

**Internet Appendix for**  
**“The Role of Corporate Culture in Bad Times:**  
**Evidence from the COVID-19 Pandemic”**

**Table IA1**  
**Stop word list**

This table provides our stop word list when preprocessing earnings call transcripts. We combine the stopwords-iso list (available at <https://github.com/stopwords-iso/stopwords-iso>) with the words listed below.

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afternoon, answer, answer\_question, bit, comment, couple, curious, et\_cetera, follow\_up, go\_on, guy, hear, lot, mention, morning, pretty, question, speak, talk

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**Table IA2**  
**COVID-19 word list**

This table provides our word list for COVID-19 ordered by descending similarity to the word COVID-19 after we apply the *word2vec* method to earnings call transcripts over the period January 22 to April 30, 2020. There are 419 words in our final word list.

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covid-19, covid-19\_pandemic, pandemic, covid, virus, coronavirus\_pandemic, coronavirus, covid-19\_virus, covid-19\_outbreak, covid-19\_crisis, coronavirus\_outbreak, global\_pandemic, covid\_pandemic, impact\_covid-19, covid-19-related, outbreak, covid-related, spread\_covid-19, coronavirus\_situation, coronavirus\_crisis, health\_crisis, crisis, covid-19\_situation, global\_health\_crisis, impact\_covid-19\_pandemic, epidemic, covid-19\_disruption, impact\_coronavirus, covid-19\_impact, covid\_crisis, spread\_virus, government-imposed, business\_disruption, business\_closure, public\_health, response\_pandemic, outbreak\_covid-19, response\_covid-19, covid-19\_patient, covid\_virus, public\_health\_crisis, outbreak\_coronavirus, coronavirus\_epidemic, c-19, economic\_shutdown, stay-at-home, shelter-in-place, illness, shutdown, travel\_restriction, economic\_slowdown, virus-related, pandemic-related, contagion, government\_restriction, covid-19\_challenge, social\_distancing\_measure, government-mandated, supply\_chain\_disruption, response\_covid-19\_pandemic, virus\_spread, emergency, covid-19\_case, government\_action, coronavirus-related, devastating, unprecedented, covid\_situation, virus\_outbreak, covid-19\_environment, recovery\_effort, pandemic-driven, coronavirus\_issue, evolve\_situation, combat\_covid-19, economic\_crisis, duration\_severity, maintain\_business\_continuity, covid\_outbreak, tragedy, stay\_at-home, corona, business\_continuity, quarantine, covid-19\_response, closely\_monitor\_situation, temporary\_closure, health\_care\_worker, protect\_employee, shelter\_place\_order, pace\_recovery, reopen\_economy, fight\_pandemic, shelter, economic\_downturn, preventative\_measure, lockdown, shelter-at-home, medical\_supplies, unprecedented\_time, physical\_distancing, widespread, flatten\_curve, precaution, health\_risk, health\_issue, covid-19\_testing, infectious\_disease, infection, disruption\_supply\_chain, anxiety, government\_order, national\_emergency, economic\_uncertainty, employee\_safe, daily\_life, safety\_employee, social\_distancing, coronavirus\_impact, deadly, restriction\_lift, protect\_health, precautionary\_measure, stoppage, social\_distance\_measure, severity\_duration, proactive\_measure, government\_mandate, infect, air\_travel, continue\_monitor\_situation, infected, shelter-in-place\_restriction, monitor\_situation\_closely, rapidly\_evolve, actively\_monitor, un-covid-related, stay-at-home\_mandate, virus\_situation, pathogen, cares\_act, situation\_evolve, social\_distance, travel\_ban, health\_emergency, factory\_shutdown, uncertain\_economic\_environment, stimulus\_program, patient\_visit, covid-19-induced, ensure\_safety\_employee, interruption, rapidly\_evolve\_situation, diagnostic\_testing, employee\_family, sars-cov-2, work-from-home, government\_stimulus\_program, financial\_hardship, unemployment, supply\_chain\_challenge, step\_protect, recovery\_period, covid-19\_issue, stay-in-place, health\_concern, health\_care\_worker\_responder, monitor\_closely, health\_official, ventilator, self-quarantine, closely\_monitor, contingency\_plan, fight\_virus, fight\_covid-19, unprecedented\_challenge, well-being\_team\_member, safeguard\_employee, economic\_recovery, safety\_well-being, protect\_health\_safety, elective\_surgery, stimulus, preparedness, demand\_impact, social-distancing, rapidly\_change\_environment, personal\_protective\_equipment, facility\_closure, catastrophic, hospitalize, store\_closure, covid\_patient, shutdown\_period, job\_loss, ensure\_health\_safety, reopen, public\_health\_official, health\_well-being, restriction, medical\_equipment, reopening, shelter-in, plant\_closure, safety\_protocol, work-from-home\_policy, health\_safety, supply\_challenge, supply\_disruption, continue\_monitor, stay-at-home-order, layoff, viral, ensure\_safety, safety\_health, containment\_measure, shutdown-related, response\_team, covid-19-driven, employee\_safety, government\_regulation, curfew, implementation\_cecl, unique\_circumstance, stay\_home\_order, turbulence, demand\_shock, home\_order, safety\_concern, ppe, health\_care\_system, component\_shortage, emergency\_room, safety\_measure, consumer\_spending, corona-19, mitigate\_risk, work-at-home, distance\_measure, icu, task\_force, cecl\_implementation, isolation, unprecedented\_situation, fluid\_situation, uncertain\_economic, frontline\_worker, social\_distance\_practice, front\_line, abundance\_caution, crisis-related, situation\_fluid, sars, situation\_unfold, business\_challenge, demand\_destruction, cecl\_adoption, relief\_fund, event\_unfold, business\_continuity\_plan, government\_stimulus, recessionary, well-being\_employee, remain\_closed, unpredictability, sequestration, consumer\_behavior, frontline\_health\_care, operating\_environment, preventative, virus-caused, swift\_action, vaccinate, supply\_base, safety\_well-being\_employee, save\_life, homebound, emergent, closure, community\_serve, employee\_health, remote\_workforce, supply\_chain\_impact, challenging\_time, force\_majeure, temperature\_check, acutely, health\_care\_customer, labor\_shortage, prolonged\_period, remote\_location, infectious, health\_service, fatality, patient\_volume, unemployment\_rate,

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medical\_professional, economy\_recover, patient\_safety, covid\_impact, sale\_impact, consumer\_confidence, shape\_recovery, infection\_rate, construction\_activity, navigate\_unprecedented, health\_care\_organization, business\_interruption, immune, crisis\_management\_team, payroll\_protection, demand\_weakness, severely\_impact, unprecedented\_circumstance, demand\_decline, supply\_chain\_perspective, recession, surge\_demand, vulnerable, health\_safety\_employee, health\_care\_professional, life-saving, minimize\_disruption, chaos, respiratory, devastate, production\_schedule, caregiver, sanitizer, disease\_progression, protective\_equipment, production\_delay, local\_community, hard-hit, consumer\_demand, essential\_worker, sanitize, economy\_reopen, resume\_operation, impact\_covid-19\_crisis, unintended, impending, mitigant, qualitative\_reserve, prolonged\_downturn, face\_mask, business\_operation, telemedicine, project\_delay, credit\_environment, health\_welfare, safe\_healthy, escalate, homeschooling, proactively, business\_condition, government\_support, covid-driven, precautionary, aggravate, provide\_essential\_service, selfless, postponement, frontline, sick, suspension, practice\_social\_distancing, mitigation\_effort, adverse\_impact, sanitation, manufacturing\_activity, at-home, ensure\_continuity, sanitary, non-covid-related, respirator, zero-contact, visit\_volume, monitor\_coronavirus\_situation, end\_market\_demand, inventory\_correction, covid-situation, supply\_chain\_logistics, government-provided, remotely, customer\_demand, hospitalization, pandemic-generated, employee-directed, challenging\_environment, demand\_side, stimulus\_package, co-infection, relief\_program, prolong, minimal\_disruption, ramp\_back\_up, extended\_period\_time, health\_well-being\_employee, furlough, extended\_shutdown, health\_care\_industry, covid-induced, quarantine-related, adversely\_affect, safety\_precaution, minimize\_risk, ensure\_business\_continuity, remote-capable, wear\_mask, demand\_disruption, work\_environment, testing\_volume, assistance\_program, health\_hygiene, staggering, rapid\_response, impossible\_predict, life-threatening

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**Table IA3**  
**Representative paragraphs for different topics**

This table provides representative paragraphs for each of the ten topics relating to COVID-19 exposure/response. Panel A presents representative paragraphs for the six different exposures to COVID-19, including business operations, demand, employees, liquidity, lockdown, and supply chain. Panel B presents representative paragraphs for the four different responses to COVID-19, including community engagement, cost cutting, digital transformation, and new product development. For each topic, we list the five most representative paragraphs ranked by the proportion of discussion devoted to a particular topic.

Panel A: Representative paragraphs for topics related to COVID-19 exposure

<i>Topic</i>	<i>Representative paragraphs</i>
Business operations	<p>Yes. Collyn, we've spoken to most of our clients there in the construction realm, and for quite a while, they were doing okay even through the crisis until the state ordered the shutdown. And that's only been a couple of weeks. So we recognize there will be some delays in delivery of projects. There were also some delays that we observed through materials that were coming from overseas that will be tied up. Anything that's coming from Asia, anything that's coming from Europe, there will be some slight delays in getting windows and door knobs and those kinds of things.</p> <p>In looking at our existing development projects, at 405 Colorado, as we identified in our supplemental, we did have a disappointment post-quarter close. Our lead 70,000 square foot tenant terminated their lease pursuant to a onetime right to terminate if we did not meet an interim milestone delivery date. Based on the original construction schedule we had, we had a significant cushion built in to meet that milestone. The general contractor, while still being able to complete the project on time, missed that milestone date. We will naturally have a claim against that contractor. But right now, our focus is on getting the project built and leased. So that project now stands at 18% leased with 160,000 square feet to lease in what we know will be a very exciting addition to Austin's skyline. We had a great pipeline of deals before the crisis, and we expect that pipeline to reemerge, and I've been in touch with a number of those prospects. Due to the short construction shutdown we did have in Austin, we did slide the completion date back to Q1 '21, and due to this tenant event, moved the stabilization date back to Q4 '21. On the Bulletin Building, due solely to the mandated construction work stoppage, we are moving the completion date back 1 quarter to Q3 '20. Given that, that building is fully leased, we did move the stabilization date up through the Q4 of '20, so that will be fully stabilized. 3000 Market Street, this is a renovation project within Schuylkill Yards. This 64,000 square foot building is being fully converted into a life science facility, and we're very fortunate to have recently signed a lease with a life science tenant, where they will take the entire building on a 12-year lease, commencing in the third quarter of '21 and then deliver a development yield of 8.5%. So we're really excited. This is truly a great exclamation point to our emerging life science push in University City. Just quick updates on Broadmoor and Schuylkill Yards. On Broadmoor, we're advancing block a, which is a combination of 360,000 square foot office building and 340 apartments through final design and pricing. At Schuylkill Yards, we continued the design development process for a dedicated life science building. And anticipate that with the schedule we have in place, market conditions permitting, that could start in the first half of next year. On our Schuylkill Yards West project, which is our office residential tower, as you know from previous calls, that's fully approved, priced and ready to go, subject to finalizing our debt and equity structure. Certainly, the virus had a big impact on the timing of this project start. We continue to work with our preferred QOZ equity partner, but the crisis has certainly slowed the pace of procuring financing. We do remain optimistic that we'll get that across the finish line when the situation returns to some level of normalcy.</p>

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Moving to our on-campus development pursuits. We are extremely pleased to announce 2 new on-campus development initiatives. On March 27, we entered into a predevelopment agreement with MIT for the development of a graduate student housing community expected to consist of approximately 650 beds. In addition, we were awarded a second development project on the campus of Virginia Commonwealth University. The full scope, transaction structure, feasibility, fees and timing for both projects has not yet been finalized. We continue to pursue numerous active procurements that are continuing throughout the COVID-19 crisis, and we remain active and continue to work with our university partners on predevelopment activities surrounding our previously announced awarded projects.

So our goal right from the very beginning was to try to provide estimate, a timing of this filing since actually the announcement in October. But the timing is always not easy to predict. And in fact, as I said before, this is an unusual process. So it's even harder to predict timing when you have a process that actually is pretty unusual and, in my experience, unique. I would just say that the constructive engagement, though, has been there since the very beginning, that continues. These Type C meetings are formal ways to have engagement with FDA. A pre-BLA meeting is another formal meeting with FDA to continue on the path to approval. We have an open BLA. And yes, there's a -- we said early 2020, so now it's Q3. We did have some impact from COVID. But I would say that overall, what we're saying is that the potential for approval, we're still on track with that.

I should note, that given the terms of the recent carrier service contracts event we entered into, we expect very little seasonality in revenue and EBITDA this year compared to past years. With respect to site construction and related revenue under the FirstNet agreement, the overall timing has been delayed due to permitting and construction delays caused by the pandemic. We currently expect construction revenues to begin in late 2020 but this could be further delayed by any of the pandemic impacts. As we noted in the release, the delay in construction revenue should have little impact on operating income as revenues will largely be offset by construction expenses. Similar to the International Telecom segment, we also expect capital expenditures to be lower in the US segment as about half of the original forecast at \$35 million to 40 million is for tower construction and building backhaul as part of the FirstNet agreement. Some portion of that will likely be pushed into 2021.

Demand

Net income per diluted share was \$1.31 compared to \$1.35 last year, with FX adversely impacting year-over-year results by approximately \$0.07. For the full year, excluding our -- excluded from our 2019 operating results were approximately \$13 million of pretax charges related to flagship store asset impairments. This compares to approximately \$11 million of excluded charges last year related to certain legal matters and flagship store asset impairment. Net sales were \$3.6 billion, up 1% on a reported basis and up 2% on a constant currency basis compared to last year. Comp sales were plus 1% versus plus 3% last year. Gross profit rate was 59.4%, down 80 basis points from last year, with flat AUR offset by higher AUC. Results include adverse impact from changes in FX of 30 basis points and from China tariffs of 10 basis points.

So what I heard was that the increase -- the puts and takes in gross margin versus the increased sales, the increased revenues, the increased throughput that we saw in the first quarter are likely to carry through during this emergency period.

Our first quarter operating income was \$69.9 million, down 53.7% sequentially and down 20.3% year-over-year. Our first quarter operating margin was 12.7%, down 10.6 points sequentially and down 3.3 points year-over-year. The sequential decrease in operating income and operating margin are primarily attributed to lower volume, revenue and gross margin as a result of the COVID-19 impacts.

Operating margin was impacted by approximately 0.8 points year-over-year from foreign exchange. On a year-over-year basis, the decrease in operating margin primarily reflects lower gross profit and higher operating expenses related to go-to-market activities, partially offset by the \$29.8 million charge related to the Invisalign store closure in Q1 2019.

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Enterprise revenue increased 2.7% to \$15.2 billion, primarily due to the comparable sales increase of 3.2%. Enterprise non-GAAP diluted EPS increased \$0.18 or 7% to \$2.90. This increase was driven by a \$0.12 per share benefit from the net share count change and a \$0.06 per share benefit from a lower effective tax rate. In our Domestic segment, revenue increased 2.6% to \$13.85 billion. The comparable sales increase of 3.4% was partially offset by the loss of revenue from store closures in the past year.

Employees

In our plants and other facilities where remote work isn't feasible, we have instituted robust safety protocols. These include stringent cleaning and medical screening, along with staggering shifts and reorganizing how we work to increase social distancing.

In order to protect our employees during this period, we have mobilized our crisis response team and have adopted a comprehensive response plan, the details of which are included on Slide 5 of the presentation. Our response plan includes taking precautions consistent with the local, state and national government health authority guidelines, including the Centers for Disease Control and Prevention and the World Health Organization. Equipping our employees with additional personal protective equipment and enacting social distancing procedures, including staggering shifts, implementing rotating work schedules and modifying workspaces and break areas.

In addition, they enforce protective measures and, most importantly, regularly communicate with all the relevant personnel. In early March, we began consulting with a medical adviser and implemented social distancing through revised shift schedules, isolating work groups, work from home policies and restricted nonessential business travel, just to mention a few proactive items.

For our employees, who must leave their homes to perform essential service for our customers, a big thank you. They haven't missed a beat in the work they do and have maintained excellent operations. We have equipped these employees with the proper protective equipment, such as masks and protective suits for entering homes. We are performing our tasks with safe social distancing and are regularly sanitizing our facilities, trucks and tools. Every employee that leaves their home gets their temperature checked everyday.

We have since partially reopened our San Leandro manufacturing facility in full accordance with federal, state and local regulations and guidance. We have also implemented the enhanced safety measures at each of our manufacturing facilities. Those measures include smaller staggered shifts to ensure social distancing between employers -- employees, personal safety equipment for each worker, including masks and gloves and, most importantly, cleaning between shifts.

Liquidity

Turning to the balance sheet and cash flow. We ended the quarter with cash and cash equivalents of \$32.1 million. During the quarter, we drew down \$10 million from our existing \$30 million revolving credit facility. While we are adequately capitalized, we believed it was prudent to place some additional liquidity on our balance sheet given the uncertain economic situation.

We repurchased over 217,000 shares in the first quarter, before suspending the program on March 20, 2020, as the health crisis unfolded, and we prioritized capital preservation. After analyzing our capital position, we did declare a \$0.33 per share dividend for the first quarter.

Our liquidity remains strong with over \$200 million of funds available via a mix of cash on hand and credit facilities. As Mike mentioned earlier, we proactively drew down \$90 million on our revolving credit facilities via a partial borrowing on each of our U.S. and Icelandic agreements. While we do not have a foreseeable need for the funds, we secured them out of an abundance of caution in this uncertain and volatile environment.

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Finally, very little of our existing debt matures until 2024, inclusive of our convertible notes, revolver and term loan. Our current net leverage ratio is 3.1x, and our cash on hand is \$89 million as of March 31. Given our balance sheet, the recent covenant amendment and our cost reduction actions, we do not currently foresee using the CARES Act.

We have two maintenance financial covenants in our revolver, and we were in compliance with these covenants at the end of March. We have proactively obtained a waiver for these covenants through the financial covenant reporting period ending June 30, 2021, with modified covenant calculations for the reporting periods ending September 30, 2021 and December 31, 2021. As part of the waiver agreement, we've agreed to a minimal liquidity requirement of \$150 million, and we agree to refrain from share repurchases until we are no longer under the waiver agreement, either through compliance with the covenants or by opting out of the waiver agreement.

Lockdown

And as I said, this week -- last week, it started to go up [ near ] the end of the week. We're starting to see it come up again a little bit this week. And in the U.S. and Europe are actually very similar. They've been trending very similarly. In Europe, what you're seeing is the southern countries are pretty much still in not ordering mode, but in the more northern countries, so Germany, The Netherlands and the Nordic countries, Switzerland, some of those areas are actually -- there is -- they're kind of getting back to work and actually treating patients again as well. So those countries is where you're kind of seeing it over in Europe right now. But the southern countries like France, Spain and Italy, which we don't do a ton of business in those areas, but in general, they're still pretty much in lockdown.

I can take a stab at those, Jeff. First of all, we're not planning any closures in the year. Our closure last year is one of our small original, we call our beach and college restaurants on the Balboa Peninsula as our lease expired there. But we've been very fortunate as a concept not to experience any closures at all. So that's the answer to that.

In Europe and Australia, New Zealand, many of our dealers and boat OEMs, which have been closed since mid-March, are now starting to reopen as countries relax shelter restrictions. We were pleased to see Australia and New Zealand recently announcing some relaxation of boating restrictions.

Despite our optimism for the future, the near-term impact on our business has been profound. Many retail locations across the globe, including our wholesale customers, our own stores and our partner stores were closed at some point during Q1, and many remain closed today. In the Americas and Western Europe, our company-operated stores have been closed since mid-March. And in Russia, our stores closed in early April. Many but not all of our wholesale customer stores in these regions have also been closed. In Asia, we've seen a second wave of the virus. Japan, India and much of Southeast Asia have been impacted, with many stores now closed as of early April. In China, our stores and the approximately 350 partner stores that were closed from January through March are now reopened. We are seeing a slow and steady recovery with week-on-week improvements in traffic and sales, but comps are down materially.

Yes. And then -- and I think if you look at EMEA, you're going to see there are another raft of stores that are scheduled to open next week. So in terms of the decision-making that the -- we're, obviously, looking to follow local country state guidelines, right? So we're not certainly planning to open any stores in contravention of any stay at home orders. So when the stay at home orders are released, when malls are opened, we will consider opening stores. We are also looking to the majority of the stores in a mall being opened. We don't want to be the 1 or 2 stores that open, otherwise, you just have all of the costs and potentially very limited traffic.

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Supply chain	<p>As far as financial impact, there are 3 areas that we are monitoring: one, reduced manufacturing capacity in the quarter due to the shutdown and lower-than-typical headcount in the factory; two, additional expenses incurred as a result of the outbreak; and three, supply chain issues. As many of our suppliers are in China, we are working closely with them as they return to work to assess whether they will be able to supply necessary raw materials for our production. At this point, the vast majority of our suppliers in China have returned to work, and we currently believe that we will not have constraints on our production capacity in Q1 due to virus-related supply chain disruption.</p> <p>I think on biodiesel demand. What we're seeing, Tom, is in Europe, we're actually seeing more of a hit in terms of our biodiesel demand. Part of it is just simply due to the fact that, as in Europe, passenger cars actually use diesel a lot, in addition to commercial vehicles. And so when you have to shelter and place orders come in for Europe, it really negatively impacted the demand environment over there. What's interesting in the United States, we actually have not seen that drop off. In fact, in the early part of the quarter, we actually saw strong demand for diesel. Because as you know, trucks -- the trucking industry, were actually running very, very hard in order to keep the warehouses supplied. And as airlines kind of shut down, a lot of the goods actually start moving on the truck front. So we've seen on the biodiesel front, which is tied to the really diesel demand that United States actually has held up reasonably well. In terms of our block, our biodiesel block, we've got it, a lot of it already sold out into the second and third quarter. So we feel good about this part of the business actually holding up right now.</p> <p>Our supply chain team has been proactively managing part supply during this pandemic since the early days of the outbreak in China. The team is assessing risk areas with our suppliers every day and taking preventative steps to ensure our critical supply lines remain open. However, the global supply base remains subject to the same ordinances and decrees that affect our operations and are causing inevitable interruption in our suppliers, ultimately impacting our output.</p> <p>While we do not manufacture any of our products in China, we do source key components from the region and have plans in place to ensure business continuity. Importantly, we maintain a buffer supply of any critical component sourced overseas. So we know we are in great shape for the next couple of quarters.</p> <p>Our hard goods sourcing is more diversified, and we actively manage our inventory levels to protect against potential disruptions in the supply chain, given the long lead times from order to having the inventory on hand.</p>
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Panel B: Representative paragraphs for topics related to COVID-19 response

<i>Topic</i>	<i>Representative paragraphs</i>
Community engagement	<p>Our Anthem culture and values serve as our foundation for giving back in our local communities. Our deeply committed associates have been giving back in various ways, such as online teaching, outreach via phone or mail to those isolated at home, making masks for non-health care industry workers, helping to provide personal care supplies and providing meal delivery to those homebound by the crisis across the country with partners like the American Red Cross, Boys &amp; Girls Club, Feeding America and Americares. Anthem is on the forefront of delivering relief and support to those most impacted.</p> <p>To support our community, Banc of California partnered with food finders to provide over 300,000 meals to our most vulnerable neighbors in Southern California.</p> <p>And lastly, on behalf of all our employees and our Board of Directors, I want to give our heartfelt thanks to the extremely brave and courageous health care workers and others on the frontline, and they are tirelessly working to fight this pandemic. Have a wonderful day.</p>

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Thank you, operator. We could not be more impressed by the truly extraordinary efforts of our entire organization, which has quickly adapted to these challenging times. We have seen team members display unwavering tenacity and an unparalleled commitment to serving our valued homebuyers. On behalf of our entire leadership team, we want to sincerely thank them for their hard work and continued dedication during these unprecedented times.

Now none of this will be possible without the hard work and dedication of our colleagues around the globe. Every day, their commitment and passion embodies our mission to improve the health well-being and peace of mind of those we serve. This has never been more clear and defining than over the last several months, as they have stepped up in countless ways to support the needs of our key stakeholders around the globe at a time when they most need us.

Cost cutting

The next question, I think, we've already talked a lot about permanent head count reductions and cost cutting. But the question is, can the head count be permanently reduced? And obviously, it's been part of your cost-cutting for the last couple of years. But is this an incremental opportunity, do you think? Or will it -- will you go back to the levels you were before COVID-19?

Second, we continue to flex our conversion costs across the globe, including temporary layoffs of direct and indirect hourly associates, across-the-board compensation reductions for salary associates, as well as intermittent temporary layoffs and reduced workweeks throughout the organization. We're also dramatically reducing our overhead spending across all nonlabor categories.

We have had a growing workforce over the last 5 years. And unfortunately, in many cases, the work has abruptly stopped over the last 6 weeks. We have reduced our hourly workforce by 20% to 25% overall, in line with those projects that are active. About 40% of our salaried workforce is either furloughed or working with reduced hours or reduced pay of up to 25% on a temporary basis. For example, as early as March 18, we announced and temporarily reduced most of the headquarters staff pay and/or hours by 25%. This includes me and all the named executive officers. Our Board of Directors have reduced their compensation by about 22%. Our segment leadership also implemented similar cost reductions for their segment staff and leadership teams. However, about 40% of our company is still working, get pre-COVID salary and hourly levels. And in those cases, we have not significantly reduced our SG&A or cost as we need to have them have the resources they need to continue to perform for our customers.

Given the outlook, we have taken a series of aggressive measures to reduce costs and preserve liquidity. First, we are reducing crews that no longer have scheduled work and releasing the crews-related support staff. Second, we have reduced all employee labor costs through a combination of layoffs, rolling furloughs, wage and salary reductions, and the suspension of our short-term incentive plan. Since February, we have reduced our total company active headcount by over 800 employees or nearly 65%.

In addition, we remain challenged to leverage our expenses on low single-digit sales comps. These cost pressures and the lack of leverage let us to develop 2019 cost savings plan, which we announced last quarter and Paul covered earlier. Through these initiatives, which are well underway today, we expect to generate meaningful savings as we move forward in 2020 primarily in the areas of personnel and headcount associated with various organizational changes. In accordance with the savings plan, the company recognized \$112 million in restructuring cost in the fourth quarter that are accounted for as a component of operating expenses. These restructuring cost reflect severance and other employee costs including a voluntary retirement program as well as facility and closure costs related to the consolidation of certain operations. The company also recorded \$43 million in special termination costs related to the retirement benefits provided to employees that expected this voluntary retirement package. These costs are presented as nonoperating expenses.

Digital transformation

As Paul noted, our remote workforce plan has been rolled out with an overall smooth transition. We already had virtual private network, VPN, technology capability over the last quarter, and we've expanded VPN access to over 70% of our employees. In addition to VPN, we are well set up with the latest technologies that enable our operations to continue efficiently. Our teams are using collaboration tools, including Microsoft Teams and several other cloud-

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based software programs. For our customers, we continue to offer our current online and mobile banking tools, and we are making good progress on our new digital offerings as part of our RISE2020 initiative. Banking is deemed an essential service and I've been so proud of how our CPB employees have risen to deliver exceptional service in these challenging times.

More broadly, the pandemic has created a heightened focus on a need for interoperability, secure access to information, analytics and other needs that align with our capabilities. We believe this could be a catalyst for an industry to move faster to realize the potential that has yet to be realized from a base level of digitization that it was established during the meaningful use era. Not doing so would be a missed opportunity.

We achieved another strong quarter of growth with AppDynamics, demonstrating our ability to deliver unique real-time, AI-powered insights from a single pane of glass, providing complete visibility. Our customers are looking to connect application performance monitoring with infrastructure automation to simplify IT and increase productivity. 2 weeks ago, we announced we are bringing together AppDynamics and our Intersight Workload Optimizer to deliver comprehensive visibility of applications and infrastructure, both on-prem and in the cloud, using machine learning and AI to proactively remediate problems and optimize user experiences.

Nortek selected our SmartVoice product for its Numera Libris personal emergency response system, supporting long battery life while adding always listening features. These achievements, coupled with the recent wins in the smartphone market, including the newly launched Oppo K2 smartphone, continue to demonstrate the depth, strength and diversity of our SmartVoice franchise and our ability to drive down power consumption while raising the bar on quality and performance for edge devices. At CES, we demonstrated how we are leveraging our voice expertise to create innovative AI solutions as the next frontier in machine learning is now applied to voice. As more AI processing gets performed at the edge to address privacy concerns, reduce latency and to make better use of available bandwidth, more efficient hardware and associated algorithms must be tightly coupled and optimized to meet consumers' requirements. We will continue to enrich our product portfolio with a suite of algorithms and hardware that address the rising need to create increasingly accurate AI solutions for edge devices for applications such as sound detection, proximity, acoustic beaconing and more, all while maintaining the lowest power consumption. We believe that our SmartVoice business will continue to be a pivotal growth driver, powering a broad array of exciting new applications.

So broadly stated, I would say the EUV is one for technology for the semiconductor industry. I mean it will allow us, as an industry, to continue to have really bold dreams about [ frank ] and about complex architectures. And that's why it's going to be enabling 5-nanometer this year, and we will, in short order, I'm sure go to 3 and beyond. And that's wonderful because those new architectures will be requiring new materials, but more precise etching chemistries. And more importantly, would be increasingly vulnerable to contaminations. And if you think about the value proposition of Entegris, we will be ideally positioned to develop the solutions required for the industry to continue to advance on the road map.

New product development

Sure. I think when you think about Marlboro and really -- we really believe it's related to that consumer movement across categories. And so as we saw those older -- especially that 50 and older consumer move back from e-vapor into cigarettes, we know from demographics that, that consumer has a higher propensity for discount brands. And so that's why we wanted to show -- you see Marlboro's rock steady is its share of premium. It is something that we'll continue to monitor and make sure there's nothing else there, but we believe that's what occurred -- the majority of that in the first quarter.

Turning now to NICS. As a reminder, we transfer firearms only to law enforcement agencies and federally licensed distributors and retailers, not directly to end consumers. Therefore, since NICS is a measurement of consumer activity, it does not directly correlate to our shipments in any given time period. That said, adjusted NICS background checks are generally considered to be the best available proxy for consumer demand for firearms at retail.

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Our non-detachable, tamper-evident, tear band and closure are also featured on the Youcui brand of infant formula in China. In the beverage market, our sports closures are featured on a line of Dasani Bottled Water in Ecuador and on several new Disney-themed bottled waters by Danone in Brazil.

Yes, certainly. Over the last couple of years, we've been building out various relationships and partnerships. And the relationships are pretty widespread. I would describe a couple broaden our geographical footprint in a few parts of the world that gets us a leverage distribution opportunity, where we're providing a sub-advisory relationship and leveraging into someone else's distribution network and professionals. We are also looking at a few opportunities that we've solidified to get us deeper into the intermediary and wealth channel that's, I think, will be beneficial in the future here.

Yes. This is Bryan Koop. If you look at our strategy with FLEX in Boston, it's really been almost complementary to our existing products. So as an example, with The Hub on Causeway, we have one full floor that we had always planned on putting in the podium, and that's 100% pre-leased and opened last week, and we're just thrilled with the product and how it came out. By year-end, we hope to have 4 locations, but it's really complementary to our existing assets and has nothing to do with what's taking place in the greater market. And then in the greater market on coworking, I think our FLEX product has been immune from, call it, a lot of the noise because the FLEX product is really for the small-to-medium enterprise, and it's not a coworking product per se. It's a Space as a Service for small-to-medium enterprises.

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**Table IA4****Validating our measure of firm-level exposure and response related to COVID-19 using tone**

This table uses tone in COVID-19 related discussions to validate our measures of firm-level exposure and response related to COVID-19. We control for the natural logarithm of total assets, leverage, cash holdings, ROA, and B/M. Industry fixed effects are based on Fama-French 48-industry classification. Definitions of variables are provided in Appendix. Heteroskedasticity-consistent standard errors are presented in parentheses. \*\*\*, \*\*, and \* correspond to statistical significance at the 1%, 5%, and 10% level, respectively.

	Tone				
	(1)	(2)	(3)	(4)	(5)
Overall exposure	-0.007*** (0.001)				
Community engagement		0.017*** (0.003)			
Cost cutting			-0.021*** (0.003)		
Digital transformation				0.018*** (0.002)	
New product development					0.015*** (0.002)
Controls	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes
<i>N</i>	2,129	2,129	2,129	2,129	2,129
Adj. <i>R</i> <sup>2</sup>	0.059	0.046	0.044	0.110	0.051

**Table IA5**  
**Summary statistics of panel data regression in Table 5**

This table presents the summary statistics of variables used in the panel data regression in Table 5. The sample consists of 35,505 firm-month observations over the period January 2019 to March 2020.

	Mean	SD	25 <sup>th</sup> percentile	Median	75 <sup>th</sup> percentile
Monthly return	-1.473	15.615	-8.060	0.314	6.700
Overall exposure	4.793	11.278	0.000	0.000	0.000
Business operations	0.428	1.428	0.000	0.000	0.000
Demand	1.575	4.665	0.000	0.000	0.000
Employees	0.739	2.346	0.000	0.000	0.000
Liquidity	0.436	1.978	0.000	0.000	0.000
Lockdown	0.433	1.371	0.000	0.000	0.000
Supply chain	1.181	3.612	0.000	0.000	0.000

**Table IA6**  
**Controlling for other characteristics that make firms resilient**

This table presents panel data regression estimates of the relation between strong culture, overall exposure to COVID-19, and stock returns, controlling for other characteristics known to make firms resilient during the pandemic. The specification is the same as in Table 5 Panel A column (4). Definitions of variables are provided in Appendix. \*\*\*, \*\*, and \* correspond to statistical significance at the 1%, 5%, and 10% level, respectively.

	Monthly return				
	(1)	(2)	(3)	(4)	(5)
Overall exposure	-0.149*** (0.024)	-0.114*** (0.016)	-0.122*** (0.019)	-0.099*** (0.015)	-0.093*** (0.017)
Overall exposure × Strong culture	0.084*** (0.020)	0.061*** (0.020)	0.081*** (0.017)	0.084*** (0.017)	0.084*** (0.017)
Overall exposure × CSR_ASSET4	0.001** (0.000)				
Overall exposure × CSR_MSCI		0.042** (0.019)			
Overall exposure × WFH			0.063** (0.030)		
Overall exposure × Prior epidemic experience				0.007 (0.016)	
Overall exposure × China					-0.009 (0.013)
Firm characteristics	Yes	Yes	Yes	Yes	Yes
Four-factor loadings	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes
Month FE	Yes	Yes	Yes	Yes	Yes
<i>N</i>	24,510	23,625	35,505	35,505	35,505
Adj. <i>R</i> <sup>2</sup>	0.468	0.490	0.429	0.429	0.429

**Table IA7**  
**Using different return windows**

This table presents robustness checks on Table 4 and Table 5 Panel A. Panels A and B present the results using daily returns over the period January 20 to March 20, 2020 – the combination of outbreak and fever periods following Ramelli and Wagner (2020). Panels C and D present the results using daily returns over the period January 2 to March 31, 2020. Definitions of variables are provided in Appendix. \*\*\*, \*\*, and \* correspond to statistical significance at the 1%, 5%, and 10% level, respectively.

**Panel A: Baseline cross-sectional regression using daily returns over the period January 20 to March 20, 2020**

	Crisis period return			
	(1)	(2)	(3)	(4)
Strong culture	3.243*** (0.974)	3.377*** (0.957)	2.511*** (0.952)	2.566*** (0.955)
ln(Market cap)			1.219*** (0.216)	0.915*** (0.229)
Leverage			-12.880*** (1.886)	-11.198*** (1.901)
Cash holdings			6.447** (2.641)	6.888*** (2.629)
ROA			10.881*** (2.845)	9.053*** (2.791)
B/M			-2.196** (0.914)	-1.169 (0.921)
Momentum			-0.005 (0.009)	-0.005 (0.010)
Constant	-43.702*** (0.425)	-36.094*** (0.952)	-47.809*** (2.155)	-40.476*** (2.446)
Four-factor loadings	No	Yes	No	Yes
Industry FE	Yes	Yes	Yes	Yes
<i>N</i>	2,394	2,394	2,394	2,394
Adj. <i>R</i> <sup>2</sup>	0.145	0.206	0.213	0.246

**Panel B: Panel data regression using daily returns over the period January 20 to March 20, 2020**

	Monthly return			
	(1)	(2)	(3)	(4)
Overall exposure	-0.079*** (0.013)	-0.087*** (0.014)	-0.075*** (0.013)	-0.081*** (0.013)
Overall exposure × Strong culture	0.072*** (0.015)	0.072*** (0.016)	0.048*** (0.015)	0.049*** (0.015)
Firm characteristics	No	No	Yes	Yes
Four-factor loadings	No	Yes	No	Yes
Firm FE	Yes	Yes	Yes	Yes
Month FE	Yes	Yes	Yes	Yes
<i>N</i>	35,505	35,505	35,505	35,505
Adj. <i>R</i> <sup>2</sup>	0.419	0.426	0.435	0.440



Panel C: Baseline cross-sectional regression using daily returns over the period January 2 to March 31, 2020

	Crisis period return			
	(1)	(2)	(3)	(4)
Strong culture	4.991*** (1.213)	5.074*** (1.194)	3.700*** (1.188)	3.799*** (1.193)
ln(Market cap)			1.579*** (0.269)	1.199*** (0.284)
Leverage			-15.436*** (2.283)	-13.184*** (2.318)
Cash holdings			9.011*** (3.330)	9.283*** (3.310)
ROA			8.814** (3.533)	6.494* (3.461)
B/M			-4.634*** (0.966)	-3.315*** (0.962)
Momentum			0.019 (0.012)	0.018 (0.013)
Constant	-34.667*** (0.513)	-25.734*** (1.121)	-40.142*** (2.618)	-31.284*** (2.901)
Four-factor loadings	No	Yes	No	Yes
Industry FE	Yes	Yes	Yes	Yes
<i>N</i>	2,394	2,394	2,394	2,394
Adj. <i>R</i> <sup>2</sup>	0.197	0.266	0.276	0.309

Panel D: Panel data regression using daily returns over the period January 2 to March 31, 2020

	Monthly return			
	(1)	(2)	(3)	(4)
Overall exposure	-0.103*** (0.015)	-0.110*** (0.016)	-0.095*** (0.015)	-0.100*** (0.016)
Overall exposure × Strong culture	0.111*** (0.017)	0.111*** (0.018)	0.087*** (0.017)	0.088*** (0.018)
Firm characteristics	No	No	Yes	Yes
Four-factor loadings	No	Yes	No	Yes
Firm FE	Yes	Yes	Yes	Yes
Month FE	Yes	Yes	Yes	Yes
<i>N</i>	35,505	35,505	35,505	35,505
Adj. <i>R</i> <sup>2</sup>	0.326	0.334	0.342	0.347

**Table IA8**  
**Using alternative measures of strong culture**

This table presents robustness checks on Table 4 and Table 5 Panel A by using two alternative measures of strong culture. *Strong culture\_ind* is an indicator variable that takes the value of one if the sum of a firm's five cultural value scores is in the top quartile across all firms in the same Fama-French 48 industry in a year, and zero otherwise. *Strong culture\_dm* is an indicator variable that takes the value of one if the sum of a firm's five cultural value scores subtracting their industry means is in the top quartile across all firms in a year, and zero otherwise. Panels A and B present the results using *Strong culture\_ind*. Panels C and D present the results using *Strong culture\_dm*. Definitions of variables are provided in Appendix. \*\*\*, \*\*, and \* correspond to statistical significance at the 1%, 5%, and 10% level, respectively.

Panel A: Baseline cross-sectional regression using *Strong culture\_ind*

	Crisis period return			
	(1)	(2)	(3)	(4)
Strong culture_ind	3.697*** (0.933)	3.799*** (0.910)	2.759*** (0.928)	2.842*** (0.917)
ln(Market cap)			1.214*** (0.242)	0.810*** (0.256)
Leverage			-13.155*** (2.063)	-11.147*** (2.072)
Cash holdings			8.332*** (3.012)	8.821*** (2.975)
ROA			8.387*** (3.207)	6.220** (3.107)
B/M			-2.803*** (0.974)	-1.610 (0.985)
Momentum			0.001 (0.011)	0.000 (0.012)
Constant	-41.976*** (0.435)	-33.742*** (1.028)	-46.091*** (2.383)	-37.279*** (2.671)
Four-factor loadings	No	Yes	No	Yes
Industry FE	Yes	Yes	Yes	Yes
<i>N</i>	2,394	2,394	2,394	2,394
Adj. <i>R</i> <sup>2</sup>	0.158	0.224	0.216	0.254

Panel B: Panel data regression using *Strong culture\_ind*

	Monthly return			
	(1)	(2)	(3)	(4)
Overall exposure	-0.094*** (0.015)	-0.102*** (0.015)	-0.090*** (0.014)	-0.096*** (0.015)
Overall exposure × Strong culture_ind	0.068*** (0.016)	0.069*** (0.017)	0.056*** (0.015)	0.057*** (0.016)
Firm characteristics	No	No	Yes	Yes
Four-factor loadings	No	Yes	No	Yes
Firm FE	Yes	Yes	Yes	Yes
Month FE	Yes	Yes	Yes	Yes
<i>N</i>	35,505	35,505	35,505	35,505
Adj. <i>R</i> <sup>2</sup>	0.407	0.415	0.423	0.428

Panel C: Baseline cross-sectional regression using *Strong culture dm*

	Crisis period return			
	(1)	(2)	(3)	(4)
Strong culture_dm	3.911*** (0.947)	4.112*** (0.925)	3.051*** (0.948)	3.163*** (0.940)
ln(Market cap)			1.219*** (0.241)	0.812*** (0.256)
Leverage			-13.152*** (2.060)	-11.127*** (2.070)
Cash holdings			8.138*** (3.021)	8.590*** (2.988)
ROA			8.440*** (3.208)	6.273** (3.106)
B/M			-2.768*** (0.973)	-1.569 (0.984)
Momentum			0.002 (0.011)	0.000 (0.012)
Constant	-42.049*** (0.439)	-33.866*** (1.035)	-46.209*** (2.378)	-37.415*** (2.671)
Four-factor loadings	No	Yes	No	Yes
Industry FE	Yes	Yes	Yes	Yes
<i>N</i>	2,394	2,394	2,394	2,394
Adj. <i>R</i> <sup>2</sup>	0.159	0.225	0.217	0.255

Panel D: Panel data regression using *Strong culture dm*

	Monthly return			
	(1)	(2)	(3)	(4)
Overall exposure	-0.096*** (0.015)	-0.104*** (0.015)	-0.091*** (0.014)	-0.097*** (0.015)
Overall exposure × Strong culture_dm	0.074*** (0.016)	0.079*** (0.017)	0.057*** (0.015)	0.062*** (0.016)
Firm characteristics	No	No	Yes	Yes
Four-factor loadings	No	Yes	No	Yes
Firm FE	Yes	Yes	Yes	Yes
Month FE	Yes	Yes	Yes	Yes
<i>N</i>	35,505	35,505	35,505	35,505
Adj. <i>R</i> <sup>2</sup>	0.407	0.415	0.423	0.428

**Table IA9**  
**Excluding utilities and financial firms**

This table presents robustness checks on Tables 4-7 after dropping utilities and financial firms. Definitions of variables are provided in Appendix. \*\*\*, \*\*, and \* correspond to statistical significance at the 1%, 5%, and 10% level, respectively.

Panel A: Baseline cross-sectional regression after dropping utilities and financial firms

	Crisis period return			
	(1)	(2)	(3)	(4)
Strong culture	3.605*** (1.172)	3.617*** (1.154)	3.141*** (1.138)	3.075*** (1.147)
ln(Market cap)			1.406*** (0.275)	0.975*** (0.292)
Leverage			-12.062*** (2.511)	-9.543*** (2.523)
Cash holdings			7.703** (3.443)	7.631** (3.391)
ROA			7.708** (3.361)	5.747* (3.236)
B/M			-1.227 (1.117)	-0.301 (1.132)
Momentum			-0.003 (0.011)	-0.003 (0.012)
Constant	-41.731*** (0.564)	-33.298*** (1.273)	-48.453*** (2.678)	-39.490*** (3.068)
Four-factor loadings	No	Yes	No	Yes
Industry FE	Yes	Yes	Yes	Yes
<i>N</i>	1,829	1,829	1,829	1,829
Adj. <i>R</i> <sup>2</sup>	0.171	0.230	0.223	0.254

Panel B: Panel data regression (overall exposure) after dropping utilities and financial firms

	Monthly return			
	(1)	(2)	(3)	(4)
Overall exposure	-0.128*** (0.018)	-0.136*** (0.019)	-0.119*** (0.018)	-0.126*** (0.019)
Overall exposure × Strong culture	0.105*** (0.019)	0.103*** (0.020)	0.076*** (0.018)	0.075*** (0.019)
Firm characteristics	No	No	Yes	Yes
Four-factor loadings	No	Yes	No	Yes
Firm FE	Yes	Yes	Yes	Yes
Month FE	Yes	Yes	Yes	Yes
<i>N</i>	27,060	27,060	27,060	27,060
Adj. <i>R</i> <sup>2</sup>	0.371	0.380	0.389	0.394

Panel C: Panel data regression (different exposures) after dropping utilities and financial firms

	Monthly return					
	(1)	(2)	(3)	(4)	(5)	(6)
Business operations	-0.266*					
	(0.155)					
Business operations × Strong culture	0.572***					
	(0.174)					
Demand		-0.194***				
		(0.030)				
Demand × Strong culture		0.148***				
		(0.057)				
Employees			-0.155**			
			(0.065)			
Employees × Strong culture			0.401***			
			(0.079)			
Liquidity				-0.382***		
				(0.121)		
Liquidity × Strong culture				0.443***		
				(0.158)		
Lockdown					-0.540***	
					(0.117)	
Lockdown × Strong culture					0.423***	
					(0.138)	
Supply chain						-0.148***
						(0.037)
Supply chain × Strong culture						0.139**
						(0.058)
Firm characteristics	Yes	Yes	Yes	Yes	Yes	Yes
Four-factor loadings	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Month FE	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	27,060	27,060	27,060	27,060	27,060	27,060
Adj. <i>R</i> <sup>2</sup>	0.393	0.394	0.393	0.393	0.393	0.393

Panel D: Corporate culture and firm response in the crisis period after dropping utilities and financial firms

	Community engagement			Cost cutting		Digital transformation			New product development			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Strong culture	0.456*** (0.160)	0.469*** (0.160)		-0.005 (0.111)	0.033 (0.105)		1.659*** (0.340)	1.676*** (0.339)		0.513** (0.225)	0.545** (0.222)	
Overall exposure		0.021*** (0.005)	0.015*** (0.005)		0.057*** (0.004)	0.055*** (0.004)		0.026** (0.011)	0.011 (0.011)		0.050*** (0.008)	0.045*** (0.008)
Overall exposure × Strong culture			0.020*** (0.006)			0.005 (0.005)			0.054*** (0.011)			0.018** (0.008)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829	1,829
Adj. <i>R</i> <sup>2</sup>	0.023	0.031	0.032	0.074	0.169	0.170	0.101	0.104	0.100	0.079	0.101	0.100

Panel E: Strong culture, strong people/technology culture, overall exposure, and performance and real outcomes after dropping utilities and financial firms

	Sales per employee			Layoff			Market share		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Overall exposure	0.059 (0.125)	0.096 (0.124)	0.030 (0.127)	0.234*** (0.046)	0.240*** (0.045)	0.235*** (0.046)	0.001 (0.001)	0.001 (0.001)	0.001 (0.001)
Overall exposure × Strong culture	0.334*** (0.094)			0.004 (0.052)			-0.001 (0.002)		
Overall exposure × Strong people culture		0.367*** (0.120)			-0.133** (0.057)			0.000 (0.002)	
Overall exposure × Strong technology culture			0.361*** (0.086)			-0.001 (0.049)			-0.001 (0.002)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	12,512	12,512	12,512	12,512	12,512	12,512	12,512	12,512	12,512
Adj. <i>R</i> <sup>2</sup>	0.071	0.070	0.071	0.040	0.041	0.040	0.039	0.039	0.039

Panel E (continued)

	ROA			ROS		
	(10)	(11)	(12)	(13)	(14)	(15)
Overall exposure	-0.008*	-0.007	-0.008*	-0.041	-0.031	-0.049
	(0.005)	(0.005)	(0.005)	(0.045)	(0.044)	(0.046)
Overall exposure × Strong culture	0.010**			0.077**		
	(0.004)			(0.035)		
Overall exposure × Strong people culture		0.012**			0.040	
		(0.005)			(0.052)	
Overall exposure × Strong technology culture			0.007*			0.089***
			(0.004)			(0.033)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	12,512	12,512	12,512	12,512	12,512	12,512
Adj. <i>R</i> <sup>2</sup>	0.065	0.065	0.064	0.040	0.040	0.040

Panel F: Five cultural values, overall exposure, and performance and real outcomes after dropping utilities and financial firms

	Sales per employee					Layoff				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Overall exposure	0.108	0.076	0.103	0.052	0.024	0.234***	0.237***	0.237***	0.231***	0.255***
	(0.125)	(0.124)	(0.124)	(0.124)	(0.128)	(0.045)	(0.046)	(0.045)	(0.047)	(0.046)
Overall exposure × Strong integrity culture	0.056					0.009				
	(0.136)					(0.064)				
Overall exposure × Strong respect culture		0.270***					-0.018			
		(0.083)					(0.053)			
Overall exposure × Strong teamwork culture			0.401***					-0.107*		
			(0.138)					(0.062)		
Overall exposure × Strong innovation culture				0.329***					0.021	
				(0.080)					(0.049)	
Overall exposure × Strong quality culture					0.334***					-0.077
					(0.083)					(0.048)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	12,512	12,512	12,512	12,512	12,512	12,512	12,512	12,512	12,512	12,512
Adj. <i>R</i> <sup>2</sup>	0.069	0.070	0.071	0.071	0.071	0.040	0.040	0.041	0.040	0.041

Panel F (continued)

	Market share					ROA				
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Overall exposure	0.001 (0.001)	0.000 (0.001)	0.001 (0.001)	0.001 (0.001)	0.001 (0.001)	-0.007 (0.005)	-0.008* (0.005)	-0.007 (0.005)	-0.008* (0.005)	-0.009* (0.005)
Overall exposure × Strong integrity culture	0.001 (0.002)					0.003 (0.005)				
Overall exposure × Strong respect culture		0.002 (0.002)					0.011*** (0.004)			
Overall exposure × Strong teamwork culture			-0.001 (0.002)					0.016*** (0.005)		
Overall exposure × Strong innovation culture				-0.001 (0.002)					0.007* (0.004)	
Overall exposure × Strong quality culture					-0.001 (0.002)					0.009** (0.004)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	12,512	12,512	12,512	12,512	12,512	12,512	12,512	12,512	12,512	12,512
Adj. <i>R</i> <sup>2</sup>	0.039	0.039	0.039	0.039	0.039	0.064	0.065	0.065	0.064	0.064



Panel F (continued)

	ROS				
	(21)	(22)	(23)	(24)	(25)
Overall exposure	-0.026 (0.044)	-0.043 (0.045)	-0.030 (0.045)	-0.044 (0.045)	-0.054 (0.046)
Overall exposure × Strong integrity culture	-0.035 (0.056)				
Overall exposure × Strong respect culture		0.100*** (0.035)			
Overall exposure × Strong teamwork culture			0.053 (0.053)		
Overall exposure × Strong innovation culture				0.080** (0.033)	
Overall exposure × Strong quality culture					0.093*** (0.030)
Controls	Yes	Yes	Yes	Yes	Yes
Firm FE	Yes	Yes	Yes	Yes	Yes
Quarter FE	Yes	Yes	Yes	Yes	Yes
<i>N</i>	12,512	12,512	12,512	12,512	12,512
Adj. <i>R</i> <sup>2</sup>	0.040	0.041	0.040	0.040	0.041