

## ACTIVISM: STILL A FORCE

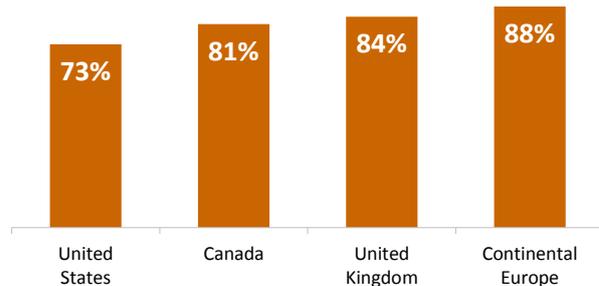
Comprehensive studies Rivel completed late last year indicate that shareholder activism remains a potent force on both sides of the Atlantic. They also suggest a measure of complacency among public company CEOs and finance directors – the executives most surely to be affected by activist interest in their firms.

On one hand, institutional investors domiciled in North America and Europe are convinced that shareholder activism is a positive force in the equity markets (refer to the top chart at right). As one portfolio manager opined, *"Activists bring attention to something that hasn't been seen. They unlock that value and shine a light on it. They usually bring important changes to the board and management that help."*

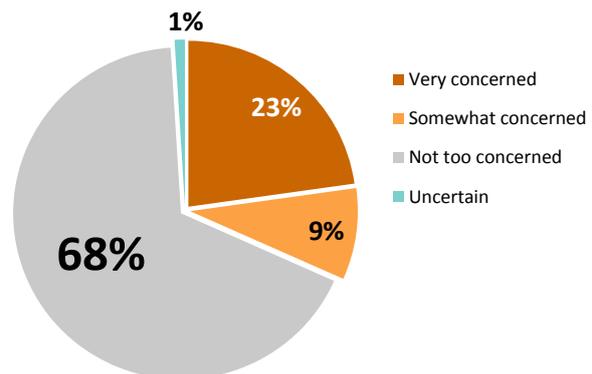
On the other hand, our C-Suite research in the same regions indicates what appears to be a somewhat surprising level of complacency. Among the total group of C-Suite participants, two-thirds (68%) are relatively unconcerned about being targeted (even in an era of rising passive investment, a powerful investor group that often rides the tail of activists seeking change at portfolio companies). What's more surprising is the relative lack of proactive attention by European CEOs – as signalled by the low number of companies that have developed an action plan to go into effect should their company be targeted. (The second two charts.)

In an age of activism, companies simply cannot afford to be reactive on this front.

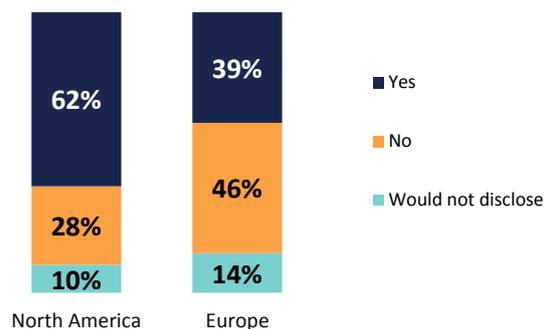
**Conviction That Activism Is a Positive Force in Equity Markets**  
(Among Buy-side in Each Region, Fall 2019)



**Level of Concern Regarding Being Targeted by an Activist**  
(Among CEOs/CFOs In North America and Europe, November 2019)



**Does Your Firm Have an Action Plan to Deal with an Activist Threat?**  
(Among CEOs/CFOs in Each Region, November 2019)



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### RIVEL INTELLIGENCE

This data has been selected from **Rivel Intelligence**, the only resource of its kind pairing the perspective of the global buy-side with that of IROs worldwide in the discussion of what is best-in-class IR. Learn more at [rivel.com](http://rivel.com) or contact Claire Lavery.