

# Best Practice Guidelines

## Online presentations

Updated April 2013



### About these guidelines

The Best Practice guidelines set out here should be an important source of guidance to all companies seeking to improve the quality of their online presentations. These recommendations draw upon the best practice currently observed by listed companies.

The website is the perfect environment to provide investors with access to presentations. When a company organises an event, such as preliminary results, there is often related information, which should be provided to enable a full understanding and provide equal access to all investors whether they are at the event or accessing information via the website.

The following information is often associated with presentations and consideration should be given on how to best display this online to ensure all investors have access and that communication is open and transparent.

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/2011-awards-winners>

Separate guidelines on Annual Report and Accounts: printed and online, corporate websites and social media are available to view or download from <http://www.irs.org.uk/resources/best-practice-guidelines>

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### Key principles

There are a number of principles that should be considered when organising an investor presentation and its communication:

1. Less is more. Slideshows should be limited to 20 slides or fewer (a supplemental appendix with backup charts and data is acceptable). Striking a balance between detail and substance is the top challenge when making an effective investor presentation.
  - Investor slideshows most often are criticised as providing insufficient disclosure or transparency that inhibits their ability to fully understand a company's financial performance or, more importantly, strategic plan.
  - But nearly as many take issue with PowerPoints that are too detailed and replete with incidental, stale or irrelevant data that obfuscates as opposed to clarifies financial performance, the strategy and management's rationale for it.
  - Supplemental to this latter complaint is frustration voiced about presentations described as too long or as having too many slides.
2. Assuming usual attention patterns, the most critical slides need to either lead off the presentation or come at the end. Slides in the middle do not resonate as well.
3. Prepare management for presenting uncomfortable information and at the presentation be sure not to avoid difficult questions.
4. Focus on the coming years and do not linger too long on the past. Investors buy stocks on belief in future, not past, performance. However, there are exceptions to this rule, for example when companies warn on profits, the investors are likely to want forensic detail on what has just gone wrong and they will be wary of management talk about the future.
5. Be alert to clutter and overly busy slides – taking out is often better than putting in, management can speak on the data and clarify.
6. Guidance and targets must be thoroughly vetted and limited to goals management is convinced the company can achieve. Presentations should avoid being overly promotional, too bullish or setting goals which they as investors sincerely doubt the company can achieve. Misconstrued sales pitches to buy the stock are resented.
7. When possible, tailor presentations to the unique needs of the audience at hand.
  - Those new to the story will appreciate the most detail.
  - Shareholders and other followers of the stock are most interested in how the strategy will be executed and in seeing evidence of progress on previously set goals.
8. Avoid sugar-coating results. Investors are highly sensitive to this and when they detect it and see it as hyping the stock and damaging to management's credibility. Addressing bad news upfront might be best.
9. Consider obtaining informed but objective third-party insight into the overall design, length, detail and clarity of a slideshow. The author(s) can often be too close to the story to accurately gauge its effectiveness.
10. Presentations should be consistent and comparable over time, allowing a clear indication of the trends in the business.

## Online presentations



### Prior to the event

- Notification – the website should be used to let people know about forthcoming events. This could include financial calendars and upcoming events hotspots on relevant pages (areas available to highlight key information).
- The financial calendar should be updated as soon as the dates are confirmed.
- Alerts – provide investors with the ability to register to receive feeds and email alerts when presentations are announced or uploaded to the website.
- Send notification emails at least a week in advance.

### Day of presentation

Depending on the type of presentation, it is likely that different things occur at different times of the day. The website should be continually updated.

- Update the website's hotspots to say the presentation is available online and link through to a web page which holds all the related information.
- Email the subscription list to let them know the presentation is available and provide a direct link to the related information.
- Upload the information as soon as it is available. For example, if a press release is sent to the Stock Exchange at 7am it should be available online at 7am too.
- Provide the direct URL (web address) to the presentation on all associated information such as press releases so that investors can easily find the information.
- Provide information online in both HTML and PDF.
- Information available – the amount of related information may differ depending on the type of presentation but it is likely to include the following:
  - Press release – in HTML and PDF (if it is a long press release such as a preliminary results announcement, it may only be possible to provide the first few pages in HTML initially – the full detail should be uploaded as soon as it is available).
  - PowerPoint presentation – in HTML and PDF. The HTML version should enable slides to be enlarged to allow for easier reading of tables and graphs, and have forward and back buttons and a navigable index to allow for easy access to slides of particular interest.
  - Webcast – live and archived with Q&As. This can be either audio only or audio and video.
  - If you have an audio or video webcast you could consider providing the MP3 and MP4 files as a download. Users can then access these files from their desktop, MP3 player or mobile device.
  - Investor packs/briefings. Any information provided to investors or analysts should also be made available online for all to access. This should be in a PDF format as a minimum.
  - Videos of interviews with senior managers.
- In addition to the presentation pages, other areas of the website may also need updating to ensure a consistent message and that correct information is available across the site. This may include financial information, key facts, company profiles and strategy information.

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### After the event

It may not be possible to provide all information on the day of the event due to time constraints. Any related information should be available as soon as possible. This may include the following:

- Full HTML of interim or preliminary reports
- Transcript of presentation
- Transcript of conference call
- Indexed Q&As of webcasts
- Archive presentation (for interim and preliminary presentations it is advised that the archive is kept for at least five years in line with the time frame for financial statements. For other announcements a similar time frame would be recommended if practicable).

### 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 organisations can extract and use in their accessibility or procurement statement.

The standard can be purchased here

<http://shop.bsigroup.com/ProductDetail/?pid=000000000030180388>

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](http://www.w3.org/standards/webdesign/accessibility) or the RNIB website:

[http://www.rnib.org.uk/professionals/webaccessibility/Pages/web\\_accessibility.aspx](http://www.rnib.org.uk/professionals/webaccessibility/Pages/web_accessibility.aspx)