

# How to manage corporate governance and securities risk

Key questions for companies participating in the capital markets

### Looking ahead - recapitalisation and refinancing

- Can the equity or debt capital markets assist with your short- and/or long-term financing needs?
- In the context of a new issue of securities, consider transaction execution points (such as MAC/MAE clauses) and specific disclosure requirements (for example, in relation to working capital)

### Ongoing public disclosure obligations

- Do you need new practical internal procedures around disclosure? Consider if it will be difficult to convene a disclosure committee
- Have you reviewed existing disclosures to identify those that may be impacted by COVID-19-related developments? Consider whether disclosures will require updating in light of market developments

### Financial reporting

- Is the capacity of your internal finance team and/or external auditors impacted by the outbreak? Are you able to operate to relevant deadlines?
- Have contingency plans been implemented to minimise the impact on periodic reports? Consider whether there are non-essential elements that can be de-prioritised.

### Share dealings

- Do procedures around the approval of share dealing requests require update in light of the fast-moving situation?

### Shareholder meetings

- Are there technological solutions that could assist in convening any required shareholder meetings?
- Have relevant regulations been relaxed during the outbreak?

### Dividends

- Do dividends need to be deferred? Consider relevant stock exchange requirements as well as legal framework

### Safety and wellbeing of stakeholders

- Do you have in place an effective communication strategy with employees and other stakeholders?

### Covenant breaches

- Have you reviewed outstanding debt financing documentation to confirm headroom under relevant covenants, and any ongoing requirements (such as the delivery of financial reports)?

### Directors' duties and risk

- Does the board have adequate oversight of the crisis on the business and the steps that are being taken?
- Do risk assessment and systems and controls need to be updated?