

To the media and our collaboration partners

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New book, 'Investor Relations and ESG Reporting in a Regulatory Perspective', co-authored by Poul Lykkesfeldt and Laurits Louis Kjaergaard, published by Palgrave Macmillan

Palgrave Macmillan, the international publisher and a subsidiary of Springer Nature, has today released 'Investor Relations and ESG Reporting in a Regulatory Perspective' which is available in both hard-copy and eBook versions. The new book is co-authored by Poul Lykkesfeldt, Managing Partner and Senior Adviser, Reliance A/S; and Laurits Louis Kjaergaard as an independent author separate from his position as Strategy & Business Development Manager at I&T, the Danish independent asset manager.

'Investor Relations and ESG Reporting in a Regulatory Perspective' is a comprehensive and detailed practical guide for financial market participants, focusing on listed companies and the stock market, written for practitioners by practitioners. The main themes of the book include the challenging integration of investor relations (IR) and non-financial/ESG (environmental, social and governance) reporting. The book also provides a comprehensive overview of the complex regulatory framework of the European Union (EU) governing the financial markets, including expected global trends in this area. Furthermore, the book provides helpful reading for non-listed companies preparing their non-financial/ESG reporting.

Poul Lykkesfeldt, Managing Partner and Senior Adviser of Reliance A/S, commented: "*Societal stakeholders are pushing for the world to pursue the United Nations' (UN) important Sustainable Development Goals (SDGs). This push is pressuring companies to embrace people, prosperity and the planet alongside their quest for profit. As a result, it is critical to avoid greenwashing and create a shared language of sustainability. The EU is at the forefront of these efforts and for well over a decade, a comprehensive European regulatory framework has gradually been implemented and applied in financial markets and ESG reporting. A substantial proportion of these regulations are being rolled out this year and for at least the next three years. This is a complex issue, and in the EU alone, thousands of companies and institutional investors have a great deal of work and significant challenges ahead of them – both in terms of understanding the regulatory requirements as well as collecting the required ESG data for reporting purposes.*"

Poul Lykkesfeldt continued: "*Our drive and passion has been to write the first international book which effectively integrates the important topics of investor relations, ESG reporting and the complex EU regulatory and legal framework, and which may act as a comprehensive practical handbook aimed at practitioners, e.g. those working with one or two of the mentioned subjects and who are looking for a holistic best-in-class overview of all three topics.*"

Poul Lykkesfeldt added: "*It is critical for the board and management to embrace non-financial reporting and embed ESG and stakeholder capitalism into their strategic framework. We believe that insufficient focus on ESG will cause companies' risk premiums to increase and thus ultimately lead to an inefficient capital structure. This may in turn lead to special situations such as shareholder activism and takeovers.*"

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Poul Lykkesfeldt concluded: *"We wish to extend our deepest gratitude to the distinguished reviewers of our book: Lise Kingo, Independent Board Director of Sanofi SA, Covestro AG and Aker Horizons ASA; Carsten Boring, Associated Vice President Global Listing, Nasdaq; David Moalem, Partner, Ph.D., Bech-Bruun law firm, Capital Markets & Financial Institutions Team; and Michael Bjergby, Senior Vice President, Head of Group Finance, ISS; who all believed in and supported our book project, and who contributed valuable input and comments to our manuscript."*

Laurits Louis Kjaergaard, Strategy & Business Development Manager at I&T, commented: *"Through discussions with financial industry participants, we see first-hand the challenges listed companies experience in navigating the financial markets and striving to communicate with and manage effectively the expectations of institutional and retail investors. In parallel, companies, banks and institutional investors face new challenges to ensure compliance with both current and forthcoming ESG-related EU regulations, such as the new MiFID II amendments which became applicable 2 August this year and the new company disclosure requirements under the EU Taxonomy from 2023. Here, EU institutional investors and companies seek to obtain an overview of the requirements and how to implement these in their non-financial/ESG reporting. This is where we wish to provide a helping hand in obtaining a satisfactory overview of and a practical guide to embracing the challenges ahead."*

Laurits Louis Kjaergaard continued: *"It is our ambition that this book will contribute to companies' and the financial communities' understanding of the dynamics of a company's mitigation of its risk premium related to non-financial/ESG reporting, and of the latest IR practices related to e.g. embracing social media, and commissioned equity research. Embracing best-practice IR and non-financial/ESG reporting is a long, but inspiring journey."*

Laurits Louis Kjaergaard added: *"We also hope that our book may also serve as an inspiration, guide and motivation for practitioners with non-financial backgrounds, as well as for students at universities and business schools who are about to choose their future career paths."*

Laurits Louis Kjaergaard concluded: *"To meet the UN's Sustainable Development Goals (SDGs), it will be critical for all public, financial and non-financial companies and institutions to incorporate ESG in their processes. We need all companies and institutions on a global scale, not only in the EU and in the US, to get involved and embrace transparent non-financial/ESG reporting. Companies and institutions will have to embrace the purpose and ethics in their strategic frameworks instead of merely using 'ESG' as a buzzword and should consider thoughtful sustainability as their core licence to operate in future – both in the financial markets and in society in general. Companies are already, and will be more so in the future, continuously rewarded by their investors and stakeholders for being at the forefront of sustainability, which in turn will have a positive effect on the companies' future performance and, therefore, their valuations."*

More information on the book is available at <https://link.springer.com/book/10.1007/978-3-031-05800-4>

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