



## 2019 - Best Annual Report

**Categories:** FTSE100, FTSE250, Small Cap & AIM, and International

### IR Principles

Please note that for all awards categories, companies need to emphasise how you have successfully addressed the following IR principles:

- Having an equity story and investment case that are clearly communicated across all stakeholders and delivers long-term value creation
- Helping investors, analysts and others to understand the growth and value drivers of a company, such that there is a fair and orderly market in its shares
- Meeting or exceeding all regulatory requirements around disclosure and focusing on greater transparency of information both internally and externally

### Award Description

Once a year the Annual Report provides an invaluable opportunity to tell your company's unique investment story and engage with your investors and wider stakeholders.

Best practice annual reports clearly articulate how the business differentiates itself and provide a 'shop window' into the company and its culture. Best-in-class annual reports tell a holistic story that clearly demonstrates the effectiveness of both the business model and strategy, whilst evidencing the strength of the leadership team and governance of the business and broader social purpose. Done well, the annual report can shape your reputation and build confidence with investors.

Overall, judges are looking evidence of an innovative and effective annual report that plays an integral part in the communication of the strategy and investment case of a company. It should provide a sense of the purpose, culture and identity of your organisation. Judges will also be looking for evidence of clear and concise communications, considering key stakeholders needs and how these are met through both your report and the digital expression of it.

Some best practice considerations for the annual report could include, but are not limited to:
A forward-looking, engaging, concise, and entity-specific report
Connectivity of information providing a holistic view of the business
Clear links between strategy, KPIs, risk and remuneration
An investment case that explains the growth drivers that promote long-term value
The report should be fair, balanced and understandable

## **Entry requirement**

The award is assessed on an equally weighted qualitative and quantitative basis. To stand the best chance of winning you need to provide a statement in relation to the qualitative element, so in 600 words or less write a short statement referring to the following:

### **Qualitative assessment**

#### **Objectives**

- What were the key objectives for your Annual Report?
- How does the Annual Report fit into your overall IR/communication strategy and are communications consistent across your print and digital channels?

#### **Strategy and approach**

- What is the strategy behind your approach to your reporting? And how do you deliver that through your printed and online report?
- How do you use your reporting to meet the communications needs of your external and internal audiences?
- How do you ensure that your reporting is 'fair, balanced and understandable' while also meeting 'clear and concise' objectives?
- Does the report adequately articulate how you create value?
- How does the design enhance the company's messaging, and reflect the company culture and values?
- Are there clear linkages across the report both in clarity of narrative and in connected related content?
- How has your Annual Report been promoted internally and externally and is messaging consistent across your communication channels?

#### **Outcomes**

- What evidence do you have to demonstrate how your annual report has met your business objectives, and supported your equity and investment story?
- Do you have any quantifiable or anecdotal results or outcomes to support this and your initial objectives? For digital this could include analytics / visitor statistics.

### **Quantitative Assessment - Guidance Notes**

For the **quantitative element**, judges will consider the following criteria as guidance for assessment:

#### **Strategy and positioning**

- Company's purpose, culture, equity story and investment proposition
- A clear, concise, fair, balanced, honest and transparent overview of your company – what you do, how you do it and why you are different?

#### **Content**

- Explains the market or industry context in which your company operates and how your organisation fits into that environment.
- Articulates company's differentiators and unique story

- Clear integration of material non-financial issues
- Provides a holistic insight into your company with company-specific market context, the business model, strategically important issues and clear connections between strategy, KPIs, risk and remuneration
- Communicates how you work with shareholders, including reference to your relationships with investors and other key stakeholders, their needs and how you are responding to these and how these are being built into decision-making
- Provides a discussion of a broader social purpose, relevance of corporate culture and how it is being embedded across the company
- Provides a review of past performance and forward-looking information
- Goes beyond the relevant regulatory disclosure requirements to embrace the 'spirit of the law'
- Include a non-financial information statement for larger companies (over 500 employees) with clear linkages to associated non-financial matters.

### **Communications strategy, design and tactical delivery**

- Demonstrates an effective use of printed and online version to present key messages and holistic view of company in an engaging, accessible and relevant way