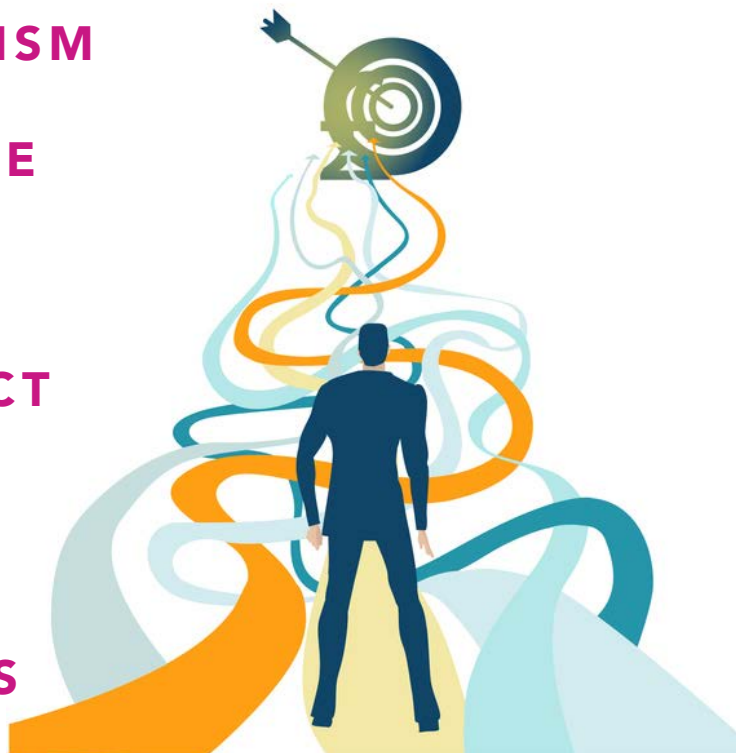


SHAREHOLDER ACTIVISM IN THE AI ERA



SHAREHOLDER ACTIVISM

SHAREHOLDER ACTIVISM IS BECOMING AN INCREASINGLY VISIBLE FEATURE OF GLOBAL EQUITY MARKETS AS MARKET VOLATILITY CONTINUES TO IMPACT MANY COMPANY SHARE PRICES, AND SHAREHOLDER EXPECTATIONS AND SCRUTINY CONTINUES TO INCREASE.



The current macroeconomic landscape, characterised by geopolitical tensions, higher inflation rates, and the threat of a global recession, has created an environment conducive to investor discontent as institutional and retail shareholders take a closer look at company strategies and balance sheets.

As shareholder activism continues to grow in prominence and evolve, activists' strategies are becoming increasingly sophisticated and multi-channel. The rise of AI technology and social media platforms has provided investors with new tools and tactics and a broad range of platforms to launch targeted campaigns and amplify their activist goals.

Whilst the emergence of special purpose acquisition companies (SPACs) and stock trading apps have given retail investors a greater say in business operations and influence over the direction of a company's strategy and management.

SEC Newgate understands the significance of navigating this complex landscape while protecting your company's reputation, shareholder value, and long-term growth. We work hand-in-hand with clients to prepare the company for potential activist engagement.

Through utilising its knowledge and experience in financial communications, media relations, investor relations, and corporate governance advisory, we help clients implement effective communication strategies to mitigate risks.

Our Activism experience is international, ideally positioning us to advise global business leaders.

HOW WE CAN HELP



SITUATION ASSESSMENT:

SEC Newgate works with clients to conduct a thorough assessment of its current business model, including analysing its shareholder base, identifying potential activist shareholders, and evaluating the vulnerabilities and strengths of its corporate governance structure. This assessment enables our senior experts to develop a customised strategy tailored to your specific situation.



STRATEGIC PLANNING AND MESSAGING:

Based on the assessment findings, SEC Newgate will develop a comprehensive roadmap to proactively address any vulnerabilities and effectively manage shareholder activism if it arises.

Our experienced team of financial communicators will craft clear, concise, and persuasive messages that resonate with your target audience, whether it be institutional investors, retail shareholders, or proxy advisory firms, to develop compelling and consistent messaging that aligns with your company's objectives, values, and long-term strategy.



INSIGHTS:

Our digital and insights team can help monitor potential situations and threats, ensuring our clients are one step ahead. They can work with you to understand the characteristics of institutional and retail activist investors in your sector, what motivates them, and the messages they are most like to align with.

From a digital perspective, our team will identify those who talk online about activist investing in relation to your business, and categorise those who are genuinely influential vs. those who make a lot of noise but do not carry serious weight.

The team can monitor all online conversations to ensure you are kept aware of activist activities and strategies when these are communicated on social media, blogs, or discussion forums, or to identify what investors and other online audiences are saying about your organisation in relation to activism and activist shareholders.



IMPLEMENTING DEFENSE CAMPAIGNS:

In the event of an activist threat, SEC Newgate will work closely with its company and its financial advisors, to implement an appropriate defence campaign to navigate and overcome the activists' threats.

SEC Newgate has advised on many high-profile activist situations.

ENGAGEMENT WITH AN ACTIVIST SHAREHOLDER TARGETING A FTSE 250 PENSION SCHEME

BACKGROUND

We worked with a FTSE 250 pension scheme when an activist shareholder targeted one of its sponsor companies. The shareholder's aim was to disband the sponsor company, with parts of the business sold and the UK 'rump' retained and restructured.

Our client, the trustee, was deeply concerned by the proposal as its future funding and the covenant guarantee offered by the sponsor company, was based on its value as an international group, not as a considerably reduced UK operation.

ACTIONS

We worked closely with our client to monitor all relevant social media, media, and political groups who were taking an interest in the situation, offering those individuals background briefings to ensure they were aware of the concerns of the pension scheme.

We also provided background briefings to the media to ensure they had a comprehensive picture of the situation, alongside the development of concise reactive media statements for publication at points when the activist shareholder started to announce fresh demands on the company.

RESULT

While the activist shareholder succeeded in some of its aims, including an overall restructuring of the Company and a change in some of the Executive Team, the activist shareholder's demands to sell large parts of the business did not succeed.

CONTROLLING THE NARRATIVE AROUND POPULAR FMCG BRAND DIVESTING CORE DIVISION

BACKGROUND

Our client, a popular FMCG brand, was in the process of divesting one of its divisions. Part of the division was sold, and part was going to be closed-down due to changed business models.

The client occupied a large, locally significant site in a major UK city and the proposed move would lead to several hundred job losses in the area.

ACTIONS

We worked with the client to prepare a comprehensive communications and statements for all staff members, scripts for the management town hall meetings, communications plan for the unions, briefing plans and letters to MPs and local councillors, media statements, and FAQs and a statement to be placed on owned and social media.

We fully prepared the management team for the announcement and subsequent reaction, including media training sessions and mock interviews, filmed with a former BBC journalist.

On the day of the announcement, we had a team of SEC Newgate experts on-site to manage media enquiries. We managed staff, union and political briefings and to manage media announcements and 'door-stepping' interviews with journalists.

We then managed the planned closure process communications including briefing trade media to ensure that the commercial rationale behind the decision was understood by all parties and not seen as a sign of weakness within the wider holding company.

We then crafted concise messaging and narrative around the client's company Annual Results to ensure that all stakeholders, including investors, and the City media understood the rationale for the closure.

RESULT

While the closure attracted significant local media attention and a small amount of national attention, it was broadly received in a balanced way with the rationale for the closure clearly outlined in the majority of articles.



PROPOSED RECAPITALISATION OF BRITISH TRAVEL OPERATOR

BACKGROUND

We worked with one of our clients, a multinational leisure tourism resorts group, during its discussions with a British travel operator over a recapitalisation package in exchange for a significant controlling stake in the group.

ACTIONS

We worked with our client to ensure that the media narrative around the proposed recapitalisation was aligned with the Company's core investment strategy, to ensure the continued support of current investors.

This included working with the company and its other advisors to develop a detailed communications strategy and to prepare for a range of scenarios.

Once the deal was announced publicly, we worked continuously to ensure the agreed messaging was consistently portrayed in all media articles and that any inaccuracies were immediately corrected.

RESULT

Media coverage of the negotiation remained largely accurate as a result of consistent, targeted communication with journalists and strong external messaging. Ultimately the deal did not materialise, however, there was no negative press towards our client at that time. The client then went on to acquire the British travel operator the following year.



ACTIVIST GROUP PRESSURE ON ONE OF AUSTRALIA'S LARGEST RETAILERS

BACKGROUND

In 2012, an activist group initiated a campaign targeting one of Australia's largest retailers to try and force it to exit one of the gaming arms of its hotel group. The activist group requisitioned an EGM to pressure the company on the matter.

ACTIONS

SEC Newgate consultants were engaged to develop a research-backed strategy to mitigate against the social media pressures brought by the activist group and its 700,000 activist members.

RESULT

The strategy developed by SEC Newgate activism specialists resulted in an overwhelming 95% rejection of the activist group's proposal. At the same time, SEC Newgate was able to protect the company's reputation and sought to ensure the issue did not become mainstream.



THE TEAM (UK)



ELISABETH COWELL

Head of Financial Communications

Elisabeth specialises in financial communications and, over the past 16 years, has designed award-winning IPO campaigns and advised on complex transactions.

Since joining SEC Newgate, Elisabeth has focused on building a contemporary, multi-channel financial communications offering which enables clients to effectively engage their investors and potential shareholders in an ever-changing communications landscape. She provides senior counsel to companies in areas such as reputation management, financial communications, media relations and capital markets transactions. She has worked with companies across a range of sectors, with a particular expertise in Energy, Transport & Infrastructure.

Dedicated to providing clients with an exceptional service, she is focused on bringing clarity, energy and understanding to her clients' investment case. Elisabeth is a core point of call for her clients and is well-versed in delivering programmes that solve Boardroom challenges and respond to the individual objectives of her clients.



ALISTAIR KELLIE

Practice Head, Communications

Alistair has over 25 years' experience in corporate positioning and financial communications, advising a wide range of organisations both in the UK and internationally.

Clients have ranged from start-ups, HNWIs, boutiques and family businesses to PE houses, large multinationals, banks and global asset managers, to business advisory firms, industry trade bodies and government departments. Alistair has supported the launch of several businesses, helping to shape and articulate social purpose; he has advised on fundraising strategies, has supported and defended against high profile domestic and cross-border transactions; provided crisis and issues management; advised on rebranding strategies and has led a number of award-winning media and policy campaigns. He is listed in Spears500 as one of the UK's leading reputation managers.

As well as co-leading the Communications Practice, Alistair runs the Pensions Advisory team, which provides strategic consultancy to the Trustee Boards of FTSE100 pension schemes. He started his career in public affairs before moving into corporate and financial communications.

He is a Trustee of the FairLife Foundation, volunteer rugby coach and father of three boys.



MOLLY GRETTON

Senior Consultant, Communications

Molly works as a Senior Consultant, supporting Main Market and AIM-listed businesses to deliver their strategic objectives, as well as helping companies prepare to IPO.

She advises clients on all aspects of their financial communications, including M&A, restructurings, and delivering their financial calendar. Molly works across a range of sectors including consumer, technology, energy and support services.



IAN SILVERA

Associate Director, Communications

Ian has new advised a wide range of high growth, public and established businesses across the technology, media, industrials and other sectors. As a former business and political journalist, he has advised listed companies (FTSE 250, AIM and NASDAQ) as well as private businesses on their strategic, corporate and financial communications.



TOM FLYNN

Head of Digital

Tom Flynn is an experienced digital strategist providing senior-level counsel to UK and international clients across a wide range of organisations in the private, public and charity sectors.

Tom's background is in politics, running digital election campaigns both in the UK and abroad. He specialises in insight-led, data-driven microtargeted online campaigns for a range of audiences including investors, politicians, key stakeholders and the general public. He leads SEC Newgate UK's team of digital and insight specialists, helping clients solve reputational issues, using digital channels to communicate with critical audiences and dealing with (and preventing) crisis situations.

Prior to joining the SEC Newgate group, Tom ran his own digital consultancy business advising MPs, political parties and trade unions on digital strategy and delivery and worked at Labour Party HQ.

A former councillor in the London Borough of Southwark, he stood for Parliament in 2010.

THE TEAM (AUSTRALIA)



BRIAN TYSON

Managing Partner

Brian is the Managing Partner of SEC Newgate Australia and co-founder of SEC Newgate Research. He is also Deputy Chief Executive of SEC Newgate S.p.A, the parent company of SEC Newgate Australia.

In a consulting career spanning two decades, Brian has come to be regarded as one of Australia's leading communications practitioners with expertise in strategic issues management, financial transactions, government relations, media management and community campaigning.

Brian has led several high profile and complex public affairs campaigns and financial transactions in the infrastructure, transport, banking, energy, agriculture, arts, media, and sports sectors.

Brian is a Director of AFL Club the Sydney Swans, the Committee for Sydney, SEC Newgate S.p.A and the Clontarf Foundation, which supports educational opportunities for young Indigenous Australians.

Prior to his career in consultancy, Brian was a political adviser to the Greiner Government in New South Wales. He started his career as a journalist with The Land newspaper.



JO COLLINS

Partner, Communications

Jo has more than 25 years' experience working in media and communications.

Jo works in SEC Newgate's finance and corporate communications practice, providing strategic advice and support to listed companies and large organisations across a range of sectors.

She specialises in day-to-day media and high-stakes issues management. Her crisis and issues management experience includes advising Carnival Australia in relation to the Special Commission of Inquiry into the Ruby Princess, UNSW with respect of an alleged terror incident involving one of its staff members; Ardent Leisure in the immediate aftermath of the Dreamworld theme park tragedy; and Receivers and Managers McGrathNicol on the collapse of Australia's largest childcare provider ABC Learning.

Jo also has experience providing financial calendar support to large ASX companies including Australia's largest brick manufacturer, Brickworks Limited, aged care provider Estia Health and Australia's largest private hospital operator Ramsay Health Care.

Before working as a communications consultant, Jo was a journalist for 14 years primarily with Reuters news agency in Australia, East Timor and Indonesia.

THE TEAM (SINGAPORE)



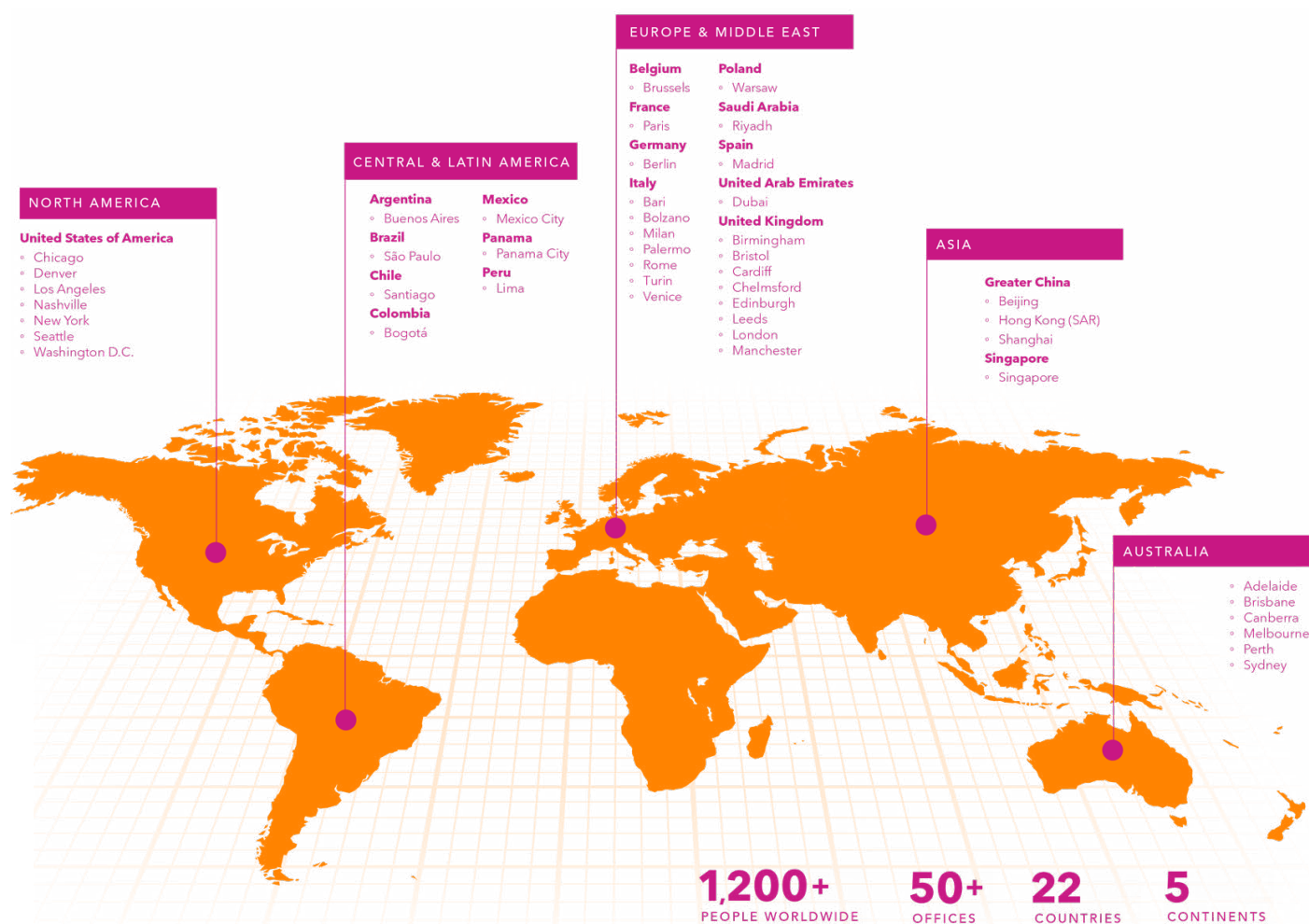
TERRANCE FOO

Managing Partner

Terence established the Singapore office in 2013 and advises clients on communications matters in Singapore and across South East Asia. Moving from banking to public relations in 1999, he has over 20 years of experience in advising on communications strategy, reputation management, issues management, capital markets transactions and crisis communications.

He has worked with a number of clients for almost two decades, and has advised the majority of his clients on multiple projects. He has significant experience particularly in the financial services sector with banking, investment management, private equity and hedge fund clients, as well as in the property sector, with clients across all real estate asset classes.

Terence has an unparalleled track record of advising on successful capital markets transactions, starting with the merger of DBS Land and Pidemco Land to form CapitaLand in 2000, the UOB takeover of OUB in 2001, and the 98 Holdings offer for NatSteel in 2002. His recent experience includes the privatisations of ARA Asset Management, CWT, Global Logistic Properties and SMRT, as well as three of the mergers between Singapore-listed REITs. He has worked on a dozen of the largest SGX IPOs, including the US\$5.5 billion IPO of Hutchison Port Holdings Trust, which remains the largest listing in the history of Singapore.



Communications Agency of the Year

UK Business Green Awards 2023

Shortlisted

Best Banking Communications Campaign

PRCA City & Financial Awards 2023

Shortlisted



PR Agency of the Year

Headlinemoney Awards 2023

Shortlisted

Best Integrated Agency for Corporate and Public Affairs

PR Week CCPA Awards 2023

Shortlisted

Keep up to date with the latest in Shareholder Activism via our e-newsletter - [**sign up here**](#)

If you have any questions on how Shareholder Activism might impact your business, please contact:

[**activism@secnewgate.co.uk**](mailto:activism@secnewgate.co.uk)

[**secnewgate.co.uk**](http://secnewgate.co.uk)

Agency of the Year

Investment Marketing & Innovation Awards 2023

Shortlisted

Best Companies to Work for 2023

The Sunday Times

Best Social Media Campaign

PRCA Digital Awards 2023

Shortlisted

Best Handling of an IPO

PR Week CCPA Awards 2022

Best Use of a Communication Tool in a Campaign

PRCA Digital Awards 2023

Shortlisted

Best IPO Campaign

PRCA City & Financial Awards 2021/2022

Best Use of Video in a Campaign

PRCA Digital Awards 2023

Shortlisted

Best CSR Content

Corporate Content Awards 2022

