SESSION OVERVIEW
This session helped members understand and shape how sustainability can feature in Capital Market Days and Investor Roadshows.

Participants explored the evolving role of investor relations in light of sustainability considerations; how sustainability teams and finance functions, including the CFO office and investor relations, can collaborate in communicating sustainability-related information to investors; and how to manage the practicalities of investor engagement and events with respect to sustainability.

KEY TAKEAWAYS
• Stakeholder engagement is pivotal for a company to remain competitive. It is particularly important to guide investors and engage with them directly. Investors need guidance through direct meetings, ESG-focused capital markets presentations, etc., on the ESG data disclosed and the corporate context to receive information that is useful in their decision-making. Direct engagement also enables a company to understand what kind of information an investor would find helpful to drive their decision-making.

• Reporting ESG data following an internationally recognized framework enhances comparability between and within the sector. However, companies are also using bespoke qualitative information and their own bespoke suite of materiality indicators alongside standardized ESG data to give their investors a comprehensive view of the context a company operates in. For example, sharing the company’s purpose helps build out the narrative of ESG disclosure, “why” the company exists and further context as to how it’s tackling key sustainability imperatives.

• Investors are not a homogeneous group (e.g., active investors, passive investors, quants investors, etc.), and they have different focuses and strategies. But overall, investors want to understand a company’s context (purpose, sector context), materiality (link between sustainability exposures and key value drivers of the business), engagement (how to build a relationship with the company) and gloss (a shiny overview to show their clients).

• ESG rating companies should also be subjected to standardization in their metrics and methodologies, as sometimes they are not disclosed nor explained.

• Every level of the company should be able to answer questions from investors, and this is determined by the corporate culture.

GET IN TOUCH
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