NIRI 2019
Annual Conference Overview
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Innovating together to keep investor relations professionals ahead

PH Zabisky
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These are exciting times for MZ. Together with our clients, MZ has embarked on a journey to create something exciting, different and better than any solution currently available in the investor relations industry!

MZ’s approach to helping our clients be successful in their investor relations roles is rooted in the fact that the IR landscape is more challenging today than ever before. Nowadays, technology and regulation are changing the capital markets. The growing demand for ESG, MiFid II and the decline in sell-side operations are forcing the role of the IRO to expand and react while budgets and team sizes stay the same or shrink. You are being required to do more with less, which makes for challenging times.

Technology, innovation and customer service are deeply embedded in MZ’s core. We are relentless and unstoppable! We are committed to continue helping our clients stay ahead of the market with the best-in-class technology and add even more value to the work you do every day!
WHAT INNOVATIONS WERE FEATURED AT THE 2019 NIRI CONFERENCE? PLENTY.

WHICH TOP FINANCIAL MARKET PLAYERS LED THE SESSIONS? THE BEST ONES.

Learn what made this event special and why you can’t miss the 2020 NIRI Annual Conference in Miami, Fl. June 13 - June 17, 2020.

MORE THAN 1,000 ATTENDEES, SPEAKERS, EXHIBITORS AND SPONSORS WHO HAVE MADE #NIRI19 A GREAT SUCCESS.

REFLECT. RENEW. REINVENT.
VENUE: RESORT JW MARRIOTT PHOENIX DESERT RIDGE

DATE: JUNE 2-5, 2019

Collaboration:
Angela Beatriz Airoldi - Investor Relations Manager at Sabesp
Caroline Afonso - Investor Relations and Financial Communication Officer at Votorantim
Gabriel Barcelos - Investor Relations Manager at BR Properties
Marília Nogueira - Investor Relations Manager at EDP Energias do Brasil
Marina Abuhamad Motta - Investor Relations at BR Properties
Tamires Pereira - Investor Relations at Nexa Resources
IR + PR: EXECUTING AN INTEGRATED COMMUNICATION PLAN

With a team of big names, such as PayPal, Etsy and Ford Motor, this session focused on refining the company’s narrative and developing and executing an integrated communication program across the IR and PR departments to allow them to work better together. If these departments don’t align, the company leaves value on the table.

The goal is to build IR and PR strategies and plans that tell a story that reaches all stakeholders.

“WE MAKE NOISE ABOUT WHAT REALLY MATTERS”
The panel started with a question: “What do you see as the biggest professional risk you will face over the next decade?” and the most common answer was automation and technology. MZ can help you on both counts!


The panel discussed how AI has already affected trading and how it might impact your interactions with investors and analysts. Having current analyst reports and information, such as a list of potential questions (negative or positive) that investors may ask on your earnings call or at meetings, ahead of time will make your call and meetings go much better.

With AI, this is all possible.
Be empowered

Gender equality in the management: what to do about it?

How to effectively approach your targeting plan

ESG ratings a look at the ESG ratings landscape

Our blog presents current and extremely important issues for the investor relations market. Follow our social media and stay ahead.

It’s time to take your website to the next level

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HOW INVESTORS INTEGRATE ESG FACTORS INTO THE INVESTMENT PROCESS

We had two crowded presentations on ESG ratings and evaluation, definitely showing that ESG is no longer "a nice thing to have", but a must for most companies around the world. Representatives of two big and important investors (CalPers and Wells Fargo Asset Management) shared with IR professionals how they are now integrating material ESG factors into their traditional investment processes.

IR professionals need to improve their disclosure and narrative in a more reader-friendly format that institutional investors can use to make meaningful decisions.
FOR A SUCCESSFUL INVESTOR DAY, COMPANIES SHOULD:

- Understand and address investor perceptions;
- Focus on a few key messages: imagine the headline you want in the analyst reports the day after;
- Create compelling presentations that reflect the four best practices: find the right balance between simplicity and meaningful content;
- Provide future roadmap for business including "money" slides of key metrics: need more than just lots of words – What does it all mean – i.e. mid-term guidance of key metrics; and
- Rehearse, rehearse, rehearse.
AVOIDABLE PRACTICES FOR INVESTOR DAY PRESENTATIONS:
- Be respectful of investor time, annual events are not mandatory;
- Speak about different points;
- Content depth adds more value than contente depth;
- Investor Day is not the right time to 'revise' earnings or expectations;
- Unrealistic financial targets can create stock overhangs. Preserve credibility.

BEST PRACTICES FOR INVESTOR DAY PRESENTATIONS:
- Address key issues head-on. Take control of the dialogue;
- Share industry data and insights;
- Be creative - reference case studies or bring in third-party speakers;
- Showcase management depth and issue credible guidance;
- Acquisitive companies should detail strategic merit and synergy math.

HOT TOPICS IN FINANCIAL REPORTING
THE INVESTOR RELATIONS TEAM SHOULD CARE ABOUT:

SOCIAL MEDIA
- Social media can be a tool for communicating with investors, but it needs to be used well. Include the CEO/CFO to give the message more credibility.

GUIDANCE
- Companies with quarterly guidance experience less volatility in stock price, based on a survey by Ariel;
- Difference between guidance and expectations. Guidance manages expectations;
- Long-term guidance: three years or more. Some companies are already doing this in the U.S.;
- The decision of whether or not to issue guidance and when to do it is not incumbent only on the IR team, but on several areas working together; C-level buy-in.

REBATE PILOT PROGRAM
- SEC fee rebate pilot program;
- This theme is more important than ESG for Coleman.

ESG
- ESG reporting: determine which metric the audience looks at and then disclose the relevant information;
- Coleman said that, in their case, it is more important to worry about the financials than about ESG, as there will always be a lot to improve.
This session covered "going on the road" and having a schedule to plan out all the conferences the company will attend in the year, by ranking the best conferences. This way, the team will know the quality of the conferences and who should go (CEO, CFO, IRO). Consensus believes that a roadshow is better than a conference, since it is focused on the company, but that company should try to attend at least one conference every quarter.
Drive decisions with data

All the IR tools you need in the most innovative platform

Stay on top of what is happening in the market

Sign up for our market update daily newsletter to receive the latest news, information on the global indices performance of global indices and market commentary written by our specialists.

For more information, visit our website
KEYNOTE ON ARTIFICIAL INTELLIGENCE

It was emphasized how artificial intelligence and technology will certainly impact the future world of investor relations (for example: software that recognizes facial expressions and inflections in speech during earnings calls, and management teams taking too long to answer questions. It may give the impression that the C-level is unprepared, nervous or does not know everything that is going on with the company). Sophisticated investors will combine Man + Machine to find the best investment decisions.

Robots are not coming... They are already here!

“IT WILL SOON BE CORPORATE GOVERNANCE BEST PRACTICE TO HAVE AN ARTIFICIAL INTELLIGENCE MACHINE SIT ON A COMPANY’S BOARD OF DIRECTORS”
- KLAUS SCHWAB
Three female panellists interacted with the audience to explore the changing corporate landscape for the future of the investor relations (IR) profession and identify potential pathways for success.

People need to find out their weaknesses as individuals in order to empower their career. Sit down with someone you have known for the past 5, 10 and 15 years and ask what your strengths and weaknesses are and what they see as the best direction for your career.

In addition, they discussed that the C-level sometimes does not know about IR excellence. For that reason, you need to be the person who passes along the feedback to the CEO and CFO. This will not be easy - but tell them what the market and investors are talking about, instead of what they want to hear.

Everyone will have a different balance between personal and professional life, and this is totally fine, just know where to go and know how to ask for it.
ENHANCING SHAREHOLDER ENGAGEMENT WITH DIGITAL TOOLS

Fragmented information confuses your audiences, causing you to lose control of your brand’s message. The IR team needs to align everyone, providing a clear and accurate website, allowing more time for the Q&A during the conference call and being very direct and objective in the messages.
CREATING A POSITIVE CORPORATE CULTURE – WHY IT MATTERS TO EMPLOYEES, CUSTOMERS AND INVESTORS

Discussions on how to create a positive corporate culture by taking the following steps, and why it matters to employees, customers and investors:

- Never be bigger than the front line;
- Have a fish story;
- Communicate consistently with everyone in the organization (do it daily);
- Go where you have never gone before;
- Encourage risk-taking with the freedom to fail;
- Celebrate the success of others.

This keynote was followed by a panel discussion with representatives of the sell side and buy side sharing their perspective on the importance of corporate culture to a company’s financial success.
Best practice strategies and tactics related to the creation and dissemination of earnings releases were presented: (a) each industry has its own key metrics; (b) be authentic and honest; and (c) construction of the earnings press release is as important as its content.

Everybody needs to be on the same page, and consistency is the key – if you have any changes in the type of disclosure, you will have to explain. The press release has to be simple, but the message needs to be there. Also make sure the file can be viewed and opened in all forms of media.

The IRO should be sincere and guide the C-level on which topic they could explain more to help the market and shareholders.

Do not talk about strategy and ESG in the earnings release because it can be difficult to do it every quarter, and be sure to keep standards simple. Also, do not forget to distinguish the E from the S and the G – they are not the same thing.
This session discussed fair valuation drivers: (a) Company Fundamentals; (b) Relative Market Position; (c) Investor Relations Programs; (d) Management Credibility; and (e) Performance Track Record. But IR areas can only influence IR Programs (with analytical and knowledge), Management Credibility (with communication and trust) and Performance Track Record (with personal performance and relationships).

BEING FIRM YET INFORMATIVE WILL HELP KEEP ALL RELATIONSHIPS HEALTHY!

It is important to identify what event is the best: dinner, conference, 1x1, headquarter visit or roadshow. Request and review the material in advance, identify key points and discuss them with whoever is in charge, anticipate difficult topics with management and get answers to difficult questions you know investors will ask. At the end, the IR Team needs external feedback. For that reason, Perception Studies are very important, and MZ can assist you on that! Access https://bit.ly/2QJBe7j for further information.

USE EXTERNAL FEEDBACK & ADVISORS TO KEEP YOUR RELATIONSHIPS STRONG!
The session discussed how the financial materiality of ESG performance should be incorporated into the IR narrative and how it can effectively educate/update investors about your company. It was full of examples that demonstrate how leaders calculate and communicate the business value of their ESG performance/sustainability programs using both quantitative and qualitative approaches.
A specialist team dedicated to helping you

**Investor Relations Consulting and Outreach**

Our strategy is based on both the experience and success achieved in helping hundreds of publicly traded companies perfect their shareholder communications strategy.

**We work as an extension of your team**

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20+ years experience

500+ clients globally

150+ talents worldwide