

Calling all listed directors and company secretaries – have you considered the FCA's guidance on disseminating information during shareholder calls and meetings?

In its Primary Market Bulletin 52, issued in November 2024, the FCA set out actions which listed companies may wish to consider to mitigate the risk that inside information or misleading statements are disclosed during shareholder calls and meetings.

The FCA notes that the Market Abuse Regulation ("MAR") does not prohibit general discussions between shareholders and management regarding the business and market developments of the company, however it is imperative that the risks of confidential, non-public or price sensitive information being shared in such discussions are effectively managed and mitigated.

It is also worth considering the FCA's comments made in its Primary Market Bulletin 42, in response to market commentary about Sir Christopher Gent being fined for breaching Article 10 of MAR due to disclosing inside information to two of the company's major shareholders.

"we have not seen a written policy or procedure [for handling inside information] that puts the issuer's legal obligations in the context of its day-to-day activities and identifies practical situations/behaviours that create risk".

Next steps:

Does your shareholder engagement plan incorporate the following:

- Avoiding scheduling shareholder calls or making communications during a closed period.
- Arranging for shareholder calls/communications to take place shortly after the publication of market updates to ensure the messaging closely aligns with the announcement.
- Prior to a shareholder call/communication be confident that all inside information has been published and the company is not delaying the disclosure of any inside information.
- At the outset of the shareholder call/meeting ensure it is reiterated that no inside information will be disclosed.
- Try and avoid deviating from the language and tone of previously published statements. Consider preparing a script or notes in advance.
- If the shareholder call/meeting is not being recorded consider making written, contemporaneous notes of what was discussed.

Does your inside information policy put the directors' legal obligations in the context of their day-to-day activities and identifies company specific practical situations and behaviours that could create risk?

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