



# Investor Relation Task Force Survey Report

FEAS 80th Working Committee Meeting  
October 2019

# Acknowledgements

I would like to thank my supervisor, Professor  
nonis encouragement and support from the ve  
being a very busy man. I...

# DUTCH EAST INDIA COMPANY

AND

MR. JOHAN VAN OLDENBARNEVELT



1602 TO 1799

(THE FIRST MULTINATIONAL ENTERPRISE TO ISSUE SHARES OF STOCK TO THE PUBLIC.)

Nearly 400 years ago  
angry shareholders of  
the Dutch East India Company  
pushed for more rights and accused directors of  
self-dealing.





*Wilma Soss, president of the Federation of Women Shareholders asks a question at the General Electric annual meeting in 1962. Beatrice Kelekian is on the left.*

# Investor Relations! Why?

IR acts as a portal, a passage through which  
investors and company executives communicate

# Benefits

The benefits of a good IR team are:

- ▶ Maintain a loyal shareholder base
- ▶ Enhance long-term shareholder value
- ▶ Ensure receptive capital markets for future financing at favorable terms
- ▶ Lower the cost of capital
- ▶ Build long-term credibility with the investment community





# IR Survey



Questionnaire based on JP Morgan IR Best Practices Guide, 2017 Edition

- ▶ IR department effectiveness and quality
- ▶ Investor Communications Channels, Investor Marketing
- ▶ IR Promotion Among Listed Companies

Hence

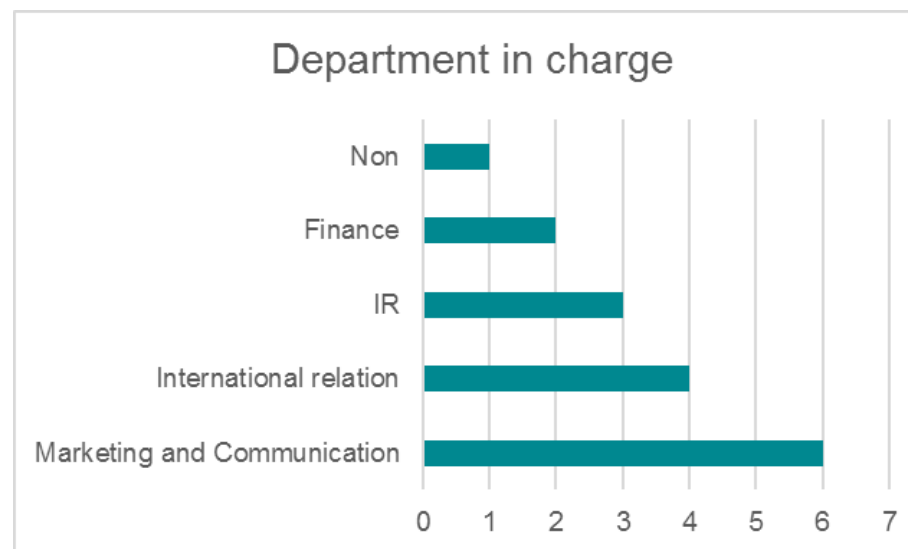
- ▶ Among 33 members of Members, 16 companies from 14 different countries cooperated. 4 are owned by government, 2 have already started the demutualization process.

NO.	INSTITUTION	COUNTRY	WEBSITE	LEGAL STRUCTURE
1	Amman Stock Exchange	Jordan	<a href="https://www.ase.com.jo">https://www.ase.com.jo</a>	Public Share Holding, completely owned by the government
2	<a href="#">Armenia Security exchange</a>	Armenia	<a href="http://www.amx.am">www.amx.am</a>	Joint stock company
3	Athens Stock Exchange	Greece	<a href="https://www.helix.gr/the-group">https://www.helix.gr/the-group</a>	Joint Stock Company
4	Bourse Scot Ltd	Scotland	<a href="https://projectheather.scot/">https://projectheather.scot/</a>	Private limited company
5	Bucharest Stock Exchange	Romania	<a href="http://www.bvb.ro/">http://www.bvb.ro/</a>	Joint stock company, listed
6	Cyprus Stock Exchange	Cyprus	<a href="http://www.cse.com.cy/en-GB">http://www.cse.com.cy/en-GB</a>	Public Corporation
7	Damascus Securities Exchange	Syria	<a href="http://www.dse.sy/">http://www.dse.sy/</a>	Governmental Institution
8	Egyptian Exchange	Egypt	<a href="http://www.egx.com.eg/English">www.egx.com.eg/English</a>	Quasi-Governmental Institution - SRO
9	Iran Fara Bourse	Iran	<a href="http://en.ifb.ir/">http://en.ifb.ir/</a>	Joint stock company, listed
10	Iraq Stock Exchange	Iraq	<a href="http://www.isx-iq.net/">http://www.isx-iq.net/</a>	Government Institution
11	Kazakhstan Stock Exchange	Kazakhstan	<a href="http://kase.kz/en/">http://kase.kz/en/</a>	Joint Stock Company
12	Misr for Central Clearing, Depository and Registry (MCDR)	Egypt	<a href="https://www.mcscd.com.eg/mcdr/english/">https://www.mcscd.com.eg/mcdr/english/</a>	Private joint Stock Company
13	Muscat Securities Market	Oman	<a href="http://msm.gov.om/">http://msm.gov.om/</a>	Governmental Institution
14	Palestine Exchange	Palestine	<a href="http://www.pex.ps/PSEWebSite/English">http://www.pex.ps/PSEWebSite/English</a>	Joint stock company
15	Tehran Stock Exchange	Iran	<a href="http://new.tse.ir/en/">http://new.tse.ir/en/</a>	Joint stock company, listed
16	Toshkent Republican Stock Exchange	Uzbekistan	<a href="https://uzse.uz/?locale=en">https://uzse.uz/?locale=en</a>	Joint Stock Companies

# Who is in Charge?

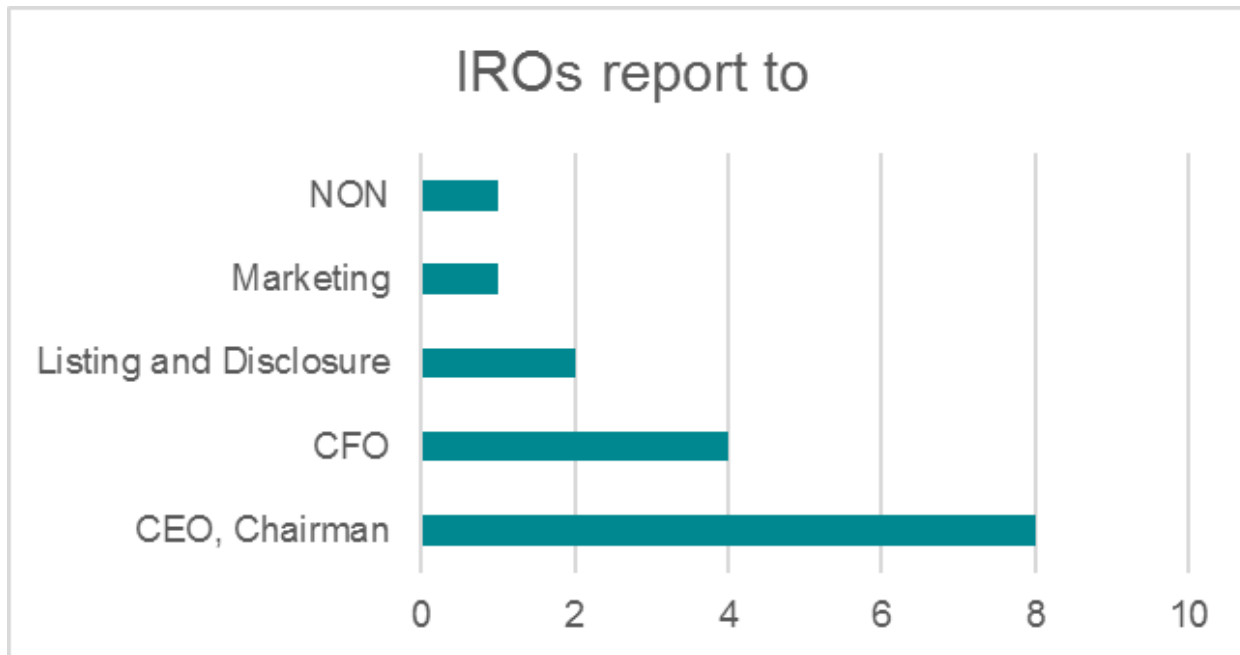
- ▶ 37% of Members' IR actions are carried by Media, Communications or Public Relations, and 25% delegate the IR practices to International Relations Department.

No.	Title	Department in Charge
1	Athex	Investor Relations Department
2	IFB	Investor Relations Department
3	KASE	Issuers and Investors Relations Department
4	TSE	Finance Department
5	ISX	Finance Department
6	BVB	Business Development and Marketing
7	AMX	Marketing and Communications
8	MSM	Marketing Department
9	ASE	Communication and Media
10	SCOT	Communications
11	PEX	Public Relations & Investor Education
12	CSE	International Relations
13	EGX	International Relations
14	UZSE	International Relations
15	MCDR	Different department, International Relations
16	DSE	Non



# Whom IROs are reporting to?

- ▶ 50% of respondent stated that Top Management (CEO, Chairman, Director General) receives the IR reports directly.
- ▶ CFOs are in the second level with 25% of the abundancies.



# IROs are skilled at...

- ▶ PR& communication was the highlight theme with 87.5% of IROs shown to be skilled at it. The second was Capital Market Regulations with 75% frequency

IROs are Skilled at	Abundance
PR and Communications	14
Capital Market Regulations	12
Strategy and Planning	9
Shareholder Structure Analysis	8
Stock Market Analysis	8
Financial Models and Evaluation	7

Only 2 of members has IR certified staff and one of the Exchanges has already planned to deploy it.

# IR Communication and Marketing

No.	Communications Channels	MCDR	PEX	ATHEX	BVB	CSE	DSE	EGX	IFB	ISX	KASE	MSM	ASE	TSE	AMX	UZSE	Scot	total	Percentage
1	The Company's history and information are available on its official website.	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1	15	94%
2	The Company's Annual report reflects its performance, operating environment and financial condition.	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1	15	94%
3	The company's website is available in English	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1	15	94%
4	The company has Press Meeting periodically to announce the latest updates.	1	1	0	1	1	1	1	1	1	1	1	1	1	0	1	1	14	88%
5	The Company publishes Annual Report publicly.	1	1	1	1	1	1	1	1	0	1	1	1	1	0	1	1	14	88%
6	The Company publishes Annual statistics publicly.	0	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1	14	88%
7	The Company's Mission has been published on its official website.	1	1	0	1	0	1	1	1	0	1	1	1	1	1	1	1	13	81%
8	The Company's Values has been published on its official website.	1	1	0	1	0	1	1	1	0	1	1	1	1	1	1	1	13	81%
9	The Company uses Social Media to interact with investors such as LinkedIn, Twitter, Facebook, Instagram, etc.	0	0	0	1	0	1	1	1	1	1	1	1	1	1	1	1	12	75%
10	Company's speaker (CEO, CFO, CTO or other C-Level officials) talks about company's achievements and plans on Radio or TV periodically.	0	1	1	0	0	1	1	1	1	1	1	1	1	0	1	1	12	75%
11	Company's speaker (CEO, CFO, CTO or other C-Level officials) have Q&A sessions for Investors, Media and Market analysts periodically.	1	1	0	1	0	0	1	1	1	1	1	1	1	0	1	1	12	75%
12	The Company publishes its Financial Statements publicly.	0	1	1	1	1	0	0	1	0	1	1	1	1	1	1	1	12	75%
13	The Annual Report is available in English.	1	1	1	1	1	0	1	0	0	1	1	1	1	0	1	1	12	75%
14	The Company has a especial speaker to talk to the Media and Press.	1	0	0	1	1	1	1	0	0	1	0	1	1	1	1	1	11	69%
15	The company has a formal Disclosure Policy.	0	1	0	1	0	1	1	1	0	1	1	1	1	1	0	1	11	69%
16	The Company's Strategy (Strategic Plan) is available on its official website.	1	1	0	1	0	0	1	1	0	1	0	1	1	1	1	1	11	69%
17	There is a special place on company's website to receive visitors' comments and inquiries.	1	0	0	1	1	1	1	1	0	1	1	1	1	0	0	1	11	69%
18	The Company introduces contact person on website.	1	1	0	1	0	1	0	0	0	1	0	1	1	1	1	1	10	63%
19	The company publishes Financial Statements based on IFRS.	0	1	1	1	1	1	0	0	0	1	1	1	0	0	0	1	9	56%
20	There is an IR section on Company's Official Website.	1	1	1	1	0	0	0	0	0	1	0	0	1	0	1	1	8	50%
21	There is a calendar(timetable) for all press meetings and other events for announcing Company's updates on the website.	0	0	0	1	0	1	1	0	0	1	1	1	1	0	0	1	8	50%
22	The Company has a Specific website (a separate domain) regarding Investor Relations.	0	0	0	0	0	1	1	1	1	0	0	1	0	0	0	1	6	38%
23	The Company Management team runs Teleconference for disclosing updates and Q& Session for Investors, Media and Analysts periodically.	0	0	1	1	1	0	0	0	0	0	1	0	1	0	0	1	6	38%
24	HTML-based Annual Report is available on Company's official Website.	0	0	0	0	1	0	0	1	0	0	1	0	1	0	0	1	5	31%
25	The company holds especial Investor Day.	0	0	0	1	0	0	0	0	0	0	1	0	0	0	0	1	3	19%

Continued table



# IR KPIs

Investor Relation KPIs	1	2	3	4	5	Total Score
Changes in investors' perceptions and their understanding of the company	3	0	1	1	10	60
Share liquidity	1	2	2	2	8	59
Shareholder and analyst opinion of investor relations	2	1	2	2	8	58
Quality of investor meetings	3	1	1	3	7	55
Number of new investors	2	2	1	4	6	55
New analyst coverage attributable to IR efforts	2	2	4	4	3	49
Geographic mix of ownership	4	3	3	3	2	41

# Membership in IR Societies

Title ▼	Membership ▼	Which IR Society ▼
BVB	Yes	Romanian IR Association
ISX	Yes	Iraqi Accounting Standard Board
MSM	Yes	MEIRA
PEX	Yes	Middle East IR Association
SCOT	Yes	The Scottish Stock Exchange intends to become a member of the UK Investor Relations Society
Athex	No	
ASE	No	
AMX	No	
CSE	No	
EGX	No	
IFB	No	
KASE	No	
MCDR	No	
TSE	No	
UZSE	No	
DSE	No	

# IR Regulation and Guideline for listed companies

- ▶ 43% have no framework or regulation.

No.	Title	IR guideline or Framework
1	KASE	Yes, Have ESG criteria reporting recommendations
2	IFB	Yes, will be announced soon.
3	MCDR	Yes
4	CSE	Yes
5	EGX	Yes
6	SCOT	Yes
7	TSE	Yes
8	PEX	Yes
9	BVB	Yes
10	Athex	No
11	ASE	No
12	ISX	No
13	UZSE	No
14	AMX	No
15	MSM	-
16	DSE	-

# Pre-IPO IR training for Listed Companies

- ▶ 60% of the fellow Exchanges (9 out of 15) conduct pre-IPO training for companies focusing on Disclosure and Investor Relations requirement.

No.	Title	IR training before IPO	Training Content
1	MCDR	Yes	Regular sessions with IR representatives for discussions about disclosure requirements, any new rules and practices, brainstorming for enhancing disclosure and IR practices
2	EGX	Yes	Listing and disclosures
3	KASE	Yes	Effective IR-system and KASE ; The role and place of the IR service in the company ; IR: effective communication with investors ; The specifics of communications in preparation for IPO and post-IPO
4	MSM	Yes	Importance of IR, Compliance Procedures to the IR Circular
5	SCOT	Yes	The exchange will provide support through its Genesis programme through which it will educate a company in expectations of its investor relations and stewardship. Those issuers who list without accessing the Genesis programme will have to show compliance with the Rules and Guidance, compliance to be confirmed by admissions panel(s).
6	IFB	Yes	Disclosures Requirement
7	TSE	Yes	It includes standards to be a listed company , accurate disclosure,fair price discovery.
8	PEX	Yes	The company is introduced to IR and PEX disclosure requirements
9	ASE	Yes	An "Investor Relation" event in cooperation with Bloombergcontaining IR introduction (tools and best practices) and Q&A session.
10	BVB	Yes	Mainly on Type and quality of disclosure reports
11	CSE	No	-
12	Athex	No	
13	DSE	No	
14	ISX	No	
15	UZSE	No	
16	AMX	No	

# IR Awards

- Five Members have IR awards. Two of them are planning to Launch it and other nine doesn't have any plan.

No.	Title	IR Award
1	KASE	Yes, There are Information Disclosure Rewards.
2	SCOT	Yes
3	TSE	Yes
4	Athex	Yes
5	BVB	Yes
6	IFB	We are planning to launch it.
7	MSM	We Are Planning to Have one
8	MCDR	No
9	CSE	No
10	EGX	No
11	PEX	No
12	ASE	No
13	ISX	No
14	UZSE	No
15	AMX	No
16	DSE	-

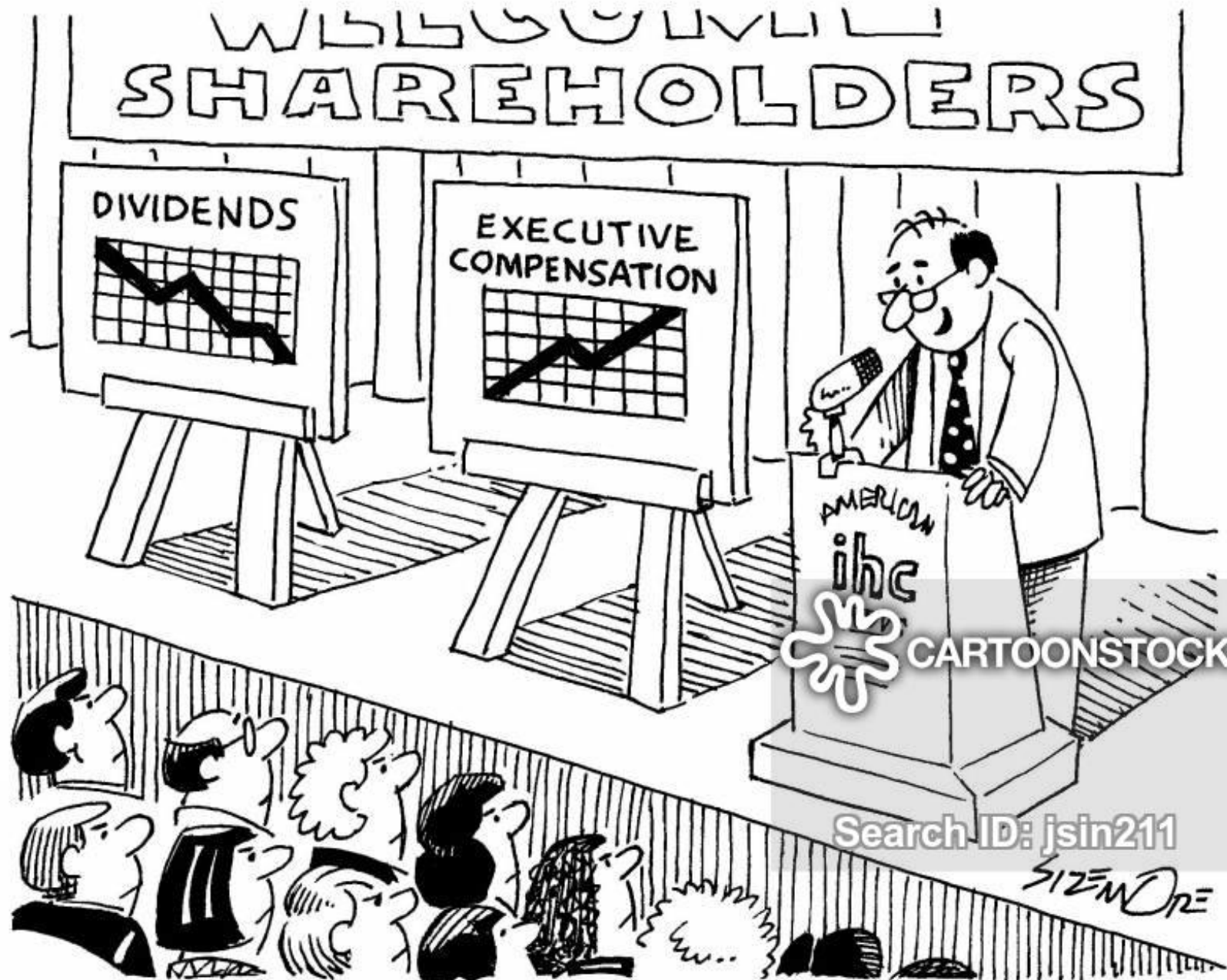
## Next steps....

- ▶ Current Governance Documents
- ▶ Go Digital
- ▶ Share the Experiences



## Next steps....

- ▶ Partnership with IR related Associations
- ▶ FEAS IR Awards
- ▶ Update the survey every 2 years



"As you know, ladies and gentlemen, charity begins at home."

The background features abstract, overlapping geometric shapes in various shades of blue, ranging from light sky blue to deep navy blue. These shapes are primarily located on the right side of the image, creating a modern, dynamic feel. The rest of the background is a solid, very light blue.

# THANK YOU!

Iran Fara Bourse