

# Fundamentals of Investor Relations

January 13-14, 2020 | Newport Beach, CA



# IR SOFT SKILLS FOR SUCCESS

PRACTICAL TOOLS TO  
INCREASE YOUR IMPACT

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# Bio & Objective



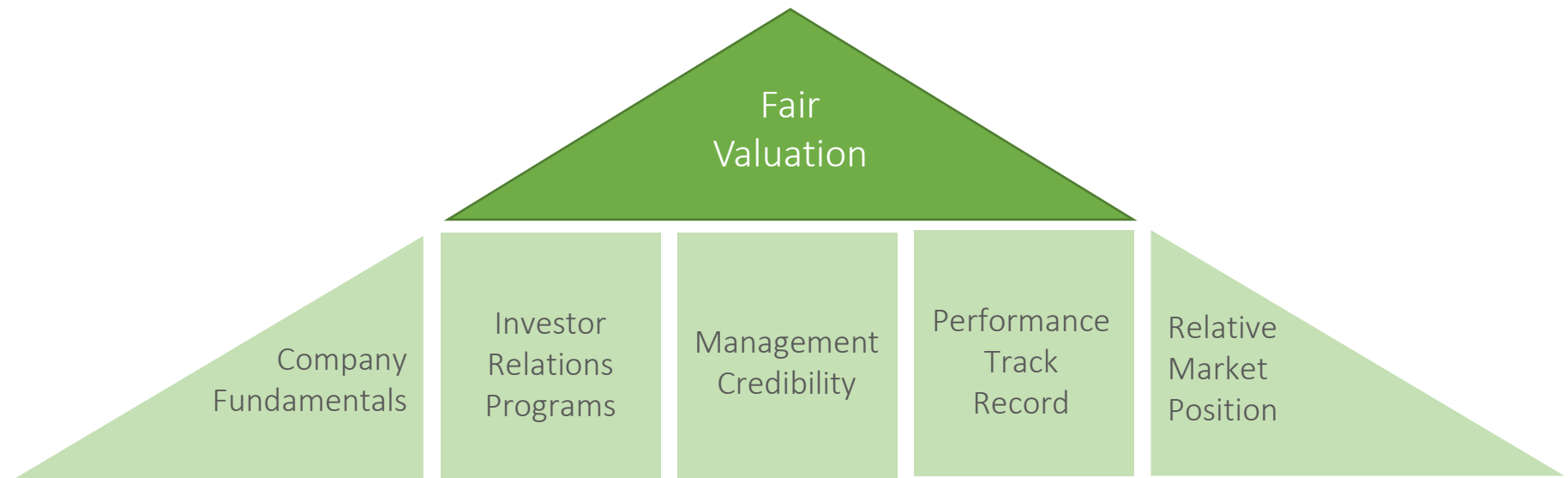
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*20+ years in technology & capital markets; experience as an IRO, portfolio manager & sell-side analyst*

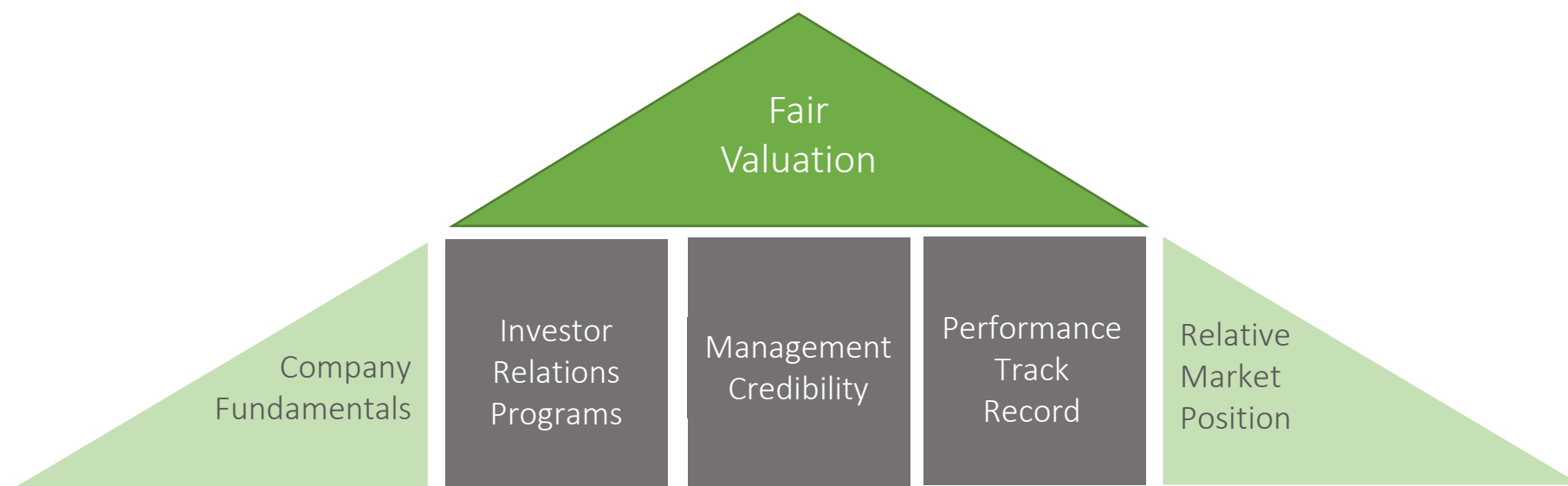
*How to artfully manage tricky situations to positively impact corporate strategy, management credibility, and ultimately the Company's valuation.*

# Drivers of a Fair Valuation



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Our Focus Today: Areas where IR can most impact/influence



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Investor  
Relations  
Programs

Management  
Credibility

Performance  
Track  
Record

# Drivers of a Fair Valuation

Our Focus Today: Areas where IR can most impact/influence



# Foundational Elements



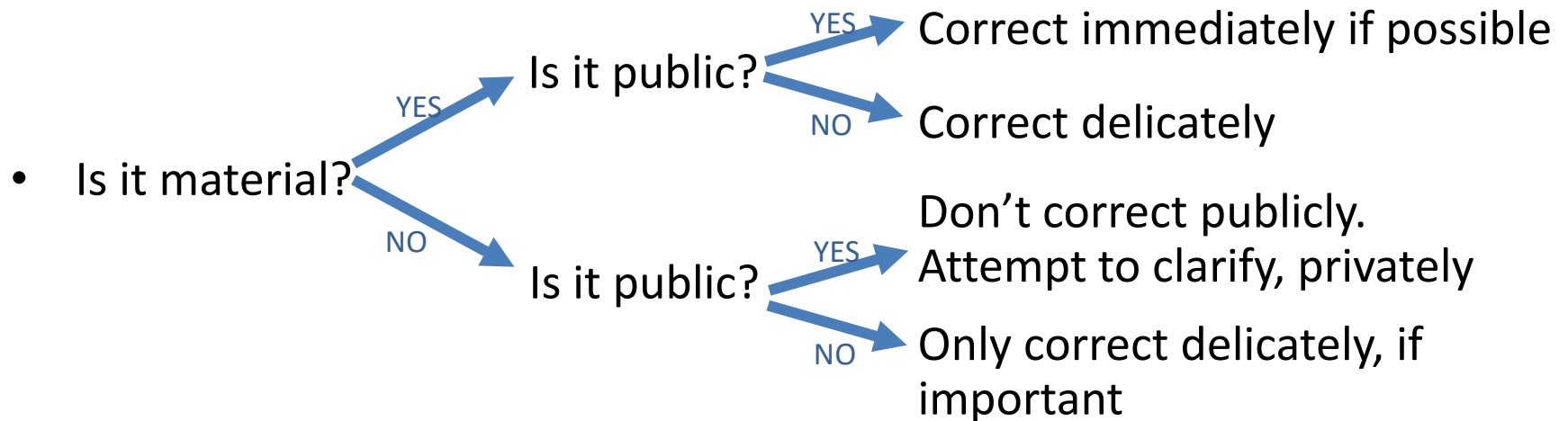


# Tip #1

- *Always work to increase your:*
  - *Knowledge*
  - *Trust*
  - *Relationships*



## Topic #1: *Correcting a mistake stated by an executive* If, when, and how to correct



*Tip: Mistakes and corrections impact management credibility*

## Topic #2: *Protecting your Quarterback*

### Diffusing situations with aggressive/hostile investors

- Is it a private meeting?
  - YES → Diffuse but find a way to give the investor a win
  - NO → Diffuse & redirect

*Tip: Being firm yet informative will help keep all relationships healthy*

# Topic #3: *Internal Meetings – Maximizing Insight*

## Strengthen internal relationships while obtaining difficult answers

	(You) Win	(They) Win
Ask for and review material in advance, if possible	Opportunity to analyze & prepare questions allows for greater insight	Opportunity to catch mistakes & prepare prior to senior management review
Alert and/or discuss notable items with responsible parties	Strengthen internal relationships by helping presenters privately	Create/further perception of leadership strength through awareness of & action on challenges
Preview difficult topics/issues with your management	Strengthen relationship with <u>your management</u> by demonstrating your insight and initiative, and enabling them to maintain strong internal relationships.	Strengthens your managements internal relationships by limiting their need to publicly tackle difficult topics. (You will tackle them, or handle them privately).
Get answers to difficult questions you know investors will ask	Investors will appreciate and reward your command of key risks and opportunities.  Strengthened internal relationships will improve response time for requests and increase your chance of success in IR	Management will be prepared and credibility will reflect this  Internal leaders will feel empowered and accountable

*Tip: Always be the voice of the investor, with proper tact & timing*

## Topic #4: *Refining Corporate Strategy*

Craft a key role in defining a crisp, articulate, market-aware strategy

Before	Your Input	After
Source: Market data providers	Consensus expectations and competitor strategy detail	Market-aware strategy
Countless powerpoint charts, data overkill	Less is more – understand the detail to drive to simplicity	Crisp, articulate strategy, aligned with investor community
Potential misalignment of corporate strategy with investment thesis	Market perspective & communication style	Crisp, articulate corporate strategy, tightly aligned with investment thesis

*Tip: Leverage unique perspective to guide leaders to an impactful strategy*

## Topic #5: *Key Executive Needs Coaching*

Help me help you!

Techniques	Options
Provide external feedback	Survey, Perception Study, Anonymous Feedback, Transcript
Bring in the pros – coaching!	Individual, For the Team
Identify what event is their best event	Dinner, Conference 1x1, Headquarter visit, Bus Tour, Conference Presentation, Fireside Chat

*Tip: Use external feedback & advisors to keep your relationship strong*

# Tips/Tricks

Topic	Tip
Foundational Elements	Always work to increase your knowledge, trust, and relationships
1. Correcting a mistake stated by an executive	Mistakes <u>and</u> corrections impact management credibility
2. Protecting your Quarterback	Being firm yet informative will help keep all relationships healthy
3. Internal Meetings – Maximizing Insight	Always be the voice of the investor, with proper tact & timing
4. Refining Corporate Strategy	Leverage unique perspective to guide leaders to an impactful strategy
5. Key Executive Needs Coaching	Use external feedback & advisors to keep your relationship strong

# Tips/Tricks – Helpful Phrases

Topic	Helpful Phrases
1. Correcting a mistake stated by an executive	<ul style="list-style-type: none"><li>• In addition to that...</li><li>• That's right...that's actually for X; For Y....</li><li>• I'd also point out...</li></ul>
2. Protecting your Quarterback	<ul style="list-style-type: none"><li>• As you know, we don't guide on x, but on that point...</li><li>• While we don't comment on x, I can say...</li><li>• As &lt;our management&gt; said,..., but I think you may be trying to understand x, so I'll give you a couple things to think about...</li></ul>
3. Internal Meetings – Maximizing Insight	<ul style="list-style-type: none"><li>• Help me understand why our performance....relative to our peers</li><li>• Last quarter we said x to investors, now results are y...what changed over that time frame.</li><li>• Is it possible there was an impact from x?</li></ul>

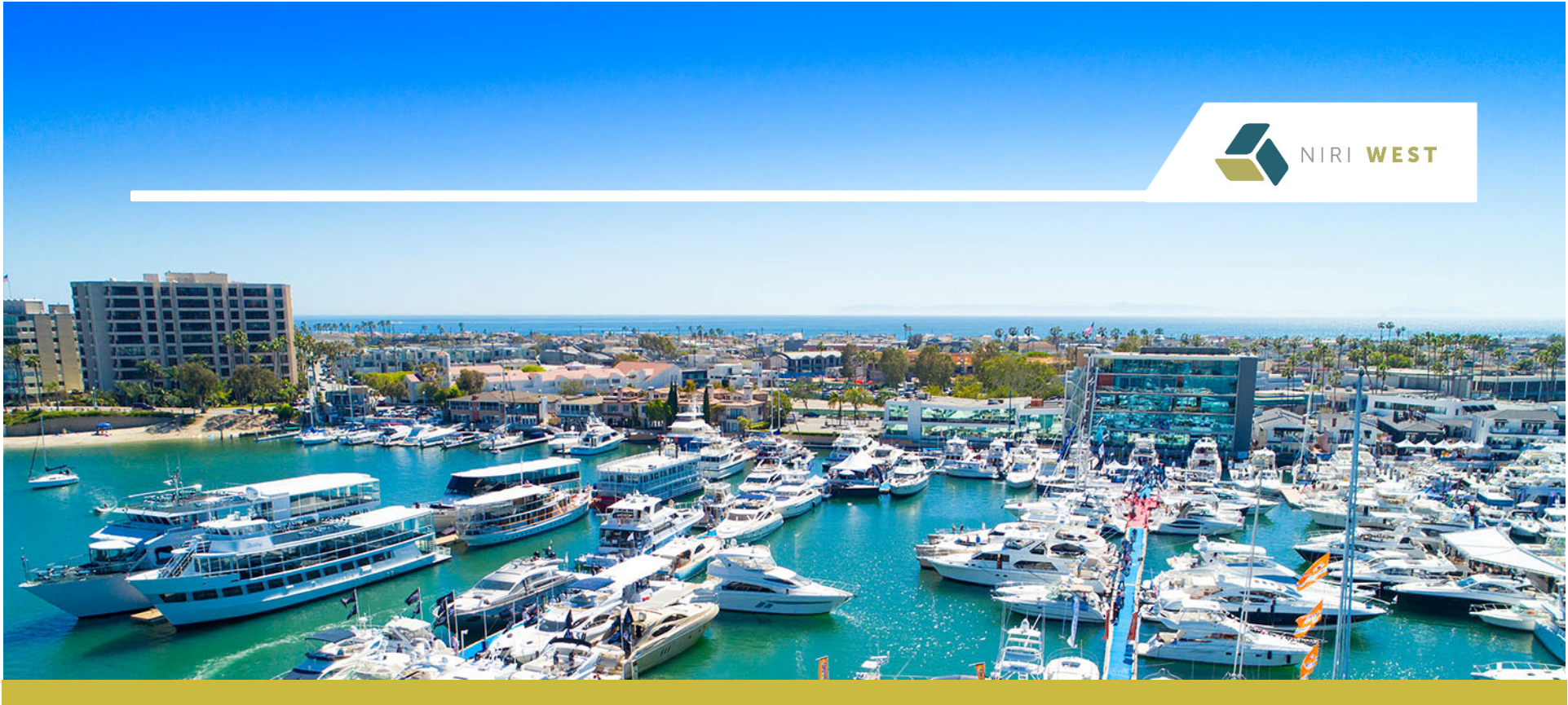


# Tips/Tricks – Helpful Phrases

Topic	Helpful Phrases
4. Refining Corporate Strategy	<ul style="list-style-type: none"><li>• <i>Needs to be as crisp as an elevator pitch</i></li></ul>
5. Key Executive Needs Coaching	<ul style="list-style-type: none"><li>• I think the team could benefit from some practice/coaching in xx. Would you mind spending some time on this together with the full team?</li><li>• I wanted to schedule some time to discuss some recent investor feedback. (privately)</li><li>• I'd like to bring in the outside team that conducted our perception study to debrief us on the feedback.</li><li>• I think you are most impactful in xx scenarios</li></ul>



# Q&A



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