INFORMED

PROMOTING EXCELLENCE IN INVESTOR RELATIONS

ISSUE 119: SUMMER 2023

IR SOCIETY CONFERENCE 2023

DYNAMIC IR

STAYING AUTHENTIC & MANAGING ON-GOING STRUCTURAL CHANGE

a full report including session write-ups, sponsors, photos and more

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Signalling sustainability

Analyst research and valuations

New Best Practice Awards category

ir society

ir society

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Views expressed in this publication are not necessarily those of the Society.

Fundamental challenges for IR

I am honoured and delighted to be taking over as chair of the IR Society. Having been a member since 2007, when I joined the profession, I fully understand the benefits of membership and the value it can bring to corporates, service providers and individuals.

I would like to thank David Walker for his leadership and commitment to the Society over the last three years. He has been instrumental in promoting the importance of the IR profession at the highest levels within UK plc, and a great advocate for equality and diversity across all of our activities. He has done a great job and I look forward to continuing the momentum. As announced at the AGM my new deputy chairs will be Alison Owers, MD, head of UK at Morrow Sodali and Ross Hawley, head of IR at Redde Northgate. Alison and Ross have already made valuable contributions as board members, and they bring a wealth of practical experience to our discussions. I look forward to working with them and my fellow board directors, along with the management team.

Adding value for members

IR is a fantastic profession, and the Society is in great shape. Communicating and engaging effectively with investors is the primary focus for most IROs and the Society will continue to provide insight and best practice in this area; however the industry faces a number of additional challenges. The current economic and political landscape clearly provides a huge amount of uncertainty for corporates and service providers. The sheer amount of impending regulation, whether it be reporting requirements, listing rules, ESG disclosure, corporate governance or the numerous other consultations, provides additional areas of focus. At the same time there are a number of other fundamental challenges including, amongst others, evolving investor bases and the appropriate interaction (active, passive, hedge, activist, retail etc), the practical implementation of sustainability, access to capital and research for mid/small cap companies and the emergence of technology and AI in IR, that the profession needs to be focused on. Such change provides an opportunity, and the Society will be focused on adding value to members and addressing these topical issues through membership, professional development and events.

With a strong and experienced executive team, we are well-placed to continue in our purpose of promoting excellence in investor relations and I look forward to working closely with our members and helping the Society and our membership thrive.

Finally, I would like to thank Visible Alpha for sponsoring this issue of *Informed*. You can read about them below and on page 36.

Douglas Radcliffe

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Looking ahead to the Awards – and learning about AI

Laura Hayter reflects on the success of IR Society's annual conference, and provides an update on what members can look forward to over the coming months.

As we approach mid-summer, and before the executive team here head off for our respective summer breaks, we'll be meeting to reflect on our achievements this year so far, and to plan for the months ahead. It certainly has been a full programme of activities in the first six months, culminating in our annual conference in June. We enjoyed a superb turnout at this year's new venue – the IET – on a day full of topical and practical content for our attendees.

We were very lucky to have Evan Davis expertly moderate this year's programme once again. Overall, we have received very positive feedback on the speakers, content and venue, so a huge thank you to everyone involved!

It was also a great opportunity for me to host some of my international association peers in London and spend some time catching up on global IR issues and sharing best practices. We all have similar opportunities and challenges and it was good to share views and to identify areas where we can support each other and collaborate as the global voice of IR.

Laura Hayter is CEO of
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Pertinent issues

We can all relate to the sheer volume of news and communications around current regulatory issues. Please see the various updates from Liz in her industry news section on page 10 remember that our monthly Policy Roundup is a great way to keep up-to-date on the latest issues of relevance to IR.

Liz and the policy committee have also been busy surveying the membership on some of these pertinent issues recently. Your input is instrumental in helping us to shape our responses for the various consultations, and represent your views to the regulatory bodies, so we really appreciate the time you take to complete our survey requests.

Practical advice on ESG and AI

In other activities members can look forward to in the coming months, we are launching a new 'Essentials in ESG' course in September as part of our professional development offering. The aim of this course is to provide the latest understanding of ESG principles and legislation and how to apply ESG best practice in the IR role. You can read more about the course on page 57.

AI is the topic du jour, and I'm sure has piqued your interest, you're experimenting with ChatGPT or indeed you've implemented some element of AI within your IR programme. The events committee is busy planning a digital series later this year, to help members further understand AI and how IROs can practically use the various tools within their own IR programmes. This is sure to be a popular topic so please check our events calendar online for updates as well as plenty of other learning and networking opportunities.

Get your entries in!

Next stop the Best Practice Awards! We've just announced our venue for this year, the Royal Lancaster Hotel, a sister venue to last year's host The Landmark, and conveniently located between Paddington and Hyde Park. As we announced at the launch in early May, our awards are now open with submission across five categories: best communication of sustainability; best innovation in IR; best corporate website; best annual report and best IR programme.

Each year we review the criteria and entry process to ensure they remain relevant and this year's entry process has been refined to make it even easier to submit your award. So do look at irsocietyawards.org.uk where you'll find all the criteria and how to enter. Entries close at the end of August so there's still time to enter and to showcase what you are doing best in IR! We look forward to seeing you at the gala event in November!

Board changes

Finally, I want to personally thank David Walker, who recently stepped down as IR Society chair and served on the board of the Society for the last ten years. David has been a great support to me, the executive team and membership, and a great ambassador for promoting excellence in IR. I very much look forward to working with Douglas Radcliffe, as well as the support from our new deputy chairs, Alison Owers and Ross Hawley. ■

A growing member base and new ways to engage

With various developments in the membership team, **Calum Stephens** provides an update on what has been happening so far this year – and lets members know what to expect soon.

As we look back across the first two quarters of 2023, we can reflect on a successful period for the IR Society membership team. We have grown our membership body by 10% since January, and we have strengthened our membership committee team by adding experienced new members to the team and refocusing our remit onto how we can make the Society work better for you. We have also completed an extensive project to improve our data management, and which will directly lead to a better user experience and engagement.

For the remainder of the year, we are setting up several initiatives aimed at improving our membership offering, including new products and services, slicker communications, and better tools for you to manage your engagement with us. ■

Calum Stephens is member development officer at the IR Society.
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To find out more about membership, please contact Calum Stephens.

New members

We welcome new members from the following companies:

Antofagasta, easyJet, Euroland, Euronext, Focus IR, Foresight Group, Global Fashion Group, IHP, Inchcape, Informa, Ingage, Janus Henderson, Jones and Palmer, Mitie, Nagburry Global Consulting, National Grid, Nobian Industrial Chemical, Northeast Pharmaceutical Group, Nossa Data, Notified, OTC Markets, Petra, Pharming Group, RAC, SSE, Storm Communications and Thought Machine.

Recent CIR and ICIR passes

The IR Society would like to congratulate the following candidates who passed the Certificate in Investor Relations or International Certificate in Investor Relations from March 2023 to June 2023.

CIR Certificate in Investor Relations
CIR International Certificate in Investor Relations

Ahmad Salem Mohammed Al Farsi – MEIRA
Ajlan Abdullah M Alajlan – MEIRA
Alanoud Abdulaziz Alghifaili – MEIRA
Allan Lau – HKIRA
Andrew Cunningham – Independent
Andriea Vamadevan – Novator Capital
Ben Cope – Eterna Partners
Bethany Callum – Dr Martens
Dan Tincu – LeasePlan
Edward Hill-Wood – Independent
Eleanor Pomeroy – Tulchan Communications
Faustino Martins Correia – BAI bank (Africa)
Fouad Al-Ibrahim – MEIRA
George Luck – Independent
Hamid Sloum Al Harthi – MEIRA
Hani El Khoury – MEIRA
HUI NOK YI – HKIRA
Isabelle Bruce – H/Advisors Maitland
John Bauckman – Department of International Trade
Laurens van Dehn – Independent
Lois Wyatt – TP ICAP
Maria Trullenque – Black Sun
Melissa Moon – Agronomics
Mishari Alamr – MEIRA
Mohamed Alqasby – MEIRA
Mohammad Al-Dossary – MERIA
Nicola Lung – Johnson Matthew
Oliver Capon – RD:IR
Pikkam Lee-Sarkar – Halma
Richard Guest – Halfords Group
Sarina Mohd Ali – MIRA
Shirley Kwok – MEIRA
Toby Smollett – Black Sun
Waad Alfaris – MEIRA
Xiong Zi – HKIRA
Yasmina El Khiair – Nasdaq

For more information, please contact Tara Mitchell at tara.mitchell@irsociety.org.uk

New awards category announced

As plans for the 2023 Best Practice Awards are announced, **Christina Warren** introduces a new awards category and updates members on details of the highlight event – as tickets go on sale.

The 2023 Best Practice Awards are now open for entries! Now in their 23rd year, the IR Society Best Practice Awards offer a truly meaningful opportunity to showcase best practice in investor communications. Each award category covers companies from the largest to the smallest – across the UK, Europe and internationally – in recognition of the diverse range of listed businesses looking to the UK for excellence in IR.

The real value of this awards programme is that it allows the IR Society to feed back to the IR community what 'great' looks like in terms of how companies are communicating with their stakeholders.

Updated categories

With a new category this year, best corporate website, you can now submit your entries for:

- best communication of sustainability;
- best innovation in IR;
- best corporate website;
- best annual report; and
- best IR programme.

Awards in the self-entry categories will be presented to small-cap, mid-cap and large-cap companies integrated across all international markets, in recognition of the diverse range of companies looking to the UK for excellence in IR.

We are delighted to be working once again in partnership with Institutional Investor, for the voted awards, who invite global buy-side and sell-side professionals to evaluate the quality of IR across a wide range of criteria, and to vote in the categories for:

- best newcomer to IR (individual);
- best IRO (individual);
- best overall company IR (company); and
- best investor engagement (investor).

In turn, IROs in the UK are invited to share their views to assess best investor engagement by investment management companies.

Following the success of last year, the awards for best investor relations officer and best overall company IR will be divided into subcategories for small, mid and large cap companies, mirroring the self-entry awards, to encourage and promote best practice across all company sizes.

Christina Warren is events manager at the IR Society.
christina.warren@irsociety.org.uk

Book your places

The shortlists for both the self-entry and voted awards will be announced in October, at least a month before the Best Practice Awards gala dinner, on 21 November taking place at Royal Lancaster London, Lancaster Terrace, W2 2TY, when the winners will be announced.

Individual and table bookings are now open and available via the dedicated awards website: irsocietyawards.org.uk and we look forward to an evening recognising and celebrating best practice investor relations

Updated CIR & ICIR Study Guide and new candidate zone

Tara Mitchell is professional development executive at the IR Society.

Over the past few months we have been reviewing and updating both our CIR and ICIR study guides and we are pleased to let you know that our new guides are live.

Both guides have undergone a comprehensive review to reflect recent changes in the capital markets as well as the increasing regulation and reporting requirements around ESG and sustainability issues.

Candidate zone

We also now have a dedicated candidate zone on our website where you can download your study guide, access mock exams, book supporting courses and access policy round-up articles outlining the latest policy and regulatory news.

To find out more about the Certificate in IR, or to register, please visit our CIR page on our website or email me at tara.mitchell@irsociety.org.uk

A summer of action

Liz Cole reports on a busy period of regulatory developments, policy proposals and IR industry news, including the Society's official responses to consultations.

Liz Cole is head of policy and communications at the IR Society.
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IR INDUSTRY NEWS

The policy arena remains very active, and the Society's policy committee has been busy canvassing IRO views and responding to consultations.

We surveyed IRO members on ESG data and ratings, which provided a valuable evidence base to respond to the Treasury consultation on the possible future regulation of ESG ratings providers, which was supported by the vast majority of respondents. To help raise standards in the interim, a voluntary code of conduct for ESG ratings providers is open for consultation (see pages 12-13).

We also contributed to the Independent Review of Investment Research, raising issues on the quality and timeliness of analyst forecasts in light of IRO feedback. Our research also sought IRO views on the Financial Conduct Authority's latest proposals for shaking up the listing regime, replacing the premium and standard segments with a single segment, and removing shareholder votes for major and related party transactions. We broadly support the FCA proposals, but also suggest consideration of some other issues that could be addressed in order to enhance the attractiveness of the London markets (see right).

The FRC is consulting on a revised UK Corporate Governance Code, which would introduce audit committee oversight of sustainability reporting, changes to the framework on internal controls and various new reporting requirements. The ISSB has issued two inaugural IFRS Sustainability Disclosure Standards, creating a global common language for disclosing the effect of sustainability-related risks and opportunities on a company's prospects. The government is seeking views on the costs/benefits of the non-financial information UK companies are required to provide, and how best to integrate the ISSB Standards into the UK's reporting framework (see page 12).

CMA review of AI

AI seems to pop up in every conversation, so it is timely that the Competition and Markets Authority (CMA) is carrying out an initial review of the AI market, providing useful insight into the potential future direction of AI regulation in the UK. This review follows the March 2023 AI white paper, which proposed a light-touch approach to regulating AI, and this CMA initial review is one piece of the UK's developing regulatory approach to governing AI, with a short report of findings due in early September.

The CMA is focusing on foundation models, meaning the CMA's review is one of the first initiatives by a UK regulator to focus on the technology that underpins ChatGPT and other Generative AI products that seized the limelight.

IR Society response on listing rules

The Society has responded to the FCA's latest proposals to reform and streamline the listing rules in the hope of attracting a wider range of companies and improving choice for investors.

The FCA proposed significant changes, including replacing its existing 'standard' and 'premium' listing segments with a single category for equity shares in commercial companies (ESCC), with a new category for SPAC and shell companies, and an additional 'other shares' category for overseas issuers that have a secondary listing on the standard segment. Requirements would be focused on transparency for investors to support decision making, with a modified sponsor role to provide oversight at the listing gateway to ensure companies can meet the FCA's standards.

The FCA hopes that a single equity category, which would not have a requirement for a three-year earnings track record or audited historical financial information, would remove eligibility requirements that can deter early-stage companies. The proposals would also be more permissive on dual-class share structures, and remove mandatory shareholder votes on related party transactions, and major transactions (except reverse takeovers), to reduce frictions for companies. Compulsory controlling shareholder agreements would also be scrapped.

The Society responded to the FCA's proposals, expressing general support for the proposed reforms, in light of our recent survey findings that most IRO respondents thought the FCA proposals would reduce regulatory barriers for companies and bolster UK competitiveness, although the Society highlighted some concerns that:

- the lack of shareholder approvals for major transactions could lead to significant legal and advisory costs until

a more streamlined approach based on successful transactions establishes best practice, and
- a generous transition period will be needed for current standard listings to allow them to comply with the more onerous ESCC 'single category' obligations.

We also highlighted our survey finding that liquidity, depth of markets, and comparable peers are thought of by IROs as the most important factors in deciding where to list, with regulation and valuations also significant factors. We then highlighted some other significant issues that may influence the attractiveness of the London markets, including:

- the UK market's sensitivity to directors' remuneration structures;
- the quality and timeliness of investment research;
- the need to encourage the flow of funds into UK asset managers;
- the suggestion of establishing a framework that better enables companies to identify all short-sellers so that they can engage with them (if they wish); and
- the UK's overlapping disclosure and filing obligations that could benefit from being streamlined and simplified.

FCA engages on new rules for prospectuses

To complement the changes to the Listing Rules, the FCA is also consulting on proposals for the revised prospectus regime. Key topics include:

- the information requirements for a prospectus on admission to a regulated market, including, in particular, the rules on complex financial histories;
- whether the current exemptions to the need for a prospectus should be retained or amended;
- when a prospectus should be required on a secondary issuance;
- how to define and label forward-looking information in prospectuses, with a new liability regime where the safe harbour from prospectus liability will be expanded to cover forward-looking statements made by those who are not reckless; and
- prospectuses for non-equity.

Corporate Governance Code revisions

The FRC is consulting on a revised UK Corporate Governance Code (closing 13th September). Key changes include:

- directors would be required to make a declaration on whether they can reasonably conclude that risk management and internal controls systems (covering operational, compliance and reporting controls) have been effective throughout the period and up to the date of the ARA, set out the basis for that declaration, and describe any material weaknesses or failures identified, the remedial action being taken and over what time frame;
- expanding the remit of the audit committee to include monitoring integrity of narrative reporting, including sustainability matters and reporting on related significant issues and the development, implementation and maintenance of an audit and assurance policy (AAP);
- a requirement to introduce and discuss malus and claw back arrangements and report on whether these have been used in the last five years; and
- a number of other enhanced reporting requirements, including an annual resilience statement covering the short, medium and long term, how effectively the desired culture has been embedded and listing out significant director appointments.

Audit committees – ESG and engagement

Recent FRC research indicates audit committee chairs have a keen interest and understanding of ESG activities and reporting. The report highlights the work that ACCs are already doing in this space, recognising the importance of ESG as an integral part of good business practice and effective stakeholder communication.

Given an ACC's primary role relates to risk management, compliance, and ensuring effective reporting, they call for practical, sector-specific guidance to measure environmental and social activities, and best practice examples to ensure meaningful ESG reporting without excessive reporting requirements.

The FRC Lab issued some 'conversation starters' to promote better engagement between investors and audit committees, structured by topic/risk (including climate, cyber, fraud and internal controls), to facilitate better understanding of how companies approach financial reporting, internal control and assurance. Direct investor conversations with audit committee chairs can provide better insights into the company's approach to regulatory focus and areas of interest to market participants.

The FRC also finalised its minimum standard on external audit for FTSE 350 audit committees, which will operate on a comply or explain basis until ARGA gets the necessary powers to issue a mandatory standard. Other companies do not need to apply the standard but may do so if they wish. In particular, companies subject to mandatory tendering and rotation of audit firm appointments may find it helpful as it provides examples of good governance.

Disclosure of dividends revisited

The latest FRC Lab Insight revisits key themes from its previous report on the disclosure of dividends policy and practice with the current economic environment in mind, highlighting tips and examples.

Higher interest and inflation rates and cost-of-living pressures have introduced a wider set of factors to consider, and this review of current market practices identifies three that are changing the context in which investors assess dividend policy, namely macro-, market- and company-specific factors.

In the medium term, the government proposes to introduce new reporting requirements including a statement of the company's forward-looking policy on the distribution of profits, including dividends and purchase of own shares.

continued overleaf

ISSB issues sustainability standards

The International Sustainability Standards Board has issued its first two IFRS Sustainability Disclosure Standards: IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and IFRS S2 Climate-related Disclosures (IFRS S2), both of which are effective for annual reporting periods beginning on or after 1 January 2024.

The standards include guidance to assist companies applying the Standards and include basis for conclusions on IFRS S1 and on IFRS S2 setting out considerations taken into account in their development.

Focusing exclusively on capital markets means that ISSB Standards only require information that is material, proportionate and decision-useful to investors. Moreover, by beginning with climate, companies can phase-in their sustainability disclosures (a 'climate first' transition option is available in the first year of applying IFRS S1 and IFRS S2). On the basis that sustainability performance is fundamentally linked to financial performance, the standards are designed to ensure that corporates provide sustainability-related information alongside the delivery of their financial statements (in the same reporting package). However, companies will have a one-year transitional relief period from the 'simultaneous reporting' requirement.

> **"Around 20% of SASB metrics refer to specific jurisdictional laws and regulations"**

Mandatory application of IFRS Sustainability Disclosure Standards depends on each jurisdiction's endorsement or regulatory processes, and the UK government and FCA will consult this year on their adoption here.

Additionally the ISSB is consulting on Agenda Priorities for its next two-year work plan (closing 1 September 2023), asking stakeholders for feedback on the strategic direction and balance of the ISSB's activities, the criteria for assessing which sustainability-related matters to prioritise, and about the relative importance of potential research projects on: biodiversity, ecosystems and ecosystem services; human capital; human rights – and a fourth project researching integration in reporting.

The ISSB is also seeking feedback on its proposed methodology to enhance the international applicability of the SASB Standards before January 2024, when the ISSB standards come into effect. Around 20% of SASB metrics refer to specific jurisdictional laws and regulations, and revising these references will help improve international applicability and remove regional bias.

Assurance for reporting on sustainability

IOSCO, representing the international securities bodies including the FCA, issued a report on the global assurance framework for sustainability-related corporate reporting. IOSCO continues to develop common standards for reliable sustainability-related corporate disclosures, and IOSCO's report outlines key considerations for standard setters and other stakeholders across the reporting ecosystem (focusing on issuers and assurance providers), with an exposure draft from the IAASB now expected in July.

ESG data and ratings – survey and response

The findings from Society's Easter IRO Member Survey underline the importance of ESG ratings to corporates, illustrate a level of dissatisfaction with the quality of engagement between companies and ESG ratings agencies, and indicate strong support for their regulation (90%

DBT seeks views on narrative reporting

The Department for Business and Trade is consulting on whether the UK should move to a more streamlined and focused corporate reporting regime (closing 16th August). This considers narrative reporting within the strategic and directors' reports, in addition to sustainability/ESG reporting (in anticipation of the ISSB standards being implemented in the UK). It also investigates some wider reporting requirements such as modern slavery and gender pay gap reporting, and how these fit within the UK's overall non-financial reporting framework. Key areas of consideration include:

- whether the 'non-financial' information currently required or provided by companies in their annual reports and accounts is fit-for-purpose and provides decision-useful information to the market, wider stakeholders and for the board of directors themselves eg in setting strategy, and understanding and improving the long-term value creation of the company;
- how easy, or hard, it is for companies to comply with current requirements, whether there are any difficulties in relation to data collection and what more could be done to make the production and distribution of information easier; and
- whether the thresholds for categories of economically significant companies should be rationalised and simplified, including quoted and traded companies, AIM companies and large private companies, with a variety of employee and/or turnover thresholds.

of respondent IROs think they should be regulated by the FCA).

We accordingly responded to the Treasury consultation supporting the regulation of ESG ratings agencies. We also pointed out the need for harmonisation with overseas equivalent regulations, eg the EU's recently published proposal for regulating ESG ratings providers, and called for an appropriate transitional period and a phased approach, allowing smaller agencies longer to adapt, with an initial 'start up' period for new providers to promote competition and innovation.

Meanwhile, an independent industry group is consulting on a voluntary code of conduct for ESG data and ratings providers (closing 5th October), which could play an important role in raising standards in the shorter term (until any FCA regulation is introduced), as well as continuing to apply to any firms that fall out of the scope of potential future regulation.

As part of the code's development, the group engaged with standard-setters in other jurisdictions to ensure international consistency.

SBTi science-based targets for nature

The Science Based Targets Network has released corporate science-based targets for nature, which build on and complement the existing climate targets that have been set by over 2,600 companies through the Science Based Targets initiative (SBTi).

This first Nature release from SBTN equips companies to assess their environmental impacts and set targets beginning with freshwater and land, enabling companies to both reduce their negative impacts and increase positive ones for nature and people. An initial group of 17 companies are piloting the target validation process as well as the land methods which are currently in beta phase.

This pilot will be of critical value towards the rollout of the target validation process and delivery of a version 1 of the land targets, both of which are anticipated to be available in early 2024 after incorporating insights from the pilot.

Panel updates Takeover Code rules

The Takeover Code was updated with effect from 22 May 2023 to reflect changes to the offer timetable in a competitive situation where one of the bidders is proceeding by scheme of arrangement to clarify the timing of the auction procedure and how shareholders decide between competing bids with different structures. Miscellaneous amendments were also made relating to dealing with companies in serious financial difficulty, rumour or speculation following a DTR 5 disclosure and recommendations by the target board.

The Takeover Panel is also consulting on changes to the Rule 21 restrictions limiting target company frustrating actions without shareholder approval (PCP 2023/1), to provide more flexibility for target companies to carry out activities such as share issues and buybacks, disposals and acquisitions of material assets, and the entering into or amending of contracts, provided they are not outside the ordinary course of the company's business.

Other proposals include changes to the rules on equality of information provided to competing bidders (closes 21st July).

UK ethnicity pay reporting guidance

The government have published some voluntary guidance for employers on ethnicity pay reporting. This is more complex than gender pay gap reporting so, whilst the Guidance uses the same pay calculation process as the gender pay gap regulations, the overall approach is more detailed, and employers are advised to identify the appropriate ethnicity classification structure, review the data, look for explanations on pay disparities, produce a narrative and draft an action plan. One of the main challenges with ethnicity pay reporting is incomplete data and the impact this has on calculating a pay gap.

> **“One challenge with ethnicity pay reporting is the impact of incomplete data on calculating a pay gap”**

The new EU directive on pay transparency

A bold step forward in tackling and enforcing equal pay, the EU Pay Transparency Directive came into force in June, with member states required to implement it into national law by June 2026.

The directive introduces gender pay gap reporting measures similar to those that already exist in the UK. However, the reporting requirements are backed up by powerful enforcement mechanisms not present in the UK regime. Other key provisions include an obligation to remedy pay gaps of 5% or more and increased pay transparency for prospective and current employees.

New SEC requirement on buyback disclosure

The US Securities and Exchange Commission (SEC) will require specific quantitative and narrative disclosures related to an issuer's share repurchases, significantly increasing the level of disclosure that has historically been required about share repurchase activity in SEC filings. SEC-registered issuers that qualify as 'foreign private issuers' will also need to comply with this new regime notwithstanding any buyback disclosures that may be required in their home jurisdictions as there is little home country relief for foreign issuers. ■

The link between analyst research and valuations

The importance of monitoring analyst research is paramount. **Louis Bielmann** suggests that this is the only way to avoid the adverse impact of poor quality research.

An independent review announced by the Chancellor in December 2022 aimed to assess the impact of investment analyst research quality on the competitiveness of UK capital markets.

Though the relationship between quality of research and competitiveness of the UK capital markets may be extremely difficult, or even impossible, to measure, the link undoubtedly exists. It is also reasonable to expect that the impact on securities prices could be in either direction – both under or overvaluation – depending on the nature of the analytical mistakes.

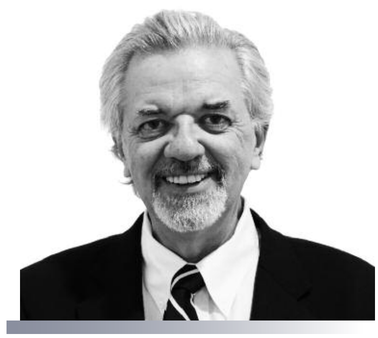
Relevance for IROs

When it comes to the analyses of their companies' shares in public markets, IROs have an obvious interest in ensuring that analysts are not publishing erroneous numbers. To be sure, it is not the job of an IRO to tell analysts what their assessments of value for the IRO's company should be, but IROs should work to ensure as much as possible that obvious mistakes in analyst research are not left unchecked to potentially move the stock price inappropriately.

Common errors made by analysts

The most likely types of errors that one might find in published research have to do with bad data, the inadvertent mixing different currencies, and mathematical blunders. These issues are not about differences of opinion regarding, for instance, expected revenue growth rates, future input costs, the trajectory of the company's cost of capital, etc.

The focus here is with the unintentional use of numbers that create a materially misleading impression of the business, with the potential to inappropriately impact the stock price. As already noted, the degree to which such mistakes can impact stock prices is not easily measurable, but it is enough to realise that there is an impact and that the IRO plays a critical role in watching for and correcting these errors.



Louis Bielmann is assistant professor of finance at Trinity Western University in Canada.
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Errors arising from the use of bad data are not uncommon in analyst research notes and are usually the result of an analyst unintentionally carrying forward a number from a prior reporting period.

The second example error type – mixing different currencies – can lead to subtle errors when the exchange rate is close to 1, and of course increasingly large errors the greater the difference in value between the two currencies. As unlikely as it may seem that these exchange rate mistakes could happen, they occur with surprising frequency.

Mathematical blunders – the third example error type noted above – are also alarmingly common and often have to do with the analyst's handling of negative numbers. By way of example, one of the biggest asset managers in the world currently has analysis of an airline stating that the airline's earnings per share (EPS) growth rate over the next five years is expected to be -108% per annum. However, in the same analysis, the airline's net income is forecasted to become positive in 2024 and grow significantly over the subsequent years.

The figure of -108% EPS growth per annum over five years is clearly a mistake, and very likely a relic of the airline's deeply negative results during and immediately after the COVID-19 pandemic.

The perverse nature of this mistake is that it did not impact the analyst's valuation for the airline. Reasonable growth expectations were used to arrive at estimated value, but if an investor screens for companies with reasonable expected EPS growth rates on this platform, the airline will not show up in the results.

Even if a user of this platform lands on the page for the airline through some other means, seeing an expected EPS growth rate of -108% may very well cause the potential investor to promptly discard the airline as an investment opportunity.

Mitigation

The examples given in this article clearly do not make for an exhaustive list, but they are, I hope, sufficient to encourage IROs to carefully monitor the analysts covering their firms. The only way to ensure that poor quality research does not inappropriately impact share prices is for IROs to either closely monitor all analyst coverage of their company or delegate this work to a trusted party.

The monitoring is straightforward to carry out using an internal valuation with all figures readily at hand for comparison to research reports. The monitoring should also extend to the platforms offered to investors by the analysts' financial institutions. The research reports are one thing, but the pages from which reports are accessed typically have a good deal of summary information that must be monitored as well, especially when it is that information which drives the platform's screening tool.

The work of carefully monitoring analyst research quality is a small price to pay compared to the potential impact on market value from not monitoring. ■

Signalling sustainability amidst uncertainty

With more requirements and expectations for sustainability reporting, **Katya Gorbatiouk** looks through the noise to provide tips for IROs.

The speed of evolution of investor relations is highly telling of the mission-critical role this function is increasingly taking on. Effective communications are not just a foundation for relations between companies and investors – this area of best practice has far-reaching implications for the state of capital markets and the strength of the culture of equity investment, so pivotal for the economy to thrive. The direction of travel for this intricate relationship between providers and consumers of capital is transparency. As is true anywhere else, to be conducive to a long-term mutually rewarding partnership, transparency needs to be a two-way street.

Integrated thinking

What is deemed to be best practice in communicating a company's approach to sustainability has been changing at a head-spinning pace. The visible phase-out of the term 'ESG' in favour of 'sustainability' is reflective of a more holistic lens applied by investors when making investment decisions. Going beyond a risk-based assessment of a set of E, S and G factors, in an integrated approach to long-term sustainability the concepts of the overall resiliency, competitiveness and prosperity are inseparable from the concept of a positive impact on the company's ecosystem of stakeholders. In other words, an integrated approach to sustainability embeds economic, environmental and social considerations of the future into commercial decisions of the present.

A deeper definition of transparency

Sustainability is becoming more than a differentiating competitive attribute, but a matter of strategy universally expected by investors. Condensing what appears to be an ever-expanding universe of

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acronyms, frameworks and guidelines into an orderly set of focus areas for sustainability communications is a continuous challenge for boards and executives. While recognising that each investment case is unique, here are the key areas where transparency will be tested by investors, irrespective of how good a particular year has been.

Proactive gathering of inputs

Company communications should evidence how continuously it considers all the ways it impacts its external environment and, at the same time, key factors impacting the company's long-term health and resiliency. The assessment of the needs and priorities of the company's different stakeholder groups, as the output of stakeholder engagement, should be one of the inputs for setting performance objectives across the business.

Ambitious objective setting

Clear signalling about what 'good' looks like within the organisation should include how sustainability workstreams are proactively integrated across all parts of the business, and form part of its overall vision, purpose and strategy. This integrated approach is evidenced by the extent to which sustainability KPIs form part of individual performance objectives across the organisation and ultimately link to remuneration of executives and other decision makers.

Continuous assessment of progress

As important as communicating progress towards long-term and interim sustainability milestones is communicating how any setbacks are evaluated and how accountability frameworks are applied. The ability to be transparent about the lessons learned goes a long way to fortifying trust with capital providers, so vital during times of uncertainty.

Board effectiveness and culture

Signalling board effectiveness starts with an explicit commitment to continuously assessing (and, as necessary, updating) the board-level expertise on sustainability and resilience matters. The level of this expertise is directly correlative to the depth of the board's assessment of the sustainability-related performance, risks and opportunities, and the effectiveness of decision-making that focuses on outcomes and impact. What is also highly telling is the regularity and timeliness of delivery to the board of the outcomes of stakeholder engagement and other inputs on matters integral to the company's long-term viability. Communicating on how these inputs are considered across all relevant discussion areas (not just in a silo), communicating how strategic decisions are arrived at and how their implementation is tracked by the board - are signals of the culture of commitment to best practice and transparency.

Engagement follow-through

A visionary company uses investor engagement as a resource. Proactively seeking real-time feedback separates companies from their more reactive peers, signalling commitment to anticipating and mitigating risks early. Efforts to engage with investors that are not on the register may open fresh sources of invaluable insights. Communicating to the market on how all this feedback gets considered by the board and implemented by the executive is a tremendous opportunity to stand out from competition.

Communication on sustainability is still a developing area for many companies, and the learning curve has been steep. In an environment where there is greater scarcity of capital, competition for this capital means that businesses are seeking to demonstrate that their internal approaches are being proactively streamlined in sync with the evolving expectations of investors and stakeholders.

A two-way street

Reciprocating this transparency, a genuine commitment from the investor to the depth of analysis and stewardship is imperative, as contrasted to engagement at the lowest cost. It is crucial for companies to have a full view of how investment decisions are arrived at, what drives AGM voting, and even more importantly - real-time feedback on what needs to improve. There will be issues where extensive dialogue will be required to achieve an outcome. There must be both time and resources to do so on both sides. A nuanced dialogue should not be replaced by box-ticking outsourced to proxy voting service providers. What may appear to be a shortcut to lower the costs of investing can cost more in missed opportunities for driving fundamental improvements through stewardship.

Communications are a powerful tool for a company to align its vision and strategy with like-minded capital. What is 'success' on this journey? It is about long-term partnerships sharing a mutual commitment to building long-term value, the partnerships that survive different economic cycles, and ultimately fortify the resiliency of the economy to sustain the current and future generations. ■

Meeting stakeholders where they are

The increasing influence of technology presents challenges for IR professionals. **Erik Carlson** suggests three tech-enabled ways to personalise your IR approach.

The digital transformation of investor relations has arrived, driven by today's complicated business landscape, the ever-evolving expectations of shareholders and the increased reliance on digital communications platforms as a primary source of information.

While IR is frequently thought of as a 'push' strategy that dictates regulated corporate updates to shareholders, the days of dialling into faceless, one-way earnings webcasts or accessing financial content solely through standalone IR sites are quickly falling behind us. Today's investors, both retail and institutional, demand a much more personalised approach.

According to a recent study conducted by ICR, 76% of professional investors ranked 'quality of communication' as a non-financial factor that impacts investor perception of a company's valuation. Investor relations officers are challenged to identify innovative ways to tell corporate stories that will resonate on every channel, while navigating risk and remaining in compliance. Doing this successfully means implementing technology that powers engagement and improves access to content.

> "Give end-users more control over their experience, empowering them"

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Here are three tech-enabled ways to start taking a more personalised approach to your investor relations strategy.

Build for accessibility

It's critical to ensure that investor relations events and web content are accessible to all stakeholders, and ideally, meet Web Content Accessibility Guidelines (WCAG 2.1) Level AA standards. Accessible content means that all users, particularly those with disabilities, will have an equitable experience and be able to access the company information and resources that they need.

Customise the message

There's no such thing as a 'one size fits all' approach to financial communications. IROs are increasingly breaking away from the traditional investor page on the corporate website and using microsites to deliver tailored information and using multimedia content to visualise data and key messaging. In particular, companies with a high volume of retail shareholders should consider the needs of this specific audience and consider building microsites that contain easy-to-access, highly-tailored fact sheets, FAQs and links to corporate social media pages.

Enable engagement

One of the best ways to ensure that investor relations events are engaging is to give end-users more control over their experience, empowering them to feel confident in interacting. For webcasts and virtual events, IROs should use technology that allows viewers to have an experience more similar to commercial virtual events. Features to look for include the ability to manage playback speed for both live and on-demand content, a text-based Q&A feature, the option to pause and resume content, and the ability to enable picture-in-picture features for video.

Finally, it goes without saying that artificial intelligence (AI) technology has already started to shape the next phase of digital transformation for investor relations. While it's still early and there's much to understand regarding cybersecurity, ethics, usage policies and the regulatory landscape, AI has the potential to drive personalisation forward. For example, in its most basic form, AI can help generate press releases, earnings scripts and predict analyst Q&A.

In a more advanced use case, business leaders could have the ability to optimise IR content based on real-time analysis of sentiment, stock volatility and shareholder identification.

The result? Higher personalisation and engagement across stakeholders of all types. ■

Take control of your investor targeting programme

Ensuring that you have the best shareholder profile can be a complex task. **Mark Robinson** outlines six key steps to achieve successful investor targeting.

With IR teams increasingly bringing the targeting function in-house, the tasks of managing the lifecycle and tracking the success of your targeting programme can be challenging. In this article we outline one route to success, involving six key steps.

1. Peer analysis

Consider where your company is today, and where you anticipate it being in 12-24 months. Choosing your peers should not be limited to your direct sector – the purpose of this step is to find potential investors.

Consider building peer groups based on domestic companies, international companies, and those where you see your company progressing to in the medium term.

For example, if you are going to start paying a dividend, look at a peer group where companies are paying a similar dividend to the one you expect to pay.

> “You can view the fund-level holders across each peer group and find underweight and absentee targets”

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We recommend starting to look on a fund level. Here you can view the fund-level holders across each peer group and find underweight and absentee targets. As target funds are identified, these should be added to any of your target groups to manage the lifecycle of your engagement with them.

2. Sector/market screening

The next stage of the process is to look at the larger pool of investors by geography, this is where employing a dedicated targeting tool is necessary and signifies the end of targeting by spreadsheet.

Again, searching on a fund level via a specific investor targeting tool, you can find almost 5,000 active funds with a contact based in the UK.

Here you should evaluate any investment held in your selected peer group, and the percentage of the fund invested in your region, country, sector, and industry.

From this large dataset you can then filter down – setting parameters and sorting the data to bring up a list of potential targets to again add to your target lists. This should complement the peer analysis findings.

3. Portfolio analysis

After reviewing aggregate holding information on target funds, it can be beneficial to review the portfolio constituents that have been publicly identified. This will let you see the names of individual stocks held, and how capital has been deployed by the fund – whether it is a concentrated portfolio or broad, and any sector biases. If you have the right tools available, reviewing any preferences within the portfolio related to company fundamentals can also help validate the prospective target.

4. Brokers

The relationships that your brokers have with the buy side remain key to any targeting programme. These target recommendations are generally on a firm level, and often limited pools of investors based on those who are clients of the broker.

It is important to track these meetings and the conversion rate, as there may not be a fit for the target firm, yet the broker continues to recommend meetings.

5. Build distribution lists

Once you have built out your various targeting lists, you need to start engaging with the targets. Either sending out an introduction email or adding to your results distribution list – by initiating contact you can start to track engagement and see which contacts are opening which attachments.

This helps to drive your conversations and tailor what you are sending, and speaking about, with the target.

6. Track progress with all targets

Once you have your distribution lists in place you need to track your engagement with the targets – understanding which subjects are of interest by tracking readership is a valuable exercise and will help shape any future meetings.

Dropping targets from your list is essential and tagging investors with reasons why they are not currently a valid target will help when refreshing your target lists each year.

Engaging

The initial stages of investor targeting are all quantitative, and the data sources for public holding information should only be seen as indicative. There is a danger of death by precision in this early stage, so by casting the net wide to build out your distribution lists by finding potentially relevant targets is the recommended way to begin.

> **"The real investor targeting work only starts once you begin engaging with the gatekeepers and the portfolio managers"**

The real investor targeting work only starts once you begin engaging with the gatekeepers (corporate access and buy-side analysts) and the portfolio managers.

It is at this stage where you can see whether a quantitative target is a valid investor target, the macros can only get you so far.

Having the right tools and advisers on hand helps you to spend your time wisely, being able to lean on advisors to guide you through this process and having the right tools to track your activities in an intelligent way will give you more time to make a difference within your company. ■

EQ RD:IR recently updated its IR InTouch service, including a new targeting management module and bringing all aspects into one dashboard.

Adopting technology to win

Volker Stümpfen and **Maria Töpfer** argue that a blend of artificial and human intelligence is the key to navigating the evolving investment landscape.

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Investment practices, like many sectors, are undergoing a technological metamorphosis. From the rise of ESG investing that capitalises on voluminous sustainability data towards algorithm-enhanced strategies among passive and active investors alike, the tides of change are evident. Moreover, with the concentration of capital among tech-savvy asset managers and an impending wealth transfer to a younger, digitally native generation, we are witnessing a rapid evolution, driven in part by big data and artificial intelligence, which is fundamentally altering how investors gather information and make decisions.

This article explores how technology, specifically artificial intelligence (AI), machine learning (ML), including natural language processing (NLP), is not just reshaping but also enhancing the strategies employed by IR professionals to engage with relevant investors.

The evolution of fundamental investment research

Sophisticated research houses and active asset managers hunting for alpha are increasingly leveraging AI, ML, and NLP for efficient and in-depth analyses of conventional data, geospatial information, and alternative (unstructured) data.

Geospatial data, which includes satellite imagery and location-specific data, can enhance the understanding of retail sales patterns and the competitive landscape. Meanwhile, digital information, like app downloads, online sales data, and search trends, provides insights into consumer behaviour and sentiment.

The capabilities of NLP have evolved to yield deeper, more nuanced insights from text-based data, such as earnings call transcripts, company filings, and social media posts. Modern NLP models can dissect tone, context, and the voice of the text, offering an advanced level of analysis. AI can differentiate between the various segments of an earnings call, such as the presentation and the Q&A session, and adjust its attention based on the context.

A key takeaway for IR professionals is the growing importance of managing the Q&A section during earnings calls.

Additionally, data accuracy is vital, particularly the information provided by data aggregators. IR teams should actively monitor the correctness of this data, given its considerable influence on ML models.

Leveraging data for IR

The proliferation of data analytics and AI is not only revolutionising how investment decisions are made, but also how IR teams engage with investors. Investment history, portfolio composition, engagement history, meeting notes and investor feedback present invaluable insights.

Regulations like Europe's SRD II even afford companies a more in-depth understanding of their investor base through shareholder disclosure requests. Regular application of such requests generates valuable data on shareholder composition movements. Thus, it is paramount for IR professionals to collect, consolidate, and leverage this data effectively.

Enhancing investor engagement strategies

AI and ML technologies can sift through large volumes of structured and unstructured data to identify and analyse information that is most relevant for the IR team. ML algorithms can identify patterns and trends in this data that may not be immediately apparent, providing insights that can guide investor engagement strategies.

For investor segmentation data-driven strategies can be highly effective. By grouping investors based on shared characteristics an IR team can create tailored communication and engagement strategies for each segment. AI and ML can automate and enhance this segmentation process by continuously analysing investor data and adjusting the segments as needed.

Conclusion

The blend of artificial and human intelligence is the key to navigating the evolving investment landscape. Leveraging data, ML, and AI can transform the IR programme, streamlining processes, enhancing decision-making, and fostering more meaningful investor relationships.

But while technology provides powerful tools, human interpretation and strategy remain crucial. By combining AI and HI, IR professionals can adapt to the changing investment landscape, ensuring their companies stay competitive and their investor engagements stay relevant in this dynamic era. ■

How to stand out in digital investor engagement

Corporate websites provide a window into the inner workings of an organisation. **Stephen Butler** presents new findings which suggest that many could be doing more.

The investment community today looks beyond financials to understand a company's value-creation story across the short, medium and long term. Post MiFID II, investor relations officers must work harder than ever to communicate with the buy side.

This year, Luminous researched the corporate/IR websites of the largest 40 companies by market capitalisation in the FTSE 250.

The findings help to capture the current state of digital IR, highlighting what best-in-class looks like and where improvements can be made. In addition, we reflect on what is next for IR professionals to factor into their digital thinking.

What did we learn from the research?

Identity and design

Brand identity is an essential component of every corporate/IR website. Unique, consistent brand identity and design raise visibility and add to the overall equity story.

- Half of all the websites reflected an instantly recognisable brand.
- 83% of the websites consistently applied this brand identity when communicating.
- 65% of the websites created a connection with the user through the brand experience.

> **"Half of all the websites reflected an instantly recognisable brand"**

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Brand messaging

A company's website is one of the most important tools for IR teams to communicate with existing and potential investors. A website, and by extension a company, that fails to communicate consistently will leave investors confused and looking elsewhere.

- Only 13% of websites incorporated news-focused articles or videos, while 23% contained aspirational videos within the dedicated IR page.
- The majority (70%) of websites were inclusive and represented a diverse range of stakeholders, not just investors.
- 80% of websites wove key messaging themes into content and applied their brand personality throughout the website.

Strategic content

The content of the corporate website provides investors with general information on the company to help them understand the overall business, whereas IR websites are specifically designed to include investor-useful information such as financials, investor presentations or details on the company's governance practices.

- Despite the growing prevalence of ESG content on websites, 55% were considered 'poor' at identifying key material ESG issues, while 25% were considered 'good'.
- 90% of companies included a purpose or explained the 'why' of their business. Fewer (68%) presented a clear linkage between purpose and strategy.
- While 80% of websites conveyed a business strategy, just 33% explained strategic initiatives alongside a timeframe.
- 50% of strategic plans were linked to emerging opportunities, as more companies embed ESG opportunities.
- 55% of websites included an ESG strategy, but of the 50% that portrayed a business model only 23% integrated their ESG strategy into it.
- Just 10% of websites disclosed a double materiality assessment (These assessments add the risks a company's activities pose to the environment and society to those that it faces internally).
- Outside of the annual report, there is a growing trend for companies producing standalone sustainability reports to deep dive into sustainability issues. We found 43% of websites included a standalone sustainability report.
- 63% of websites included disclosure of net-zero plans and alignment to science-based targets.
- 53% of websites included an investment case, but only 38% effectively presented the company's strengths/differentiators or linked the investment case to KPIs.

- 70% of websites aimed to promote employee culture through quotes, people stories and imagery, although only 48% included key facts around the number of employees, locations or services.

User experience

Successful user experience is a key component and it can be the deciding factor in how long users spend on the website but also what information they are able to access in the limited time they spend on the website.

- 43% of websites were 'good' at making pertinent information easy to find and navigate. Similarly, 40% were 'good' at encouraging users to explore the website with an easy user experience.
- While 48% of websites included an interactive summary of the annual report, only 38% incorporated interactive functions within the full annual report.
- Despite the transition to virtual or hybrid AGMs, only 20% of websites included a video or audio recording of the most recent AGM. Instead, transcripts were more common.
- 75% of websites had focused landing pages for sub-sections such as IR or sustainability.

> **"Just 28% of websites included an interactive online annual report microsite – but over 50% had a screen-first, web-optimised PDF"**

- Only 20% of websites provided one-click access from the landing page to the financial results section.
- 63% of websites featured easy navigation from the main page to sustainability sections – despite the growth in demand for this content.
- 65% of websites had a specific tab for the annual report, but only 38% allowed for the report to be downloaded in sections.
- Just 28% of websites included an interactive online annual report microsite. However, just over 50% included a screen-first, web-optimised PDF.
- 38% of websites included an investor factsheet to present a summary of the company in a quick and digestible document.
- 30% included a YouTube channel link and fewer (18%) linked to podcasts on the website. ■

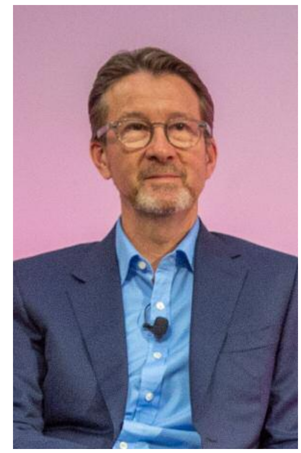
Digital Matters is now live. Visit Luminous' website to download a copy.

IR Society Conference 2023

A 29-page report on all conference sessions with photos, networking, comments and more.

Tristia Harrison

Sanjay Nazerali



Stephen Carter

Dynamic IR on view in London

The 2023 annual conference of the IR Society took place on Tuesday 13 June at The Institution of Engineering and Technology: Savoy Place, London. Around 400 IR professionals assembled for a busy programme of speaker sessions, breakout panels and networking under the conference title 'Dynamic IR: Staying authentic and managing on-going structural change'.

The event covered the key challenges and opportunities for IR professionals working across a range of different companies and sectors. The conference host was the BBC broadcaster Evan Davis, taking the role once again and presiding over panel discussions ranging from ESG and consensus management to AI, regulation and IR disruptors. Davis also conducted interviews with three keynote guests – Tristia Harrison, chief executive officer of TalkTalk Group, Sanjay Nazerali, brand president of dentsu X, and Stephen Carter, chief executive officer of Informa.

The day started with remarks by the Society's conference committee chair Rob Gurner, who welcomed the attendees and outlined the session subjects. He praised the Society's executive team for their efforts in putting the conference together and highlighted the Trussell Trust, the food bank charity which the Society was benefiting this year. He then introduced Davis, who had been hosting Society conferences for over 11 years.

Davis then reflected on the turbulent period, economically and politically, since the 2022 conference – and also noted that the Succession TV series had come to an end. "I thought of your profession in action," he told the audience. "We saw Kendall's ability to just make up numbers ahead of shareholder events. And his IR team, who are just scuttling around in the background, overnight, putting together slide-decks and written documents. It was something to behold." There was no connection with reality, he added!

Davis moderated many of the sessions in the day's tight programme. Meanwhile, attendees enjoyed the exhibitors' stands and the networking opportunities in the breaks between sessions.

At the end of the day, outgoing chair David Walker told the hall how the Society was now in a strong position, and thanked the Society's sponsors as well as the executive team and conference chair Rob Gurner. He also paid tribute to his deputy, the incoming chair Douglas Ratcliffe – "you are in great hands." ■

Staying out of the noise and making bold decisions

In the opening session, Evan Davis interviewed TalkTalk CEO **Tristia Harrison** about taking the company private, remote working and why community work is important.

As the first keynote session of the day got underway, Tristia Harrison shared some details of the changes that had taken place at TalkTalk Group (TTG) over the last few years.

"Things are good! We took the business private just over two years ago. A lot has stayed the same and a lot is different", she remarked – citing that the UK broadband provider currently has a 14% market share, with a big growing business-to-business unit. "Much of what we did as a listed business is identical: governance; risk registers; and the general reporting of the business", she added, saying: "We also have a publicly listed bond, a board of directors, and investors."

In response to a question from the floor on this point, Harrison said that reporting activities had not changed drastically, despite the reduction in legal obligations. "We kept our internal audit function. We kept our remuneration committee. I'm responsible for four million broadband customers, so we have to run an organisation in a way that's stable and solid".

The relationship between Toscafund (who helped take the company private in 2020) and TTG was examined by Davis – particularly around the subject of autonomy to make decisions. Tristia remarked that Toscafund had been the second largest shareholder when TTG was public, and that the "synergy and rationale benefit was very strong", adding that Davis's 'rottweiler' depiction of Toscafund CEO, Martin Hughes, was unfounded, praising his remarkable ability for memorising and recalling numbers.

Long term focus

Davis asked whether the company still had special days for investors – as listed companies would do. Harrison mentioned a formal bi-annual bondholder presentation, and iterated the importance of very regular – less formal – conversations with TTG's investors.

> "We all thrive when we're together figuring things out, chatting, having meetings, going to the pub and working out what we're going to present"

In a strategic sense, TTG's privatisation has allowed it to focus more on longer-term capital expenditure (such as the move away from 100-year-old copper cables to full fibre) without the noise of short-term investors. "[We can] quietly get on with what we're doing, grow the business and deliver cash generation", she added.

Another question from the floor continued on this theme – asking how the lack of a share price affects the business. "As a listed business, you can get lazy. Your investors are telling you what they think in a public sense. In a private business, you don't have [the share price] on a ticker, so you do need to make sure you explain what's happening – what's good and what's not so good."

OPENING KEYNOTE

Moderator: Evan Davis

Tristia Harrison is CEO of TalkTalk Group. Before that, she served as managing director of TalkTalk's consumer business. She has developed TalkTalk's community engagement programme in the North West since moving the business' HQ to Salford in 2019, including partnerships with local foodbanks and other community projects. Tristia is an independent non-executive director at Next Plc, the trustee chair of homelessness charity Crisis, and an honorary trustee for the national charity Ambitious about Autism. For nine years, she also served as trustee at Comic Relief.

Davis asked about KPIs, something which listed companies are all-too-familiar with. Harrison stated: "We boiled it all down to the size of our customer base; how many subscriptions we have (business and consumer); how many pay us on a regular basis; and cashflow."

IR in a private company

Next, Davis questioned the need for IR in a privately held company.

Harrison retorted that every company – private or public – has investors in one sense or another, be they big institutions or bondholders – and even politicians and wider stakeholders, and that it is of great importance for the IR role to understand the inner workings of the business. "The best advisers and supporters of any business have to be deep in the operation … they have to understand the good bits, the bad bits, the opportunities and the trends."

Tristia Harrison

Evan Davis

Moving out of London

Part of TTG's strategy when Harrison took the reins, was to combine its three main offices (in Warrington, Irlam and "six floors of prime real estate in Notting Hill") into one large office space in Salford, Greater Manchester. The group offered everyone the opportunity to relocate, and around 10% did so.

The decision, in part, was for cost-saving reasons, yet it also allowed the company to create a new hub in a booming digital-focused city – where it would be the only telecommunications business. Harrison acknowledged the BBC, who had also set up a base there, as being extremely welcoming and helpful when the office was setting up. Since the move, ITV, Ofcom, PwC and KPMG have also created many jobs in the area – and whilst there had been a "labour arbitrage between London and the North West, it's not there anymore!"

Remote working

The global pandemic shook up working patterns across the globe. Davis asked Harrison for her thoughts on home working – whilst conducting a quick 'hands-up' poll of the audience (who typically seemed to work two or three days in the office each week).

"We all thrive when we're together figuring things out, chatting, having meetings, going to the pub, working out what we're going to present", she commented. Whilst TalkTalk has not mandated a set number of office days, the company has worked hard to make the office environment as enticing as

> "Communication needs to be very informal and very regular"

possible, for example a '£1 breakfast' scheme has proved popular, and the proximity to the centre of Manchester along with the social and learning opportunities that the company provides can be invaluable for graduates and newer recruits.

However, Harrison also said that because team members have different working patterns, preferences and commitments outside of work, the company would lose a lot of people if they required everybody to be in the office all of the time – giving an example of a very experienced senior finance person with two young children, for whom flexible working is essential. An added benefit of the 'Zoom revolution' has been the ability to "cast our net far wider for key skills, such as senior software engineers", she added.

Debt IR

A question from the audience asked about debt IR. Harrison responded "It should be really similar to equity ... certainly in a strategic context, communication needs to be very informal and very regular", she added that good IR is about transparency and providing a simple view of financials and the numbers.

Davis interjected, asking what 'bad IR' might look like. Harrison reflected on her career and stated how different things were 25 years ago: "There was a detachment between the IR function and those running the operation ... everyone would be at Wimbledon or the golf, then the quarterly results would come and they'd say 'hang on!'", she added that 'good IR' involves being deeply involved in the business: "If you're curious, and you understand it, you'll do a better job of explaining it."

Community work

At the end of the session, Davis asked about the variety of charity work that Harrison does, notably being chair of national homelessness charity Crisis.

"You learn different things ... you can add value, which you can bring back to your day job – and you can do real good", she remarked.

In the context of TTG, giving employees a sense of purpose and community is fundamental. "People need to believe in what they're doing, they need to believe they're making a difference". Harrison highlighted a programme which had been set up with a local foodbank and a DWP scheme, which involved young jobseekers coming in and working for the company. "If you can do a good thing locally, in the community, your employees will thank you for it!" ■

Report by John Thistlethwaite, Silverdart Publishing.

Clarity, flexibility and transparency

In the first plenary session of the day, four industry experts were quizzed on hot topics that the IR and wider community are facing in 2023 – and beyond.

Kicking off the first plenary session of the 2023 annual conference, the audience of 350 IROs and industry practitioners were treated to a gallop through some of the big themes and trends facing IR professionals, which largely focused on the background of economic volatility and challenges.

The macroeconomic environment

Filippo Taddei provided the back bone to the session and presented an overview of the UK, Eurozone and Global factors we had witnessed over the past year. He noted that a crack in the foundation pillars for the economy have left the economy struggling to adjust with the main disruptors being inflation, supplier costs and rising cost of living, not to mention the political background including the conflict in Ukraine. He added that investing in an environment where interest rates are high and different to what they have been in more than a decade, is leading to an immense amount of adjustment and us being 'stuck in transition'.

Commenting with a banking viewpoint was Antonia Rowan. When questioned on whether the economics reflect corporate activity, she noted that equity capital markets and IPOs have stalled which was undoubtedly a disruptor to market conditions. She added that there was a small pick-up in Europe and the US, however there needed to be a secure environment to fully open up the IPO pipeline.

> **"Equity capital markets and IPOs have stalled which was undoubtedly a disruptor to market conditions"**

IR DISRUPTORS: THE LONG-TERM FUTURE OF IR

Moderator: Evan Davis.

- Harald Kinzler, partner, Dentons Global Advisors
- Sandra Azevedo Moura, head of IR, British Land
- Antonia Rowan, vice chair UK investment banking & corporate broking, Bank of America
- Filippo Taddei, senior economist, European economics team, Goldman Sachs

Adapting to change

Joining with an IRO perspective was Sandra Moura, who commented that operationally results are good but the focus is being massively impacted by the interest rate. As an IRO who has worked across various sectors in head of IR positions, she added that the current climate is reminding her of the global

Filippo Taddei

Sandra Azevedo Moura

Harald Kinzler

> “While AI could improve productivity and create new opportunities, a new innovation typically takes 20 years to become mainstream”

financial crisis from 2007 to 2008 where investors don’t want to engage until they know what’s happening. She stated that clarity on interest rates will change that, but at the moment it is feeling very quiet.

Joining the debate, Harald Kinzler noted that in a time of disruption, listed companies need to be clear about the position of the company and adapting the story to suit stakeholders, not forgetting employees and customers.

Rowan added that transparency is very important to investors and that everything is macro-driven at the moment. Any company should be scenario planning around what could happen and how it might play out. She commented that, where the sustainability agenda has lifted the time horizons, it is important not to lose sight of the longer term direction.

Antonia Rowan

Thinking sustainably

Kinzler added that another element of disruption has been greenwashing. This is a key topic for IROs and ESG is the ever-evolving focus for the buy side. He noted that a big focus for IROs was ESG rating agencies and the emphasis placed on disclosures, how the ratings process works and how the landscape is evolving. He commented that there are a lot of indirect communications around ESG that can make the decision process more difficult for an investor.

Moura agreed that ESG has become integral and a must have for companies to be able to present to investors. “10 years ago sustainability was the last slide in a deck, whereas now its woven into everything we do.”

Dealing with AI

A question from the audience asked “to what extent will AI affect both the long term, but also the here and now?” The panels’ views ranged from AI potentially being a useful tool and discussing how it might support a lot of the footwork from the IR team, however that we also need to find the right way to get the best out of it. The general consensus was that human decisions and rationale cannot be replaced. Taddei made a thought provoking point, that while AI could improve productivity and create new opportunities, a new innovation typically takes 20 years to become mainstream. We’ve got 20 years, or do we?

Key session tips

Concluding food for thought from our panel tapped into an overriding focus for IROs – namely the need to be transparent and to communicate well, lean in and expand the horizons open to you with different pools of capital, be open to change, adapt your corporate story and remain clear in your message. ■

Report by Alison Owers, Morrow Sodali.

Conference comments

As part of the conference feedback questionnaire, we asked attendees for their general remarks.

> “Great programme. Great participants. Great new location. Great to meet IR Society team”

> “IR is a thriving field populated by some very bright and dynamic people!”

> “Perspectives from industry experts outside of my own niche metier are valuable”

> “IROs should seek to keep information concise and simple for the generalists instead of providing long reports filled with technical terms”

> “IR is not an add, it is a core strategic role, linking investors (owners) with management.”

> “Buy-side insights were superb and also enjoyed the exhibitors”

ESG – where do we go from here?

This panel discussion brought together a group of industry experts to shed light on the ever-changing landscape of environmental, social, and governance (ESG) issues.

The panel delved into the expectations surrounding sustainability disclosure and the pivotal role IR practitioners play in supporting the investment community's ESG agendas and disclosure requirements.

The crucial pillar of governance

Karoline Herms, the representative from LGIM, shared her belief that 'governance' is the most important letter in ESG, emphasising its pivotal role as the bedrock of sustainability. She stressed that it's "all the more important today that the E and S feed into the G", highlighting the significance of a board that wholeheartedly embraces social and environmental factors to ensure progress.

Euan Stirling agreed, stating that "if you get the governance wrong, then everything else falls apart", and argued that companies should maintain a self-critical mindset and continually enhance their governance structures to safeguard their reputation and long-term sustainability.

Erica Serpico, representing Vanguard, underscored the foundational role of governance in their stewardship philosophy, emphasising that "good governance begins with a great board of directors". All panellists stressed the significance of internal control, risk management, and establishing a long-term framework to build trust.

The disclosure landscape

Claire Elsdon, the representative from CDP, a global not-for-profit, shed light on the mounting wave of environmental disclosures and the increasing demand for consistent and comparable ESG data by institutional investors. CDP runs the world's environmental disclosure systems for corporates, cities, states and regions, and holds the largest environmental database globally.

Elsdon said that CDP's robust and comprehensive data has been aligned with TCFD since 2018 and is 95% aligned with the imminent ISSB standards, with plans to achieve full alignment by next year.

ESG: WHERE DO WE GO FROM HERE?

Moderator: Evan Davis

- Claire Elsdon, global director requesting authorities – capital markets, CDP
- Euan Stirling, director, CEN-ESG
- Karoline Herms, senior global ESG manager, LGIM
- Erica Serpico, investment stewardship director – EMEA/APAC, Vanguard

Knowing your data

Despite different approaches, the panellists agreed on the importance of ESG data to investors. Herms emphasised the need to know and understand the available data, as well as who is accessing it, and encouraged treating ESG data with the same importance as financial data. Serpico highlighted Vanguard's support for investor-friendly, decision-useful

Karoline Herms

Euan Stirling

> "Embracing ESG disclosures yields a good return"

Claire Elsdon

Erica Serpico

disclosure frameworks like SASB, ISSB, CDP, and TCFD, which promote consistency and comparability across companies, sectors, and markets. She advised companies to focus their disclosure on data that is decision-useful.

Stirling reminded us that it's not just investors that are demanding, CDP is becoming business critical for their clients – as their clients' customers and customers' customers are demanding this data.

Social considerations and reporting

Addressing social factors, Herms from LGIM raised concerns about the lack of comprehensive data on diversity, particularly regarding ethnicity globally. Serpico from Vanguard underscored the material risks associated with diversity, inclusion, and emerging areas such as 'equity and belonging'. The panellists agreed that companies are still trying to determine how to measure success – but noted the importance of metrics related to attraction, retention, and promotion. They also emphasised the need for progress in human rights and tackling modern slavery within supply chains.

The panellists engaged in a discussion on best practices in social reporting, acknowledging that this is a new and developing area. Stirling advised companies to progress social reporting year by year, ensuring continuous improvement. Serpico highlighted the importance of understanding the board's oversight, succession planning, and overall risk management. Herms emphasised the need for strong non-executive directors and the challenge of measuring and effecting cultural change, which requires time and effort.

Strategic board dialogue

All panellists stressed the importance of companies understanding and assessing material risks. Stirling emphasised that if the board is failing to address risks, opportunities will also be missed, highlighting the significance of constructive dialogue and engagement between boards and investors on ESG issues. Such engagement facilitates a deeper understanding of both the material risks and opportunities associated with sustainability.

By actively engaging with investors and other stakeholders, boards can gain valuable insights, foster transparency, and enhance their credibility. This not only strengthens the relationship between companies and stakeholders but also enables informed decision-making, effective risk management, and the pursuit of long-term sustainable growth.

Key takeaways for IROs

Herms highlighted the importance of understanding shareholders, stakeholders, and ESG data, regardless of a company's size. She reiterated the need to treat ESG data as diligently as financial data. Elsdon emphasised that embracing ESG disclosures yields a good return on investment, as it opens up opportunities for risk management, informed decision-making, and conversations with investors and stakeholders.

Stirling advised IR professionals to focus on simplicity, clarity, and relevance to their business when grappling with sustainability disclosures, viewing it as an exercise in reinforcing long-term factors and values. Serpico stressed the significance of starting with a materiality process to establish focus and a solid foundation and advised preparing teams and boards for complex discussions on material risks with investors. ■

Report by Sallie Pilot.

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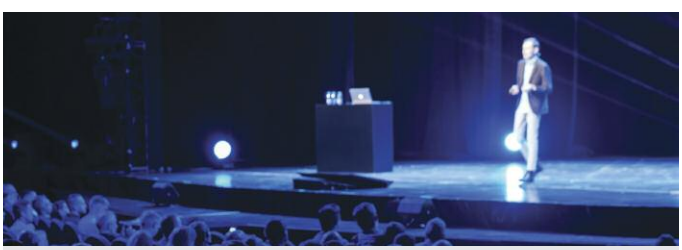

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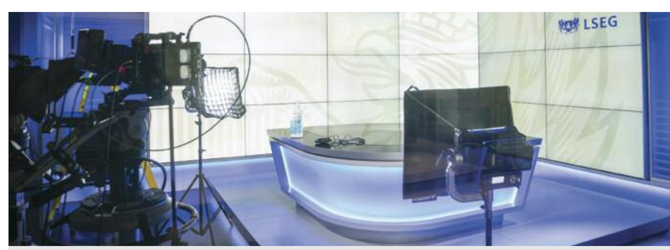

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An extensive library of educational resources and knowledge drawn from the best thought-leadership across the market.

Intelligence

Terabytes of real-time market data, analytics, equity research and investor sentiment analysis, as well as Refinitiv's industry-leading ESG data, research and news.

Marketplace

Our network of expert companies assembled to support corporates through an IPO journey or as a public company through a wide range of products and services.

Using consensus to better manage expectations

In this breakout session, sponsored by Visible Alpha, the panel looked at recent developments around consensus as a tool for managing investor expectations.

After the introductions, Paul Boland started the session by asking Josh Williams to describe the key tools that GSK, the pharmaceuticals group, used for setting expectations in the investment community. Williams explained that these encompassed guidance, earnings releases, press releases, capital markets days and simply creating dialogues with those people who wanted to know about the company.

"The way you set expectations is by making sure people understand what you do as a company," Williams said. If you do that, as the dialogue continues, you can work out how best to convey expectations back to the market.

Boland then asked Simon Baker about the messages that analysts preferred to hear from corporates and the tools that could be used to establish a consensus about market expectations. Baker said that forming a view on consensus was "the sum of an enormous number of different elements." His investor clients ranged widely in their preferences – "there are long-only managers who don't care about quarterly earnings statements and hedge funds who have short-term priorities."

Williams said that outside the fixed points of quarterly earnings, there was more capacity to think about longer-term issues – and capital markets days can be timed to deal with those. It was important to be consistent in communications with all stakeholders. "Everyone has a different angle and interest," he said. Some are interested in financial data, others in news flow.

Qualitative analysis

Boland asked about the importance of qualitative analysis. Baker commented: "There is an awful lot beyond the numbers, such as whether people are appearing to be more or less optimistic about something. Language is as important as the data."

Williams said he had seen software using sentiment analysis and it was getting increasingly sophisticated. "We are going to see more of it. So we need to be sensitive to how words can be interpreted."

Boland inquired how much importance was given to different sources of consensus. Baker said he preferred "the source which is the easiest to manipulate. We do a lot of additional analysis." Asked about looking at competitors' consensus analysis, Williams said that was useful - "and it's quite good fun!"

BREAKOUT: USING CONSENSUS TO BETTER MANAGE EXPECTATIONS OF THE INVESTMENT COMMUNITY

Moderator: Paul Boland, senior director, head of contributor relations, APAC & EMEA, Visible Alpha

- Josh Williams, investor relations director, GSK
- Simon Baker, analyst, Redburn

On the hot topic of AI, Baker said "we are already using it. Where it comes in, it will be less on the numbers, such as trend analysis, but more on the qualitative side, such as identifying changes in emphasis, language, and market sentiment – more on the words than the numbers."

Boland added that large language models can be "really bad at numbers". He thanked his panel colleagues and closed the session. ■

Report by Silverdart Publishing

See Visible Alpha's article on Consensus on the following pages.

Josh Williams

Paul Boland

Simon Baker

How consensus manages the expectations of the investment community

For investor relations (IR) teams, maintaining constructive relationships with investment banking and independent research analysts is critical. A significant facet of this collaborative association are the projections from sell-side broker analysts regarding a company's future performance, meticulously recorded in their spreadsheet models.

The aggregation of these models provides a quantifiable market perspective of the company, offering a wealth of insights for IR teams on how the investment community views the company.

The market's view of a company's business drivers

Traditional consensus metrics mostly focus on outcomes like revenue, net income, and earnings per share (EPS). A more detailed examination of the analysts' models and the detailed forecasts contained in them, however, unveils a comprehensive understanding of how analysts believe those outcomes will be achieved.

The resulting data reveals the driving forces behind the business, providing an invaluable market perspective that a company and its IR team can use for future planning and investor communications.

> *No other source is as broad and deep for detailed analysis*

Harnessing analyst models and consensus data

Analyst model forecasts significantly influence market sentiment and shape investors' perceptions of a company. Given the vast array of investible opportunities, institutional investors often rely heavily on sell-side research. According to Visible Alpha's founder and chief research and innovation officer, Scott Rosen: "Investors look at sell-side analysis and forecasts because no other source is as broad and deep for providing thoughtful and detailed analysis of a company."

Data consolidating the viewpoints of the sell-side analyst community empowers IR teams to grasp the information environment of their investors better, facilitating improved anticipation of potential investor reactions.

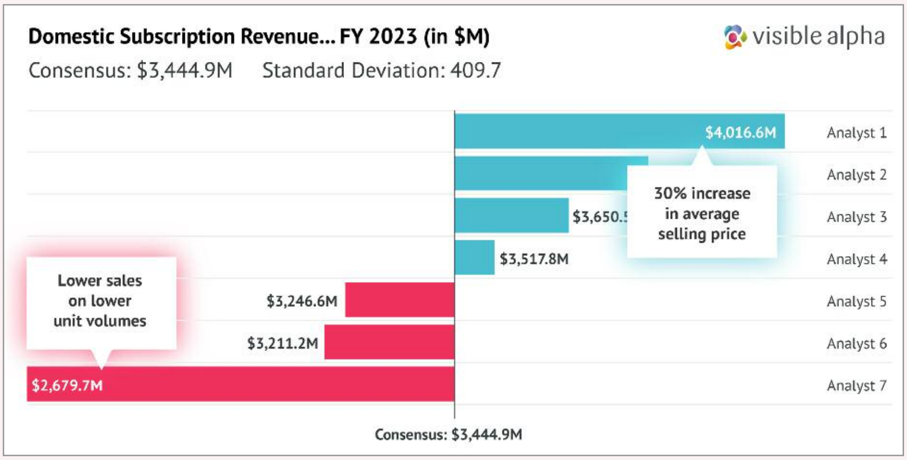
Tracking the evolution of these expectations in comparison to the company's own projections and guidance equips IR teams to adjust communication strategies, engage in meaningful dialogues with sell-side analysts, identify investor concerns for internal discussions, and benchmark the company against industry peers.

Assessing the spectrum of analysts' perspectives

Determining the critical investment questions that analysts and investors have about a company is a straightforward task for IR teams. However, quantifying these investment controversies is more challenging.

Analysing the range of analyst views on key line items – unit volume growth of a new product, net impact of cost reduction, maintenance of margins for major product lines, etc. – can provide precise measurements of market expectations and the level of uncertainty surrounding the company's most important performance metrics.

"The consensus is just the mean, a statistic that roughly summarizes a variety of different expectations. This can often be less interesting and useful than knowing the range of forecasts. Sometimes there is very tight agreement and sometimes a widely divergent spectrum of views," explains Rosen.



A broad spread of forecasts on a key business driver could signal the need for more transparency or improved guidance on the part of the company to clarify a point of confusion, or could reflect significant differences in analyst opinions on a fundamental issue. This information enables IR teams to proactively address concerns with specific analysts and to quantify any investment controversies that may drive investor behaviour.

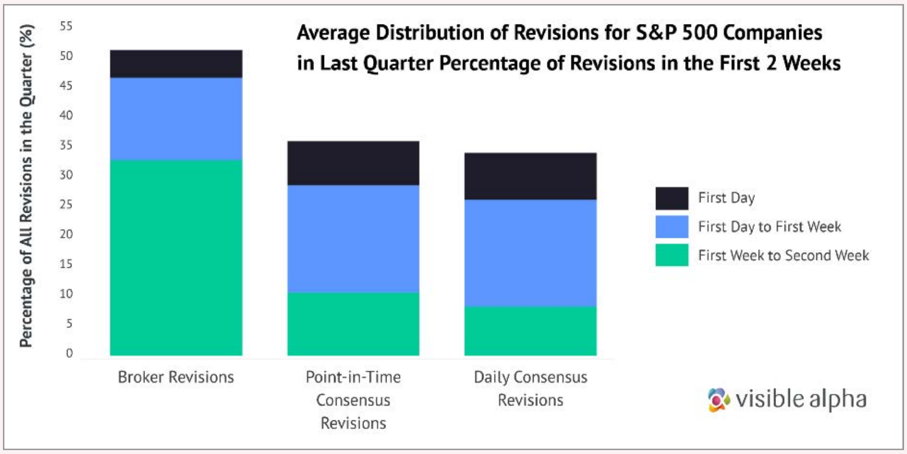
The importance of timely responses

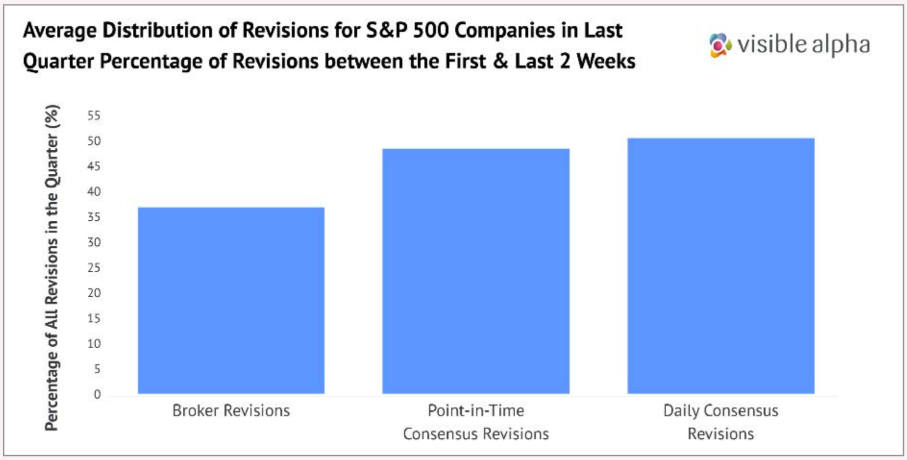
For an IR team, accurately tracking critical changes in key forecasts can be a herculean task, considering the ever-increasing size and complexity of analyst models and the frequency of revisions.

Analysis of Visible Alpha's data indicates that the average number of consensus line items per company was 161, with a high well above 1,500. Each of those line items experience an average of 14 revisions per company during a quarter, with some seeing more than 100.

The repercussions of delays in tracking these changes could severely hinder an IR team's ability to respond effectively. This underlines the importance of receiving timely and detailed insights to maintain an agile approach.

> *'Strategic use of consensus can offer a robust competitive advantage'*





Beyond earnings: an ongoing process

According to a Visible Alpha study, while a significant percentage of analyst revisions (32%) occur within a day of an earnings announcement, the flow of information from analysts continues during the rest of the quarter. Almost 50% of analyst revisions are made between two weeks after earnings and two weeks before the next reporting.

This study underscores the substantial value for IR teams in keeping a constant finger on the pulse of ongoing analyst updates. Real-time consumption of sell-side models and forecasts provides an invaluable tool for staying ahead of the curve.

Outdated snapshots of analyst sentiment, or high-level forecasts that do not illuminate the market's changing view of their company's key drivers, cannot serve the interests of IR teams in a constantly evolving information landscape.

The bottom line: timely and comprehensive insights

Having timely access to comprehensive sell-side analyst models, forecasts, and market consensus can equip IR teams with invaluable insights.

These insights may not only inform internal business strategy, but also foster effective external communications with analysts and investors.

For investor relations, managing expectations through the strategic use of consensus can offer a robust competitive advantage, fostering stronger relationships and facilitating more informed decision-making. ■

Fire hydrants, peeling onions and the quality of the bench

With competition for capital amongst corporates continuing to increase, this buy-side panel examined the pressures being exerted on investors in making the right choices for their clients.

Evan Davis launched into this plenary session of experienced fund managers by asking a simple question: "What's going on in your world?" Anthony Sleeman kicked off with a broad reflection about increased flows of data – coming from all angles – as well as 'pretty extreme' volatility in the markets. He went on to highlight time management as one of the scarcest commodities, and said that structuring a day – with so many inputs – is a particular challenge in his consumer sector.

Tim Marshall expanded upon Sleeman's remark, saying "it is the proverbial 'trying to drink through a fire hydrant' ... it's the navigation of the fire hydrant which is one of the most challenging parts of a fund managers job."

Andrew Millington added the ever-increasing global nature of investments into the 'fire hydrant' metaphor, saying that: "Being the most interesting [company in your sector] in the UK market is less likely to be something that will capture interest, when we're fishing in a wider pool." He went on to reflect on how the UK market is much less consolidated than it was 15 years ago, with fewer large pools of domestic capital containing portfolios of over 100 companies. "You have to grab the attention of fund managers who won't be running with every single company in the FTSE 350", he added.

Marshall echoed what had been said with some practical advice: "If there's a very clear story, a very clear investment case, limited amounts of industry jargon, limited use of acronyms; that makes it easier for us as fund managers". He went on to anecdotally remark on the deluge of reports that land on his desk on any given Thursday during reporting season, and encouraged IROs to choose another day of the week.

Sleeman agreed with Marshall's 'keep it simple' message, saying that on a busy day, "I can't be bothered with this 90-page report. I'm just going to move on to the next company." He also commented on the short-termism of many reports, suggesting IR teams "think about who you want to be investing and over what duration."

Davis interjected, suggesting that companies may be using jargon to filter out 'generalist' investors. Sleeman remarked that whilst more disclosure is now mandated, there are ways of getting it right, praising James Collins at Sainsbury's for his team's work: "Within the first two pages, you understand the message" ... "They've got bullet points with eight objectives. You understand what the key objective is – and if you're interested, you'll go through the rest of the report."

Listing in the UK

The UK listings scene is a topic of hot debate. Davis asked panellists for their thoughts, cheekily questioning whether companies should "just get out!"

> "I can't be bothered with this 90-page report, I'm just going to move on to the next company"

STAYING AUTHENTIC AND RELEVANT FOR THE BUY-SIDE

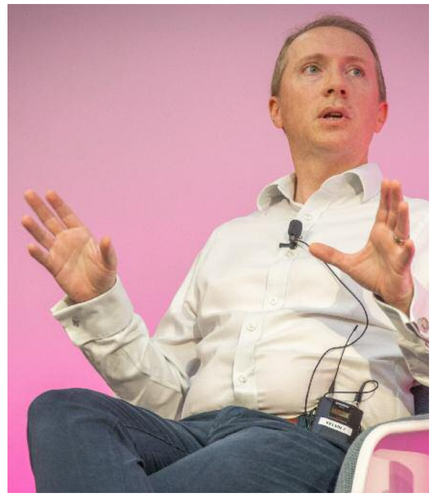
Moderator: Evan Davis

- Tim Marshall, fund manager, Invesco
- Andrew Millington, head of research and investment process, equities, abrdn
- Anthony Sleeman, senior portfolio manager, Norges Bank Investment Management

Millington noted that it is harder for companies to come to London for capital than it was 10-15 years ago, highlighting the increase in listing rules, however he rejected a call for the dilution of corporate governance standards, saying that "it's very easy to drop to the lowest common denominator." When talking to perspective clients about why they might choose to invest in the UK he said, "I could genuinely say that we have the highest corporate governance standards in the world; that your rights as a minority shareholder would be looked after better in the UK than anywhere else."

Marshall observed that the UK market is "not intrinsically cheap", and that it is dominated by companies that don't necessarily grow as much as in other markets – reminding the audience that whether the UK market is 'good or bad' is a "moot point", and that capital generally has a way of finding a high-quality company, wherever it's situated. Sleeman agreed with this, saying that he "looks for the best ideas that are going to generate the best alpha", and in spite of the myriad challenges that the UK has had thrown against it, his global fund sees it as an attractive place to invest.

Anthony Sleeman



Andrew Millington

Tim Marshall

Annual reports

An audience question asked whether fund managers use annual reports. Marshall genially remarked that it is "potentially the best bit of research that's written on a company on an annual basis." He suggested that the audience read Next PLC's annual report – praising its clarity. "What I hate is when you read the chairman's statement, then the CEO's statement, then the CFO's statement – and they all kind of say the same thing!", he added, encouraging IROs to "peel the onion!"

Millington smiled adding, "I don't think that the annual report will be the reason we invest in a company ... but might be the reason that we don't invest!"

When Davis questioned the authenticity of an annual report, given the 'spin' a company may choose to place on its message, Sleeman suggested that there's more spin on the sell side, and that the annual report is the most in-depth way for a company to talk about a topic.

The sell side

Davis quizzed the panellists about their interactions with the sell side, given the rule changes that MiFID II introduced. Millington said that whilst he does continue to use the sell side every day, the quality is more mixed than it was a decade ago (as a result of lower commissions), and that he is less reliant than he was previously.

Sleeman said that "spec[ialist] sales tend to have a better pulse for the market than the sell-side analysts" – but did agree that there had been a reduction in quality, tangentially airing his frustrations with pre-close calls!

> **" Specialist sales tend to have a better pulse for the market than the sell-side analysts "**

Social media

A growing area of interest in the last several years has been the use of social media by the investor community. An audience question asked for the fund managers' insights.

LinkedIn has been a useful tool for Marshall, particularly when scoping a company's team before it IPOs; both Millington and Sleeman find Glassdoor helpful as a way of assessing company culture; and Sleeman will follow companies on Instagram and TikTok, but was adamant that investment decisions are more influenced by expert opinions – and AI web-scraping tools – than his own scrolling!

Face-to-face meetings

Now that the world has returned to 'normal' following the end of the global pandemic, a question asked how the panel feel about conducting face-to-face meetings.

Whilst a mixture meeting styles are still used, Marshall said that "It's difficult to start an investment without having a face-to-face meeting", and went on to say that he often prefers meeting with an IR team than the C-suite – as it is generally a "slightly friendlier audience!"

Sleeman added that going into a company's offices gives a better feel for the culture and enables them to be more relaxed. Offering practical advice, he said "If you can chuck [a non-CEO or CFO] who will star in the company's future at us, then that will really help us to understand the quality of the bench."

More advice came from Millington, who suggested IR teams open with "What are you hoping to get out of this meeting?", so that neither side wastes time on less pertinent matters. He added that giving direct feedback is always preferable to feedback via a broker.

Frustrations

Next, Davis questioned which subject irritated the fund managers most when a company wanted to engage – "ESG?" he suggested.

Marshall took the bait first: "If there's a profits warning, make it clear that

Continued overleaf.

there's a profits warning. Don't hide it somewhere in paragraph number five. That just exasperates the issue." Then Sleeman chipped in, "Exceptionals – I hate them! Often 'exceptionals' aren't exceptional. There are reasons cash flow doesn't match earnings." Millington fielded Davis's ESG remark – saying "it matters to us – not just because it aught to – but because it matters to our clients". He went on to say that when companies help their clients to report on ESG, then it makes investment easier and "probably has a multiple."

Macro environment

Davis asked how much focus is placed on the macro environment, citing the recent US banking crisis and fears over a decade of low investment.

Sleeman said that many people get too caught up in it, rather than actually focusing on the earnings and cashflows of equities. He suggested "taking the macro data you see, and applying it in a logical way." Millington added that portfolio construction requires some consideration of the macro environment, and Marshall highlighted the impossible task of predicting the macro future.

Group analyst meetings

Drilling back down into practical matters, Davis asked how the fund managers felt about group analyst meetings. Marshall stepped in first, saying that 'fireside chats' can be useful, particularly when there's a sales person with a top-down view of the business, and that it can be "a great use of company time." Millington was a fan of a group meetings – as long as it wouldn't replace one-on-ones. He highlighted the work of the Investor Forum, for whom he's involved with as helping to facilitate collective engagement in the UK.

Sleeman said that "when you've done the work ... you don't want your peers to piggyback off you!", agreeing that fire-side chats to have a place, and can help with engaging a much wider potential investor base.

Capital markets days (CMDs)

Another question asked how useful CMDs are to fund managers. Millington stated that they are a good way of learning about a company, and seeing what they choose to talk about is interesting, but he made a point of saying that whatever is discussed must be followed up in future conversations – otherwise it may be seen as superficial (citing "shiny and impressive" sustainability presentations as an example).

Sleeman warned companies that they had better have something interesting to say – not just for the short term but for the long term as well. "I've taken a day or two out, so it has to be for something that's worthwhile!" he remarked.

Marshall liked webcasts, broken down into short chunks covering different subjects, as a good way to go about it, agreeing that as a generalist investor, taking two days out of his schedule is rarely worth it.

Company strategy

As the session drew to a close, Davis wanted to hear, in a nutshell, what the secret of a robust corporate strategy is.

Marshall stepped up first, "A good strategy is one that the CEO can understand, the capital markets can understand, and that the people who work in the business can understand." Davis retorted in defence of companies with complex strategies, to which Marshall replied, "strategies can be complicated, but if you can't articulate them with clarity, then it's probably going to be very difficult to succeed."

> **"We can hold you to your metrics, and also take a view as to whether they are the right metrics"**

Sleeman agreed. "Make the story easy to understand and interesting for your investors and for all the other stakeholders as well", adding that "it makes it a lot easier to have a sensible conversation, even if there are very difficult parts of the business model."

Millington gave a different view. "Tell us how you would judge success and what metrics you will be looking at ... we can hold you to your metrics, and also take a view as to whether they are the right metrics."

Key takeaways

With a minute go to, Davis asked for one last takeaway from each panelist.

Sleeman replied with three: "keep the story simple", "push out the sell side that's not necessarily necessary" and "trim down the importance of pre-close calls."

For Millington, "Don't think it's all about doing better than the other company in your sector. If they profit warn and you don't, that's probably net bad news for you!", he added, "What matters is that you have a story and a strategy and a reason for people to invest in you. Being better than the other guy in the UK market is really not the be all and end all!"

Marshall needed just three words: "Clarity for generalists." With that, the panellists were thanked and lunch was served. ■

Report by John Thistlethwaite, Silverdart Publishing.

Taking the stress out of scenario analysis

This session looked at what investors expect from TCFD and gave guidance on how to improve your disclosure and maximise the benefits of scenario analysis.

The second partner-led session of the day saw Lindsay Davis chair a panel to discuss TCFD disclosure and taking the stress out of scenario analysis. The balanced panel provided the investor perspective, the reporting perspective and the small and mid cap IR perspective.

One of the most challenging aspects of the TCFD recommendations is scenario analysis – an analytical exercise that applies a forward-looking lens to assess a company's resilience to climate risk. As companies across the UK grapple with the implications of the climate crisis for their business, scenario analysis is a valuable risk assessment tool that facilitates crucial dialogue with stakeholders.

This session offered participants practical guidance on maximising the benefits of scenario analysis and discussed examples ranging from basic compliance through to advanced approaches and shared insight from leading sustainability professionals on what to prepare for next. The session also fostered a dialogue between investors and corporates, aimed at enhancing their comprehension of the opportunities and challenges related to improved disclosure regarding climate risk.

Strategy disclosure and scenario analysis is still the least reported area of TCFD disclosure. It really requires companies to understand climate change and their business resilience in the transition towards net zero. It requires detailed knowledge of your business models, information on time horizons, detailed geographical assessments and clear indication of risks and opportunities.

One of the big challenges for many corporates is where to start and, like with many ESG issues, the crucial element is what data do I actually need and what do I need to do to satisfy the specific requirements.

How exactly are investors using these disclosures?

Some funds integrate climate related data directly into the investment decision making process. On the engagement and stewardship side, scenario analysis is a key way of understanding a company's transition and adaptation plans. Many asset managers have made commitments under the net zero asset managers plan to align portfolios with 1.5 degrees and TCFD analysis is one way that investors can confirm that the companies within their portfolios conform to that.

BREAKOUT: TAKING THE STRESS OUT OF SCENARIO ANALYSIS

Moderator: Lindsay Davis, senior sustainability strategist, Ever Sustainable

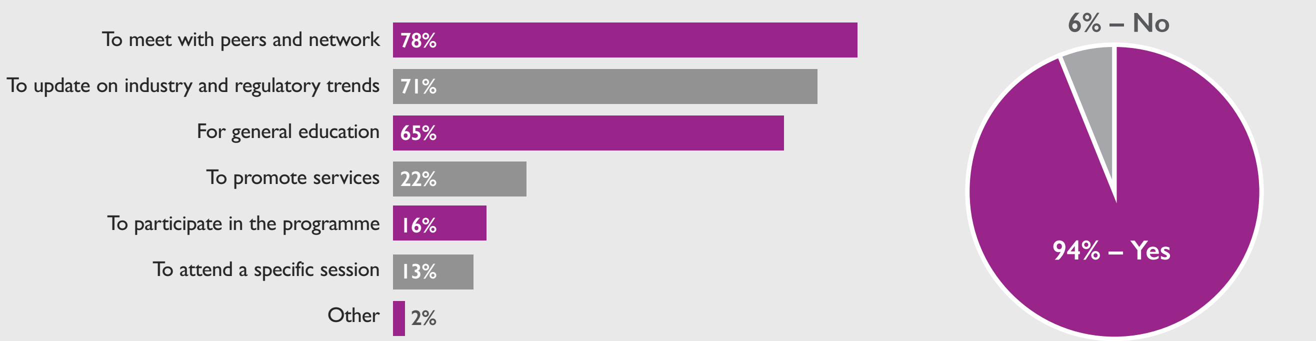
- Ross Hawley, head of IR, Redde Northgate
- Giulia Scanferla, senior sustainability reporting manager, BAT
- Owen Tutt, assistant manager, EOS – Federated Hermes

Conference survey

Insights from the 2023 IR Society conference feedback survey

What were your main reasons for attending the conference? (select all)

... and were these needs met?



89 responses

88 responses

Investors are also interested in ensuring that scenario analysis goes beyond being a mere output for their benefit, but rather that the company actively engages in the process as the most effective means of comprehending the climate-related risks that are likely to have an impact on the business. They want to know how the process undergoing scenario analysis feeds into other functions within the business, how the board are overseeing the outputs and, as a result, what has changed. Investors are not necessarily expecting a complete strategy overhaul, but demonstrating that the work was done thoroughly as part of a journey will improve the company's ability to respond to climate-related risks.

And as this is a journey, make use of feedback to help identify any gaps in your disclosure and don't be afraid to ask for clarification or practical advice from those providing feedback.

Storytelling – make TCFD more than box ticking

It is key to make sure that TCFD disclosure is not just a reporting exercise, but that it's actually aligned to the company's integral sustainability agenda and transition plan. Ideally, the metrics and targets in your TCFD disclosure should link directly to your climate goals, wider sustainability narrative and your future financial projections.

Another key part of TCFD reporting is input across all functions so we need to make sure colleagues across the business understand what TCFD means for them and why it is important. They should understand that a meaningful approach to compliance with the TCFD framework can provide enhanced risk assessment, improved resilience and can act as a competitive advantage.

To what extent are companies testing opportunity?

Investors are quite excited about the opportunities that the transition process presents and it's absolutely essential that this gets translated into any scenario analysis. From a reporting perspective, companies should be looking at risks and opportunities at different sides of the same coin. Communicate to your shareholders the benefits that can present themselves from this shift.

With regards to opportunities, investors fully understand the need for flexibility within the strategy, but a "wait and see" approach probably isn't enough to convince them that a company is ready to capitalise on opportunities as they emerge.

Key takeaways

Make sure you fully understand the TCFD disclosures. Take time to read them, ask questions, talk to your colleagues and make them feel part of the journey and hire or seek the help of an external expert who can guide you through the journey. Even if you are just looking to improve your disclosure, remember to get buy in both from the top, but also at lower or all levels.

Scenario analysis matters, but focus on what actually makes a difference to the business, what's likely to come up? Unfortunately, the sustainability cliché rings true again, this is a journey, and by effectively identifying the appropriate scenarios that are relevant to your business in terms of materiality, along with the associated opportunities, you lay the foundation for a solid starting point. This approach ensures that the desired outputs will naturally emerge over time.

Don't be scared of scenario analysis, it is actually a useful tool to help in understanding your climate risk. And finally, remember that reporting is not the end goal, but just the tool to create change. ■

Report by Robert Dann, IR Society.

Lindsay Davis

Giulia Scanferla

Owen Tutt

Ross Hawley

10 learnings for IROs to achieve success

To capture the philosophical nature of this keynote discussion between thought leader **Sanjay Nazerali** and **Evan Davis**, reporter Sallie Pilot turned to AI for assistance...

In a riveting interview with the one-and-only Evan Davis, Sanjay Nazerali, the unstoppable force behind Dentsu X, shared his pearls of wisdom on media innovation, the corporate cosmos, and the enigmatic role of technology.

Brace yourselves for a thrilling ride into the mind of a brand genius. We'll unveil 10 key lessons from this conversation and how they can catapult IR into the fast lane of success.

AI – the thrilling race of humans vs. machines

When Davis unleashed the existential conundrum of AI, Nazerali fearlessly proclaimed that while it knows the past, it remains blissfully unaware of today's secrets and tomorrow's marvels. It's incapable of mastering the art of irrationality – a realm where we, the masters of communication, triumph over the machines. So, let us celebrate our magnificent irrationality and harness it to connect with stakeholders on a deeply human level.

> “Customers and stakeholders yearn for brands that strive to make the world a better place”

The art of communication – a superpower for IROs

As the interview delved into the profound question of communication, Nazerali unveiled a universal truth: all decision-makers, including investors, are beautifully irrational creatures. Whether it's climate change or the cryptic realm of ESG, emotions hold the key to unlocking engagement. It's the beating hearts of humans that guide their decisions, and IROs must channel this truth into their communication strategies. Weave captivating narratives, touch their souls, and watch as the magic unfolds.

Storytelling – the spellbinding fusion of art and commerce

Ah, the spellbinding allure of storytelling! Nazerali highlighted the essential union between stories and selling. While tales can enchant, their true power lies in creating demand and reaping its bountiful rewards. IROs, take heed! Stories alone won't set your brand ablaze. Unleash your powers of conversion and translate captivating narratives into tangible business growth.

The Japanese way – a journey to business enlightenment

Prepare to be captivated by the enigmatic practices of Japan. Nazerali unveiled the secret of their success – a long-term view that renders today's dilemmas mere ripples in the vast ocean of time. Their unwavering focus on relationships, both with clients and the essence of humanity itself, is an art that IROs should embrace. Let their wisdom guide you as you navigate the ever-changing tides of investor relations.

Business and society – the symphony of purpose

Nazerali shed light on the profound intertwining of business and society. Purpose-driven organisations reign supreme, as customers and stakeholders yearn for brands that strive to make the world a better place. Rise above the legislative murkiness, my friends, and discover the principles that define your brand. Embrace them fervently and let them echo through every facet of your communication. Authenticity and action pave the road to lasting success.

The image of business – rumbling towards a bright future

Nazerali confronted the harsh reality—businesses find themselves in a precarious position. To regain their rightful place in society's heart, they must transcend empty rhetoric and embark on a journey of genuine action. Emulate the heroes like Joe Wickes who seized the moment and captured our admiration. It's time for businesses to reclaim their role as everyday champions, leaving no room for doubt or hollow promises.

SECOND KEYNOTE

Moderator: Evan Davis.

Sanjay Nazerali is a media strategist and thought leader, currently serving as Brand President at dentsu X. His thought leadership focuses on the relationship between business and society. Following an MA in Philosophy at Oxford, Sanjay worked in political communications for the British Labour Party. He then led European Marketing at MTV and Global Marketing at BBC News. At dentsu since 2017, Sanjay represents dentsu International at the World Economic Forum, where he chairs the Forum's Global Council on Media.

Sanjay Nazerali and Evan Davis

The figurehead conundrum – to lead or not to lead?

Intriguingly, Nazerali challenged the notion of the indispensable figurehead. While their presence may wield influence, it's not the end of the world if they're absent. Focus on creating a symphony of brand greatness that resonates regardless of individual charisma. Forge a collective spirit that transcends the limitations of a single personality and watch as your brand soars to new heights.

Crafting stories for emotional investors

Prepare to shatter the perception that emotional decisions belong solely to retail investors. Nazerali unravelled the fascinating truth that even business-to-business transactions are fuelled by emotions. The stakes are higher, the careers on the line. IROs, embrace the power of emotion and infuse it into your narratives. Speak the language that resonates with your stakeholders and witness the transformative impact it has on your investor relations journey.

> “Even B2B is fuelled by emotions”

Publicity and greenwashing – navigating the maze

Nazerali urged caution in the treacherous realm of publicity. Control your narrative, for it can shape destiny. Authenticity and transparency are your allies, and mistakes are forgivable. Embrace them, learn from them, but never attempt to conceal. Be the true embodiment of your brand's values, and let others champion your story. Avoid the pitfall of greenwashing, for it is a slippery slope. Embrace the Joe Wickes philosophy – act first, claim later.

IROs and the Art of Collaboration

Nazerali emphasised the importance of harmonious collaboration between investor relations, marketing, and branding. While their target audiences may differ, their strategies should align seamlessly. The magic happens when these functions synchronise their efforts, sharing a unified vision across short, medium, and long-term goals. It's time to create symphonies of communication that resonate with investors and stakeholders alike.

In conclusion, dear IROs, take flight on the wings of Sanjay Nazerali's wisdom. Embrace the thrilling blend of human emotions, captivating storytelling, and purpose-driven communication. Let your brand's roar echo across the corporate landscape, leaving a lasting imprint on the hearts of stakeholders. The road to success lies before you. Embrace it and witness your investor relations journey reach astonishing heights. As Jeremy Clarkson would say, “IROs, power up and accelerate towards greatness!” ■

Report by Sallie Pilot, who fed her notes into ChatGPT and asked for a Jeremy Clarkson-type review, so as to reflect Evan Davis's words at the start of the session.

Insights from the heart of large-cap investor relations

In this first corporate breakout session, three IROs were asked to delve into the world of large-cap IR and share some of the challenges, while offering tips and tricks to their peers,

This first breakout session after lunch explored the opportunities and challenges facing IR for large companies. This broad-ranging discussion covered the differences between small- and large-cap IR, getting the most from investor meetings and conferences, engaging with governance contacts and hedge funds, gathering feedback, CMDs and key takeaways for the large-cap IRO.

Difference between large cap and small cap IR

Historically there was little difference between what large- and small-cap IROs did – large-cap IROs just did more of it. As the world has changed, small cap IROs have to be more proactive and innovative to get their voice heard. As a generalisation, small caps are typically more idiosyncratic. They're less probably part of a sector where you can rely on investors' broader knowledge, so you have to work harder to make sure everything about your business and your industry is understood. You need to ensure that everything is communicated in a brilliant way and that you are getting every analyst and adviser who works with you and your brokers to find those people globally who invest in small caps.

> “Sector specific conferences can be a good way to see a lot of people that know you very well, very quickly”

A significant part of large-cap IR is about managing incoming investor enquiries – filling spaces on a roadshow is not so much of a problem, but issues like increased liquidity can lead to more extreme volatility in the share price as part of the wider trading environment, where shares are traded much more as part of quite large ETFs. So being a large cap comes with its positives in terms of attracting new shareholders, but it also has its other challenges.

How do you approach conferences?

Conferences can be a great way to reach lots of investors in a very time-effective way but it does require rigorous preparation to make sure that you can see the investors you want to get in front of. Post-COVID, the number of digital invites to conferences has been off the charts. Try to benchmark conferences in terms of who's attending and the quality of meetings to work out which to attend.

Sector specific conferences can be a good way to see a lot of people that know you very well, very quickly. In terms of generalist conferences, ask the general portfolio managers which ones they go to, which ones they rate highly and try to pick out a couple to take the CEO to.

The fireside chat for a generalist conference is really valuable because the conversations tend to be at a much higher level, more strategic and in a lot more detail. Most CEOs love the fireside chat, where they're not reading from a script. They like being challenged by lots of questions and it really keeps them on their toes.

CORPORATE BREAKOUT: LARGE-CAP IR: MANAGING THE OPPORTUNITIES AND CHALLENGES

Moderator: Matthew Hall, co-head of UK investment banking and corporate broking, Credit Suisse

- Sonya Ghobrial, head of IR, Haleon
- Claire Mogford, head of IR, SEGRO
- Peregrine Riviere, group head of IR, London Stock Exchange Group

Managing engagement with PMs and governance

Historically many companies were fairly reactive when it came to governance, sending out the annual letter from the chairman and waiting to see if anyone requested a meeting. A more proactive approach may be required now, with companies requesting that both the portfolio manager and the stewardship or governance contacts are there. It's key to get both of them in the same room where you can, because they don't necessarily always have the same view on things.

How should you and your management team approach hedge funds?

The reality is you may need them at some point in terms of liquidity, etc. and some of them can hold your positions for a long time, so you should cover them in the way that you would cover any investor. You can also gain valuable insight into how your business is viewed from people who are influential in the market and not disruptive. Try to see everyone who has an interest in the company, by inviting those you know and respect to group meetings or dinners with management, to help give management a bit of an understanding as to how hedge funds think.

Add them to roadshows through breakfasts or group lunches, or in very specific circumstances a one on one meeting. One reason for doing this is that it can be good for your relationship with your brokers and banks who are organising your roadshow – as long as you get the meetings you want, it is helpful for them to have a couple of meetings that they want.

How do you ask for feedback from investors?

Using brokers can be a useful tool for collecting feedback but reaching out to investors directly over a coffee tends to garner the best results. Building strong relationships with the PMs and trying to meet your top shareholders for a coffee once a year at least provides them with the opportunity to share their feedback face to face, and you tend to get very honest feedback that way.

Another useful method for making the meetings as effective as possible, especially at conferences, is to ask at the very beginning what are the key things the investor wants to address, or if there are any concerns or issues they want to raise, then we can we can start the meeting with that.

Making the most of capital markets days

The investor community like capital markets days as they get exposure to the level below senior management. There's a huge amount of preparation and planning that goes into organising these events as quite often the operational management aren't used to speaking to investors. A good rule of thumb for managers who aren't used to speaking to investors is don't give any financial forecasts and don't waste energy slagging off your competitors because all people want to hear is that you're experts in what you do. Demonstrating this kind of relaxed expertise is critical.

Try to limit the amount of time spent standing and presenting to slides to just the key strategic messages from the CEO or CFO and try to create curated sessions where your investors can ask specific questions. If you break the audience up into smaller groups and ensure that everyone gets to see everyone, they all take something different away. But the one thing they should all take away is 'These guys really know their business, there's lots of strength in depth and I've come away knowing more about the business and I believe emotionally in the story'.

Peregrine Riviere

Matthew Hall

Sonya Ghobrial

Claire Mogford

Key takeaways

Be proactive. Reach out to investors that you can't understand why they're not holding you and ask why over a coffee. Don't leave these interactions to your brokers as IR should be the ones building these relationships on the ground.

There is a huge amount of value to be gained from the insight you get from the external world, and the reality is that IR is the best positioned in the company to have this intelligence. What do they think of us? What are they challenging us on? What are our peers saying about the issues we're being asked about? So interview someone on the sell side, or speak to an investor – if they understand that you are asking these question because you want to be able to help in the process you can create virtuous circle.

And finally, however busy you are with the day to day of organising roadshows and meeting investors, never stop being curious about the business you work for and finding out more about it. ■

Report by Robert Dann, IR Society.

The challenges of IR in the small- to mid-cap space

This panel of senior IROs discussed the opportunities and challenges for small- to mid-cap companies, and how to attract new investors and broaden sell side coverage.

The second corporate breakout session of the day featured five experienced mid-cap IROs, including the moderator, Rob Gurner. It was definitely standing-room only and there was a buzz of anticipation from an audience who had clearly taken Evan Davis's ChatGPT-derived motivational speech to heart, ready for an inspiring afternoon of discussion.

The session kicked off with each of the panellists giving their views on what was the 'best' thing about being in mid-cap IRO – and there were an interesting range of responses, from the chance to be innovative, greater engagement with the board and operational colleagues, and broader exposure to a wide range of projects and opportunities.

One former buy-side analyst admitted being motivated by the chance to do better than some of the story-telling she had encountered previously, but the common theme was that it was possible to be more involved and more influential as a mid-cap IRO than in a larger team in the FTSE 100.

Accessible information

There was some useful advice on what makes for good messaging, in a space where attention from investors is limited. Clara Melia summarised this neatly as being in a space where companies are 'competing for capital', and to do some basics to help a new investor: make your materials simple and approachable, have financials downloadable in a spreadsheet, develop a salesforce friendly factsheet, and build relationships with sell-side sales teams, for an invaluable three-minute mid-morning download when the CEO is wanting reasons for a share price move.

Other very useful takeaway ideas noted down (as a mid-cap IRO myself) were to undertake 'bite-sized' capital markets events, the use of three-minute videos, and Calero's publishing of a

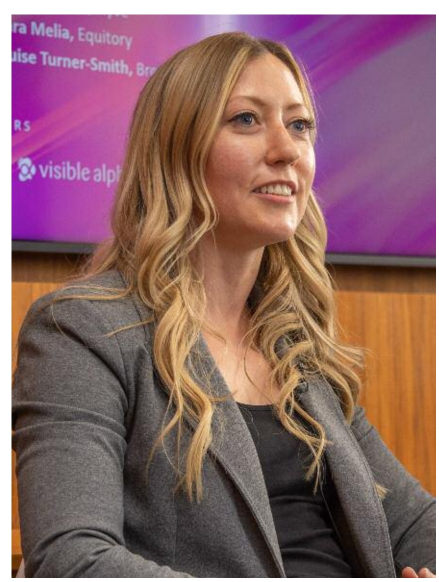
CORPORATE BREAKOUT: SMALL- TO MID-CAP IR: MANAGING THE OPPORTUNITIES AND CHALLENGES

Moderator: Rob Gurner, head of IR, Inchcape

- Siobhán Andrews, IR, independent
- Marina Calero, group head of IR, Hyve
- Clara Melia, founder and CEO, Equitory
- Louise Turner-Smith, head of IR, Breedon Group

Louise Turner-Smith

Siobhán Andrews



Clara Melia

Marina Calero

> **“Train CEOs to try and get the last 10 minutes of an IR meeting as more of a two-way discussion on perceptions”**

Rob Gurner

‘roadshow Q&A’ summary at the end of the programme.

The importance of feedback

The panellists then turned their attention to the issue of liquidity and how this has an impact in the sub-£1bn market cap space. Both Turner-Smith and Andrews were advocates of engaging with hedge funds as useful providers of liquidity, and even for the firms known to be holding a short – especially as the buy side sector analyst may not have been the driver of the position and can be an internal advocate. Saving space in IR meetings to have two-way feedback was also highly recommended, as was training CEOs to try and get the last 10 minutes of an IR meeting as more of a two-way discussion on perceptions.

Recommend a friend

The final portion of the panel was spent discussing the challenge of the mid-cap broker space, and reducing research provision. The ‘juniorisation’ of research teams was noted as an increasing challenge, and the benefit of ‘mix-and-match’ for roadshow support in various locations. There are increasing routes to accessing investors, through private client broker-focused roadshows and a range of online solutions. Using core investors to suggest others who might be open to a visit had also been a successful strategy for one panellist. Free resources such as the LSE online tools were also recommended.

Analyst coverage was the final topic. How many analysts are sufficient? Three fully engaged opinion-formers were of course felt to be more valuable than a dozen ‘me too’ followers, but Clara noted that consensus could be skewed if the number fell below five or six, and you had a strong outlier.

Final thoughts

As with all good panels, the session finished with a request for tips:

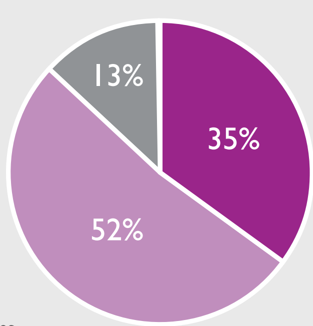
- *Turner-Smith:* Build your network, both internal and external, as they will be critical for you.
- *Clara:* Never be afraid to say you aren’t sure of an answer.
- *Calero:* Get deeply involved in the business, which allows you to speak with more authority.
- *Andrews:* Manage your own career path – find a mentor, relevant courses.
- *Gurner:* Get involved in projects outside the official IR remit, which will add more strings to your bow.

Feedback from the audience as they left the room was very positive – a very helpful and productive session for a segment of the market which is often both resource-limited and time-poor. ■

Report by Ross Hawley, Redde Northgate.

Conference survey

How successfully did the programme address the conference theme?



35% Very successful
52% Overall success
13% Partial success
0% Generally unsuccessful

77 responses

Is the grass greener on the other side?

This panel discussion focused on international aspects of IR including the comparison of the UK and US financial markets and quality of regulation.

The final plenary session of the day saw Evan Davis explore the theme of 'international IR' with three experienced panellists who had IRO/ advisory experience in a number of international markets alongside the UK.

With ARM in the news for choosing to list in the US rather than in the UK, and the year-to-date IPOs in Europe and the US being five-times and 10-times respectively the six which took place in the UK, the focus of Davis's questioning was whether companies should be considering switching their listing, and whether the grass is greener overseas (spoiler alert ... it isn't!).

Is the grass greener?

Maj Nazir helped Davis to set the scene, noting that on the face of it, the UK markets are at a 40% valuation discount to the US. With average top line growth for UK companies at around 1% over the past five-to-six years, vs around 6% in the US, it was no surprise that investors are focusing their attentions the other side of the Atlantic.

But as Nazir went on to explain, there has been a very mixed experience for UK companies relisting in the US seeking greater interest and support. For example CRH, Linde, Flutter, and Ferguson had all gone to seek the US investment dollar, but could not be described as having enjoyed universal success.

A race to the bottom

Emma Burdett pointed to the danger of sweeping generalisations on US vs UK valuations, how much of the perceived premium was sector-specific, and the importance of being in a market familiar with your products and with a domestic footprint.

Burdett was also an advocate of the existing UK regulatory environment and did not feel that it would be an acceptable trade-off to lower our regulatory standards to try and make us more attractive in a 'race to the bottom', in response to what had been a tough six-to-12 month period.

There was significant value in the credibility the UK had, and regulations elsewhere had significant drawbacks. The example of quarterly reporting and monthly like-for-like sales figures for US retail companies sounded very unappealing and not conducive to long term investment. Dual listings didn't really work for the majority of companies, unless there was a very clear rationale, as the logistical hassle was a nightmare.

Emma Burdett, Maj Nazir and Jo Britten

IR ACROSS INTERNATIONAL MARKETS

Moderator: Evan Davis

- Emma Burdett, partner, capital markets, H/Advisors Maitland
- Jo Britten, IR, independent
- Maj Nazir, group IR director, Kingfisher

Broadly different

Jo Britten gave insight into some of the cultural challenges of being on a European exchange with no domestic footprint. She was a strong advocate of the UK broker system, and highlighted some of the drawbacks where this was not available. Britten also pointed out the challenges of an environment where the IR stalwart phrase 'broadly in line' was not felt appropriate for a 1% miss!

The IR role

The panel was aligned on its views that the UK ultimately had qualities to cherish: good visibility of shareholder identification; a valuable broker model; an excellent services profession; and strong IR engagement with the sell side.

At the end of the session, Davis asked for some key takeaways from the panel: "be smart in your investor decks and how they support your investor targeting"; "focus on investors in regions in-which you are based"; and "don't underestimate the importance of the role of IR".

Davis echoed this final remark as he brought the session, and the day's plenary sessions, to a close. ■

Report by Ross Hawley, Redde Northgate.

Unlocking the potential of data and AI

In this breakout session, sponsored by Q4, **Amit Sanghvi** provided an overview of technological developments in the finance space and explained practical uses for companies.

During the session, Amit Sanghvi highlighted the importance of AI and data in the business world. This article offers a summary of the session's key takeaways.

Establishing trust in the age of misinformation

Sanghvi highlighted the growing concern about misinformation facilitated by AI technology. He stressed the importance of companies establishing their own channels, such as websites and events, as the single source of truth. With the proliferation of deep fakes and AI-generated content, organisations must take control and ensure that accurate information is readily available to stakeholders.

Making AI and data work for you

Sanghvi emphasised that AI and data should be ready to serve businesses rather than vice versa. He discussed the responsibility of market participants to provide user-friendly and intuitive tools that empower professionals. The focus should be on supporting investor relations (IR) professionals to leverage technology effectively and efficiently, eliminating the need for extensive technical expertise.

> "The 'Dunbar number' suggests that the average individual can manage meaningful relationships with around 150 people"

The role of relationships in IR

The webinar delved into the importance of building and maintaining relationships in the IR profession. Sanghvi highlighted the 'Dunbar number', which suggests that the average individual can manage meaningful relationships with around 150 people. Considering the multitude of relationships IR professionals need to manage, including investors, shareholders, and media, it becomes challenging to maintain meaningful connections with a growing audience.

The intersection of AI, big data, and hyper-personalisation

To address the relationship management challenge, Sanghvi discussed the potential of AI and big data in hyper-personalising interactions with stakeholders at scale. He explained how AI can enable IR professionals to understand the preferences and needs of individual stakeholders and deliver tailored communication and engagement strategies. The aim is to create a transparent marketplace that allows for effective connections between buyers and sellers, similar to successful examples in other industries, particularly e-commerce and social media with companies such as Amazon or TikTok.

The AI component of the presentation also highlighted the personalised insights with automated actions such as using AI to answer questions about your investors, their engagement, soundboard targeting strategies, and to help with drafting, sending and documenting your communications with investors.

BREAKOUT: DATA AND AI: ARE YOU READY?

Amit Sanghvi, global VP, capital markets platform, Q4 Inc.

Amit Sanghvi

Unlocking the potential of AI in capital markets

Sanghvi called for adopting AI and data technologies in capital markets to drive more successful connections between companies and investors. He emphasised leveraging website analytics, event participation data, and other platforms to capture valuable stakeholder information. By using this data effectively and securely, IR professionals can enhance engagement strategies and build more meaningful connections with investors. ■

Report by Q4 Inc.

Building a FTSE 100 company through a worldwide crisis

In the final session of the day, **Evan Davis** interviewed **Stephen Carter** about his 10-year leadership of the Informa group, including his successful crisis strategy during Covid.

Evan Davis started the final keynote session of the day by warning his distinguished guest Stephen Carter that the audience probably had their minds set on the post-conference drinks! So he invited Carter to join seize the IR professionals' attention – an offer which Carter was happy to accept!

Davis asked Carter how he assessed the business environment in the UK, noting recent press reports about the City's loss of capital-raising business to other international financial centres – "Is everything all right in London? Is it a place for getting capital on good terms?"

Carter replied: "We are a classic FTSE 100 company in the sense that we are listed here but we do relatively little of our businesses here – about 10% of our revenue comes from the UK." He noted that British commentators tended to highlight domestic weakness – "a national chacteristic is 'woe is us'."

He said that Informa had refinanced itself during Covid, with some money from the UK and some from international sources - "capital support was forthcoming". He did not believe the delisting question was quite as existential an issue as some suggested.

> "If you have spent time with your shareholders, it is easier to pick up the phone when you are in a corner"

For Informa, the top team constantly reviews what is the best way to source capital – "but we are comfortable. Access to capital is not top of our concerns."

Under the radar

Davis pointed out that Carter had been chief executive at Informa for 10 years, an unusually long spell for a FTSE 100 company - "what have you done right?"

To which Carter riposted "I haven't done many interviews with people like you!" He pointed out that the company had never really sought profile except in the capital markets. As a chief executive, he tended to "travel under the radar". He explained that the company is bigger now than when he took up his role, more international, more driven by technology and data, and therefore more diversified. "If you have been a shareholder since 2021, it's been a pretty rewarding ride, despite the hiccup of Covid."

Davis asked him how Informa had coped with the shock of the Covid years.

Carter said that business had been good in 2019. "It was a year of great margins. We held a conference of our top management in January 2020. Then 10 days later, the lady who runs our business in China called and said 'we may have a problem'. By early March we had closed half the company, and by the end of March we were refinancing our debt and equity to the tune of billions."

He said that it was "very interesting" to find the company facing an existential threat, with timescales being very short and with imperfect information. "Also, when it's a collective circumstance, you discover there is a long queue of people in the same situation."

Davis asked how closely he worked with the IR team at that time – "How much were you talking to them? Carter turned to his colleagues in the audience – "How often were we talking?" – "Too often", came the reply to laughter.

CLOSING KEYNOTE

Moderator: Evan Davis

Stephen A. Carter (Lord Carter of Barnes) is the group chief executive of Informa PLC, a leading academic markets, B2B markets and digital services group. He has held this role since 2013 having joined Informa in 2010 as a non-executive director. Earlier in his career, he served as the founding CEO of Ofcom, as chief of strategy to Prime Minister Gordon Brown and was the first minister for the media and telecommunications industry, where he wrote and published the *Digital Britain* report. Carter has served on a number of boards in the UK and US and currently is a non-executive director of Vodafone Plc and the PA Media Group.

A three-prong strategy

Carter said that the company decided quickly on a three-prong strategy.

First, they would not take government money on the grounds that the cost of the money is not the coupon rate – "what happens is that somebody on the other side turns up and says 'thank you very much for taking our money but now I'd like to tell you how to run your company."

Secondly, they resolved to make no-one redundant – "we made a commitment to keep the company whole until the end of 2020, on the grounds that if we could ride it out, having spent a decade building the company, accumulating the specialist talents that are our core skills, it seemed a short-term idea to destroy that".

Third, the board chose to fund its way out of the problem by turning to its shareholders. "We had to restructure the

Stephen Carter

> “While AI could be very enabling for productivity and efficiency in business, it might also create work – such as in validation and authentication”

Evan Davis

entirety of our debt and issue 20% of the company’s equity at £4 a share. What we had going for us is that we knew these people very well.”

For the company’s capital holders, it became not so much an analysis of return as of risk. “How much do I trust this management team?”

The fact that the company was able to complete its refinancing was due to an important IR lesson – “ If you have spent a lot of time with your shareholders, it is easier to pick up the phone when you are in a corner. If they say, ‘who are these people, we have never heard from them, we don’t know their track record’, it is completely different.”

World shifting to the East

Davis turned to the geopolitical scene – the war in Ukraine, the West’s decoupling from China and three prime ministers in a year in the UK – “What’s going on? It all feels very ragged.”

Carter said that the world has definitely shifted to the East, while the Middle East is incredibly strong and the US is extremely resilient. He highlighted the significant outperformance of the US stock market in the past decade compared with the UK market.

He believed that America has marched ahead notably in the development of technology, including in “the example of this current hysteria about AI”.

Meanwhile, Europe (including the UK) is trying to work out what its place is in all these geopolitical moving plates. ‘Its population is broadly static, growth rates are OK to anaemic and social welfare costs are very high.”

The impact of AI

Davis queried Carter’s reference to ‘current hysteria’ in AI – “Is that what it is? People think it is a breakthrough technology like the internet, the combustion engine. Do you buy that?”

Carter said “We have a lot of AI in our business, it has been around as a technology for quite some time in multiple different forms. So my comment was really about the level and nature of the commentary on this topic”.

He said that he was not a technologist, but there were some fundamental distinctions between AI and the breakthroughs that Davis had referenced. “Actually, AI probably doesn’t require large-scale infrastructure deployment for it to have a dramatic impact. The speed of its impact may well be faster.”

He added: “It is also true that while AI could be very enabling for productivity and efficiency in business, including ours, it might also create work as well. It might put added value on checking, validation and authentication – which is one of our businesses.”

A questioner from the floor asked whether putting sustainability in the IR department made it just a question of story-telling. Carter insisted that IR is at the heart of company strategy.

Davis asked for Carter’s tips on maintaining shareholder confidence at times of uncertainty. Carter said his principal advice was “communicate, communicate, communicate – what, why and how. If you don’t communicate your belief in your message effectively, the providers of capital will also not believe it. Most importantly you have to build some signature supporters that provide a reference for other people,” he added.

Davis asked where the IR team was physically located in the Informa HQ. Carter said they were close to his office, alongside other key teams. “We all talk to each other a lot.”

He pointed out that the IR team reports directly to him – and then asked the audience of IROs how many report direct to CEO and how many to their finance function. The audience put their hands up for each option, with most showing they reported to finance – which was different to Informa.

Davis thanked Carter for his excellent contribution and closed the day. ■

Report by Alex Murray, Silverdart Publishing

The IR community enjoyed networking …

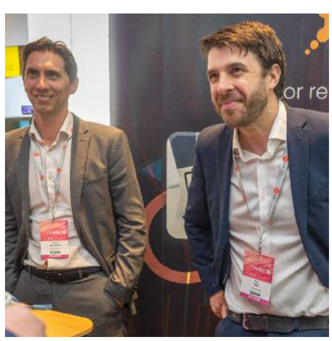


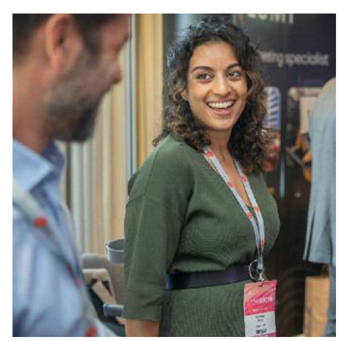















… and relaxing on the roof-top terrace

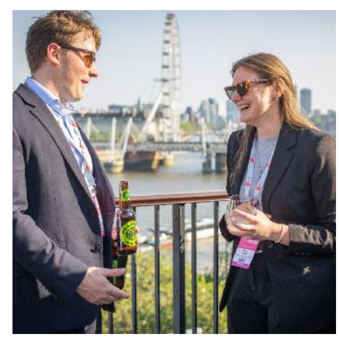


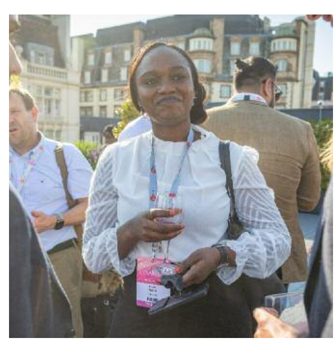


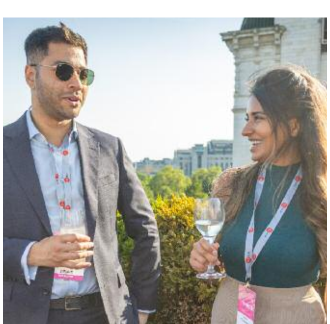


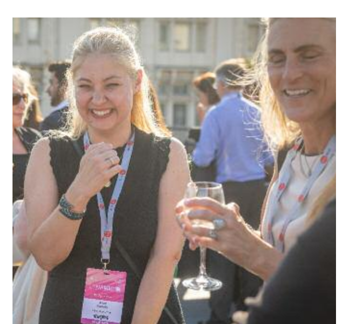






Professional development

Our professional development programme comprises a suite of courses and qualifications for IR professionals at every stage of their career. For more information and to book a course, please visit: www.irsociety.org.uk/professional-development

New sustainability course joins the programme

Matthew David introduces a new ESG-focused course which will help attendees learn about the regulatory environment and best practice applications.

Matthew David is professional development coordinator at the IR Society.
matthew.david@irsociety.org.uk

The IR Society are pleased to announce a new course for our professional development training portfolio, *ESG essentials* in IR.

This full day training course provides IR and communication professionals with the latest understanding of ESG principles and legislation and how to apply ESG best practice into the IR role. The course will provide practical guidance on the communication and reporting of ESG to internal and external stakeholders.

The course is applicable to anyone currently working within IR and acting a subject refresher for those from more senior IR positions.

By the end of this course, attendees will gain:

- an understanding of ESG in the context of IR and some potential responsibilities of the IRO;
- an understanding of what an ESG strategy for IR should consider;
- an awareness of key ESG legislation and frameworks; and
- an understanding of how to communicate and report on ESG to internal and external stakeholders.

The first ESG essentials in IR training course will be hosted in-person in London at the end of September 2023.

You can find out more about this course, its trainers and to register your interest in the course on its dedicated IR Society professional development course page.

If you would like to have a conversation about whether this course is right for you, please do call the IR Society professional development team at +44 (0)20 7379 1763 ■

> “The course will provide practical guidance on the communication and reporting of ESG to internal and external stakeholders”

For further information, please contact Matthew David at matthew.david@irsociety.org.uk

Course calendar 2023

Upcoming IR Society courses

Here you will find our upcoming professional development courses. We also offer bespoke courses to suit your exact needs. To view our full course schedule for 2023 or to book a course, please visit: www.irsociety.org.uk/professional-development

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Aug 8 • 9.30am-4.30pm

Introduction to IR and the financial markets
This one-day course provides an excellent introduction to the world of investor relations, listed companies and the financial markets in which they operate. It explains clearly how the markets are regulated.

Aug 9 • 9.30am-4.30pm

IR regulation & compliance essentials – module one
For IR professionals, compliance with rules and guidelines is an essential part of the job. Module one will provide a basic IR Toolkit, covering the fundamental areas of regulation and compliance that affect IR.

Aug 10 • 9.30am-4.30pm

IR regulation & compliance essentials – module two
The second day looks at specific areas, such as IPOs and transactions. You will learn how the legal and compliance requirements for IR communications fit together, how they apply in practice, and what best practice standards are.

Aug 15 • 9.30am-4.30pm

Demystifying company accounts & valuations – module one
A clear explanation of accounting jargon, together with the relevance and limitations of financial statements. You will learn how to identify which key numbers are important in communicating your company's story.

Aug 16 • 9.30am-4.30pm

Demystifying company accounts & valuations – module two
This module will build upon module one, and will help you to understand in more depth how financial analysts and investors look at companies.

Aug 17 • 9am-1.30pm

Best practice in IR
This explores the key activities of the function and provides a view of best practice IR approaches. It identifies the tools and techniques available to IROs to help achieve this and enables delegates to understand what's required on a day-to-day basis.

Sep 5 • 9.30am-1pm

ESG/SRI: Sustainability issues for IR
This half-day course will ensure that participants gain a better understanding of the key sustainability landscape, who the key players are in the space and what the focus areas are for investors.

Sep 14 • 9am-4.30pm

CIR revision course
The aim of the CIR revision course is to clarify the purpose and format of the exam, and revise the key areas of the syllabus including: companies and corporate governance, market conduct, reporting, and accounting, valuation and investment principles.

Sep 15 • 9.30am-4.30pm

Financial modelling
This intensive one-day course will help delegates build financial models through a range of practical model-building exercises. It will assist in the understanding of valuations and will review the most common methodologies used by the market.

Sep 21 • 9.30am-4.30pm

Introduction to IR and the financial markets
This one-day course provides an excellent introduction to the world of investor relations, listed companies and the financial markets in which they operate. It explains clearly how the markets are regulated.

Sep 22 • 9.30am-4.30pm

ICIR revision course
The aim of the ICIR revision course is to clarify the purpose and format of the exam, and revise the key areas of the syllabus including: companies and corporate governance, market conduct, reporting, and accounting, valuation and investment principles.

Date TBC • 9.30am-4.30pm

ESG Essentials in IR
This full day course provides the latest understanding of ESG principles and legislation and how to apply ESG best practice into the IR role. It will provide practical guidance on the communication and reporting of ESG to internal and external stakeholders.

Sep 29 • 9.30am-1.30pm

Building your debt IR capability
This course provides a comprehensive overview of bond markets and rating agencies, looking at investor expectations and how to deliver an effective debt IR programme.

Oct 17 • 9.30am-1pm

Investor targeting and engagement
This will help you understand the different types of investors and the benefits of proactive investor targeting. You will also get a perspective on the key requirements and tools for a successful programme.

Oct 27 • 9.30am-1.30pm

IR script writing for management presentations
This will help you understand the different types of investors and the benefits of proactive investor targeting. You will also get a perspective on the key requirements and tools for a successful programme.

Nov 1 • 9.30am-4.30pm

IR for assistants and coordinators
Personal and executive assistants in all areas of business but with an overlap to IR teams, or support staff who come into contact with investors, analysts and external advisers, need to understand the role of IR.

Nov 13 • 9.30am-4.30pm

Introduction to IR and the financial markets
This one-day course provides an excellent introduction to the world of investor relations, listed companies and the financial markets in which they operate. It explains clearly how the markets are regulated.

Nov 14 • 9.30am-4.30pm

Demystifying company accounts & valuations – module one
A clear explanation of accounting jargon, together with the relevance and limitations of financial statements. You will learn how to identify which key numbers are important in communicating your company's story.

Nov 15 • 9.30am-4.30pm

Demystifying company accounts & valuations – module two
This module will build upon module one, and will help you to understand in more depth how financial analysts and investors look at companies.

Nov 16 • 9.30am-1.30pm

Advanced writing skills for IR
This will help ensure you're getting the maximum positive effect from your daily written work. Intended for experienced IR practitioners, the course outlines the writing skills and competencies required for effective communication.

Nov 30 • 9.30am-1pm

A non-expert's guide to key financial terms
This half-day course is designed for those without a financial background and provides a grounding in the financial terms most commonly used in press releases, investor discussions and equity research notes.

Certificate in IR®

The CIR/ICIR is an internationally recognised qualification for the investor relations profession. It is suitable for anyone working in investor relations or related professions, or considering a move into investor relations, either in the UK or overseas.

The qualification allows successful candidates to demonstrate their knowledge of the financial and market environment, the regulatory and reporting requirements for listed companies and a sound understanding of the principles of investor relations, which will enable them to operate competently and safely.

We now have over 2,000 CIR or ICIR holders of the qualification, which demonstrates how valuable the certificate is.

The International CIR (ICIR)

We offer an international syllabus of the CIR which captures the essential elements common to international markets. The CIR and ICIR is currently run in the UK, Denmark, Hong Kong, Indonesia, Latin America, the Middle East (CIRO), KSA, the Netherlands, Singapore, Spain and Sri Lanka.

Supporting courses for the CIR: IR regulation and demystifying company accounts

We have an extensive course offering – some of which cover elements you will come across in your CIR study guide. The regulatory environment, and accounting valuation and investment principles are the two sections often cited as being the most challenging and therefore we recommend you attend these supporting courses if you need further clarification.

As a CIR registered candidate, you would receive these courses at a discount. Please visit our website for course dates and prices.

CIR and ICIR revision course

We run both a CIR revision course and an ICIR revision course. The course will focus on Sections 3, 4 and 5 of your study guides and will help you prepare for your final exam. The CIR course is usually run in house at our offices in London, whereas the ICIR will be run online. The remaining course dates for 2023 are as follows: CIR – September 14th and December 5th, ICIR – September 22nd. Please visit our website to book.

Process for taking the certificate

Register and pay online

Receive Study Guide and link to mock exam platform

We recommend 40 hours of self-study is required

Sit final exam

Structure of the exam questions

1. Introduction to investor relations (9%)
2. Financial markets (13%)
3. Corporate entities and corporate governance (17%)
4. Market conduct (17%)
5. Reporting (10%)
6. Accounting, valuation and investment principles (17%)
7. Effective IR in practice (17%)

Optional courses to attend

Demystifying company accounts and valuations (2 days)

IR regulation and compliance essentials (2 days)

CIR revision course (1 day)

Optional courses to support your studies

We recommend attending the demystifying company accounts and/or IR regulation and compliance essentials courses prior to sitting the exam. We also recommend attending the revision course which revises the key areas of the syllabus. A discount on booking two or three courses is available for registered CIR/ICIR candidates.

For further information, please contact Tara Mitchell at tara.mitchell@irsociety.org.uk

Diploma in IR®

The Diploma in Investor Relations (DipIR®) is the senior level qualification from the IR Society. Developed by expert IR practitioners and educational organisations, the Diploma will equip delegates with the skills, tools and expertise they need to become leaders in our profession.

Who should consider the Diploma?

Each candidate will be considered on their own merits. In general, however, it is expected that Diploma candidates will be members of the IR Society, will have successfully completed the IR Society's Certificate in Investor Relations (CIR) qualification and will have a minimum of five years' experience in IR or a related profession.

What is the process?

Candidates will complete an application form and if successful they will be registered for the next available intake.

How is it examined?

Diploma candidates will be examined on three modules and attend two compulsory half-day courses:

Modules:

- Principles of IR Module
- IR in Practice Module
- Presentation Module

Half-day courses:

- Ethics Course
- Revision Course

Candidates will sit two three-hour essay-based exams which will assess their skills, knowledge and experience across the compulsory topics and at least three of the optional topics shown in the syllabus. The exams will also assess familiarity with the UK's legislative and regulatory environment and corporate governance standards, and detailed knowledge of best practice IR and how it adds value. Candidates will also be expected to demonstrate their ability to communicate clearly in writing, identifying and justifying their key messages, their management and leadership potential and their understanding of their company and industry.

The presentation module, where candidates will make a formal 15 minute presentation with Q&A, is designed to test the candidates' competency in some of the softer attributes required as they progress in their career, including gravitas, authority/presence, credibility, clear communication and presentation skills.

On successful completion of the qualification, candidates will receive a certificate and are entitled to put DipIR® after their name.

What does it cost?

The cost for the Diploma is £1,230 + VAT and this covers: Examination fees, two half-day training courses and support from an IR Society mentor.

Developing the Diploma for IR advisers

In the several years that we have been running our Diploma in IR (DipIR), we have had both IR advisers and in-house IROs participate in the programme together. We are now taking steps to better recognise the differing experience candidates have had, and are looking to tailor the 'IR in Practice' examination paper for each group. This will allow IR advisers in particular to demonstrate their expertise gained while working across a range of clients or sectors, while in-house IROs will be tested on their in depth understanding of the role within a corporate environment.

Please check our website for further details in including the criteria for candidates in terms of industry experience.

For more information on how to join the next cohort, or to request an application form please contact: Tara Mitchell, professional development executive, at tara.mitchell@irsociety.org.uk

Events in 2023

Summer events update

After a successful conference **Christina Warren** reports on some other events that have taken place this year – and gives members a glimpse of what is to come.

Christina Warren is events manager at the IR Society.
christina.warren@irsociety.org.uk

As well as the conference, we have held a host of events this spring and into the summer. Alongside our virtual events, the first IR Masterclass of the year focused on targeting new regions of capital and saw attendees 'visit' Australia, USA (OTC Markets), Nordics and UK private client wealth managers. Circulating through roundtable discussions, attendees gained insights into regions and investors outside of the traditional regions and annual roadshow programme to help broaden the reach of their investor engagement programme, as well as explore trends post-Covid.

We were also in Dublin for a breakfast event with Goodbody where our head of marketing and operations, Robert Dann, chaired a panel discussion with representatives from Amundi Ireland, Goodbody and Gresham House on topics ranging from the macro-economic environment to investor engagement and sustainability.

In late May, we held an IR Teach In on ESG data and reporting to help IROs prepare for the wave of investor interest. The panel discussion followed by interactive roundtable discussions gave attendees an overview of investor expectations for ESG data and what ESG considerations there are in the investment decision-making process. Case studies from BAT and Vodafone Group gave an insight into their differing journeys navigating the evolving landscape of ESG reporting, how they address the increasing demands from investors and regulators and the challenges of reporting reliable sustainability data.

Looking ahead

Our events programme aims to offer a variety of events throughout the year giving both members and non-members the opportunity to network, learn, develop their skills and keep up to date with new trends and information. The majority of our events are free for all of our members to attend and access virtual replays via the event archive on our website. Those of you with premium membership can also attend our small-group IR Networking groups without charge.

The events calendar for the second half of the year will be announced in the coming weeks, to include a new online series, IR Masterclass and plenty of networking. Please keep an eye on the events pages on the website and updates in the weekly news Bulletin emails. ■

Services Directory

The *Informed* IR Services Directory features those organisations who offer key services to the IR community and shows the categories in which they have chosen to appear. This section is published in parallel with the service provider section on the IR Society website – www.irsociety.org.uk For more information, please call +44 (0)1285 831 789 or email info@silverdart.co.uk

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RESEARCH - RANKINGS - DATA - INSIGHTS

CORPORATE II INSIGHTS DASHBOARD

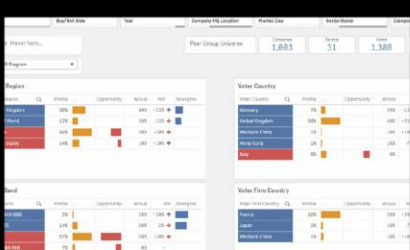
Measuring IR the Institutional Investor way

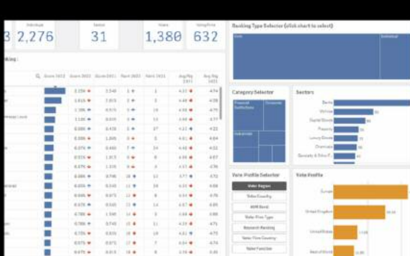
Institutional Investor closes the market feedback gap with qualitative and quantitative data driven perception and ranking research insights.

For the last 20 years, our annual global Executive Team Surveys have delivered independent performance assessment for Buy- & Sell-Side and Corporate IR & Executive Management teams. This 3-way feedback loop, a self-perpetuating ecosystem, collects critical and candid feedback to drive better performance and engagement.

The perception and ranking analysis is delivered via the ***II Insights Dashboard,*** a strategic data visualization tool. It enables a multi-dimensional approach to navigate comparative peer analysis across 20+ IR performance metrics and 8+ demographic groups and regions.

Find out how you measure up against your peers and what investment professionals say about you!





Measure IR fairly and qualitatively

Close the feedback gap

Maximize C-Suite time

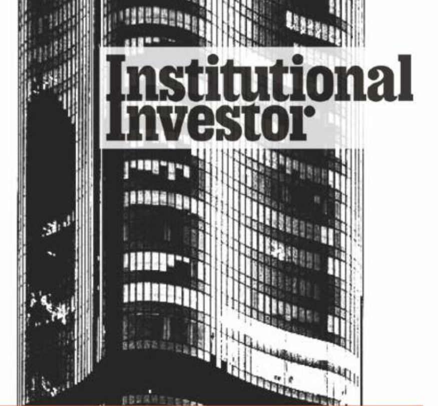
Identify the right sell & buy-side targets

Deliver stakeholder value

Reduce cost of capital

Deliver strategic and deliberate IR

Control company narrative/market story



Vision

II rankings are the global industry benchmark for independent performance feedback and perception intelligence. The results from our Executive Team Surveys are a unique KPI to measure effectiveness of Corporate IR and Executive Management Teams.

Goal

Identifying IR best practices and empowering greater productivity and efficiency through targeted IR team collaboration, resource allocation and maximization of C-Suite investor outreach, ultimately leading to better risk management and stock valuation.

About Us

For over 50 years, Institutional Investor has built its reputation on providing award-winning editorial for the world's most influential decision makers in global asset management and banking. Institutional Investor Research has been conducting independent research surveys with the same global investment and sell-side professionals community for nearly two decades to determine Best-in-Class Investor Relations and Executive Management teams.

II RESEARCH

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