

Rethinking Engagement Strategies Amid Evolving 13G/13D Guidelines

The SEC's recent changes to 13D/G guidance significantly expand the definition of an active investor. Faced with the prospect of becoming a 13D filer, some investors paused all engagement for the near-term, while others have gradually introduced new policies to be more cautious and limited in their engagement approaches. To navigate this new, and still evolving, environment, issuers should take a creative approach to offseason shareholder engagement so they can better assess investor perception and strive to get ahead of any emerging issues before next year's proxy season.

We provide offseason engagement and investor communications recommendations for public companies:

1. Use offseason to deepen or refresh investor understanding of governance, valuation and growth strategies.

Engaging with investors now can help uncover concerns about corporate governance and other matters ahead of the next proxy season and enable companies to incorporate feedback from conversations into their proxy statement and related disclosures. These conversations also can serve to strengthen relationships with investors and build trust, which can be critical to garnering support in the event of an activist campaign. Additionally, regular investor engagement in the offseason helps you stay on top of new vulnerabilities and concerns and mitigate risks in advance.

2. Review and enhance the proxy.

A company's proxy statement continues to be the most effective tool to communicate with investors. Conduct a thorough review of the disclosure in light of changing engagement regulations to ensure the proxy can truly stand on its own as an annual investor narrative vehicle. Elevate the content to contain bigger picture themes, as the upfront letter, director descriptions and compensation sections will carry greater weight in this environment. The aesthetic matters too, and a refreshed proxy design can help bring the story to life.

3. Build an owned, outbound communications pipeline.

In an era where issuers may not be able to rely on learnings from engagement with investors, it is even more important for companies to execute an investor-focused campaign of outbound communications. Build your IR website into an investor-focused news hub, with "owned" content and news flow designed to help manage investor perception and control your narrative. Execute a more assertive, yet disciplined, campaign of media interviews, appearances and coverage to amplify your company's results, track record and differentiators.

4. Develop a customized digital strategy to target investors.

Particularly for companies with a large retail investor base, using on-message digital content and other creative methods can help reach investors directly. Implement geographic and content targeting approaches, strategically increase executive LinkedIn activity, and bolster director biographies to support the rationale for why each director is on the Board. Utilize video formats, newer media platforms like podcasts, and media-sponsored events to personalize management and amplify visibility of the company's strategy and success metrics among priority audiences.

5. Controlled visibility and access to the Board can be helpful.

Many investors are seeking access to the Board during high-stakes moments in this increasingly volatile environment. Certain Board members may be best positioned to provide expertise and correct the record in particularly difficult situations, such as large-scale crises, proxy contests, and governance issues. If a Board member is an effective communicator and doing so would help solve an engagement need, deploy them. But preparation and practice first are key.

A trusted communications advisor, H/Advisors Abernathy specializes in advising CEOs, board directors and senior executives on effective stakeholder communications and engagement. Our experienced team helps companies prepare for, engage with and defend against activist shareholders, and advises boards and management teams on investor engagement, sustainability and governance-related issues and proxy advisory matters. For nearly 40 years, we have been entrusted by clients across sectors to help build, protect and enhance their reputations, boost value and seize new opportunities. H/Advisors Abernathy consistently ranks as a **top M&A advisor** by [Mergermarket](#) and **top activism defense advisor** by [Bloomberg](#). The firm also has been named **public relations firm of the year** for M&A and activism defense by [The Deal](#) and **PR Firm of the Year** by [Private Equity Wire](#).