

Best Practice Guidelines Corporate Websites Updated March 2012

About these guidelines

The corporate website is a powerful tool for companies to communicate with shareholders and is often the first place people will go for information about a company and its operations.

These guidelines offer advice on creating a best practice corporate website – with particular emphasis on the investor section – that will help companies communicate effectively with investors, shareholders and other stakeholders. They do not seek to interpret regulation or cover statutory requirements, but focus specifically on ways to ensure that communication to investors is clear and effective. Companies should always refer to their professional advisers to ensure they have complied correctly with the relevant legislation.

These guidelines are reviewed and updated annually. There are also annual IR best practice awards and details of winners on our website <http://www.irs.org.uk/events/dinner>

Separate guidelines on annual report and accounts: printed and online, online presentations and social media for IR are available to view or download from <http://www.irs.org.uk/resources/best-practice-guidelines>.

Key principles

The following key principles should always be considered when planning or developing an investor relations section or corporate website.

1. Think of the corporate website as a powerful means of communication and an expression of your brand story rather than a library or archive
2. Make a compelling investment case by communicating the company story, its strategy and its role within the sector in which it operates
3. Ensure the corporate website is the definitive source of company information
4. Keep all of the elements of the website simple, including the address, navigation and use of software tools. Make investor content easy to access for all investor audiences through clear labelling and signposting.
5. Ensure clarity and openness within the regulatory and legal framework
6. Promote the website as a key means of communication. Regularly update investors with the latest website developments. This will help maintain interest and interaction
7. Review site content regularly. Ensure information is timely and, where appropriate, provide a date so that investors can decide on relevance
8. Use audio or video webcasts to provide a wider audience with access to presentations and shareholder meetings. Make this content available in an archive
9. Consider webcasts and videos as a means of communicating with investors outside the standard financial calendar. This could include site visits, store tours or the thoughts of senior management on topical issues
10. Review the peer websites and those companies identified as the best in their class and benchmark the design and content of the site against them
11. Provide qualitative as well as quantitative information to help the website stand out
12. Ensure the website is accessible. It must be designed to allow equal access to information and services to all users, including those with visual, hearing, cognitive and motor impairments
13. Measure performance and use feedback to make improvements to the website
14. Create a simple framework with a consistent grid structure. This will allow for flexibility and make it easier to accommodate unpredicted changes to content and functionality

Best practice considerations

Introduction

The style of a corporate website is a matter for individual companies and will naturally reflect a predefined corporate image and culture. Recognising this, the following guidelines simply present best practice advice rather than prescriptive solutions for design and content.

Awareness

Companies should promote the corporate website on all relevant investor material. To help raise awareness:

- Choose a recognisable website address (URL) that includes the company name and/or brand
- Ensure content is optimised for search engines. Review your site's performance in search engine rankings, if it performs poorly consider if there is anything you can do to improve it.
- Regularly update investors with the latest website developments – flag latest updates on the investor homepage

Usability

A best practice website should be available to the widest possible audience. Key usability points to consider include:

- Provide multiple points of entry to investor content through navigation, hotspots, related information, quick links, etc
- Make investor content easy to access for all types of investor audience. For example signpost recent updates for the long-term investor who wants to quickly access the latest additions, whilst also providing the detail behind the investment proposition for new or potential investors.
- Ensure headings and key information are clearly presented so that users (who often scan rather than read web pages) can quickly find the information they are looking for. Structure the presentation of information so that users can see an overview first and can then go further into the website if they want more details. Avoid complex web pages that take a long time to load and repetitive animation that can distract attention
- Strike a balance between the use of new and conventional functions on the site so that users get the benefit of innovative tools without feeling overwhelmed
- Ensure the website works for different internet browsers (especially Firefox and Internet Explorer for PCs and Firefox and Safari for Macs)

Accessibility

The Equality Act came into force in October 2010, replacing the Disability Discrimination Act (DDA) in England, Scotland and Wales. To comply with this legislation all websites must be fully accessible. This means a corporate website must be designed to allow equal access to information and services to all users, including those with visual, hearing, cognitive and motor impairments. Under the new Act, the threshold has been lowered. In the future, a person with disabilities must not be put at a "substantial disadvantage", compared to a non-disabled user. Previously, it had to be "impossible or unreasonably difficult" for a disabled user to use a service. The lower threshold means that the obligation to make reasonable adjustments is now more onerous on website owners and hosts.

The British Standards Institution has produced a standard to help website designers with the new rules. BS 8878:

- Provides guidance on how to assess the impact different technologies can have on your customers
- Outlines your legal responsibilities in relation to web accessibility so you can assess what to do to achieve compliance
- Contains text that organizations can extract and use in their accessibility or procurement statement.

The standard can be purchased here

<http://shop.bsigroup.com/ProductDetail/?pid=00000000030180388>

The W3 Web Accessibility Initiative has published a widely accepted set of accessibility guidelines. There are three different priority levels of accessibility and best practice is to aim for Level AAA conformance, which is the most accessible. While it is not always possible to achieve the highest level of accessibility companies should ensure that they make every effort to make the website as accessible as possible.

Visit the W3 site for more information: www.w3.org/standards/webdesign/accessibility or the RNIB website: http://www.rnib.org.uk/professionals/webaccessibility/Pages/web_accessibility.aspx

General

- Ensure a search function is available on the site. Most users expect to find it in the top right corner of each page
- Where an inaccessible format is necessary, an alternative accessible version must be made available wherever possible eg a non-Flash version or a transcript of a conference call
- Make important information such as quarterly, interim, preliminary and annual reports available in both PDF and HTML formats with clear indexing and easily downloadable segments
- Ensure that all pages are printable and that valuable information is not left off the printed page
- Encourage greater interaction and personal contact with users. Allow users to register for email alerts to receive the latest news and other information that might be of interest (see section on Timeliness for more information)
- Limit the use of legal and regulatory disclaimers
- Consider the possibility of foreign language options in order to attract the widest number of visitors to the site. If investors outside the UK hold a large percentage of the company's shares, providing information in their native language will be beneficial
- Include a corporate profile, summarising the company's activities and performance and consider making it available in multiple languages. As a general principle there should be one level of disclosure for all users

Navigation

A corporate website should be easy to navigate and intuitive to use. Key points to consider include:

- Users should be able to see where they are on the website at all times. Highlight the currently chosen navigation and include clear page headings
- Use recognisable labelling and standard industry terms

- Use consistent terminology. For example, if a user clicks on a word or phrase in the navigation, the heading of the page should be the same
- Include a direct link to the investor relations main page from the website homepage
- Consider including a breadcrumb trail at the top of each page (e.g. Home > Investor relations > Corporate Governance). Note that this should not be the main method of navigation as users will tend to overlook it

Timeliness

Information should be available simultaneously to everyone, ensuring equal access. To achieve this:

- Regularly update and review the website content. As a minimum review should take place on publication of the interim and prelim results and the annual report. This will ensure that the information on the site is consistent and timely and help minimise confusion from mixed messages
- The Markets Abuse Directive requires that all information issued via a primary information provider (PIP) be available on a company's website by the close of business the following day. However, best practice is to ensure that company press releases are uploaded to the website at the same time as they are published to the market. It may be best to establish an automated system to do this. This rule should also be extended to cover the release of other important printed documentation that may fall outside of the PIP system such as corporate responsibility reports
- Use the website as the main medium for all forms of press releases and documents, including annual, interim and preliminary reports as well as any other corporate literature that may interest investors
- Ensure that any prospectuses are available on the site
- Provide all users with access to webcasts (audio or video) and conference calls via the web in real-time regardless of whether they are private investors, analysts, institutional investors, the media or other audiences
- Establish an email alert service for forthcoming events so that investors who have registered an interest can receive relevant information. Ensure that those who have selected this option can easily stop the information flow on request
- Use RSS content feeds to allow users to subscribe to news and site updates. Subscribers will receive automatic updates every time there is new content
- Consider providing the financial calendar in a form that allows visitors to automatically update their own calendar (e.g. Outlook)
- Consider providing an event reminder sign-up facility so people can be notified by email
- Date information, where appropriate, so that investors can decide on its relevance. This is particularly important for financial information
- Establish an area on the investor relations home page that highlights the latest changes to the site

Content

Introduction

Website content should be clear, unambiguous, timely and relevant to the needs of existing and potential investors, both private and institutional.

Improving shareholders' knowledge and understanding of a company and the marketplace in which it operates is the best way to ensure that their expectations are realistic and achievable. A website that merely restates information that can be found elsewhere does not help achieve this important objective.

Company information

Telling the company story is one of the main functions of the corporate website. To do this well:

- Create an About us section with regularly updated information of the company's activities from an investment perspective
- Provide investors with a fact sheet of investor information set in the context of what is happening in the sector. These can be both detailed reports or short one- or two-page profiles
- Make a compelling investment case. Don't bury information in PDFs, annual reports and presentations. Instead bring together the key messages and give investors a balanced view of the company online
- Consider profiling the board and senior management. Add value by providing not only a photo and biography but also interviews, speeches and videos. This can help further explain the company, its strategy and its vision and why the management team has the right mix of people and skills to deliver strategy
- Provide a 'Contacts' page with information for all stakeholders e.g. Head office, investor relations department, out of hours media enquiries, customer queries, etc.

Financial data

Clear and comprehensive financial information is an essential component of any site. One of the main reasons investors visit company websites is to access reliable, up-to-date financial information quickly and easily. Key points to consider include:

- Do not hide important financial information in financial reports. Provide financial highlights and summaries and ensure all financial information is presented in a way that makes it easy to understand
- Show clearly which financial information has been audited and which has not
- Make the annual report and preliminary, interim and quarterly statements available on the website. The section of the annual report covered by the auditor's opinion should be clearly designated and additional information not contained in the annual report should be presented in a way that does not lead users to think it is part of the annual report
- Include a clearly labelled archive of annual reports, which should be supplemented with all relevant shareholder circulars that were sent out with the main document such as the notice of AGM
- Companies with listings in markets outside the UK should include relevant shareholder documentation on their site (e.g. 20-Fs if listed in the US)
- Make key financial ratios available. These include Return on Capital Employed (ROCE) or Return on Net Assets (RONA), Total Shareholder Return (TSR), Cash Flow Per Share, Discounted Cash Flow Per

Share, Earnings Per Share (EPS), updated Price/Earnings (PE) ratios and margin information. Any other financial ratios that may be pertinent to a company's sector should also be included

- Include gearing and credit ratings where applicable (see the Bondholders section for more information)
- Make archived financial data going back a minimum of three years easily accessible. Where possible five- to ten-year histories of key data should be available such as revenue, operating profit, pre and post-tax profit, earnings before interest taxation, depreciation and amortisation (EBITDA) and dividend payments
- Include relevant information on the company's main intangibles, including those not shown on the balance sheet such as brand and human capital (see the Corporate Responsibility section for more details on intangibles)
- Consider providing an online calculator to enable shareholders to assess the value of their shareholdings over time
- Include dividend and capital history, including stock splits
- Make current financial presentations available both as webcasts and as retained data in the form of slides with notes attached. Allow all users access to the Q&A sections of these presentations
- Make financial data – including the share price history – downloadable in a spreadsheet format where possible
- As the trend towards greater narrative reporting progresses, key performance indicators are becoming increasingly important. This includes both financial and non-financial information. These indicators need to be clearly explained and communicated - especially their relevance to the strategic progress.

Relevant news

Keeping investors up to date with news about the company, its strategy and operating environment is a key element of a good corporate website. To do this:

- Provide a constantly updated source of relevant news material on all aspects of the company and its operating environment
- Provide a central point of access to all news releases about the company with each release clearly dated
- Ensure that all presentations, speeches, reports and articles written by key executives as well as corporate brochures and newsletters are available and clearly accessible on the website
- Archive webcasts for investors to access after the event Aim to retain for 5 years if practicable.
- Provide links to relevant industry bodies, regulators and other appropriate organisations
- Provide access to electronic filings. An example would be companies that file to the US Securities & Exchange Commission using the EDGAR system
- Be open about bad news. Post it onto the site in the same way as good news. Companies are more likely to gain investors trust if they are open, honest and transparent about the good and the bad

Investment case

Provide users with a clear statement of strategy and vision from the company. A good investment case includes:

- A corporate profile detailing the history of the company, what it does, the products/services it supplies, its geographical reach and the sector in which it operates
- Analysis of the company's principal markets and future trends as appropriate
- Information on current sector challenges
- Consider providing an online 'Investor pack', an area where key information is pulled together and available to view online or download.

Shareholder information

A corporate website should provide an up-to-date source of shareholder information and should include some or all of the following:

- Shareholding analysis by size of holding, type of holding and geographic origin
- Details of the percentage holdings of principal shareholders
- Details of the company's AGM (and any EGMs), including the total votes cast for and against each resolution plus abstentions. The site should also include the reasons for any resignations by executive directors, non-executive directors or the company secretary
- Webcasts, presentations and transcripts from the AGM
- Facilities or information enabling electronic shareholder communications, including electronic submission of proxy forms and online share register facilities
- Where online management of shareholding is not available, information forms should be available for investors to download, complete and send to the registrar. Such forms could include change of address notification, stock transfer, etc
- A link to the registrar
- Information on any special investment arrangements relevant to the company such as dividend reinvestment plans, direct dealing facilities and Individual Savings Accounts
- Lists of company advisers and their contact details, including brokers, financial public relations companies, auditors, registrars and investor relations consultants
- Contact details, including an email address and telephone number for the investor relations officer or team responsible for shareholder communication. Consider profiling the IR department further with images and biographies
- A financial calendar of important events, including dividend, record and payment dates; results announcements; silent periods; investor days and other meetings of potential interest to investors and shareholders. It is often helpful if these calendars include links to related information once it has been published
- Share price information, including current price, 12-month range, historic share price graphs with the ability to plot against benchmarks such as the markets and/or sector, share trading volumes and dividend history
- A regularly updated Frequently Asked Questions (FAQs) section for private investors that deals with common questions about managing shareholding such as dividend payments, AGM dates, registrars and sales and purchase of shares. More general investor questions should also be addressed, which may include financial information, employee numbers, countries of operation and outline of strategy. An indexed archive of FAQs may be useful where the Q&As, although no longer timely, remain relevant
- Clear identification of stock symbols and trading codes

- A glossary of terms to cover both standard and industry-specific financial information
- A complete list of analysts covering the company's stock, including the name of the broker and their employer. This should be regularly updated to ensure that the list is comprehensive and accurate. Consensus figures for analyst forecasts can also be of interest – this should be accompanied with an 'information correct at' date
- Details of the stock exchanges (including links to them) on which the company is listed, including cross-references to publicly available information held by regulators such as the US Securities & Exchange Commission

Bondholder information

Credit analysts and bond investors will require much of the same information as equity shareholders (profitability, cash flows, asset ratios, etc) but also have a slightly different set of requirements. The financial crisis has brought close scrutiny on the capital structure and debt exposure of listed companies, making it more important than ever for companies to make this information easy to find on the website. Where applicable, companies should provide clear information on their corporate debt situation. The following areas should be covered:

- Outstanding bond and note issuance with maturities, coupons, security ranking (subordinated, etc), redemption profiles and other terms and conditions
- Credit ratings (e.g. from S&P, Moody's, Fitch)
- Interest cover and gearing ratios
- Details of operating and finance leases, pension liabilities and residual values
- Terms of relevant banking covenants
- Debt presentations and webcasts
- Contact details (usually the Treasury department)

Corporate governance

The investor section of the corporate website is the natural home for information about how a company is managed on behalf of its shareholders and this information should be given due prominence. It is no longer sufficient to simply refer visitors to relevant parts of the annual report.

The rapid growth in socially responsible investing and concern over corporate responsibility issues requires companies to detail their policy in these areas and how they are managing performance (see the Corporate responsibility section for more information).

Corporate governance should be in the main navigation of the investor section and should contain the following elements:

- A statement about compliance with the UK Corporate Governance Code, giving a full explanation for any failures to comply and an account of how the code is employed
- A list of all directors stating whether they are an executive director, an independent non-executive director or a non-independent non-executive director. Companies should also identify the senior independent director and provide details of the committees the directors sit on and/or chair (nomination, remuneration, audit, CSR, etc)
- Biographical details of all directors giving their age, date of appointment and other directorships/appointments. Additional information such as their areas of expertise and their shareholding could also be included.
- A remuneration report disclosing relevant terms of service contracts, policy on new appointments, all elements of the remuneration package and the link between

remuneration policy/corporate strategy and the creation of shareholder value. This section should also include details of directors' interests in the company, share transactions and any related-party interests

- The terms and conditions of appointment of non-executive directors
- The terms of reference of the nomination, remuneration and audit committees, explaining their role and the authority delegated to them by the board
- How performance evaluation of the board, its committees and its individual directors has been conducted
- Details of all proxy votes and abstentions lodged at general meetings
- A note on pending litigation other than that related to normal course of business
- An account of the company's internal control mechanisms and risk management systems
- Details of any key policies, relating for example to 'whistle blowing' and conflicts of interest

Corporate responsibility (CR)

A best practice corporate website should contain comprehensive information about the company's CR policies and CR data and include a detailed review of how the relevant policies are linked to environmental and social performance management, health and safety issues and the management of relevant risks across the company. A best practice CR section should include:

- A summary of internal arrangements for implementing CR policies, including corporate communications programmes
- A statement of company policy (as relevant to the company/sector) covering areas such as energy consumption, employment, recycling waste, carbon emissions, water consumption, human rights, product responsibility and bribery and corruption
- The policy objectives for each area supplemented by quantified progress towards the objectives noted, as well as details of the management systems put in place
- A note on any pending litigation on health and safety or any other SRI matter
- CR guidelines and approach, where they exist. It is also desirable to reveal if any of the reporting guidelines have not been followed in full together with the reasons for the omission
- Details of the scope and membership of the corporate responsibility committee reporting to the board

Other additions to consider

Companies may consider adding the following to their websites:

- Capital Gains Tax information
- Tax information concerning current mergers/acquisitions
- Information on disposals and acquisitions
- Multiple language reports and site access
- Provision of financial data in more than one currency
- Online translation of webcasts

New technologies

Corporate website users tend to be web savvy and will be familiar with (and expect) the latest technologies and functionality. Consider including the following innovative features:

- On site video player holding relevant videos including management interviews and strategic updates. Promote these videos across the site where relevant. Consider also including links to interviews management have given to respected broadcasters as this can be a cost-effective way of keeping the video content current and profiling the management further
- Consider implementing sharing technology on key pages which allows users to select information they wish to share widely through social media bookmarking or individually via email
- Virtual visits to company facilities
- A mobile version of the corporate website or investor section
- Segmented email alerts and RSS feeds for users to receive the latest company news, events and presentations
- Feedback forms, blogs and other forums to encourage interaction
- Podcasts of events that users can easily download as audio files to their desktop or MP3 players
- Content personalisation gives users the ability to create tailored pages, move content elements around, create their own menu structure or add electronic notes to pages. Settings are remembered for their next visit and companies can tailor communications to audience segments dependent on the types of choices they make
- Consider the opportunities social media provides to corporate communications. For example, a Twitter feed can be a good way to promote company news. Companies that create social media channels should ensure they have a clear strategy and communications plan to provide guidance internally. Some companies will decide not to engage with social media but should at the very least monitor social media channels such as Twitter and Facebook to keep track of what people are saying about them online
- If you have social media channels, highlight them on the corporate site and embed content

Feedback

One of the advantages of working online is the ability to measure performance and use feedback to make improvements in subsequent reports. Companies can measure success in two main ways:

- Provide users with a feedback option. Monitor the feedback and take appropriate steps where necessary
- Use web analytics software to see how users navigate the website and which areas and pages are most popular