

CORONAVIRUS IMPACTS

Just as everywhere else, at Rivel we are experiencing the indecision and hesitation spawned by COVID-19 every day – from cancelled or delayed research projects to the difficulty of engaging home-bound investment professionals to discuss the merits or demerits of key companies in their portfolios. While the latter challenge is starting to diminish as work-from-home becomes the new normal, public corporations are still struggling to determine the best next steps to preserve, protect and defend their investment appeal.

While consensus is far from being achieved, some common practices are beginning to emerge. These patterns are amply evident in online surveys we are conducting with hundreds of investor relations officers in North America and Europe via our ongoing Rivel Intelligence research program. Virtually every day IROs are responding to questions they themselves ask of our Rivel Intelligence membership about their companies' future plans.

For one thing, annual general meetings (AGMs) for the foreseeable future are going virtual as companies observe "flatten the curve" recommendations. For another, capex is being cut back to preserve liquidity and capital deployment strategies are adjusting as companies start focusing first on employee well-being as opposed to reflexive shareholder-value creating initiatives such as buybacks and dividends.

Little seems to be off the table. One in five companies in the Rivel Intelligence membership are even considering across-the-board salary cuts for senior executives.

66%

Percentage of companies conducting virtual-only AGMs in 2020.

55%

Percentage of companies planning to reduce capex to bolster liquidity.

43%

Percentage of companies considering changing regular buyback programs.

35%

Percentage of dividend-paying companies considering suspending the dividend.

20%

Percentage of companies reducing/ considering reducing senior executive pay.

Source: Rivel Intelligence, April 2020.

DO YOU HAVE A COVID-19 RELATED QUESTION?

We are providing a free service for companies during this period – Rapid Action Research – where you can ask a question and get answers within a short timeframe (24 to 48 hours). This service is available to the entire global investor relations community. If you want to get involved, please contact me.

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 or contact Claire Lavery.