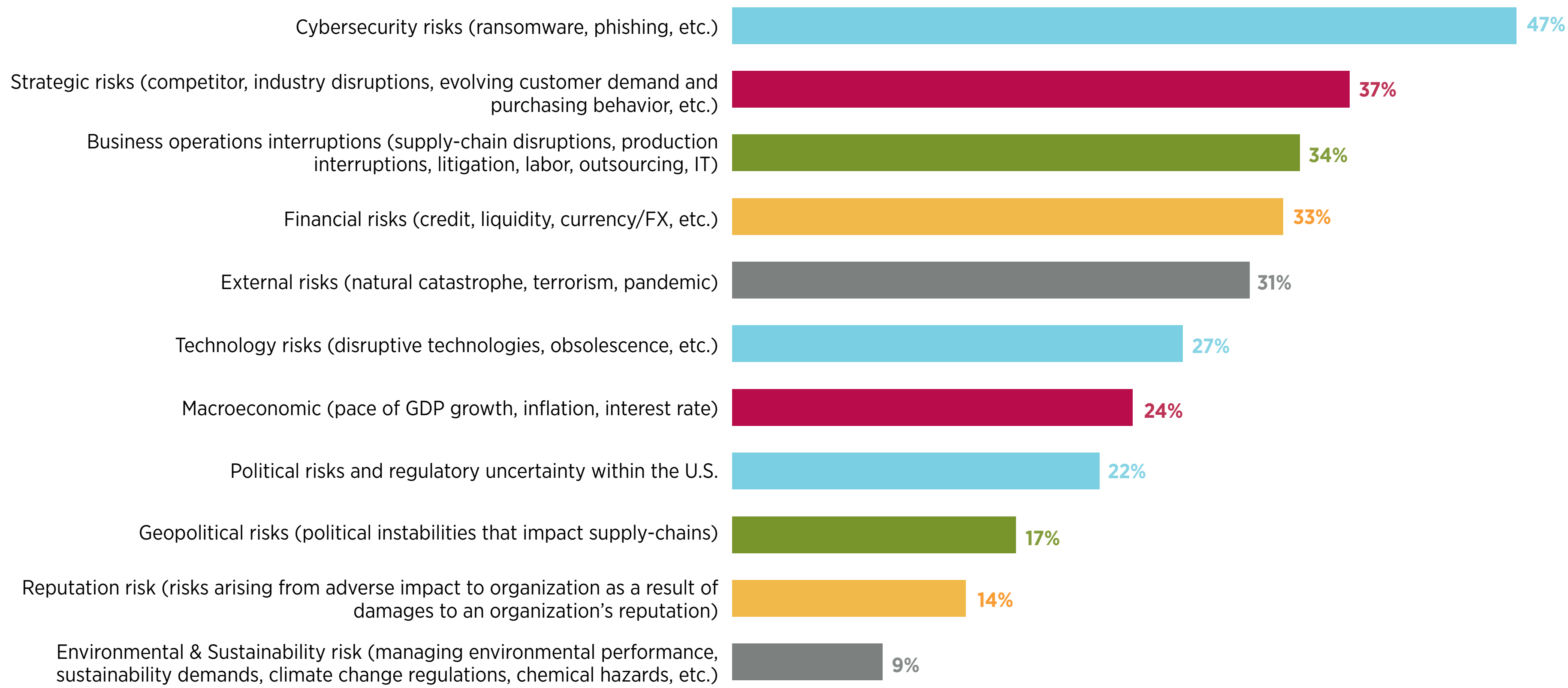
In the *2019 AFP® Risk Survey Report*, the risk of most concern was strategic risk – 60 percent of treasury professionals indicated strategic risk was their greatest concern. That figure declined to 36 percent in the *2020 AFP® Risk Survey Report.* In this year's survey, 37 percent of respondents hold this view, signaling that organizations are now better prepared to manage strategic risks and, possibly, are investing in resources to mitigate them successfully or have eased off the gas pedal with strategic risk as they have been in survival mode through the pandemic. In the past year, treasury professionals focused on core issues – i.e., liquidity and cash management – as their organizations were struggling with ensuring minimum disruption due to cash and liquidity concerns. Therefore, longer term risks (e.g., strategic risks) were not top of mind for them as they concentrated on their organizations' immediate needs. Privately held organizations and organizations with annual revenue of less than $1 billion find strategic risks slightly more challenging to manage than do other companies.

Business operations interruptions and financial risks also continue to be on the radar for financial

leaders: 33 percent of survey respondents cite financial risks as concerns and 34 percent cite business operations interruptions. As companies emerge from the pandemic, protecting their liquidity remains paramount, and consequently business leaders have focused on financial risk mitigation. External and technology risks are cited by 31 percent and 27 percent of respondents, respectively. The share indicating that environmental risk is the most challenging to manage has decreased from 13 percent in 2020 to nine percent in this year's survey. Political (22 percent) and geopolitical risks (17 percent) are also on the decline. Other risks that respondents indicate are challenging to manage are specific regulatory risks dealing with industry and state, and human resources risks.

MOST CHALLENGING RISKS TO MANAGE

Risks Most Challenging to Manage
(Percent of Organizations)



RISKS WHICH WILL HAVE THE GREATEST IMPACT ON ORGANIZATIONS' EARNINGS

Risk Managers Anticipate Strategic, Business Operations Interruptions and Macroeconomic Risks Will Have Greatest Impact on Organizations' Earnings

Survey results indicate that the risks which will have the greatest impact on earnings in the next three years are strategic risks – e.g., changes in customer demand and purchasing behaviors which could be permanent in a post-COVID/lockdown environment (cited by 49 percent of respondents) – and business operations interruptions (39 percent). These results are similar to those in last year's survey in which strategic risks were also reported as the top risk that will have the greatest impact on organizations' earnings in the next three years (40 percent). Business operations interruptions account for the biggest change: 39 percent of respondents in this year's survey compared to 19 percent in 2020.

Although cyberrisks are considered the most difficult risk to manage and create significant disruption and inconvenience, the financial impact of a cyberattack may not be severe. While strategic risks are the second most challenging for treasury professionals to manage (cited by 37 percent of respondents), they appear to be the number-one ranked risk impacting organizations' earnings adversely. Business operations interruptions are the third most difficult risk to manage, but costs involved with any change in operations requiring business transformation are significant and therefore affect organizations' earnings.

Other risks cited as having an impact on organizations' earnings are macroeconomic risks (36 percent) and financial risks (30 percent). While the percentage of respondents who report that financial risks will have the greatest impact in the next three years decreased from 35 percent in 2020 to 30 percent in this year's survey, the share of respondents who indicate macroeconomic risks will have the greatest impact in the next three years increased five percentage points – from 31 percent in 2020 to 36 percent in the *2021 AFP® Risk Report*. Global recovery from the COVID-19 pandemic is inconsistent: some countries have had challenges acquiring vaccines, thereby slowing individual nations' recoveries. In addition, the continuous emergence of COVID-19 variants and surges in cases are also preventing a seamless global recovery.

Organizations with annual revenue of at least $1 billion are more exposed to supply-chain disruptions than are those organizations with annual revenue less than $1 billion (51 percent compared to 30 percent). It is interesting to note than those organizations with annual revenue less than $1 billion are more impacted by liquidity risks which could be due to less access to bank credit facilities or the ability to raise capital than are larger companies with annual revenue of at least $1 billion (32 percent compared to 21 percent).

Ultimately, the ability of business leaders to make smart, informed and timely decisions is what determines the success in managing risk. The business climate at the time this survey was conducted posed challenges to treasury professionals as they dealt with risks that were not necessarily priorities in previous years. Maintaining liquidity was key for viable and resilient companies at a time when employees were working remotely, creating an opportunity for unanticipated risks to develop and thus encouraging treasury departments to focus on business interruption planning.

Risks Which Will Have the Greatest Impact on Organizations' Earnings in Next Three Years

49% Strategic risks
(e.g., competitor, industry disruptions, evolving customer demand and purchasing behavior, etc.)

39% Business operations interruptions
(supply-chain disruptions, production interruptions, litigation, labor, outsourcing, IT)

36% Macroeconomic risks
(pace of GDP growth, inflation, interest rate)

30% Financial risks
(credit, liquidity, currency/FX, etc.)

27% External risks
(natural catastrophe, terrorism, pandemic)

27% Technology risks
(disruptive technologies, obsolescence, etc.)

24% Cybersecurity risks
(ransomware, phishing, etc.)

21% Political risks and regulatory uncertainty within the U.S.

17% Geopolitical risks
(political instabilities that impact supply-chains)

13% Environmental sustainability risk
(managing environmental performance, sustainability demands, climate change regulations, chemical hazards, etc.)

8% Reputation risk
(risks arising from adverse impact to organization as a result of damages to an organization's reputation)

C. Treasury Teams should Focus on Managing Cash Flow, Working Capital and Liquidity

Area of Focus for Treasury Teams to Assist the Organization in Mitigating Future Risks

Nearly 80 percent of respondents report that treasury teams are going to have to focus on managing cash flow, working capital and liquidity so they can assist their organizations in mitigating future risks. These have long been the core principles for treasury teams when dealing with risk management, but in today's environment there seems to be an increased focus on returning to the basics of risk management. Organizations were compelled to manage cash flow and liquidity effectively to remain viable during the pandemic. Longer-term strategic responsibilities – while on the radar of treasury professionals – are currently not considered an immediate priority. Beyond just managing these risks, treasury practitioners need to understand and communicate to executive management the importance of cash flow, working capital and liquidity on the organization during any future crisis. It requires that they collaborate with stakeholders and enhance the resilience of the organization to adapt to future risks rapidly.

This sentiment reflects the challenges organizations faced in the past year managing liquidity and cash flow during the pandemic. Other areas treasury practitioners consider important their teams focus on are:

- Adopting new technology to be more proactive (cited by 52 percent of respondents)
- Improve the effectiveness of treasury team with internal stakeholders (Finance, Risk, business lines, IT) (48 percent)
- Making financial business decisions to manage risk (operating leverage changes, shifting financial supply-chain) (41 percent)
- Making strategic business decisions (property, plant, equipment capex, staffing, supply-chain changes, etc.) (37 percent)
- Sharpening business continuity plans (35 percent)

Areas of Focus for Treasury Teams to Assist the Organization in Mitigating Future Risks
(Percent of Organizations)

D. Withstanding Future Crises

Managing People Effectively is Key to Withstanding Future Crises

The COVID-19 pandemic is being labeled as a once-in-a-century crisis, but there may very well be other crises to face in the coming years such as war, natural disasters, cyberattacks, political unrest, etc. Business leaders will want to be prepared to manage any risks that arise from a crisis to minimize the impact on their companies.

Eighty-four percent of respondents believe managing their people effectively during a crisis will assist them in coping better during the next crisis. Forty-three percent of respondents consider this very important when dealing with future crises. These results suggest this is a key learning for practitioners as they emerge from the COVID-19 pandemic. Focusing on keeping employees engaged, adapting to alternative work environments, allowing flexibility and assisting staff in dealing with mental stress are some of the areas that organizations will need to enhance going forward.

Additionally, equipping staff with the requisite tools/digital technology that will help them be more proactive, collaborate effectively and identify emerging risks is also essential. One of the biggest learnings from the pandemic is that real work can still get done in a remote environment. The sudden shift to a remote-work environment – with the uncertainty of “seeing the light at the end of the tunnel” – was cause for some to have to deal with employee mental health more than they have in the past. In addition, the lack of face-to-face interaction proved challenging for many.

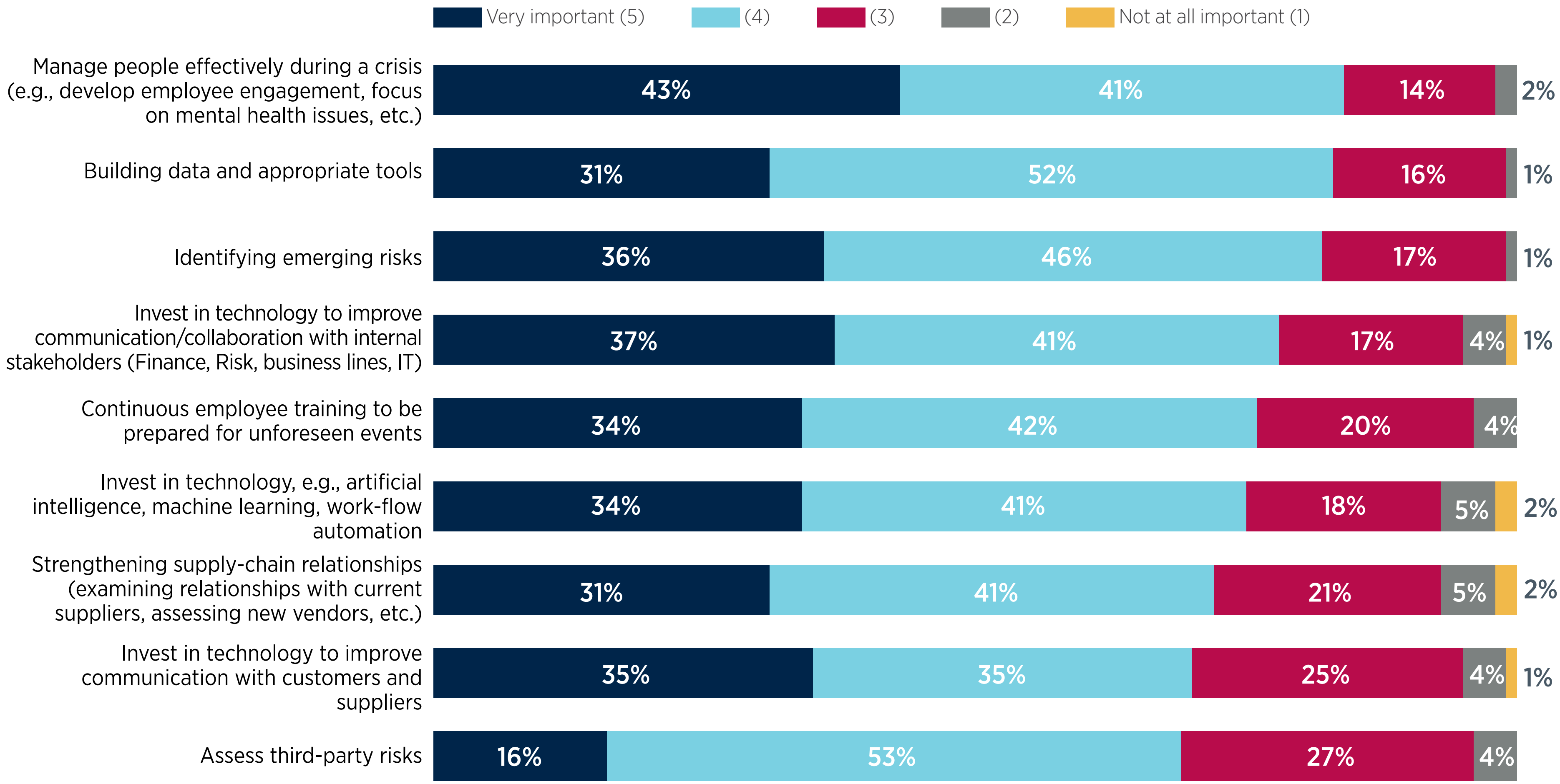
The past year was also extremely arduous for employees as they struggled with the stress of a pandemic, keeping families healthy, adapting to home-schooling when necessary and ensuring they were able to meet deadlines at work and maintaining professional standards. Results of the AFP Planning for Recovery Survey (published in the fall of 2020) revealed a majority of treasury professionals reported that addressing burnout/crisis fatigue (59 percent) and managing employee engagement (57 percent) will be a significant talent management issue for their teams. As the economy normalizes again, albeit in a unique remote work environment, those in transition will need to be replaced, creating a greater shortage of good and affordable talent – and who will be looking for a balanced home/work life approach.

Practitioners are also cognizant that building data and appropriate tools (cited by 83 percent of respondents) and investing in technology to improve communication/collaboration with internal stakeholders (79 percent) are imperative in weathering the next crisis. The ability to identify emerging risks (82 percent) is key so organizations can safeguard against future risks and minimize any adverse impact.

Financial professionals realize as well that in addition to managing people, they need to provide employees with the necessary training to manage unforeseen circumstances. Besides investing in technology for improving communication with internal stakeholders, respondents consider it important to invest in technology such as artificial intelligence, machine learning and work-flow automation (75 percent) and to improve communication with customers and suppliers (70 percent).

KEY LEARNINGS FROM CRISIS

Important Areas to Focus on to Withstand Next Crisis
(Percentage Distribution of Organizations)



RISK MANAGERS PROPELLED INTO A MORE STRATEGIC ROLE

Nearly 50 percent of Practitioners Do Agree That Those Managing Risks Have Evolved into a More Strategic Role

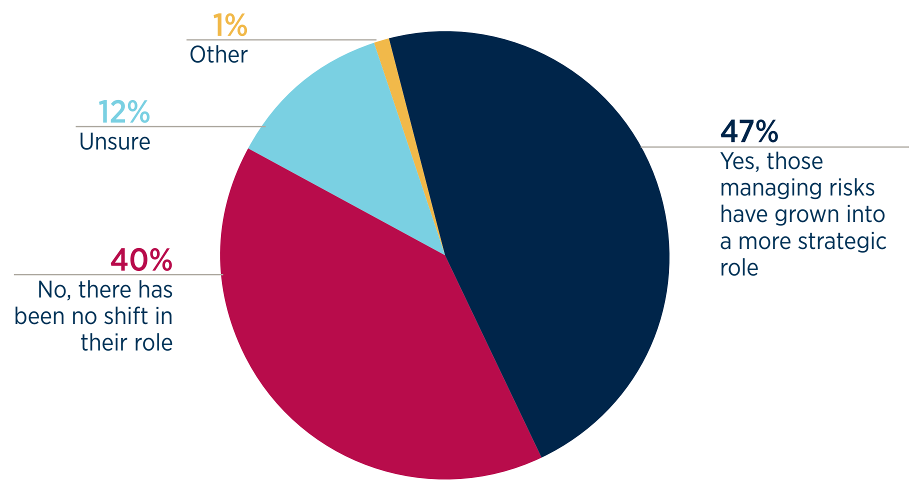
Forty-seven percent of respondents do agree that those managing risks at their organization in the past 12 months have grown into a more strategic role. They elaborate on this by explaining that they were reporting to senior managers on specific risk areas; some executives were looking in depth at external risks. One organization went to the extent of hiring a Chief Risk Officer to respond to the events of the last 12 months. In the past year, treasurers had to step forward and communicate the impact the crisis might have on their company's bottom line. Treasurers needed to connect the dots and formulate a collective view of the impact of the crisis on the business and communicate that perspective to the C-suite. It required they collaborate with other functions and grasp the resilience of the organization.

Forty percent of respondents do not believe there has been a shift to a more strategic role for those managing risks at their organizations; 12 percent are unsure. A core tenet of prudent treasury/cash management is proper risk management. Whether it is managing foreign exchange risk, risk in investment portfolios, assessing customer credit risk, etc., treasury professionals often conduct their roles diligently much like a trained risk manager – ensuring the continued protection of the company's assets and minimizing its liabilities. It is the analytical capabilities that a treasury professional brings to the table that are sought after in times of stress.

Respondents explain that the financial staff managing macroeconomic risk (interest rates), technology risk, and liquidity and financial risk have increased significantly in importance. One organization has expanded the cybersecurity team with seasoned professionals who generated many improvements. Senior management at organizations has looked to content experts more often for advice and guidance in getting specific things done.

Risk Managers in a More Strategic Role Due to the Events of the Past 12 Months

(Percentage Distribution of Organizations)



Other includes "Mostly staffing is much reduced, so most people are forced to spend more time on less strategic things"

CONCLUSION

Cybersecurity risks (ransomware, phishing, etc.) have been challenging to manage in the past and continue to be the risk to watch. This risk is not abating any time soon. As we have witnessed in recent months (May/June), ransomware attacks at major U.S. organizations have caused significant disruptions and curbing these attacks are not only a priority for business leaders but also for the current administration that considers such breaches critical to control. Additionally, with employees working at home, systems are more vulnerable to attacks. It is encouraging, then, that organizations are cognizant of cybersecurity risk. Survey respondents report their organizations are placing a greater emphasis on managing cybersecurity risks in the current environment.

Along with strategic risks, business operations interruptions and financial risks continue to be of concern for financial professionals. Of those respondents who indicate that financial risks were the most challenging to manage, more than half report that liquidity risk and operational risk are the most challenging financial risks to manage. A large majority of financial professionals indicates that treasury teams are going to have to focus on managing cash flow, working capital and liquidity so they can assist their organizations in mitigating future risks. This highlights the challenges organizations faced in the past year managing liquidity and cash flow during the pandemic. Looking ahead, companies are placing greater emphasis on liquidity and operational risk.

Business operations interruptions are sometimes difficult to plan for and when they do arise, responding to them promptly is extremely difficult. Realizing the struggle of mitigating risks arising from business interruptions, treasury professionals admit they are focusing on these risks more as they plan ahead. Treasury professionals are experienced in learning from the past and are implementing changes to current processes to mitigate risk in the future.

Due to the uncertainty in the current environment and even though some nations' economies are moving ahead, the fear of COVID-19 variants mutating and spreading and the lack of vaccine availability in some regions is impeding a seamless global recovery. As a consequence, a majority of financial professionals reports that their organizations' exposure to uncertainty in earnings is greater today than it was three years ago.

As organizations emerge from the COVID-19 crisis, financial professionals realize they need to prepare for whatever might come next. They need to learn from their shortcomings and try to prevent and mitigate the severity of any impact. It is critical that they be equipped with the tools that allow them to forecast risk accurately. This is a key takeaway for business leaders: two-thirds of respondents indicate their organizations are placing a greater emphasis on risk management technology, and a vast majority agrees that digital tools and data analytics are important in an organization's ability to accurately forecast risk and finance metrics.

A majority of practitioners is not fully confident that they are equipped with the necessary analytical tools and methodologies that allow them to forecast current and future risks. Consequently, investing in technology will enhance the confidence of employees as they manage risk. Those managing risk believe their organizations should focus on gaining a complete perspective of risks and improving the timeliness and delivery of risk information and metrics.

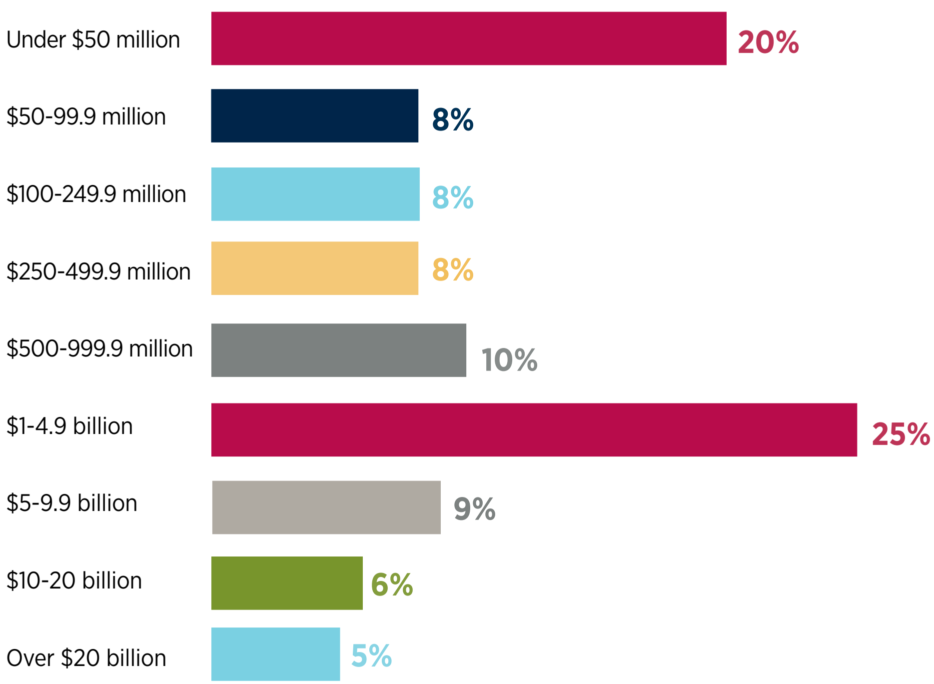
Beyond technology, business leaders have realized that managing their people effectively is crucial. In the urgency of keeping operations running and minimizing interruptions, employees at organizations have faced the brunt of the consequences. Executive management is fully aware of this and realize that to have a smoother outcome in a future crisis will involve managing people effectively.

ABOUT THE SURVEY RESPONDENTS

In May 2021, the Research Department of the Association for Financial Professionals® (AFP) conducted the *2021 AFP® Risk Survey.* The survey was sent to AFP members and prospects that held job titles of CFO, Treasurer, Controller, Cash Manager, Director Treasury and Assistant Treasurer. Responses from 272 professionals form the basis of this report. The respondent profile closely resembles that of AFP's membership and is presented below.

AFP thanks Marsh McLennan for being a valued partner and for its continued support of the AFP Risk Survey series, including sharing subject matter expertise for the design of the questionnaire and for the final report. The Research Department of the Association for Financial Professionals® is solely responsible for the content of this report.

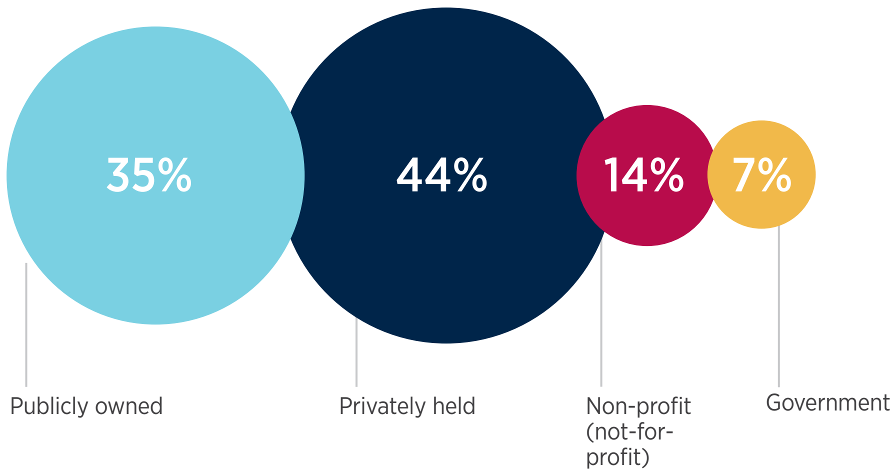
Annual Revenue (USD)
(Percentage Distribution of Organizations)



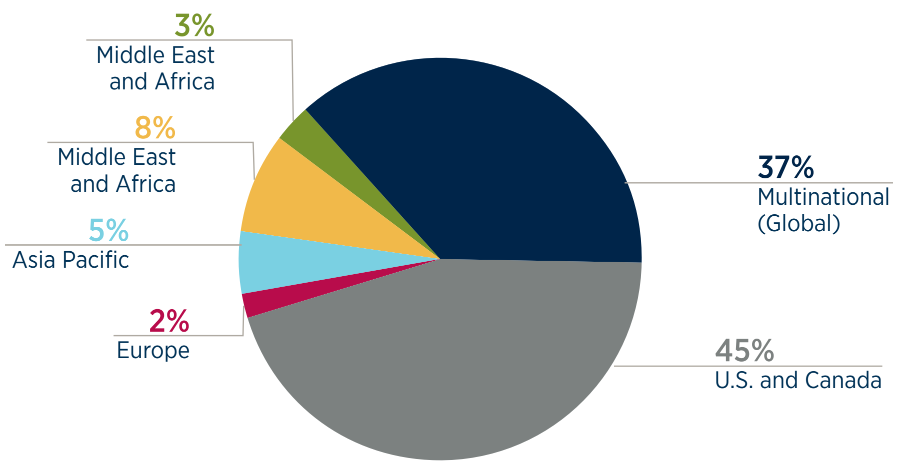
Industry
(Percentage Distribution of Organizations)

	All
Agricultural, Forestry, Fishing & Hunting	3%
Administrative Support/Business services/Consulting	5%
Banking/Financial services	17%
Construction	2%
Energy	2%
Government	5%
Health Care and Social Assistance	6%
Insurance	9%
Manufacturing	20%
Non-profit	6%
Petroleum	2%
Professional/Scientific/Technical Services	2%
Real estate/Rental/Leasing	1%
Retail Trade	2%
Wholesale Distribution	4%
Software/Technology	6%
Telecommunications/Media	2%
Transportation and Warehousing	2%
Utilities	4%

Ownership Type
(Percentage Distribution of Organizations)



Geography
(Percentage Distribution of Organizations)



ASSOCIATION FOR FINANCIAL PROFESSIONALS

AFP Research

AFP Research provides financial professionals with proprietary and timely research that drives business performance. AFP Research draws on the knowledge of the Association's members and its subject matter experts in areas that include bank relationship management, risk management, payments, and financial accounting and reporting. Studies report on a variety of topics, including AFP's annual compensation survey, are available online at www.AFPonline.org/research.

About AFP®

As the certifying body in treasury and finance, the Association for Financial Professionals (AFP) established and administers the Certified Treasury Professional (CTP) and Certified Corporate Financial Planning and Analysis Professional (FPAC) credentials, setting the standard of excellence in the profession globally. AFP's mission is to drive the future of finance and treasury and develop the leaders of tomorrow through certification, training, and the premier event for corporate treasury and finance. Learn more at AFPonline.org

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