

# *The importance of telling an authentic story*

Q&A with Andrew Price, Group FC,  
Legal & General





## ***Building Public Trust 2015***

### ***'Excellence in reporting' awards***

2015 marked the 13th successive year in which PwC has presented these annual awards for outstanding corporate reporting in both the private and public sectors. Each of the hard-earned awards recognises the achievement of organisations that have differentiated themselves through the clarity and transparency of their reporting – in short, showing the way forward on the journey towards 'telling it how it is'. As well as applauding their efforts, we urge others to emulate them in striving for ever more open, accessible, honest and integrated disclosure of their objectives, actions and impact.

## ***Excellence in reporting in the FTSE 100***

### ***Joint winner – Legal & General Group***

Legal & General takes a uniquely innovative approach to the main narrative in its reporting, shaping its disclosures around five external market trends, with excellent coverage of the associated risks and strategic response. In this digital age, the company's online reporting integrates seamlessly with and expands on the printed disclosures. One judge described Legal & General's reporting as 'Exciting and believable', while another called it 'ebullient and enthusiastic'. A third added "I really like the way L&G is 'having a go' – leading the way by including a wealth of information and ideas, and basing its reporting on the broader context".

For more information on the award criteria, [\*click here\*](#).





As one of the joint winners of our Building Public Trust Award for Excellence in reporting in the FTSE 100, we caught up with Andrew Price, Group FC, and his team at Legal & General to better understand why they think reporting matters, what they do to stand out with their annual report and the potential impact/benefits of online reporting.



Legal & General is one of the world's largest insurance and investment management groups. With over 8,000 employees, the group guards and looks after the financial security of over 10 million customers worldwide. As the Group Financial Controller, Andrew is responsible for all of the internal and external reporting of the group and the assessment of all material projects.

Q

*What was the catalyst for the company to embrace more transparent and holistic reporting?*

Primarily the changes in narrative reporting regulation acted as a catalyst for us to look again at our annual report and really consider what we could do with it in order to communicate in a more clear and transparent way around our strategic ambitions.

As a financial services company with a strong social purpose, central to the changes has been a desire to tell a human story – to really communicate the value the company brings to both shareholders and wider society in a way that is engaging and simple. A number of elements in our reporting allow us to do this – the linkage of strategic themes to wider macro trends puts our strategy into a context that people are living through and therefore can understand. We are also conscious of trying to obtain a balance between economic and social information – we aren't just about the numbers!

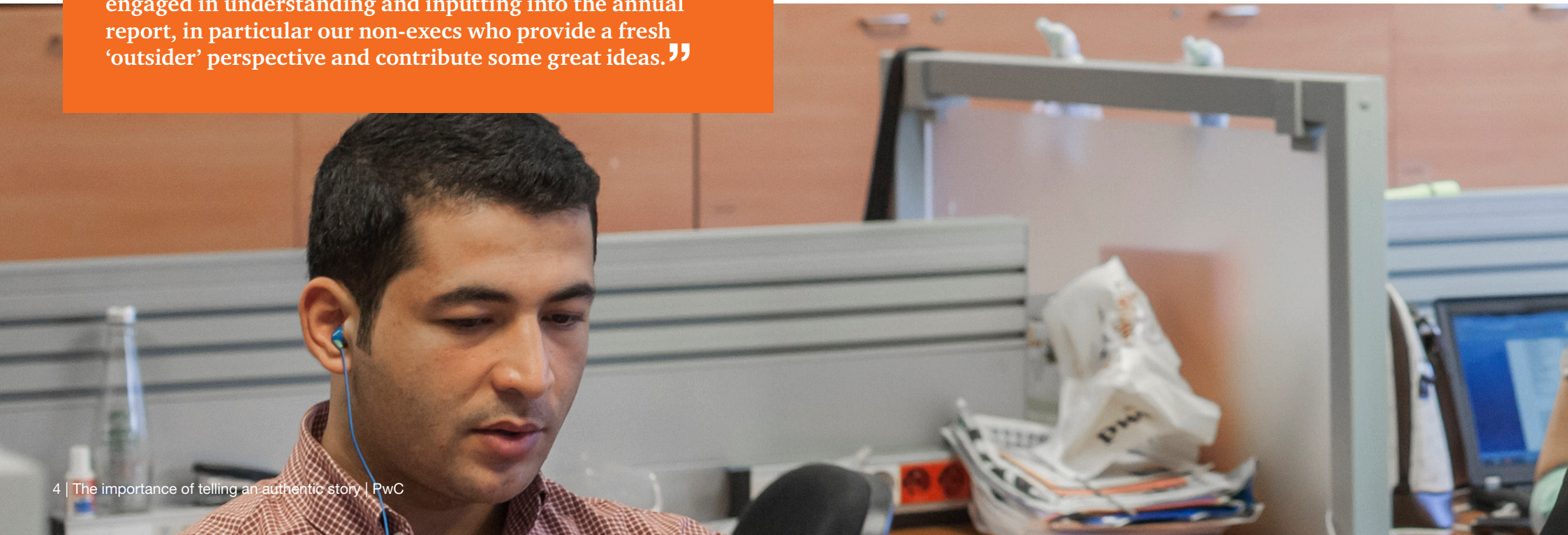
Q

*What, if anything, did you need to do to instigate such a change in your reporting?*

A major hurdle for many companies to overcome in improving the quality and transparency of their reporting has been board nervousness and apathy – particularly when it comes to the annual report. For us we have been lucky in that the board has always been engaged in understanding and inputting into the annual report, in particular our non-execs who provide a fresh, ‘outsider’ perspective and contribute some great ideas.

Furthermore, the desire to tell a great story about our role in helping people – our policyholders, shareholders, employees and wider society – has been board-led. Our CEO has taken a great personal interest in blogging and sharing his views and experience throughout the year which helps us with his voice and ownership in the annual report.

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## Q

### *What have been the challenges to improving your reporting?*

I think there are two angles to this question – content and medium.

From a content perspective as noted above, the board has been supportive in our desire to improve transparency and the role of the annual report in this. That said, we have faced challenges around:

- Balance – a need to ensure that the report meets different requirements, be that promoting the best of our business or ensuring the report is fair, balanced and understandable.
- Group vs segments – to get the balance right between placing the group's strategy in the context of wider macro trends and providing a more granular segmental perspective.

- Business model – ensuring that we describe it in a clear and easy to understand way but also incorporating the different elements – what we do, how we do it, what is unique and how we actually make money. Some of these things have been easier to achieve than others.

From the perspective of medium, we recognised early on that if we were to engage with a broad group of stakeholders – institutional and retail shareholders; current and prospective employees; regulators and politicians; UK and overseas – we needed to embrace online reporting. This is not easy and we still have some way to go in terms of process – starting with content/digital design and then the printed report – and also data analytics – how people use our report, what information they are looking for and how we can make that easier for them to find – but I think we have made great strides in presenting a consistent view and making use of videos, blogs and exec summaries to provide a better online experience.





A background image showing a concrete pier or dock structure extending over a body of green water. The pier has metal railings and bolts. The water is a vibrant green color.

Q

*What are you most proud of?*

How integrated everything was! We feel that this year we achieved a real alliance between both our annual report and our year-round communications, such as presentations, videos, and the interim results. Reporting has felt like a continuous journey where information is updated from one period to the next rather than completely refreshed at any one point in the year. Similarly, the integration of CSR information into the report has helped us really show what is important to us and why it is relevant to our overall strategy and business model.

Another thing we are proud of is really understanding our audience and obtaining a good balance between talking to our retail shareholders and meeting the needs of our institutional investors. These are clearly both really important groups to us and we want to ensure that they both get the information they need out of our reporting without having to write two separate documents.

Q

*What have been the benefits?*

The most important benefit for us has been that we have had much better engagement with people – both internally and externally – because they have gained a greater understanding of the business by reading the report. We are also grateful for the

external recognition the report has gained through winning awards – it's always nice to be rewarded for your efforts but it also encourages a wider audience to read our document.

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Q

*What do you have planned next?*

We consider our annual report to be on a continuous journey of improvement. We are really pleased with the current version but are always looking to ensure the content is as simple and relevant to our stakeholders as possible. Some of this could also be considered to be part of 'cutting clutter', but for us where information sits and how we use online is an important part of our annual

report process – we recognise that the way our readers approach the document is different and we want to ensure they get what they need. Improving signposting will be essential for achieving this and we will also be looking again at the online version of our annual report and focusing this more on key spreads of the report to engage and draw people into the key content.

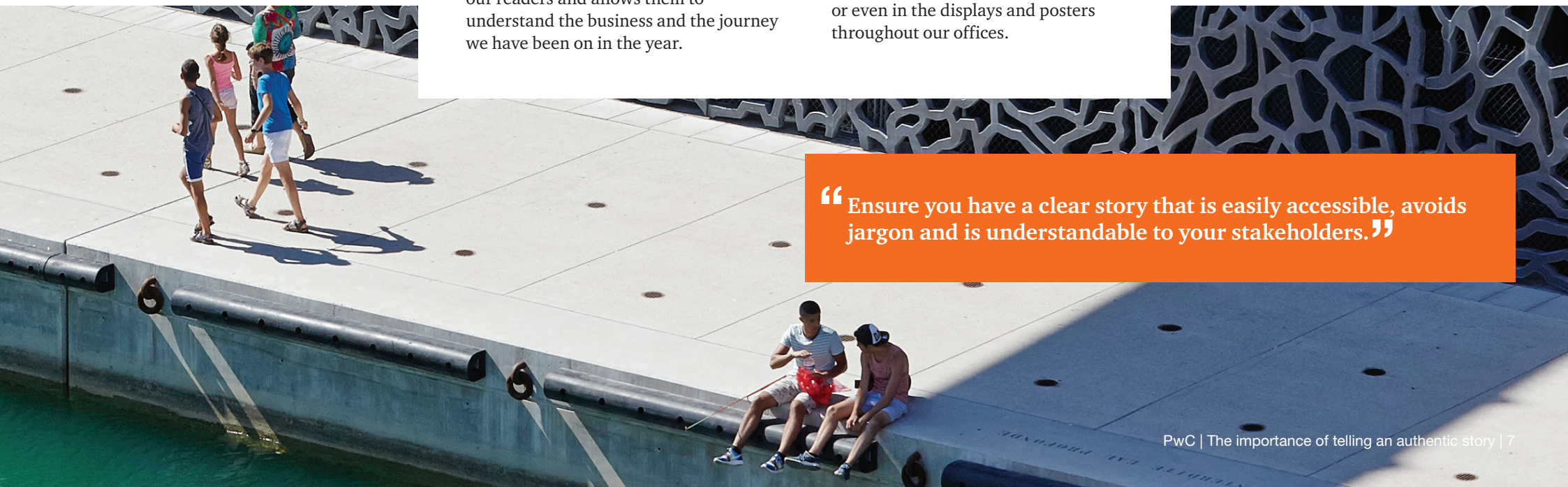
Q

*What advice would you give to others?*

I think there are two key things that have worked well for us:

1. Ensure you have a clear story that is easily accessible, avoids jargon and is understandable to your stakeholders. We think this made our report engaging for our readers and allows them to understand the business and the journey we have been on in the year.
2. Believe in your report and see it as an important part of your year-round communication strategy. For us, this allows us real freedom to tell our story in a transparent, honest and genuine way and then leverage it throughout the year in our blogs, presentations, online videos or even in the displays and posters throughout our offices.

**“Ensure you have a clear story that is easily accessible, avoids jargon and is understandable to your stakeholders.”**



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**For more on how you can tell an authentic story in your reporting, download our corporate reporting survey below or visit our website**

**Searching for buried treasure**

A review of 2015 strategic reporting practices in the FTSE 350



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