

corbin

Thought Leadership:

**Navigating Disruption: How the Iran War
is Shaping Investor Discussions**

March 20, 2026

Since the onset of COVID, public companies have continued to face several “hundred-year floods” in rapid succession. The COVID-era supply disruptions, the Texas Freeze, Russia’s invasion of Ukraine, the Suez Canal blockage, Liberation Day, and the Iran War are recent examples of major concerns that dominate headlines and affect investor views and confidence.

Given how quickly events are progressing, investor focus has shifted from the headline itself to investment implications. **In the coming weeks, management teams should expect more pointed questions about any direct and/or indirect exposure effects and formulate their response strategies. Clearly defining and packaging what the exposure is, is just as important as what it is not. Don’t assume investors know which companies are more or less impacted than others – they don’t. And, impact can range between positive, neutral, and negative. One thing is for sure, these types of situations, if prolonged, can constrain confidence and capex decisions until clarity is restored. And that can have a dampening effect on the positive growth momentum many industries were already experiencing or beginning to see.**

To keep you informed on the investment community’s focus areas, we analyzed recent company messaging across conferences, earnings calls, and press releases to identify emerging communication trends.

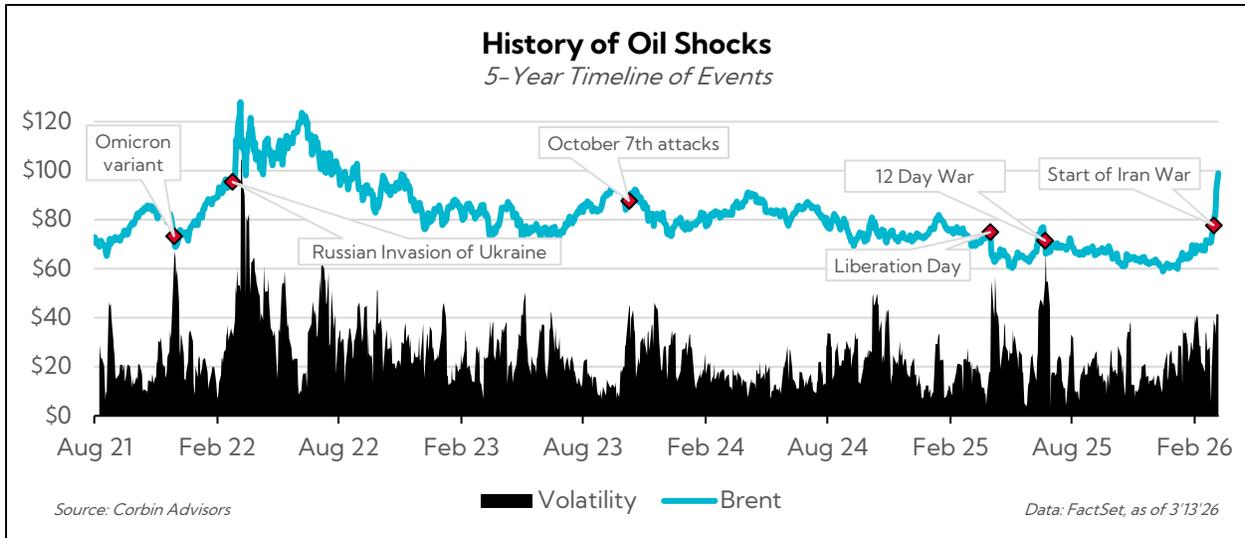
As we have done in our thought leadership pieces for prior events, we identify **best practices to reduce ambiguity, reinforce preparedness, and maintain confidence with the Street.**

Communicating through Disruption

Over the past five years, these shocks have shown how exogenous events can reshape both operating environments and investor communication. From the post-pandemic recovery to the war in Iran, management teams routinely face challenges that test their ability to quickly adapt.

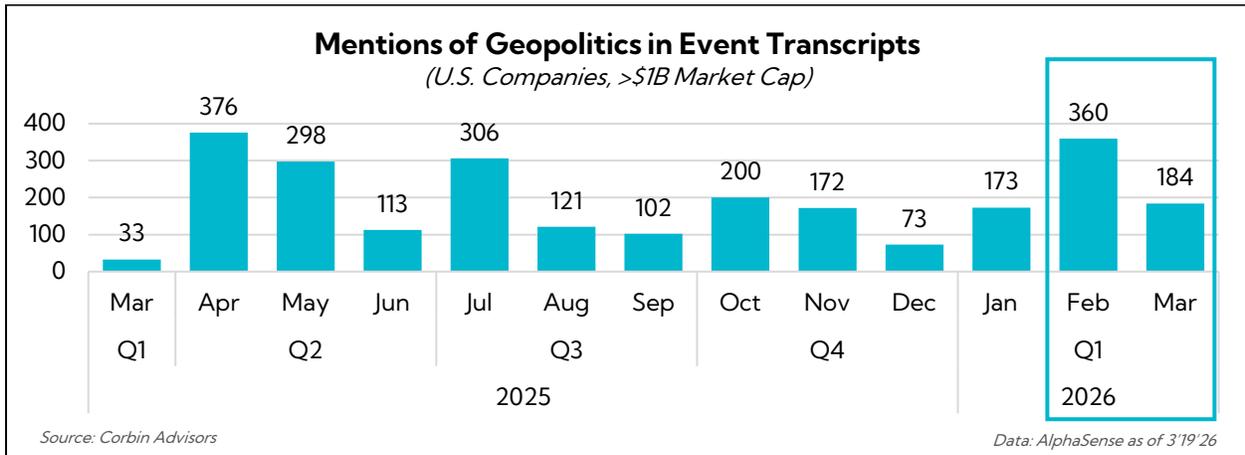
During these periods of disruption, investors do not expect companies to have all the answers. Rather, they want companies to **distinguish first-order effects from potential derivative ones, quantify what is knowable, help frame scenarios where outcomes are less clear, and exercise disciplined control over the response.**

At this time, the Strait of Hormuz is at the center of focus, a waterway just 29 nautical miles wide, but with nearly 20% of the oil and gas consumed in the world passing through. Similarly, 20–30% of global fertilizer exports pass through Hormuz, and merchandise goods connecting major regional economies to global supply chains are also at risk, while maritime insurance premiums have also seen a sharp rise. As a result, importers are bracing for higher prices and a supply shortfall.



It is in times of uncertainty that investor relations can play an even more significant role in shaping investor perceptions and ultimately drive long-term confidence. Our research has shown that **roughly 40% of a stock's valuation is influenced by investor relations** (both positively and negatively) and that **company execution alone is not sufficient for a higher valuation**.

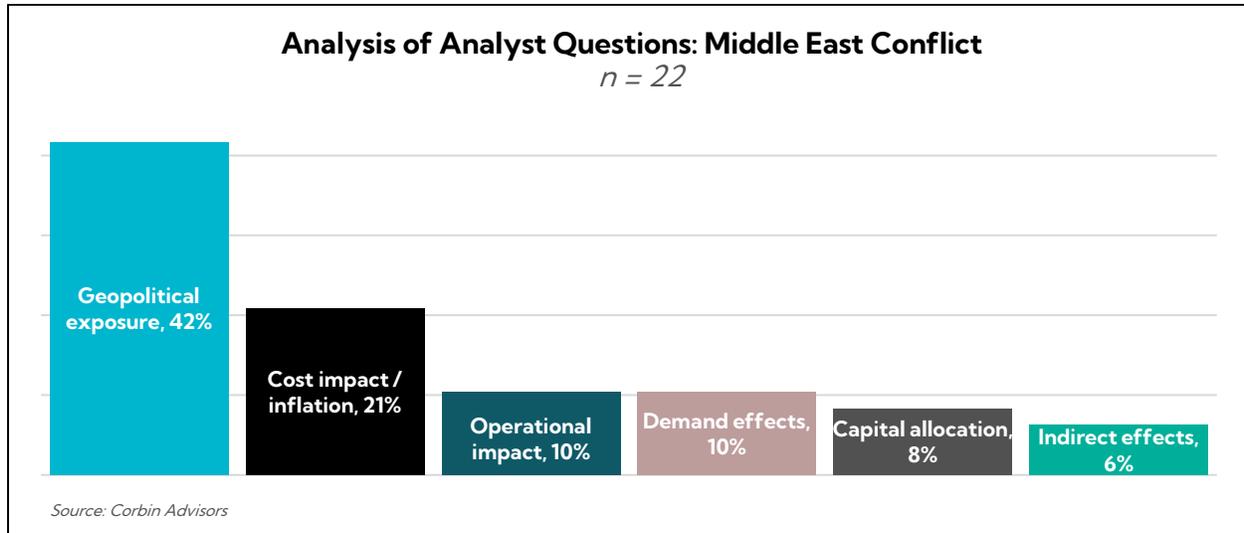
With this in mind, we analyzed industry conferences, earnings calls, and investor day transcripts over the past week to identify emerging trends and other insights gleaned from analyst questions with regard to how management teams are addressing their company's exposure (or lack thereof) to the Iran conflict.



Analyst Questions

Throughout Q&A sessions, analysts are seeking to 1) understand each company's level of exposure; 2) mitigation actions being taken; 3) any playbooks being deployed from similar historical circumstances; and 4) any assumptions that are being baked into guidance based on the impact and length of the conflict. Specifically, questions emphasize business

exposures to the Middle East and how companies will absorb or pass through any cost increases resulting from geopolitical shocks, with the main areas of concern centering on inflation and other operational, logistical, and supply chain issues. To a slightly lesser extent, demand effects and changes to capex are in focus.



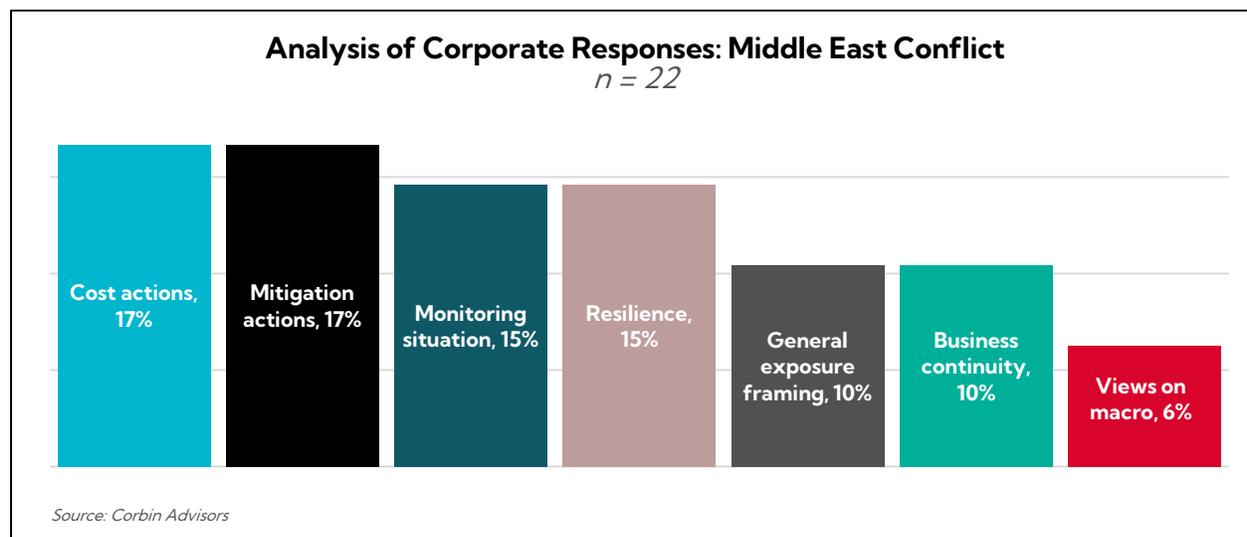
Selected Analyst Questions

- *"The price of oil. It's obviously kicked up here a bit. The question is for how long, but drawing any comparisons to last time when we saw higher prices of oil ... How would you describe the potential impact?"*
- *"Can you talk about what you're seeing across your business globally in terms of Middle East exposure? I know it's a very fluid situation, but how are you seeing the business evolve over the past couple of weeks? Any interruptions?"*
- *"There's been some major geopolitical events over the past few weeks in Iran. And I was hoping you could talk about any impacts on your business? Is this raising costs? Is it opening up trading opportunities?"*
- *"Could you give us an update on how the quarter and year are shaping up? How are you tracking against your expectations given the disruptions in the Middle East? What impact could this have on the business?"*
- *"Could you just talk about the various angles of attack from this issue? What happens if the oil price stays higher for longer, and what other variables are at play that you...are watching?"*
- *"We've all been watching what's been going on in the Middle East, both from a geopolitical perspective and in the fluctuations in commodity prices. You have a business that has a lot of logistics functionality. Can you just remind us what happens when you see some of these moving pieces, especially at a volatile level like with oil, gas, and other commodities?"*

- *“The world has changed with the conflict in Iran. Is this something that's touched your business or touched either demand or the way your customers are looking for your services?”*
- *“Can you give us a quick update on the Dubai facility, its status? Are you able to manufacture? Are you able to send product or do you have an alternate plan to meet the needs of getting product into Africa or the Middle East?”*

Executive Commentary

Although we have observed concentrated questions from analysts, we see a diverse set of responses from corporate leaders. **Management teams are emphasizing cost and other mitigation actions, the situation's fluidity, logistical resilience, direct exposure, and business continuity.** In some cases, companies are proactively stating that they are not seeing any immediate impact on the business or financial results, but note that the situation is fluid and they remain prepared to address it.



Selected Management Responses

- **Valmont Industries (\$8.0B, Construction & Engineering):** *“The safety of our employees is the highest priority for us. But right now, we really can't get products in or out of Dubai and they're prioritizing food versus equipment. So, we have our China facility that actually could support some of our other products going more into Europe. We can bring that from other locations. So, we're able to mitigate some of that. We're able to flex down that facility pretty efficiently. So, it's not going to be a material impact at this point in time.”*
- **Honeywell (\$149.1B, Industrial Conglomerates):** *“So, high single-digit of our annual revenue comes from the Middle East, on average. With that said, given what's happening in Iran, we do not see any impact to us right now for the quarter or for the year. There's some shipment delays etc., but they're minimal. They're about \$20 million to \$30 million of top-line revenue pressure for the quarter.”*

- **United Natural Foods (\$2.5B, Consumer Staples D&R):** *“The other point that is top of mind for many of you is what could be the impact of the Iran crisis, the oil crisis, and everything that is happening out there. We have a hedging strategy in place...that we utilize in our operations. And then we also have contractual protection to basically pass on to our customers any fuel increase and any fuel surcharge.”*
- **McKesson (\$115.2B, Health Care Providers):** *“This has happened many times in my career where we’ve had this. We’ve been able to manage it quite well. We try to understand what the impact is going to be, try to minimize that impact.”*
- **GE Healthcare (\$32.3B, Health Care Equipment & Supplies):** *“As we think about Middle East exposure...for us, the primary focus right now is on safety, continuity – safety of our employees and ensuring business continuity is in place. We really want to make sure that we’re getting product around the world in the most effective way.”*
- **Oshkosh (\$9.2B, Machinery):** *“The biggest thing that we pay attention to is that we want this to end quickly. I don’t know when it’s going to end. I really don’t. But we want it to end quickly because it’s going to create and it already is creating and will continue to create problems with supply in our economy...25% of the world’s aluminum comes through the Strait of Hormuz. We all know 20% of the world’s oil comes through the Strait of Hormuz.”*
- **Eastman Chemical (\$7.9B, Chemicals):** *“We’re sitting here in the middle of escalating impacts in the Middle East, and just 3 weeks into it. That presents opportunities in our Intermediates business, which is potentially materially different than what we had thought at the beginning of the year... We’ve had events in the past where oil has been above \$100. I remind our business teams of that every day. We’ve got playbooks for this. I would start by where you were, which is, one, we’re financially sound, right? We’ve taken our refinancing risk off the table. We’ve extended and amended our revolver, and that’s well-positioned with the covenants that we need to ensure these different scenarios play out.”*

Notable Communications

We are also seeing select companies proactively announce specific actions in response to the ongoing conflict in the Middle East. Most notably, a few companies have begun announcing price increases and estimated impacts to Q1’26 results and previously shared outlook.

Ecolab (ECL, \$72B) – Materials: Announced a 10–14% energy surcharge on all products and services. The press release specifically notes the war in the Iran War as the cause, highlighting significant volatility seen in global energy markets. ([Press Release](#))

Slb (SLB, \$71B) – Energy: Issued a press release noting that they are monitoring the situation, are focused on the safety and security of their employees, have activated a regional response team, and have quantified an estimated impact on results. ([Press Release](#))

Cabot Corp. (CBT, \$4B) – Materials: Announced an increase to prices from their specialty compounds business, effective immediately or as contracts allow. Notes that adjustments will be continuously evaluated as market conditions evolve. [\(Press Release\)](#)

LyondellBasell Industries (LYB, \$24B) – Materials: During a recent industry conference, LyondellBasell presented a slide highlighting management’s view of potential impacts of the Iran War. The example below frames the disruption in terms of its impact on capacity, the resulting effect on earnings, and how it is likely to influence ultimate output.

Strait of Hormuz constraining global capacity

War effects on our main products remain dynamic, but skewed to the upside

| | Potential Impacts (% of global capacity) | | LYB financial sensitivity | | | |
|---------------|---|-------------------|---|---|---|------|
| | Behind SoH | Behind SoH + Asia | Theoretical Impact on Earnings ¹ | Operating Rates ² | Nameplate capacity ² (MMton/yr) | |
| PE | 11% | 57% | North America | \$100/ton (4.5 cpp) integrated PE margin = ~\$320MM | ~85% | ~4.1 |
| | | | Europe | \$100/ton integrated PE margin = ~\$280MM | ~70% | ~2.1 |
| Oxyfuels | 11% | 69% | \$1/bbl crude oil = ~\$20MM globally | | | |
| PP + Catalloy | 7% | 74% | North America | \$100/ton PP - propylene spread = ~\$440MM for NA and EU | ~75% | ~1.9 |
| | | | Europe | | ~60% | ~2.5 |
| PO | 2% | 63% | \$100/ton PO spread = ~\$160MM for NA and EU | | | |

SoH = Strait of Hormuz
 1. Polyolefins impact calculated as average LYB volumes sold for 2021-2025 multiplied by the change in margin. Oxyfuels (MTBE/ETBE) impact is calculated assuming normalized volumes and constant butane-to-crude ratio. PO impact based on improvement in PO incremental contract margin.
 2. 2025 operating rates and nameplate capacity

In addition to direct announcements of results, companies have begun to include mention of the Iran War in their “cautionary statements”. This follows similar updates that occurred during Russia’s invasion of Ukraine.

The Big So What®

Below, we highlight best practices for communicating with investors—not only during the current conflict but also during all major geopolitical events that affect markets.

- **Communicate Direct Exposure with Specificity; Separate the Facts from Assumptions:** Clearly distinguish what is material, what is known, and what remains uncertain to reinforce credibility. If you do not have first-order exposure to Iran or the Middle East, proactively highlight this.
- **Identify Second-Order Effects Early:** Anticipate indirect ramifications and be prepared to address how any disruptions may cascade across the business, which could include rising oil or commodity prices. Serious thought should be given to the implications to

guidance, and a disciplined approach must be taken based on your unique circumstances.

- **Reduce Ambiguity to Build Credibility:** Investors do not expect certainty, but they do want clarity, consistency, and specificity.
- **Demonstrate Preparedness, Not Just Responsiveness:** Communicate a clear framework for navigating disruption, including scenario planning and decision discipline. Remind investors of historical actions to reinforce your pressure-tested leadership team.
- **Stay Company-Specific:** Focus on business impact, mitigation levers, and decision priorities, not macro commentary.

In Closing

Markets have historically proven resilient through geopolitical disruption, often pricing in risk ahead of events and recovering over time.

While the current backdrop remains fluid, management teams can control their narrative through clear, credible, and proactive communication. By focusing on direct exposure, evaluating second-order effects, and articulating a disciplined response, companies can help investors assess risk, understand resilience, and maintain confidence.

We are monitoring markets for pre-announcements in the coming weeks. As a reminder, our research shows that investors favor pre-announcements when a company is expected to miss (or beat) guidance, not consensus, by 10%+.

We hope you find this piece timely, relevant, and actionable.