

INVESTOR DAY ADVISORY BOARD

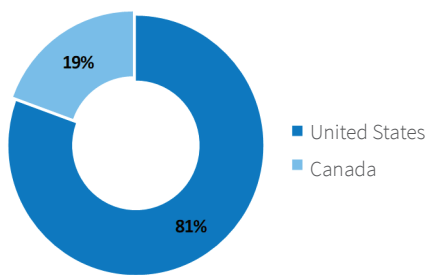
THE STREET'S EXPECTATIONS FOR A SUCCESSFUL EVENT

Introduction

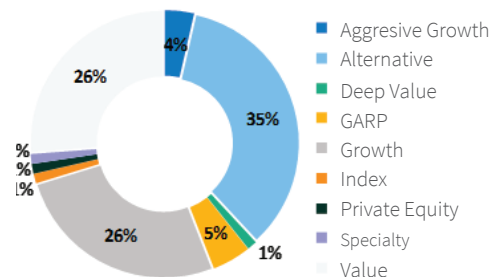
The corporate access landscape is rapidly evolving, and it is more important than ever for companies to find meaningful ways to interact with the investment community. One of the most effective ways for a company to achieve this objective is by hosting an Investor Day. These events provide an executive team with the opportunity to tell “their story, their way” by laying out a compelling vision for the future as well as a roadmap for achieving the company’s long-term objectives.

Given the incredibly high value the investment community places on these events, it is critical to understand what investors and analysts want to ensure that companies can deliver and ultimately achieve successful outcomes. Over the course of 2018, Ipreo interviewed 125 North-American investment professionals (96 buy-side investors representing over \$6.6T EAUM and 29 sell-side analysts) to identify the key ingredients of a successful Investor Day.

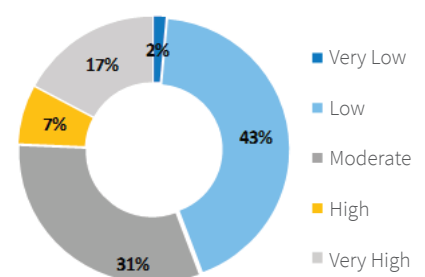
STUDY POPULATION BREAKDOWN BY GEOGRAPHY (ALL PARTICIPANTS)



STUDY POPULATION BREAKDOWN BY INVESTMENT STYLE (BUY SIDE)



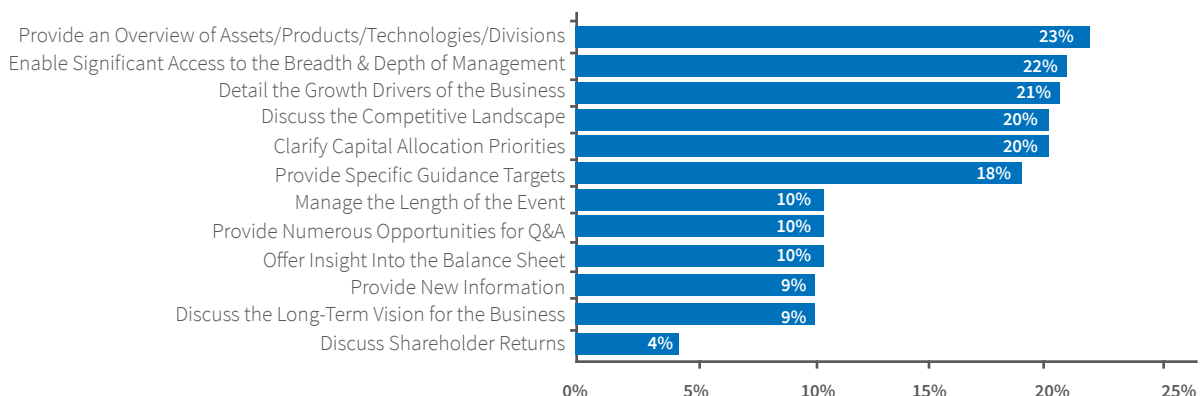
STUDY POPULATION BREAKDOWN BY PORTFOLIO TURNOVER (BUY SIDE)



Key Findings

The following is a quantitative and qualitative summary of the most-cited factors that investors and analysts believe are necessary for hosting a value-add Investor Day.

SUGGESTIONS TO HOST A VALUABLE INVESTOR DAY



In order for a company to host a successful event, it is critical to provide credible and interesting insights into its business by presenting unique data points, offering new incremental disclosure, giving additional information on parts of the business that have not been discussed in great detail before, or making an exciting announcement. Investors and analysts indicate that an effective Investor Day is one which has a clearly defined main takeaway which supports the long-term strategic view and financial model.

The investment community agrees that management and IR should use an Investor Day to provide visibility into the 3-5 year growth strategy and that this discussion should include commentary on the secular growth trends within the industry and an explanation of the business operations in terms of relative growth and the potential to capture market share. Overall, a company should leverage its Investor Day to steer analysts and investors toward the most important initiatives, which will ultimately be the long-term drivers of the investment case. The market also finds it useful when a company offers specific and achievable medium- and long-term financial targets as well as details into the underlying assumptions and action items necessary to accomplish those goals. Furthermore, an Investor Day presents an opportunity for a company to discuss its overall balance sheet strategy by outlining its forecast for cash flow generation and sustainability, debt and capital structure management, priorities and parameters for assessing future capital allocation decisions, and framework for shareholder returns.

An Investor Day also provides an opportunity to present a detailed showcase and demonstration of each business unit, core product line, key asset, or new technology to allow investors and analysts to understand the evolution of performance and differentiation versus competition. The market appreciates when this discussion is presented relative to the broader industry landscape so that a company's competitive advantages and market positioning are clearly exemplified. Additionally, it is exponentially more valuable when this product and segment insight is presented by the operational and divisional leadership so that the market can gain access to and comfort with the breadth and depth of the talent within the firm. Many investors and analysts agree that Investor Day presentations, breakout sessions, fireside meetings, roundtable chats, and informal meals offers valuable exposure to the next layer of leadership that is often closer to and more familiar with the daily operations and end market opportunities.

Structurally, investors and analysts believe that a best-in-class Investor Day is respectful of the time considerations of its audience by being concise, impactful, tightly scripted, and focused on the biggest and most important opportunities. Most respondents assert that a half-day event is the optimal length for an Investor Day and that a company should not need more than 3-4 hours to effectively present its strategy and forward-looking vision. Most valuably, investors and analysts stress that companies must ensure sufficient time is allocated for Q&A throughout the day both sprinkled in between the formal presentations and during the smaller and informal group sessions.

Interestingly, some market participants indicated that they derived value from Investor Days which included commentary on ESG and sustainability, presentations or discussions with key customers and clients, or direct rebuttals to the 'Bear' case on the stock.

Summary

Investor Days will continue to increase in frequency and importance as a tool for companies to communicate directly with the investment community. Given the substantial amount of time and resources dedicated to these events, it is becoming increasingly more critical for companies to ensure they have a strategy in place to drive success. Ipreo is well positioned to ensure your next Investor Day is a success. For more information on the research and insight we can offer to help issuers in preparing, executing and measuring the success of Investor Days, please contact a member of our Investor Day Advisory Board:

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