



# L&A PULSE SURVEY COVID-19 IMPACT

Effective: March 31, 2020



**LONGNECKER**  
**& ASSOCIATES**  
**ALL IN.**

As the world continues its efforts to respond to COVID-19, companies are in constant review of their strategic plans to ensure they effectively navigate the delicate exercise of balancing of internal and external stakeholder interests. To aid this effort, Longnecker & Associates (“L&A”) has developed a quick pulse survey that is designed to bring insight to participants on the human capital front.

The responses provided to the questions below are effective as of March 31, 2020.

## Participating Companies

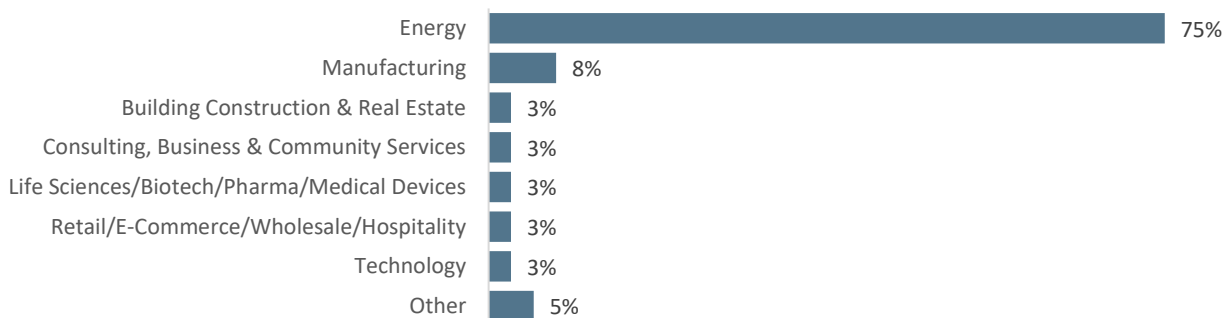
Air Liquide	Houston Texans
Apache Corporation	LEAM Drilling Services
Archrock, Inc.	Magellan Midstream Partners, LP
B&L Pipeco Services, Inc.	Munters Corporation
Beacon Offshore Energy, LLC	Nine Point Energy, LLC
Berry Corporation	Noble Energy, Inc.
Buckeye Partners, L.P.	NuStar Energy L.P.
CGB Enterprises, Inc.	ONEOK, Inc.
Chesapeake Energy Corporation	Phrasee Ltd.
Chevron Phillips Chemical Company	Range Resources Corporation
Colonial Pipeline Company	Sable Permian Resources, LLC
Continental Resources, Inc.	Saulsbury Industries, Inc.
EagleRidge Energy LLC	Scientific Drilling International, Inc.
Energy Transfer LP	Sunnova Energy International
EnLink Midstream, LLC	TechnipFMC
EP Energy Corporation	The Association of Former Students
Equitrans Midstream Corporation	The University of Texas MD Anderson Cancer Center
Fabri-Kal Corporation	TLP Management Services LLC
Graybar Electric Company, Inc.	Valero Energy Corporation
Gulf Management Services L.P.	Whiting Petroleum Corporation

## Participant Demographics

### 1. OWNERSHIP STRUCTURE



### 2. PRIMARY INDUSTRY



### 3. COMPANY FINANCIALS – REVENUE

The table below shows the change in annual revenue from two different periods: 1) 2019 annual revenue to 2020 estimated annual revenue (prior to COVID-19 impact), and 2) 2019 annual revenue to 2020 estimated annual revenue (updated to account for the impact of COVID-19). Only companies that provided all three annual revenue figures were included in this calculation.

	% Change from 2019 to Est. 2020...	
	Pre-COVID-29 impact	Post-COVID-29 impact
25th %ile	-1%	-39%
50th %ile	5%	-10%
75th %ile	13%	0%
Average	9%	-15%

*Total Respondents: 13*

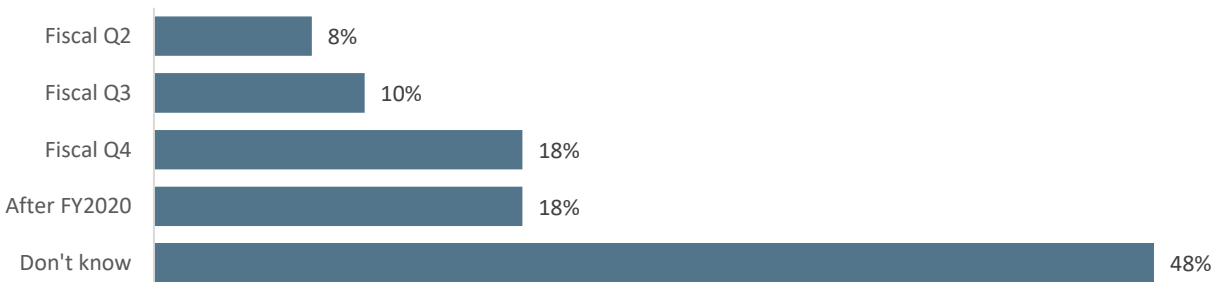
### 4. COMPANY FINANCIALS – ASSETS

The table below shows the change in total assets from two different periods: 1) 2019 total assets to 2020 estimated total assets (prior to COVID-19 impact), and 2) 2019 total assets to 2020 estimated total assets (updated to account for the impact of COVID-19). Only companies that provided all three total asset figures were included in this calculation.

	% Change from 2019 to Est. 2020...	
	Pre-COVID-29 impact	Post-COVID-29 impact
25th %ile	0%	-30%
50th %ile	1%	-3%
75th %ile	3%	2%
Average	-2%	-8%

*Total Respondents: 11*

### 5. WHEN DOES YOUR COMPANY EXPECT BUSINESS OPERATIONS TO RETURN TO NORMAL ACTIVITY?



*Total Respondents: 40*

**6. HOW IS YOUR COMPANY APPROACHING WORKFORCE PLANNING IN RESPONSE TO COVID-19?**

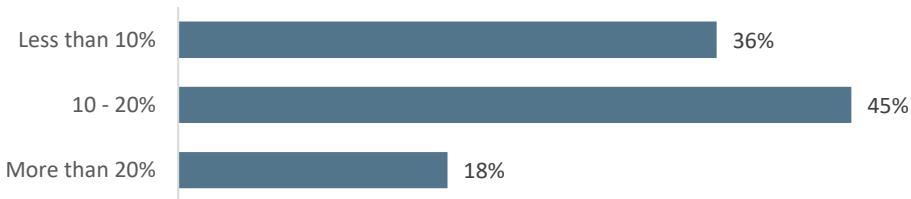


“Other” responses include:

- Pay cuts
- Hiring for critical positions only
- Salary deferrals for executive and senior staff

*Total Respondents: 39*

**7. IF CONSIDERING REDUCTIONS IN FORCE, PLEASE DESCRIBE BY HOW MUCH AS A PERCENTAGE OF TOTAL EMPLOYEE POPULATION.**



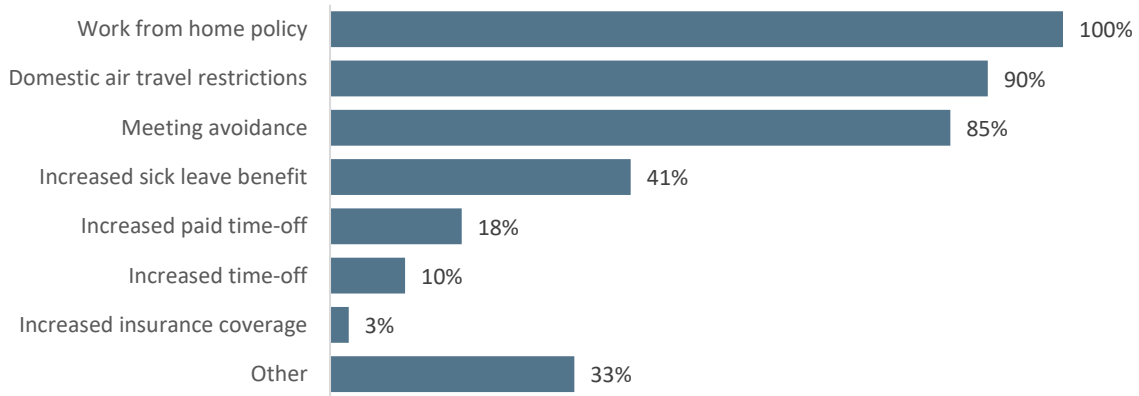
*Total Respondents: 11*

**8. IF CONSIDERING FURLOUGHS, BRIEFLY DESCRIBE THE PROGRAM.**

- 20% cut in hours, pay.
- 70-80% temporary wage reduction.
- 90 day furlough. Managers choose whether full furlough or 2 weeks on, 2 weeks off. Completely unpaid, but with full benefits.
- Alternating weeks.
- We are considering asking employees to take a week unpaid for the next two quarters to buy time and get past this pandemic.
- Maintain operating staff in field, multi skilling and extending work at home and field rotation.
- One day per week off without pay - 20% cut.
- One week on, one week off, maintain benefits.

*Total Respondents: 8*

**9. WHAT MEASURES HAVE YOU ADOPTED TO ENSURE THE WELFARE OF EMPLOYEES?**

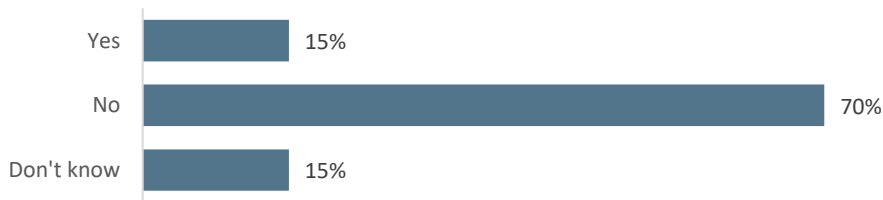


“Other” responses include:

- Flexible hours
- Following CDC guidelines
- International air travel restrictions
- Restrictions on visitors to corporate office
- Field Employees work in isolation where possible.

*Total Respondents: 39*

**10. ARE YOU ADJUSTING BASE SALARY LEVELS?**



*Total Respondents: 40*

**11. IF YES, PLEASE INDICATE THE PERCENTAGE CHANGE IN BASE PAY LEVELS BY EMPLOYEE LEVEL.**

EE Level	Average	
	Increase by	Decrease by
Executive level	—	16%
Non-executive level	—	14%
All employees	—	20%

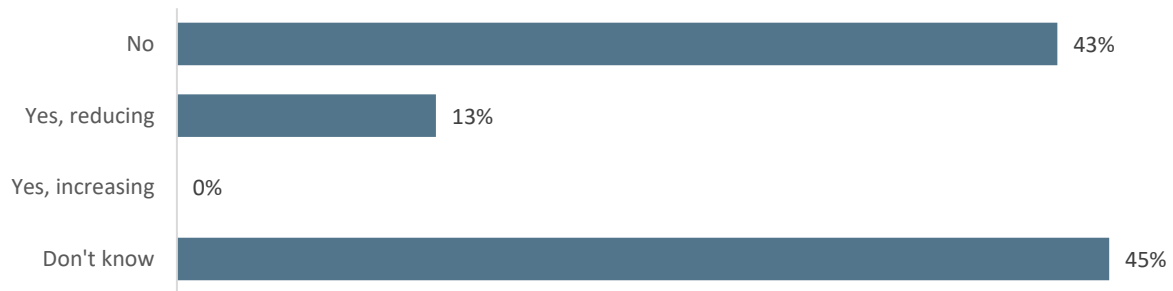
*Total Respondents: 6*

**12. IF MERIT PAY ADJUSTMENTS ARE CUSTOMARY IN THE NEAR-TERM, HOW ARE YOU HANDLING?**



*Total Respondents: 30*

**13. ARE YOU ADJUSTING ANNUAL INCENTIVE/BONUS COMPENSATION PAYOUT LEVELS?**



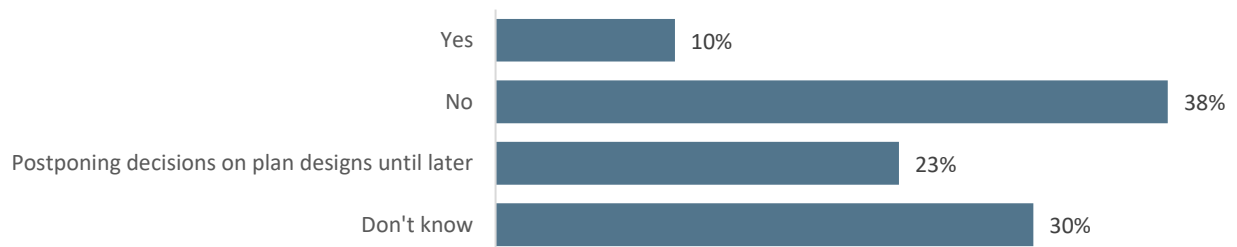
*Total Respondents: 40*

**14. IF YES, PLEASE INDICATE THE CHANGE IN ANNUAL INCENTIVE/BONUS LEVEL (AS A PERCENTAGE OF TARGET).**

EE Level	Average	
	Increase by	Decrease by
Executive level	—	94%
Non-executive level	—	63%

*Total Respondents: 5*

**15. ARE YOU ADJUSTING THE PERFORMANCE METRICS OF ANNUAL INCENTIVE/BONUS COMPENSATION PLANS?**



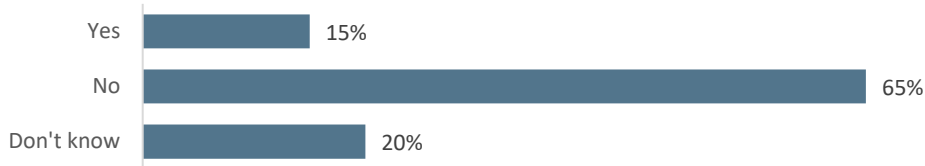
*Total Respondents: 40*

**16. IF YES, WHAT ADJUSTMENTS ARE PLANNED?**



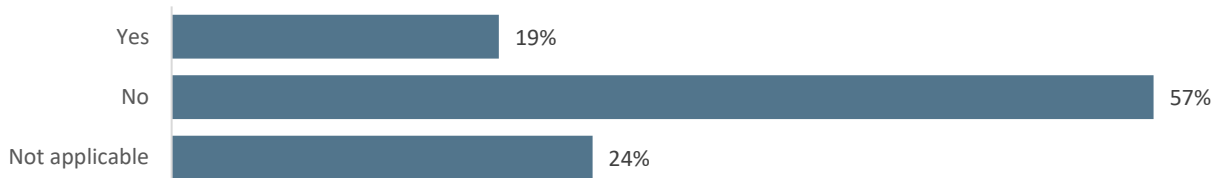
*Total Respondents: 8*

**17. ARE YOU TAKING ACTION ON CUSTOMARY LONG-TERM INCENTIVE PRACTICES?**



*Total Respondents: 40*

**18. WAS YOUR COMPANY PLANNING ON MAKING A NEW SHARE PLAN PROPOSAL FOR 2020?**



*Total Respondents: 37*

**19. IF YES, WHAT ADJUSTMENTS TO THE SHARE REQUEST ARE BEING CONSIDERED?**



*Total Respondents: 7*