

Board Policy Statement

NIRI Ethics Council

The Investor Relations Profession, Ethics, and NIRI

The integrity of the capital markets is based on transparency of credible financial and non-financial corporate informationⁱ. Investor relations professionals play the key role in ensuring that integrity. As the organization representing the investor relations profession, NIRI strives to advance the highest ethical standards regarding the practice of investor relations, and regarding those who provide related products and services. Consequently, NIRI expects all members to abide by the highest level of ethical standards and urges compliance with its Code of Ethicsⁱⁱ. Members of NIRI who are sanctioned by an appropriate governmental agency or judicial body may, upon recommendation of the NIRI Ethics Council, have their membership terminated by the NIRI Board of Directors.

The Ethics Council

The Ethics Council was formed by the NIRI Board of Directors in March 2002 to elevate the importance of ethical issues and provide additional resources to the membership and the Board itself. The Council serves as a sounding-board and mentor to members regarding ethical matters that may arise during their practice – both for investor relations professionals and those providing products and services to the investor relations community.

Members of the Council are appointed to specified terms by the Board of Directors on the recommendation of the NIRI Board Chair. The Council reports to the NIRI Board of Directors through the Board Liaison.

Roles and Responsibilities of the Ethics Council

- Provide advice and counsel to the NIRI Board of Directors regarding ethical issues, as requested, and recommend appropriate actions the organization may want to evaluate;
- Review the NIRI Code of Ethics for Regular Members, and other related documents as the NIRI Board of Directors deems fit, periodically to ensure that it addresses the evolving needs of the membership and profession;
- Review the NIRI Code of Ethics for Associate Members periodically to ensure that it addresses the evolving needs of the membership and profession;
- Provide confidential, non-legal advice to NIRI members, assisting members with ethical questions and reach out to members whose companies may be involved in publicly-announced ethical situations;

- Upon the request of the NIRI Certification Council, assist the IRC program on ethics-related matters such as acting as the Board Appeals Panel as outlined in the IRC Policies and Procedures Manual;
- Provide content on ethics for NIRI publications and education;
- Provide recommendations to the NIRI Board concerning the enforcement of NIRI's Code of Ethics. The NIRI Board will make all final determinations regarding ethical matters. Not all matters brought before the Board are brought before the Ethics Council; the NIRI Board of Directors, in consultation with NIRI's legal counsel, has ultimate oversight over any enforcement action.

Parameters

The Ethics Council is authorized to recommend the termination of a NIRI member only after consulting with NIRI's General Counsel and CEO. The final decision to terminate a member's membership is at the sole and exclusive decision of a two-thirds majority of the NIRI Board of Directors. The Council may not issue any press release or other statement or social media communication on behalf of NIRI. The Chair of the NIRI Board may suspend any member of the NIRI Ethics Council, for any reason, at any time, with notification to the Board being made within 24 hours.

Chair

The Ethics Council Chair presides at the meetings of the Council. The Chair also serves as the principal liaison to the Board and the CEO. The Chair is a NIRI Regular Member, and is selected by the NIRI Board Chair and confirmed by the Board.

Vice Chair

The principal role of the Vice Chair is to serve as liaison to the IRC program. The Vice Chair shall automatically succeed to the Chair. The Vice Chair must be a Regular Member of NIRI, and ideally hold the IRC credential.

Board Liaison

The Board Liaison ensures effective communication between the Council and the Board and maintains alignment with NIRI's strategy and programs. The Board Chair shall appoint a member of the Board to serve a one-year term as Board Liaison to the Ethics Council. The Board Liaison advises and coaches the Chair and Vice-Chair. The Board Liaison shall be a voting member of the Council during their one-year term of office. Board members may not serve more than one year as Board Liaisons to the Council.

President and CEO

The President and CEO is invited to attend all Council meetings, though is not a voting member, and is not expected to attend all scheduled meetings. In the event that a matter brought before the Ethics Council involves the President and CEO, the Council Chair shall notify the Board Chair, who may attend any relevant meetings in lieu of the President and CEO. The President and CEO shall ensure that the General Counsel is contacted as appropriate on matters brought before the Ethics Council.

Staff Liaison

The Vice President of Communications and Member Engagement is the Staff Liaison to the Ethics Council, unless the President and CEO designates another member of the staff. Reporting to the President and CEO, the Staff Liaison shall organize meetings and calls of the Council and maintain the official Minutes and Records of all proceedings. The Staff Liaison shall not be a member of the Council and shall have no vote.

Service Commitment

The Chair and Vice Chair shall serve not more than one, two-year term in their office.

Members of the Council shall serve staggered, two-year terms of office, and may be re-appointed to serve as a member once. Except for those appointed to serve as Vice Chair, Chair or Board Liaison, no NIRI member may serve more than two, two-year terms on the Ethics Council.

Composition

The Ethics Council shall consist of the following:

- Chair
- Vice Chair
- Board Liaison
- Four or Six Voting Members, one of whom shall be an Associate Member.

Updates approved by the NIRI Board of Directors, March 23, 2020.

ⁱ NIRI Code of Ethics, updated June 9, 2018

ⁱⁱ NIRI Code of Ethics, updated March 23, 2020