



# Leading the IR field in Europe

- BASF and RWE win top prizes at Europe Awards
- UK companies secure most top nominations with 41
- German firms take highest number of awards

BY CLARE HARRISON

**T**he IR Magazine Europe Awards 2010 honored the best IR in Europe at a gala event at London's Hilton Hotel in June.

of the old contacts from my IR role but I'm already missing the day-to-day contact. I have a different audience now – real customers and politicians, for instance, so it's a completely new target group in the utility universe. That's exactly what I was looking for, however: a new challenge.



**'Spend time on the IR team'**  
Ingo Alphéus, RWE

**RWE**

After 10 years as head of IR at German power firm RWE, Ingo Alphéus was awarded best IRO at a large-cap company. He now chairs RWE's management board.

**Are you going to miss the contact with investors?**

I'm sure I'll stay in touch with some

**What's your advice for other people looking to develop a successful IR team?**

The most important point is to spend a lot of time developing the team, choosing the right people and letting them act independently. Don't try to be number one all the time. My successors were ready to take over as soon as I left, which is what I was hoping for.

**What investors and analysts said about Ingo Alphéus**

*'Ingo Alphéus deserves to be nominated and to win. For 10 years he has been an excellent head of IR.'*  
*'Plain speaking from RWE's IRO. He is prepared to answer questions with a noted lack of avoidance.'*

**BASF**

Magdalena Moll, head of IR at BASF, spoke to *IR magazine* after winning the grand prix for best overall IR by a large-cap company.

**How do you measure your performance at BASF?**

As a chemicals company, we are very performance-

oriented and use various criteria. At the end of the year I sit down with my boss Jürgen Hambrecht [chairman of the board at BASF], who reviews our activities and then assesses our work.

### Do you prefer quantitative or qualitative metrics?

It's a combination of the two. Basically we look at the content of our communication and messaging. We also look at how we segment our investors and how many investors we see per year, and use the more qualitative measures such as perception studies.

### What's it like managing IR with a big team?

We have 12 people in the team. As a company, we have 14 divisions and each is as large as an MDAX company, so we have more than €50 bn (\$64 bn) in sales. Our task is to collect and gather lots of information from the various divisions so I have selected specialists for individual segments such as plastics or agriculture solutions or oil and gas, and they are very closely networked with people in the operations.

### Do you have lots of analysts to deal with?

We have around 30 analysts who follow us so we split the task: we have five IROs who speak to analysts and they each handle between five and seven people. We try to work closely with analysts during our roadshows and we also meet them on a one-on-one basis, either for lunch or for dinner. Then you can have a more detailed or personal conversation.

### What is your advice for other people wanting to win this award next year?

I'm very proud to win this award – it's the third large award we've won this year. I think the success factors are threefold: first, we have a very good communications strategy in terms of defining which messages we have to communicate and how we communicate them to our various target groups. Second, I think we have a comprehensive and innovative communication toolbox, ranging from capital market stories to fact books, the website and other tools.

Third, I think it's about having a diverse team. Our members are from different countries in Europe and we have someone new joining from Asia. We have



'It's about team diversity'  
Magdalena Moll, BASF

## Europe Awards 2010 winners

Grand prix for best overall investor relations – large cap: BASF

Grand prix for best overall investor relations – small or mid-cap: Lanxess

Grand prix for best overall investor relations – company on a small-cap exchange: Cpl

Best investor relations officer – large cap: Ingo Alphéus, RWE

Best investor relations officer – small or mid-cap: João Vermelho, Mota-Engil

Best investor relations by a CEO – large cap: Paul Polman, Unilever

Best investor relations by a CEO – small or mid-cap: Luís Palha da Silva, Jerónimo Martins

Best investor relations by a CFO – large cap: Stephan Gemkow, Deutsche Lufthansa

Best investor relations by a CFO – small or mid-cap: Huub van Rozendaal, Sligro Food Group

Best analyst/investor meetings – large cap: Telefónica

Best analyst/investor meetings – small or mid-cap: Serco Group

Best corporate literature: RWE

Best use of technology: Nestlé

Best corporate governance and disclosure policy: Nestlé

Best investor relations during a corporate transaction: Cadbury (acquisition by Kraft Foods)

Best practice of corporate social responsibility: Novo Nordisk

physicists, chemists and business administration experts, split approximately 50/50 male/female.

**What investors and analysts said about BASF**

*'IR from BASF is big and bold: an informative annual report, excellent quarterly presentations... and a formidable investor relations team.'*  
*'Overall, BASF has the best IR because of its excellent team and the frequent presentations. Head of IR Magdalena Moll is tirelessly diligent – the results information is complete and the message consistent.'*

**Cpl**

Josephine Tierney is finance director at recruitment firm Cpl, which won the award for best IR by a company on a small-cap exchange.

**Where are most of your investors located?**

They're a mix from Ireland, the UK and mainland Europe. It's changing; it always changes depending on how the market evolves and how our market cap develops, but I think it's a spread.

**What's the most important issue for finance directors who do investor relations?**

Get to know your industry, know it well and be honest. It's important to tell people about the negatives as well as the positives; you need to

educate. It's not all about trying to sell a story that people might not believe. I think belief is everything.

**How much time do you spend with investors?**

It depends. We try to be as available as investors want. I've come to know a lot of the guys so I encourage them to call me directly if they need to talk. I always want them to feel there's an open door. I hate the idea of them wondering and worrying so if they need to ask questions, we encourage them to do so. It really depends on what's happening in the industry.

**What investors and analysts said about Cpl**

*'The website is useful and the all-round communications are good. With CEO Anne Heraty at the helm, the messages from Cpl are always clear.'* ■

**Pirelli's progress**

The RWEs, BASFs and Cpls of this world have been doing well in the awards research for many years now. By contrast, Italian tire maker Pirelli has scarcely featured. In 2010, however, Pirelli won the award for best Italian company IR; ran second to Daimler in the automobiles and parts sector award; did well in best use of technology; and made an impressive appearance in the grand prix for small and mid-caps.

So what's caused the change? The answer is the arrival of IRO Valeria Leone at the end of 2008. She has certainly made her mark, especially by increasing the IR effort beyond Italy's borders, including in the US, and emphasizing Pirelli's appeal to socially responsible investors, achieving inclusion in the FTSE4Good Index, among others. And the list of analysts covering the stock now numbers 21 – impressive for an Italian company with revenues of €4.5 bn (\$5.8 bn) last year.

As one investor said: 'Pirelli's approach to IR is proactive and dynamic –it endeavors to understand what the market wants and then provide it.'

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