

The background of the entire image is a photograph of a conference. In the foreground, the backs of several audience members' heads are visible as they sit in rows. In the background, a man in a dark suit and tie is standing on a stage, gesturing with his right hand while speaking. Behind him is a large, bright projection screen. The overall lighting is warm and professional.

Capital Markets Day: Strategies and Best Practices

DIRK Conference 2024 1-2 July 2024



EURONEXT
CORPORATE SERVICES

DIRK

Panelists



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Advisory & IR Solutions
DACH



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Brief introduction



Who we are

- Euronext: Leading pan-European market infrastructure, since 2000
- **Euronext Corporate Services** launched in 2016: New and efficient tools for companies to address main capital market challenges
- Today, Euronext Corporate Services offers **innovative solutions** and **tailor-made advisory services** in the fields of **investor relations & communication, compliance and governance** to a broad range organizations throughout the world

INVESTOR RELATIONS & COMMUNICATION

Better understand, engage with your investors and improve your visibility

COMPLIANCE

Automate your compliance with easy digital tools

GOVERNANCE

Secure and streamline your governance



Our expertise

4500+

Organizations already working with Euronext Corporate Services, of which 1,100+ are listed companies

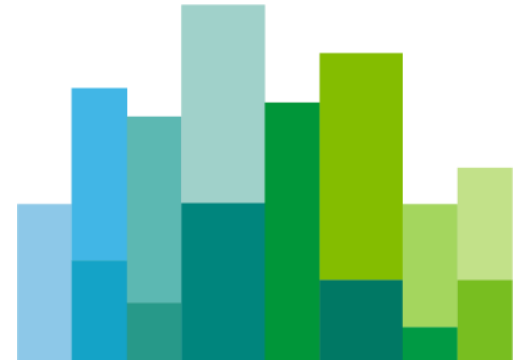
170+

Professionals at Euronext Corporate Services supporting companies

30+

Countries where Euronext Corporate Services serves clients

Recent CMD research



CMD: key IR communication event

Capital Markets Day (CMD):

- **Pivotal event for listed companies**, offering a platform to communicate strategy, performance, and prospects directly to investors, analysts, and stakeholders
- **Careful preparation and execution** of a CMD are crucial as there is both significant **opportunities and risks**:



Opportunities

- Investor Confidence
- Share Price Performance and Volumes
- Stakeholder Engagement
- Competitive Advantage

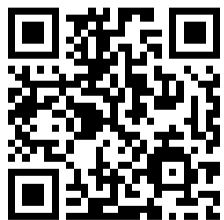


Risks

- Miscommunication
- Market Volatility
- Competitive Response



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Have you ever run a CMD in your company?

Yes



76%

No, but we are considering



22%

No, and we have no intention to do so



2%

Methodology used for analysis

What we consider as a CMD

- A CMD is an **event typically hosted by a publicly traded company to provide investors, analysts, and other stakeholders with detailed insights into the company's strategy, operations, financial & extra-financial performance, and outlook.**

Scope and timeframe of our analysis

- We analyzed **164 listed companies in Germany, Italy, France, the Netherlands and Belgium**, comprising the **DAX 40** (40), **FTSE MIB** (40), **CAC 40** (40), **AEX** (25), and **BEL 20** (19*) indexes.
- We used various sources for data, from documents on the company websites to publicly available data from providers.
- The timeframe considered begins on **April 1, 2023, and ends on March 31, 2024** (12 months).
- Their **market capitalization ranged from €2.6 billion to €234 billion.**
- **Various indicators have been considered**, including market capitalization, sector, logistical aspects, and content.



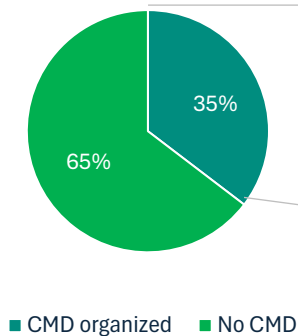
It is important to consider that this study focuses on the most relevant companies across several European indexes.

An interesting possible improvement for a future study could be a focus on smaller capitalization companies' (for instance including in the study the MDAX, the SBF 120 and the FTSE Italia Mid Cap) behavior across Europe in the same geographies. The purpose would be to gather a deeper understanding of differences in organization and scopes of CMDs between large cap and the rest of listed companies.

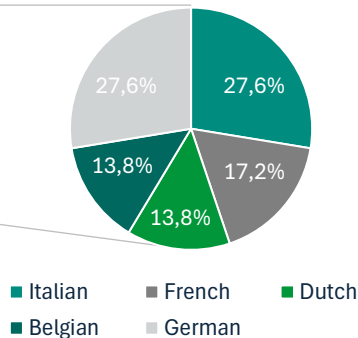
Which companies organized a CMD?

- **CMD split:** Out of 164 companies, **58 conducted a CMD**, accounting for **35%**
- **Country split:** Within this 35%, 16 companies are **Italian (27.6%)**, 16 are **German (27.6%)**, 10 are **French (17.2%)**, 8 are **Dutch (13.8%)**, and 8 are **Belgian (13.8%)**
- **Index split:** **FTSE MIB and DAX 40** constituents were the companies that organized the most CMDs (40%)

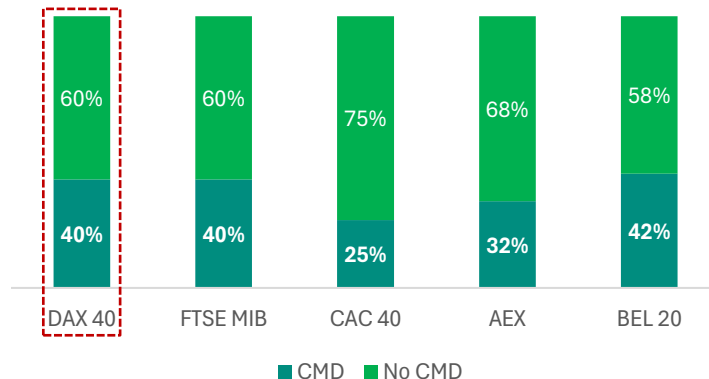
CMD SPLIT



COUNTRY SPLIT



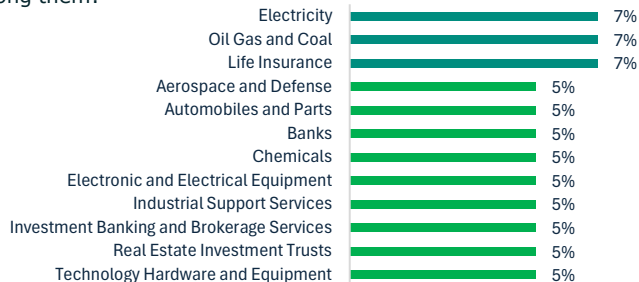
INDEX SPLIT



Characteristics of companies and timing of the CMD

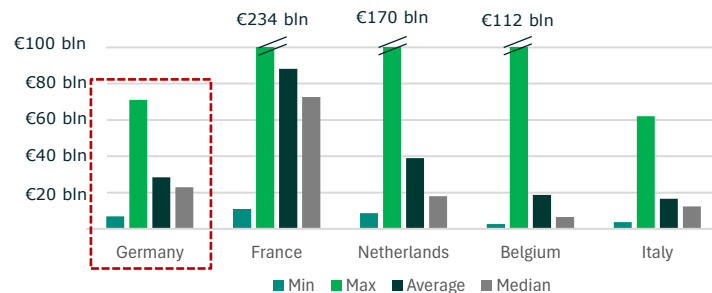
MOST REPRESENTED SECTORS

Out of the 58 CMDs, 26 different sectors were represented
Among them:



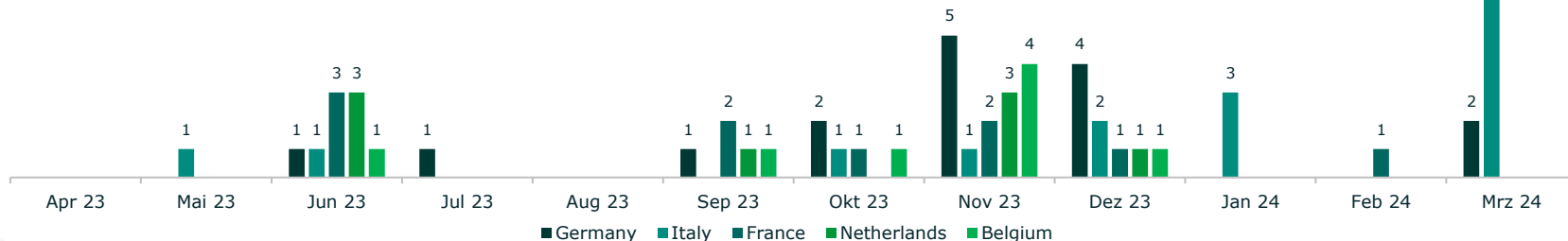
MARKET CAPITALIZATION

Split per country



TIMING

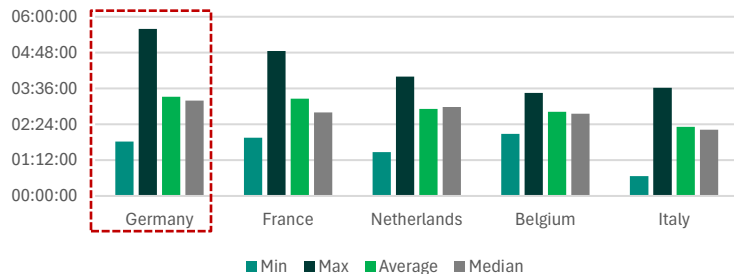
Number of CMDs organized per month (per country)



Logistical and organizational aspects

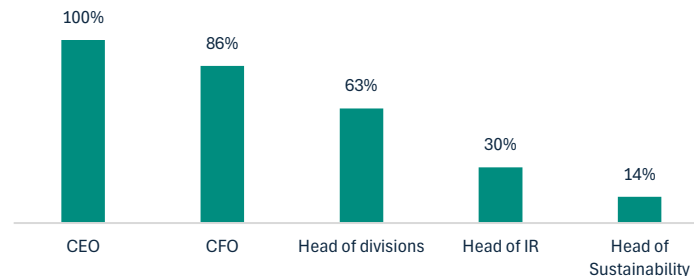
EVENT LENGTH

In hours, 49 CMDs are considered, as 9 did not have a recording available

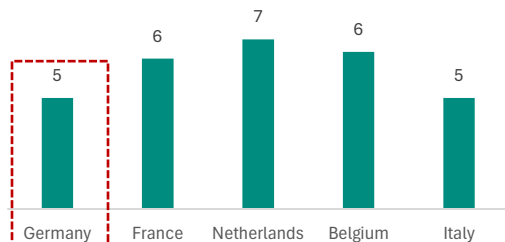


SPEAKER PROFILE

% of times each category spoke (out of 56* events)

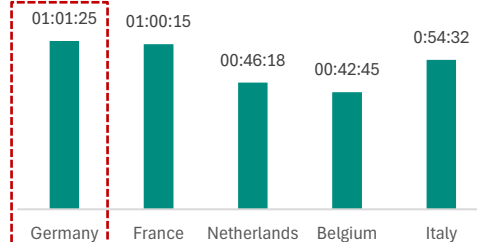


AVERAGE # OF SPEAKERS PER EVENT



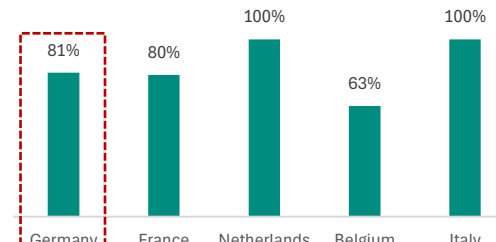
Q&A AVERAGE LENGTH

In hours, out of 58 CMDs, 50 did a Q&A (86%)



WEBCAST

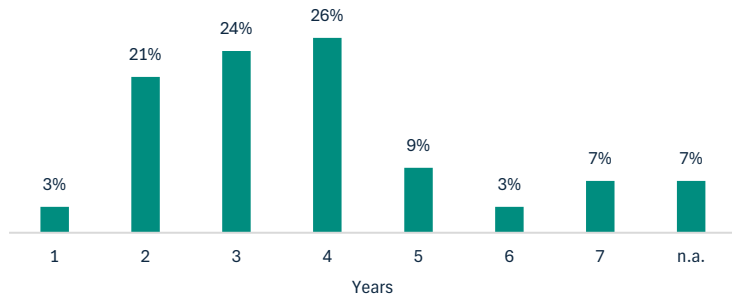
% of CMDs with video available



CMD content overview

LENGTH OF THE BUSINESS PLAN

% out of all CMDs



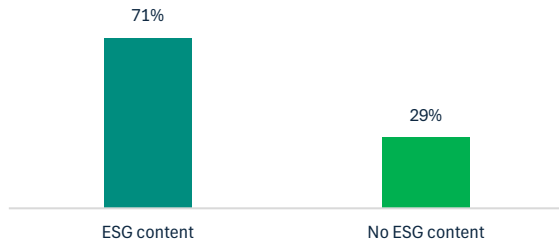
MOST RECURRING TOPICS

Agenda structure (out of all 58 CMDs)



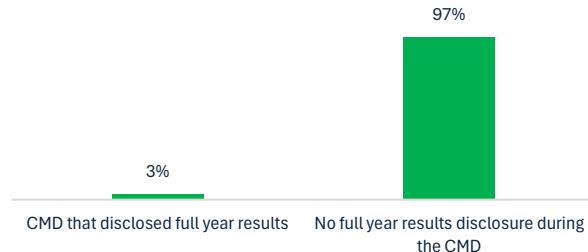
DEDICATED ESG SECTION/CONTENT

% out of all CMDs



COMBINATION WITH END-YEAR RESULTS PRESENTATION

% out of all CMDs



Conclusions and main results

Main results to be noticed

- **35%** of the listed companies analyzed **organized a CMD**, covering **26 different sectors**. Among companies organizing a CMD, German companies are the most active ones together with Italian ones.
- Among those, **27.6% were German, 27.6% were Italian, 17.2% were French, 13.8% were Dutch and 13.8% were Belgian**.
- No CMDs were **organized in April and August 2023**. German companies seem to have a preference for the period October – December in which 11 CMDs were performed.
- The event usually lasts between **2 hours and 30 minutes to 3 hours** (including a Q&A session).
- The German average CMD includes 5 speakers with the longest average Q&A section (approx. 1 hour) with 4/5 of the companies delivering a webcast of the event.
- Most of the business plans cover the **upcoming 2 to 4 years**.
- **71%** of the CMDs specifically addressed **sustainability topics** in the presentation.
- It is not a common practice to link the CMD event with disclosure of full year financial results.



In conclusion, a well-planned and effectively executed CMD is relevant for listed companies to **enhance investor confidence, drive shareholder value, and strengthen stakeholder relationships**.

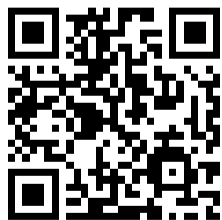
However, it is imperative to **mitigate risks by ensuring clear communication, regulatory compliance, and strategic alignment with long-term objectives**. By **leveraging the opportunities and managing the risks** associated with a CMD, companies can position themselves for sustainable growth and success in the capital markets.

CMD best practices





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Which format did you choose for your CMD?

Physical



Hybrid



Virtual



Engaging with the financial community

Best practices for a CMD

Purpose: Objectives and Timing



- **Recent developments**, e.g. market landscape, shifts within the sector, leadership transitions, product launches, **can have an impact**.
- **Timing is crucial**.
- Provide investors with **early notification** of pertinent information.
- **Consistency is paramount**, whether the CMD occurs **annually** or **every two to three years**.
- Is there an opportunity to **integrate the event with the presentation of annual results**?

Format: Virtual, Physical, or Hybrid?



- **Objective dictates the format**.
- **Fostering interactivity and engagement by** utilizing streaming technology allows for broader outreach and provides the added benefit of offering replays on the company website.
- **Employing live Q&A tools and webcasts** ensures parity in the quality of engagement for both in-person and online attendees.
- **Enhancing the in-person experience** can serve as an incentive for attendance. Opportunities such as face-to-face interactions, site visits, or booths showcasing products.

Engaging with the financial community

Best practices for a CMD

Content: Stay Focused



- CMDs are structured around a **strategic focus encompassing various facets**.
- Actively **involve the leadership team** to ensure the integrity and effectiveness of the content.
- **Transparency** is paramount throughout the proceedings, requiring presentations from department heads, country heads, and other relevant stakeholders.
- Assemble all leaders on stage for the closing segment and the ensuing **Q&A session**.

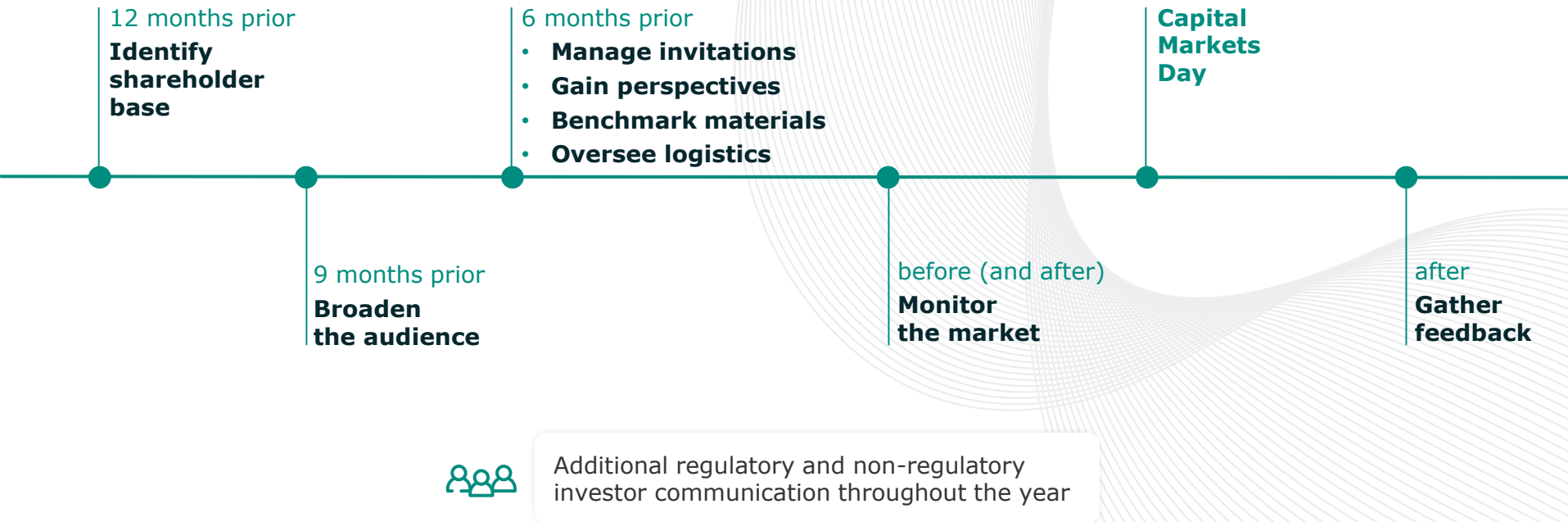
Communication: Inclusion of CMD within the annual program



- It is essential to recognize that the CMD is fundamentally an **integral component of the IR and communication strategy** of the company.
- The CMD serves as a **catalyst for subsequent engagements with investors**, facilitating the exchange of feedback and insights.
- A **CMD scheduled within the annual agenda** of investors streamlines messaging and sequencing management.

Organizing the CMD

Steps to success: Defining the list of attendees and their expectations

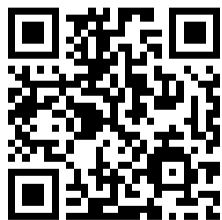


Aside: MiKaDiv reporting





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Have you already made yourself familiar with the MiKaDiv regulation?

No, and I have no idea what MiKaDiv is



Yes



No, but I have already heard about it

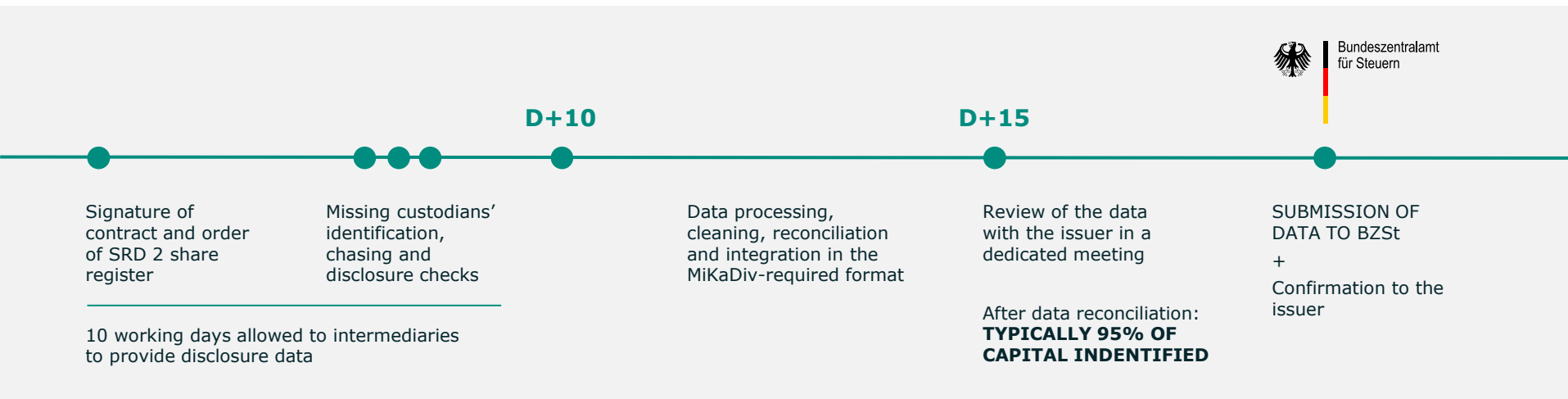


New reporting regulation from January 2025

- In order to prevent abuse in the taxation of dividends, new German regulation was put in place which requires issuers to **submit shareholder identification information** as of the time of their profit distribution resolution (= AGM date) **to** the German Federal Central Tax Office (Bundeszentralamt für Steuern, **BZSt**), effective from January 2025.
- The respective data submission provisions are covered in a procedural document called Notification Process Capital Gains Tax on Dividends and Deposit Receipts (Mitteilungsverfahren Kapitalertragsteuer auf Dividenden und Hinterlegungsscheine, in short: **MiKaDiv**).
- **Who is affected?**
German issuers listed on a regulated market within the EU.
- **When does the data need to be reported?**
Based on SRD II shareholder identification as of the AGM date, respective information needs to be submitted to BZSt once received by the service provider.
- **What exact data needs to be reported?**
The properly checked shareholder identification information needs to be submitted in accordance with section 93c of the German Fiscal Code (Abgabenordnung, AO), respective additional shareholder information not contained in the SRD II-based shareholder identification needs to be inserted into the report by the issuer, provided that doing so is within "reasonable effort".
- **How does the data need to be reported?**
Via an electronic mass distribution process called ELMA which requires pre-registration with BZSt.

Smooth & reliable MiKaDiv report submission

With extensive experience in SRD II shareholder identification / analysis, pre-registration for ELMA data submission to BZSt already in place and upcoming test data submissions **Euronext Corporate Services ensures smooth & reliable MiKaDiv report submission to BZSt** on the issuer's behalf



Opportunity for issuers to **leverage regulatory requirements to know** their **shareholders and to engage** proactively



Q&A



**Thank you
for having participated in this session**



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