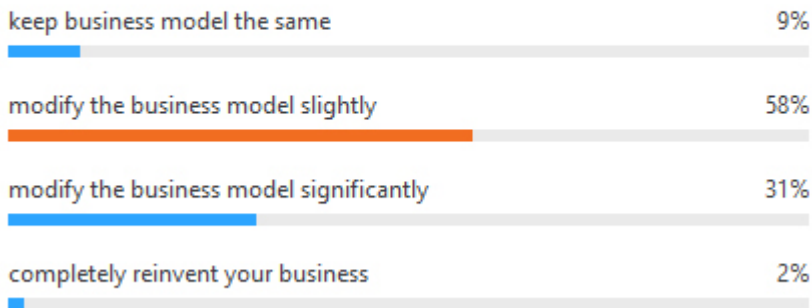


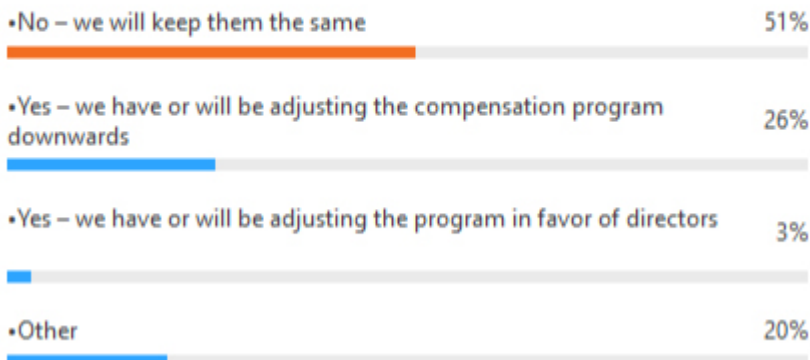
# COVID-19 ROUNDTABLE CALLS

## COVID-19 ROUNDTABLE CALL #10 – POLLING RESULTS

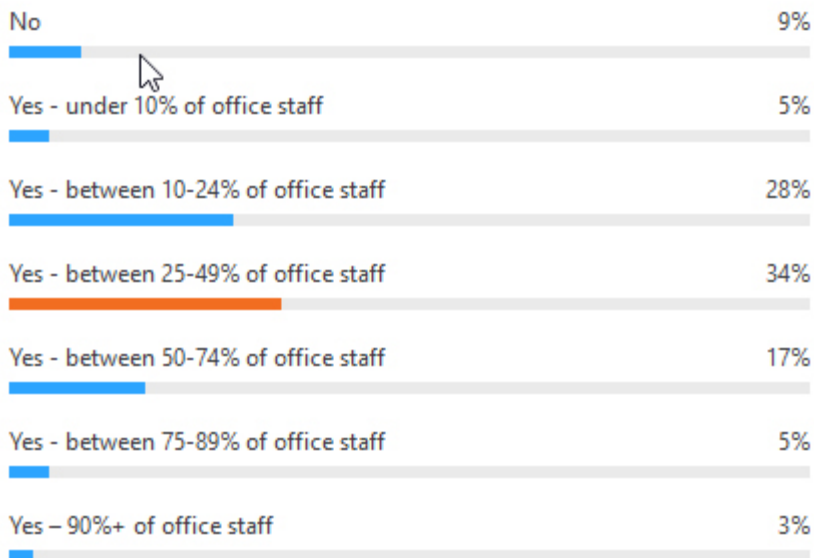
**1. Assuming you are evaluating your organizational strategy for the post-covid future, do you expect to:**



**1. If you are involved in board compensation, do you expect to revise your board compensation programs as a result of the crisis**



**1. If you have office staff, do you expect to continue allowing people to work from home after the crisis is over**



## COVID-19 ROUNDTABLE CALL #10 – Q&A

For Bill Walker

Q: Is there an issue with pipeline of content for your business? IE Movies not being in production for periods of time, opening directly online when they are produced?

A: Some risk here for sure. The production pipeline typically has some additional time built in before the release date. The backlog of completed films will be helpful in filling the gap as well but the longer production is halted, the greater the risk.

Q: What measures have you put in place to ensure that your workforce is healthy prior to showing up for their shift?

A: We are implementing a pre shift temperature check and health questionnaire. We will also ensure that anyone who is sick are not without pay and forced to come to work.

Q: How does your planning reflect the potential of a vaccine or herd immunity?

A: We are not waiting or expecting this to happen in the near term. If a vaccine is successful, this will be hugely beneficial of course.

Q: As part of the human psychology response, might there be a positive rebound for theatres from people self-isolating in home watching Netflix, etc.?

A: Interesting thought - the consumption of movies in home could provide a renewed interest.

For Ken Hugessen

Q: Does it make sense for companies to delay their year end?

A: Delaying compensation decisions is done by some and gives time for markets to stabilize (we hope!) Delaying financial year end would be a much bigger decision which I have not seen at this point.

Q: What trends are you seeing on salary reductions - is it mainly reductions or is it salary deferrals (i.e. a reduction that will be repaid later upon recovery)?

A: Temporary reductions in salary and deferral (not reduction of bonuses.

Q: I understand the option of not paying or reducing the variable component of senior managers, however, can you legally reduce the fixed component of their salary.

A: Yes , you can reduce a salary but if more than 10% the executive could argue constructive dismissal - so important to get buy-in to the reduction.

Q: What are you seeing around director compensation where boards now meeting more frequently?

A: Some companies have per meeting fees which obviously adjust. Have not heard of a flat fee company providing additional fees.

Q: During times like these when profitability is zero, is there a formula to scale back management compensation as a percentage of existing revenues (and as it grows)?

A: Not typically although comp systems in some investment and consulting business, comp costs are tied to revenue. Most companies it is a judgement call by the directors and/or owner.

Q: Do you see companies using non-financial incentives to retain employees, e.g., allowing certain valuable employees who request such arrangements to continue working from home with the attendant benefits of zero commuting costs, and better work/life balance?

A: We expect many companies will move to higher work from home component of the job - Twitter has gone 100%.