

GIBSON DUNN

2017 Mid-Year Activism Update

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Gibson Dunn
2017 Mid-Year Activism Update

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August 15, 2017

To Our Clients and Friends:

This Client Alert provides an update on shareholder activism activity involving NYSE- and NASDAQ-listed companies with equity market capitalizations above \$1 billion during the first half of 2017. Activism has continued at a vigorous pace thus far in 2017. As compared to the same period in 2016, this mid-year edition of Gibson Dunn's Activism Update captured more public activist actions (59 vs. 45), more activist investors taking actions (41 vs. 35), and more companies targeted by such actions (50 vs. 38).

During the period from January 1, 2017 to June 30, 2017, seven of the 50 companies targeted faced advances from multiple activists, including two companies that each had three activists make separate demands and two companies that each dealt with activists acting jointly. As for the activists, 10 of the 41 captured by our survey took action at multiple companies. Equity market capitalizations of the target companies ranged from just above the \$1 billion minimum covered by this survey to approximately \$235 billion, as of June 30, 2017.

Activists continued to be most interested in changes to board composition, including gaining representation on the board (67.8% of campaigns), and changes to business strategy (61.0% of campaigns). Goals related to M&A, including pushing for spin-offs and advocating both for and against sales or acquisitions, came up in 45.8% of the campaigns covered by our survey, while other governance initiatives (30.5% of campaigns) and changes in management (27.1% of campaigns) were relatively less common. Interestingly, multiple activists approached companies not only seeking a change in management but with hand-picked replacements identified as part of their campaigns (*e.g.*, Mantle Ridge at CSX Corp.). Finally, while 20.3% of campaigns involved proxy solicitations during this past proxy season, none of the situations we cover involved attempts to take control of companies. Of the 12 proxy solicitations we reviewed, four reached a shareholder vote but only one resulted in a dissident victory, despite ISS and Glass Lewis supporting the dissident slate in two of the votes in which companies prevailed. We also note that, while activism continues to be most frequent at small-cap companies (46.0% of companies targeted had equity market capitalizations below \$5 billion), the first half of 2017 saw a resurgence in activism at companies with equity market capitalizations greater than \$20 billion, with 14 such companies targeted (28.0% of companies targeted), which is double the total number of such companies targeted in all of 2016. More data and brief summaries of each of the activist actions captured by our survey follow in the first half of this publication.

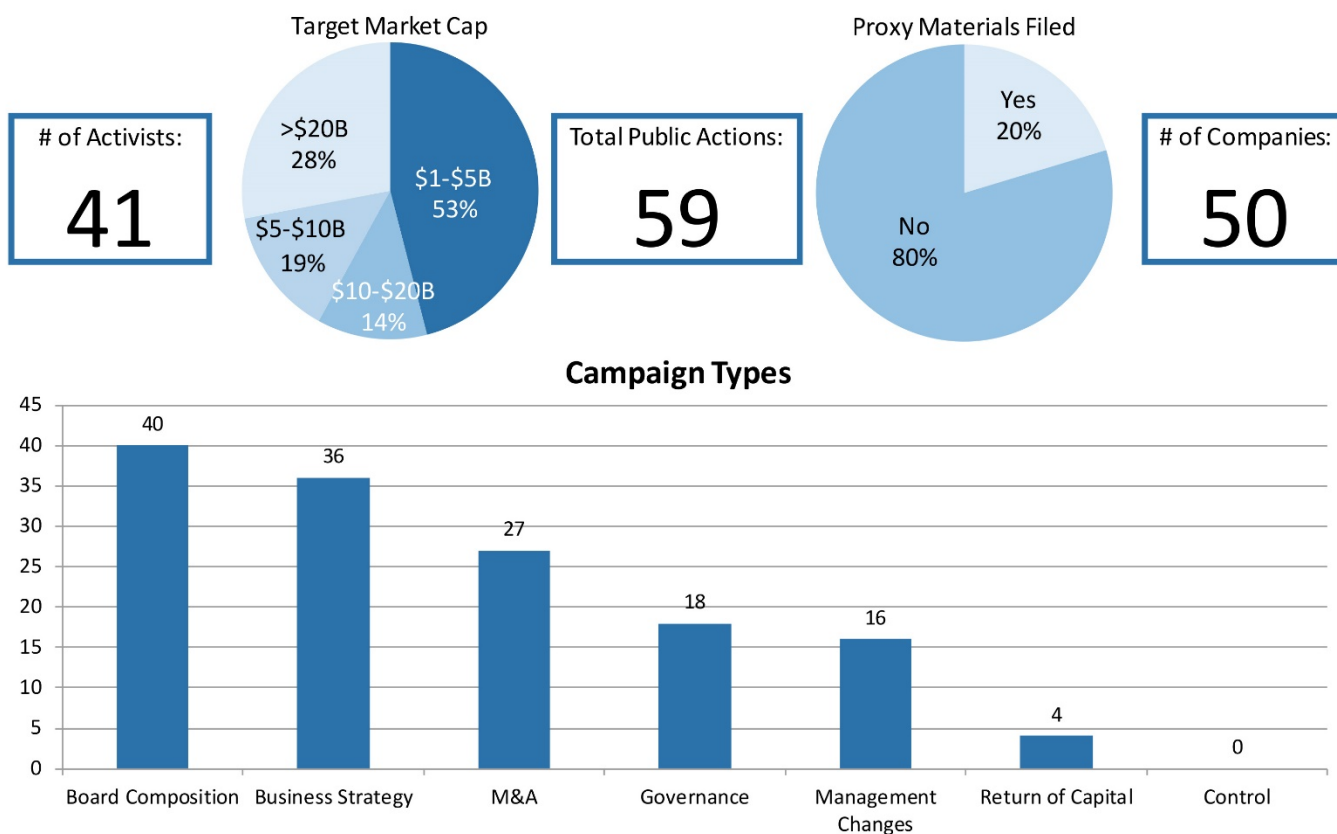
The number of publicly filed settlement agreements reviewed for this edition of our Activism Update declined against the same period in 2016 (12 vs. 17). The decline in publicly filed agreements despite the rise in overall campaigns may be attributable to an increased willingness of companies to adopt activist requests, sometimes even appointing activist director nominees, without reaching a formal agreement. Within the settlement agreements we reviewed, the inclusion of certain key terms has appeared to become standard since we first started tracking such terms in 2014. Standstill periods, voting agreements, and ownership thresholds each appear in at least 90% of agreements. Non-disparagement provisions appear in 87% of agreements, while the inclusion of other strategic initiatives (*e.g.*, replacement of management, spin-offs, governance changes) and

committee appointments for new directors are somewhat less frequent, each appearing in just over 70% of agreements. Reimbursement of expenses continues to appear only occasionally (36%). Notably, the frequencies of each of the tracked terms in the 12 agreements reviewed for this edition did not materially differ from the respective average frequencies since 2014. We delve further into the data and the details in the latter half of this edition of Gibson Dunn's Activism Update.

Finally, we note the frequency and publicity of "activist shorts" in 2017. Though different from a traditional activist campaign in that such shorts inherently come without warning, this different breed of activist is no less worthy of note to the companies they target. Unlike many traditional activists who aim to increase shareholder value and stay in a company's stock (sometimes even referring to themselves as "constructivists"), activist short-sellers are inherently disruptive. The common practice is for an activist short-seller to take a short position in a company, then publicize, often in a white paper, what it feels are material vulnerabilities of the target company (*e.g.*, overvaluation, misstated financials, industry weaknesses) and allow the market to react. In the first half of 2017, within the same range of companies we survey for traditional activism (NYSE- and NASDAQ-listed companies with equity market capitalizations above \$1 billion), 22 different activist short-sellers (only two of which also took traditional activist actions at other companies) publicized short positions in 30 different companies (two of which were targeted by multiple activist short-sellers).

We hope you find Gibson Dunn's 2017 Mid-Year Activism Update informative. If you have any questions, please do not hesitate to reach out to a member of your Gibson Dunn team.

By the Numbers – H1 2017 Public Activism Trends



*Study covers selected activist campaigns involving NYSE and NASDAQ-traded companies with equity market capitalizations of greater than \$1 billion as of June 30, 2017 (unless company is no longer listed).

**All data is derived from the data compiled from the campaigns studied for the 2017 Mid-Year Activism Update.

H1 2017 Activist Public Actions

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Allan Gray (Orbis Investment Management)	Arconic Inc. (f/k/a Alcoa Inc.)	NYSE: ARNC	2/2/17	\$10.76	3.4%	Board composition; business strategy; management changes	N	In 2/17, Orbis announced intention to vote against reelection of Company's CEO to board and for slate of director nominees put forth by Elliott. In 4/17, CEO was removed by board but Orbis, along with four other institutional shareholders representing 20% of Company's outstanding shares, continued to call for broad-based change to board by supporting proxy contest initiated by Elliott. In 5/17, Company reached settlement with Elliott.
Ashe Capital Management	Allison Transmission Holdings, Inc.	NYSE: ALSN	11/9/15	\$5.84	6.6%	Board composition; governance	N	In 2/16, Ashe withdrew proxy contest after Company agreed to adopt corporate governance changes (declassify board, adopt majority voting standard, and adopt proxy access bylaw) and appoint three independent directors. In 5/17, Company appointed representative of Ashe to board as part of agreement reached in 2/17.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Barington Capital Group	Avon Products, Inc.	NYSE: AVP	5/4/17	\$1.67	0.7%	Management changes	N	In 5/17, Barington called on board to replace Company's CEO, arguing that current leadership failed to create value, but CEO was reelected to board. In 6/17, Company appointed new COO amidst reports that CEO was considering retirement.
Benny Landa	Teva Pharmaceutical Industries Ltd.	NYSE: TEVA	6/26/14	\$32.41	<1%	Board composition; business strategy; management changes	N	In 1/17, Landa criticized Company's board for lacking industry experience necessary to devise effective business strategy and increase shareholder value. In 2/17, CEO stepped down, but, in 4/17, Landa stated that broader changes to board were still necessary. In 6/17, Company announced nomination of four new directors.

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H1 2017 Activist Public Actions *(continued)*

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Black-and-White Capital LP	Etsy Inc.	NASDAQ: ETSY	5/2/17	\$1.77	2.0%	Business strategy; governance; M&A	N	In 5/17, Black-and-White called on Company to improve governance and launch strategic review. Hours later, CEO announced resignation, and Company announced appointment of new CEO, separation of CEO/Chairman, and, later, initiation of strategic review.
Blue Harbour Group	Investors Bancorp, Inc.	NASDAQ: ISBC	8/22/14	\$4.06	9.6%	Board composition; business strategy; M&A; return of capital	N	In 3/15, Blue Harbour called for Company to focus on share buybacks, increased dividends, and acquisitions, in such order. In 6/15, Company approved second share repurchase (following one in 3/15) plan to buy additional 10% of Company's stock. In 3/17, Blue Harbour reached agreement with Company to appoint one Blue Harbour designee to board.

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H1 2017 Activist Public Actions *(continued)*

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Bluescape Resources	NRG Energy Inc.	NYSE: NRG	1/17/17	\$5.45	2.5%	Board composition; business strategy	N	In 1/17, Bluescape and Elliott revealed joint 9.4% stake, arguing that Company shares were deeply undervalued and calling on Company to explore strategic initiatives to improve value. In 2/17, Company reached agreement to appoint two new directors, including executive chairman of Bluescape, and create strategic committee. In 7/17, Company announced it would sell assets worth up to \$4 billion and cut costs by \$1 billion.

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H1 2017 Activist Public Actions *(continued)*

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Cevian Capital	ABB Ltd.	NYSE: ABB	6/4/15	\$51.99	5.4%	Board composition; business strategy	N	Beginning in 6/15, Cevian called on Company to consider strategic spin-offs. In 2/17, Company warned investors of decreased demand for its products in certain key markets due to geopolitical tensions in Europe and falling commodity prices. Cevian called on Company to initiate strategic changes, including spin-off of power grid business. Later in 2/17, Company agreed to nominate Cevian's managing partner to board (elected in 4/17).

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H1 2017 Activist Public Actions *(continued)*

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Cevian Capital	Telefon- aktiebolaget L.M. Ericsson	NASDAQ: ERIC	5/30/17	\$23.12	5.6%	Board composition; business strategy	N	In 5/17, Cevian disclosed 5.6% stake and announced it would seek to appoint Cevian co-founder to Company's nomination committee (claiming right as a shareholder under Swedish law). In 6/17, Company agreed to appoint Cevian's co-founder to nomination committee, and later announced it would focus on core business. In 7/17, chairman announced he would step down at next annual meeting.
Corvex Management LP	CenturyLink	NYSE: CTL	5/8/17	\$12.62	5.6%	Board composition; management changes	N	In 5/17, Corvex called for Company's CEO to transition out after two years in favor of current CEO of Level3 Communications (with which Company is merging; expected to close fall 2017). In 6/17, Company announced that Level3 CEO would become COO post-merger and CEO in 2019.

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H1 2017 Activist Public Actions *(continued)*

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Corvex Management LP	Energen Corp.	NYSE: EGN	5/31/17	\$4.81	7.6%	M&A	N	In 5/17, Corvex urged Company to consider a sale. In 6/17, Company decided against a sale, which Corvex criticized in a letter, arguing that Company's sale review process was inadequate and poorly run.
Dragoneer Investment Group LLC	Etsy Inc.	NASDAQ: ETSY	5/15/17	\$1.77	3.7%	Business strategy; management changes	N	In 5/17, Dragoneer and TPG Capital announced joint 8% stake and held discussions with Company about strategic alternatives. Later in 5/17, CEO announced resignation, and Company announced appointment of new CEO, separation of CEO/Chairman, and initiation of strategic review.
Edenbrook Capital	DigitalGlobe, Inc.	NYSE: DGI	3/27/17	\$2.09	0.4%	M&A	N	In 3/17, Edenbrook announced opposition to proposed acquisition of Company by MacDonald, Dettwiler and Associates.

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H1 2017 Activist Public Actions *(continued)*

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Elliott Management	The Advisory Board Company	NASDAQ: ABCO	1/13/17	\$2.31	8.3%	Business strategy; M&A	N	In 1/17, Elliott Management disclosed 8.3% stake, and, in 2/17, it was reported that Elliott might push for a sale of Company or cost-cutting, especially at medical consulting business. In 2/17, Company initiated strategic review. In 3/17, Company and Elliott entered into an NDA and standstill agreement prohibiting Elliott from nominating directors or soliciting votes against Company. In 7/17, it was reported that Company was discussing sale of education and healthcare units.

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Elliott Management	Arconic Inc. (f/k/a Alcoa Inc.)	NYSE: ARNC	11/23/15	\$10.76	13.2%	Board composition; business strategy; management changes	Y	In 1/17, Elliott nominated four-person slate for election to Company's board and launched proxy contest. In 4/17, CEO resigned, but Elliott argued that Company's management and strategy needed further change. Company reached agreement with Elliott in 5/17 to nominate three new Elliott-selected directors and two new Company-selected independent directors.
Elliott Management	Cognizant Technology Solutions Corp.	NASDAQ: CTSH	2/8/17	\$40.46	4.0%	Board composition; business strategy; return of capital	N	In 11/16, Elliott issued plan for Company, including improvements in delivery operations and sales and marketing, new directors, and a \$2.5 billion share repurchase plan. In 2/17, Elliott reached agreement with Company to replace three directors over next two years. Company also committed to a \$3.4 billion share repurchase plan and a plan to reduce workforce by 2.3%, among other initiatives.

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Elliott Management	Gigamon Inc.	NYSE: GIMO	5/8/17	\$1.41	15.3%	M&A	N	In 5/17, Elliott announced stake and urged Company to explore a strategic review and potential sale. In 6/17, Company initiated strategic review and exploration of a sale.
Elliott Management	NRG Energy Inc.	NYSE: NRG	1/17/17	\$5.45	6.9%	Board composition; business strategy	N	In 1/17, Elliott and Bluescape revealed joint 9.4% stake, arguing that Company shares were deeply undervalued and calling on Company to explore strategic initiatives to improve value. In 2/17, Company reached agreement to appoint two new directors, including executive chairman of Bluescape, and create strategic committee. In 7/17, Company announced it would sell assets worth up to \$4 billion and cut costs by \$1 billion.

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Elliott Management	NXP Semiconductors N.V.	NASDAQ: NXPI	5/31/17	\$36.87	6.0%	M&A	N	In 10/16, Qualcomm offered to buy Company for \$45 billion, and, in 11/16, commenced a tender offer. As of 5/17, Elliott and other large investors have urged Company to renegotiate with Qualcomm to improve deal terms.
Engaged Capital	Hain Celestial Group Inc.	NASDAQ: HAIN	6/29/17	\$4.14	9.9%	Board composition; business strategy; M&A	N	In 6/17, Engaged disclosed 9.9% stake, announced nomination of seven-person slate, and said Company should consider a sale or divestiture. In 7/17, Company was found in violation of NASDAQ rules for not holding annual meeting and may be at risk of being delisted.
Foglamp Capital	Gigamon Inc.	NYSE: GIMO	5/9/17	\$1.41	n/a	M&A	N	In 5/17, Foglamp expressed public support for Elliott's call for Company to initiate strategic review and explore a sale. In 6/17, Company initiated strategic review and exploration of a sale.

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FrontFour Capital Group	ClubCorp Holdings, Inc.	NYSE: MYCC	9/15/16	\$1.12	3.4%	Board composition; business strategy; M&A; management changes	N	In 9/16, FrontFour called on Company to explore a sale, and, in 1/17, Company began strategic review. In 3/17, FrontFour announced intent to nominate director candidates. In 4/17, Company CEO retired. In 5/17, FrontFour and Company entered into settlement agreement to add two directors, one joining nominating committee and one joining strategic review committee. In 7/17, Company agreed to be acquired by Apollo for \$1.1 billion.

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H1 2017 Activist Public Actions *(continued)*

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FrontFour Capital Group	Granite REIT Inc.	NYSE: GRP-U	5/2/17	NYSE: \$1.74	3.8%	Board composition; business strategy; governance	Y (in Canada)	In 5/17, FrontFour and Sandpiper announced 6.2% joint stake in Company and intent to nominate directors, and later released a presentation. Later in 5/17, FrontFour and Sandpiper launched proxy contest in Canada (Company also listed in Toronto) to elect three new directors. In 6/17, ISS and Glass Lewis recommended in favor of FrontFour and Sandpiper's nominees. Later in 6/17, Company agreed to appoint investor nominees, replacing three incumbent directors.
FrontFour Capital Group	ILG Inc. (f/k/a Interval Leisure Group)	NASDAQ: ILG	5/24/17	\$3.46	2.0%	Governance; M&A	N	In 5/17, FrontFour called on Company to explore merger with Marriott Vacations Worldwide and criticized large board size. In 6/17, Company began talks with various competitors about potential merger.

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H1 2017 Activist Public Actions *(continued)*

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GAMCO Investors	Lennar Corp.	NYSE: LEN-B	8/15/13	\$12.41	11.2%	Governance	N	In 3/17, GAMCO revealed increased stake and announced it would vote to maintain Company's existing capital structure (including greater voting power for Class B, which had been proposed to be eliminated by other shareholders).
Glenview Capital Management	E. I. du Pont de Nemours & Co.	NYSE: DD	06/28/17	\$66.98	<2%	Business strategy; M&A; management changes	N	In 6/17, Glenview met with Company and Dow Chemical to discuss changes to post-merger reorganization plan; Glenview supported view of Third Point, which has engaged with Dow. Glenview also criticized Dow for delaying announced retirement of CEO.
Greenlight Capital, Inc.	General Motors Company	NYSE: GM	3/28/17	\$54.41	5.0%	Board composition; governance	Y	In 3/17, Greenlight launched proxy contest to elect four new directors (reduced to three in 4/17 in proxy statement) and split Company's common stock into two classes, which was opposed by Company. In 5/17, ISS and Glass Lewis supported Company. In 6/17, all Company nominees were elected at annual meeting.

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H1 2017 Activist Public Actions *(continued)*

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Iron Compass	Simpson Manufacturing Co.	NYSE: SSD	8/2/16	\$2.07	0.4%	Board composition; business strategy; governance; return of capital	Y	In 8/16, Iron Compass publicized letter asking Company to appoint three new directors, declare a dividend, and review expenses and compensation. In 2/17, Iron Compass launched proxy contest to elect one director, but withdrew proxy solicitation in 4/17 after shareholders voted to declassify board and eliminate cumulative voting at special meeting in 3/17. Following withdrawal, Iron Compass said it would launch another contest if further changes were not implemented.
JANA Partners	Bristol-Myers Squibb	NYSE: BMJ	2/21/17	\$90.86	<0.1%	Board composition	N	In 2/17, following private discussions with JANA since late 2016, Company agreed to appoint three new directors.
JANA Partners	Tiffany & Co.	NYSE: TIF	2/21/17	\$11.46	5.1%	Board composition; management changes	N	In 2/17, JANA and Company announced cooperation agreement to appoint three new directors. In 7/17, Company appointed new CEO.

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H1 2017 Activist Public Actions *(continued)*

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JANA Partners	Whole Foods Market, Inc.	NASDAQ: WFM	4/10/17	\$13.46	8.8%	Board composition; business strategy; M&A	N	In 4/17, JANA disclosed stake and announced it may nominate three candidates for board if Company is not responsive to JANA's recommendations regarding capital allocation, operational improvements, and exploration of strategic alternatives. In 5/17, when Company removed seven of 12 directors and appointed four new directors, JANA chose not to settle for two board seats. Later in 5/17, JANA revealed it had put together four-person slate. In 6/17, Company agreed to be acquired by Amazon for \$13.7 billion. In 7/17, JANA exited Company.

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H1 2017 Activist Public Actions *(continued)*

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Land and Buildings	Forest City Realty Trust	NYSE: FCE-A	1/30/17	\$6.35	0.9%	Board composition; business strategy; governance	N	In 1/17, Land and Buildings urged Company to consider strategic alternatives and call a special meeting to vote on full board after dual-class stock structure is eliminated; Company called such actions counterproductive. In 4/17, Land and Buildings reiterated call for Company to explore strategic alternatives. In 6/17, shareholders approved elimination of dual-class structure, following which Land and Buildings announced that it planned to call a special meeting.

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H1 2017 Activist Public Actions *(continued)*

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Land and Buildings	Taubman Centers, Inc.	NYSE: TCO	10/19/16	\$5.16	1.2%	Board composition; business strategy; governance	Y	In 10/16, Land and Buildings called for improved governance, cost-cutting, and exploration of strategic alternatives. In 1/17, Land and Buildings threatened proxy contest and called for governance overhaul (de-stagger board, separate CEO/Chairman, review high-vote stock). In 3/17, Land and Building launched proxy contest to elect two directors. In 5/17, ISS and Glass Lewis supported Land and Buildings, and, later in 5/17, Company said it would refresh and de-stagger board. In 6/17, Company slate was elected at annual meeting. In 7/17, Land and Buildings launched consent solicitation to call a special meeting.

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H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Legion Partners Asset Management	Banc of California, Inc.	NYSE: BANC	1/24/17	\$1.09	6.6%	Board composition; governance; management changes	Y	In 1/17, Legion and CalSTRS revealed formation of shareholder group. In 2/17, Legion and CalSTRS launched proxy contest to elect two new directors and amend bylaws. In 3/17, Company reached agreement to appoint two new mutually agreed directors, and proxy contest was withdrawn. In 4/17, Company appointed new CEO and amended bylaws.
Lion Point Capital	Arconic Inc. (f/k/a Alcoa Inc.)	NYSE: ARNC	2/15/17	\$10.76	0.2%	Board composition; business strategy; management changes	N	In 2/17, Lion Point issued letter supporting Elliott's proxy contest to elect four new directors. In 5/17, Lion Point reiterated its support for Elliott, stating that resignation of CEO in 4/17 was not enough. In 5/17, Company reached settlement with Elliott.

*Study covers selected activist campaigns involving NYSE- and NASDAQ-listed companies with equity market capitalizations of greater than \$1 billion as of June 30, 2017 (unless company is no longer listed), and all information is derived from publicly available sources.

**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Mantle Ridge	CSX Corp.	NYSE: CSX	1/19/17	\$50.34	4.8%	Board composition; business strategy; management changes	N	In 1/17, Mantle Ridge and former Canadian Pacific CEO Hunter Harrison announced plan to push change at Company, including appointment of Harrison as CEO. In 2/17, during negotiations with Mantle Ridge, Company CEO and President announced retirement. In 3/17, Mantle Ridge and Company reached agreement to appoint Harrison as CEO and give Mantle Ridge five board seats, including Harrison and Mantle Ridge founder Paul Hilal.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Marcato Capital Management	Buffalo Wild Wings, Inc.	NASDAQ: BWLD	7/25/16	\$2.04	9.9%	Board composition; business strategy; governance; management changes	Y	In 7/16, Marcato disclosed stake and said Company should improve performance, including by increasing ratio of franchised units to owned units and adding independent directors. In 2/17, Marcato nominated four candidates and, in 3/17, filed preliminary proxy statement (Company included one Marcato nominee on its slate). In 4/17, Marcato called on CEO to resign. In 5/17, ISS supported three of four Marcato nominees. In 6/17, three Marcato nominees were elected at annual meeting and CEO announced retirement by end of year. Later in 6/17, Company initiated program to increase franchised units.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Marcato Capital Management	Deckers Outdoor Corp.	NASDAQ: DECK	6/28/17	\$2.18	6.1%	Board composition; business strategy; M&A	N	In 2/17, Marcato disclosed stake and criticized Company for capital allocation decisions. In 4/17, Company announced strategic review (also supported by Red Mountain) and continued commitment to cutting costs. In 6/17, Marcato issued letter indicating it would seek to remove and replace entire board if Company does not announce a sale prior to next annual meeting.
Marcato Capital Management	Terex Corporation	NASDAQ: TEX	7/28/16	\$3.66	5.2%	Board composition; business strategy; M&A; return of capital	N	In 10/16, Marcato stated Company should cut costs and divest assets to improve profitability. In 2/17, one Marcato representative was appointed to board. Later in 5/17, Company board approved \$280 million share repurchase program.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Neuberger Berman Group	Whole Foods Market, Inc.	NASDAQ: WFM	2/17/17	\$13.46	2.7%	Business strategy; M&A	N	In 2/17, Neuberger Berman was reported to be in discussions with Company about performance. In 4/17, Neuberger Berman issued letter asking Company to explore a sale or joint venture (JANA also urged Company to explore sale and improve operations). In 6/17, Company agreed to be acquired by Amazon for \$13.7 billion, which Neuberger Berman criticized as undervaluing Company.
Paulson & Co.	Valeant Pharmaceuticals International, Inc.	NYSE: VRX	06/19/17	\$6.02	6.3%	Board composition; business strategy; M&A	N	In 6/17, Paulson's John Paulson was appointed to board. Paulson said plan is to focus on core business and sell non-core assets.
Red Mountain Capital Partners	Deckers Outdoor Corp.	NASDAQ: DECK	3/27/17	\$2.18	3.3%	M&A	N	In 3/17, Red Mountain issued letter to board, calling for Company to consider a sale, joining Marcato. In 4/17, Company announced strategic review and continued commitment to cutting costs.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Sachem Head Capital Management	Autodesk, Inc.	NASDAQ: ADSK	2/6/17	\$22.21	5.8%	Board composition; management changes	N	In 2/17, Sachem Head renegotiated 3/16 settlement agreement, resulting in two Sachem Head directors not standing for reelection at annual meeting, with one new director to be recommended by Sachem Head and second seat to be taken by new CEO. In 6/17, Company appointed new CEO, as had been called for by Sachem Head and Eminence Capital.
Sandell Asset Management	Bob Evans Farms, Inc.	NASDAQ: BOBE	9/24/13	\$1.42	9.7%	Business strategy; M&A	N	In 12/16, after previously engaging with Company since 9/13, Sandell withdrew consent solicitation (begun in 10/16) to push Company to consider spin-off options after Company revealed it was working with advisors to explore options. In 1/17, Company announced plan to sell restaurant business. Later in 1/17, Sandell encouraged Company to sell packaged foods business, as well.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Sandpiper Asset Management Inc.	Granite REIT Inc.	NYSE: GRP-U	5/2/17	NYSE: \$1.74	2.4%	Board composition; business strategy; governance	Y (in Canada)	In 5/17, Sandpiper and FrontFour announced 6.2% joint stake in Company and intent to nominate directors, and later released a presentation. Later in 5/17, FrontFour and Sandpiper launched proxy contest in Canada (Company also listed in Toronto) to elect three new directors. In 6/17, ISS and Glass Lewis recommended in favor of FrontFour and Sandpiper's nominees. Later in 6/17, Company agreed to appoint investor nominees, replacing three incumbent directors.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Sarissa Capital Management	Innoviva, Inc.	NASDAQ: INVA	3/7/17	\$1.40	3.1%	Board composition; governance	Y	In 3/17, Sarissa filed preliminary proxy statement to elect three directors and criticized executive compensation. In 4/17, ISS and Glass Lewis supported Sarissa's slate. Later in 4/17, Company backed out of settlement with Sarissa. At annual meeting, Company slate prevailed with support of 30% shareholder GlaxoSmithKline, following which Sarissa filed suit seeking to enforce purportedly agreed settlement for two board seats.
Scopia Capital Management	Southwest Gas Holdings, Inc.	NYSE: SWX	3/8/17	\$3.47	2.1%	Board composition	Y	In 3/17, Scopia announced intention to nominate one director and filed preliminary proxy statement; in 4/17, Scopia withdrew its proxy solicitation without public explanation.
Starboard Value	Parexel International Corp.	NASDAQ: PRXL	5/11/17	\$4.44	5.7%	Business strategy; M&A	N	In 5/17, Starboard disclosed stake and called for exploration of strategic options. In 6/17, Company agreed to be acquired by Pamplona Capital for \$5 billion.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Starboard Value	Perrigo Company	NYSE: PRGO	2/7/17	\$10.83	6.7%	Board composition; business strategy; governance; M&A	N	In 9/16, Starboard issued letter to board calling for operational improvements and for Company to consider a sale of some non-core assets (strategic review commenced in 11/16). In 2/17, Company entered into agreement with Starboard to appoint three Starboard nominees and two mutually agreed independent directors. In 5/17, Company sold royalty stream from non-core pharmaceutical asset.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Starboard Value	Tribune Media Company	NYSE: TRCO	2/21/17	\$3.54	6.6%	Board composition; business strategy; governance; M&A	N	In 2/17, Starboard disclosed stake and announced it may engage in discussions regarding M&A, capitalization, and board structure. In 3/17, it was reported that Company was in merger discussions with Sinclair Broadcast Group. In 3/17, Starboard reduced stake to 4.4% and was reported to have pushed 21st Century Fox to approach Company. In 5/17, Company agreed to be acquired by Sinclair for \$3.9 billion in cash and stock.
Third Point Partners	Dow Chemical Company	NYSE: DOW	1/21/14	\$77.05	1.3%	Business strategy; M&A	N	In 5/17, Third Point released presentation on merger between Company and Du Pont arguing that reevaluating post-merger reorganization plans could unlock additional \$20 billion of value.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Third Point Partners	Honeywell International Inc.	NYSE: HON	4/27/17	\$101.61	0.2%	Business strategy; M&A	N	In 4/17, Third Point called for spin-off of Company's aerospace unit. In 5/17, Company announced it would consider such spin-off as part of ongoing portfolio review. In 6/17, Company said investors are resistant to aerospace unit spin-off.
Tourbillon Capital Partners	Spectrum Brands Holdings, Inc.	NYSE: SPB	5/18/17	\$7.36	n/a	M&A	N	In 5/17, Tourbillon issued letter to Company's board urging it to consider full merger with HRG Group, its majority shareholder.
TPG Capital	Etsy, Inc.	NASDAQ: ETSY	5/15/17	\$1.77	4.3%	Business strategy; governance; management changes	N	In 5/17, TPG and Dragoneer announced joint 8% stake and held discussions with Company about strategic alternatives. Later in 5/17, CEO announced resignation, and Company announced appointment of new CEO, separation of CEO/Chairman, and initiation of strategic review.

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H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
Trian Fund Management	General Electric Company	NYSE: GE	10/5/15	\$234.55	1.0%	Business strategy; governance; management changes	N	In 3/17, Company agreed with Trian to adopt new performance framework for key executives and cut structural costs; it was reported that Trian might push for CEO's retirement. In 4/17, Company announced it was considering additional asset sales. In 6/17, Company announced retirement of CEO.
Trian Fund Management	The Procter & Gamble Co.	NYSE: PG	2/14/17	\$222.90	1.5%	Board composition; business strategy	Y	In 2/17, Trian revealed stake. In 6/17, Company said it was in constructive talks with Trian and Company continues to cut costs. Later in 6/17, it was reported that Trian is seeking board representation. In 6/17, Trian launched proxy contest to elect founder Nelson Peltz to board, and, in 8/17, Trian filed its definitive proxy statement.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

H1 2017 Activist Public Actions *(continued)*

Investor	Company*	Exchange: Ticker	Public Action Date	Market Cap (in billions)	% Ownership **	Type of Campaign	2017 Proxy Solicitation (Y/N)	Latest News (as of 6/30/17 unless noted)
ValueAct Capital Partners	Alliance Data Systems Corp.	NYSE: ADS	7/11/16	\$14.29	10.6%	Board composition; business strategy	N	In 7/16, ValueAct disclosed stake and intentions to discuss board representation and capital allocation with Company. In 3/17, one ValueAct representative was appointed to Company's board.
Voce Capital Management	Air Methods Corporation	NASDAQ: AIRM	9/16/15	\$1.56	4.9%	Board composition; business strategy; governance; M&A	Y	In 1/17, Voce threatened a proxy contest if Company did not work with Voce to make substantial governance and business strategy changes. In 2/17, Company said it was exploring a sale, and, later, Voce nominated four candidates (Voce previously nominated two candidates in 2016 before settling with Company). In 3/17, Company agreed to be acquired by American Securities for \$2.5 billion.
Whetstone Capital	Columbia Pipeline Partners LP	NYSE: CPPL	2/9/17	\$1.73	1.2%	M&A	N	In 2/17, Whetstone issued letter to shareholders urging vote against sale of Company to TransCanada Corp., but, later in 2/17, shareholders approved sale.

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**Ownership is highest reported ownership since the public action date and includes economic exposure to derivatives where applicable.

By the Numbers: Trends in Settlement Agreements (2014-H1 2017)

H1 2017 Board Representation Analysis

Category	Average
Board Seats Granted	2.5
Total Board Size*	11.6
Percent of Board*	21.5%

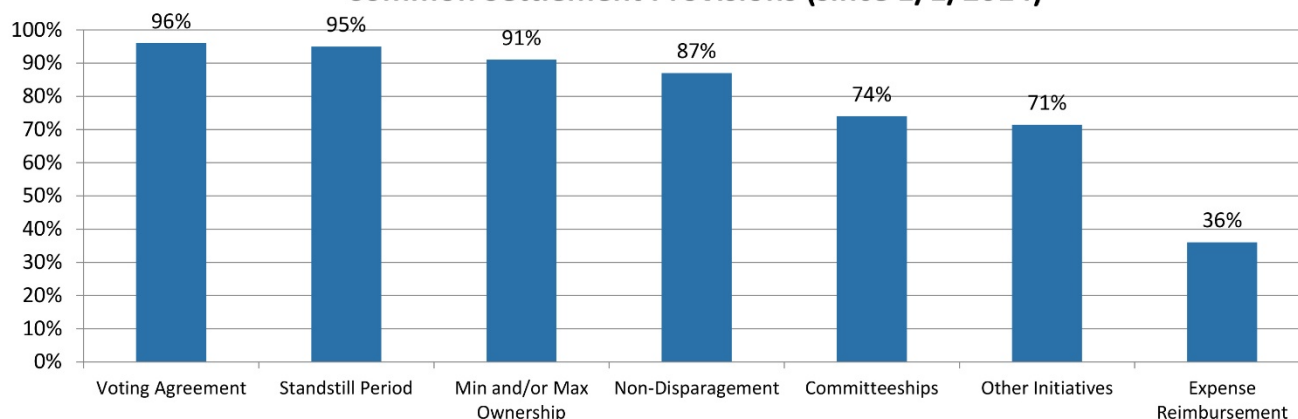
*Following settlement agreement

2014-H1 2017 Board Representation Analysis

Category	Average
Board Seats Granted	2.1
Total Board Size*	11.0
Percent of Board*	19.3%

*Following settlement agreement

Common Settlement Provisions (since 1/1/2014)



*All data represented here is derived from the data compiled from the campaigns studied for Activism Update and includes 12 agreements filed in 2014, 22 agreements filed in 2015, 30 agreements filed in 2016, and 12 agreements filed in H1 2017.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms*

	Ashe Capital Management	Blue Harbour Group
Company	Allison Transmission Holdings, Inc.	Investors Bancorp, Inc.
Agreement Date	February 3, 2017	March 27, 2017
Board Seats	1/10 (Ashe designee appointed/nominated only when either the existing ValueAct designee or Longview designee leaves the Board; Ashe designee elected on May 11, 2017)	1/12
Standstill (including term)	Yes; until the earlier of (i) the failure of the Company to comply in good faith with the Company's obligations to appoint/replace the Ashe designee and (ii) the day that is 30 days prior to the last day of the advance notice window for director nominations and proposals for the Company's 2019 annual meeting.	Yes; until the earlier of (i) the day after the Company's 2020 Annual Meeting and (ii) the date as of which the Blue Harbour designee is no longer a director of the Company or of Investors Bank.
Committee Membership	None.	None.
Other Strategic Initiatives	None.	None.
Voting	During the standstill, Ashe shall vote its shares in favor of (i) all directors nominated by the Board and (ii) in accordance with the Board's recommendation on all proposals, except for proposals relating to an extraordinary transaction, a proposed issuance of Company securities, the implementation of any takeover defense measures or any other proposal that would materially diminish or impair the rights of Company shareholders.	Blue Harbour shall vote its shares (i) in favor of each director nominated and recommended by the Board for election by the shareholders, (ii) against any shareholder nominations for director that are not approved and recommended by the Board and against any proposals or resolutions to remove any member of the Board, and (iii) in accordance with the recommendations of the Board on all other proposals of the Board set forth in the Company's proxy statements.
Min/Max Ownership	<p>Min: Ashe must beneficially own at least 5% of the common stock.</p> <p>Max: Ashe is prohibited from beneficial ownership of greater than 7.5% of the common stock.</p>	<p>Min: Blue Harbour must beneficially own in the aggregate at least 4% of the common stock.</p> <p>Max: Blue Harbour is prohibited from beneficial ownership of greater than 10% of the common stock.</p>
Expense Reimbursement	None.	None.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* *(continued)*

	Ashe Capital Management	Blue Harbour Group
Non-Disparagement	Yes.	None.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Bluescape	Elliott Management
Company	NRG Energy Inc.	Arconic Inc.
Agreement Date	February 13, 2017	May 22, 2017
Board Seats	2/13 (same two directors as Elliott-NRG agreement, including Bluescape's executive Chairman)	3/13 (in addition, the Company appointed two new independent directors)
Standstill (including term)	Yes; until the earliest of (i) a material breach that is not cured within five days of notice thereof, (ii) the announcement of entry into a change-of-control transaction by the Company, (iii) the commencement of a change-of-control tender offer that the Company does not recommend against, (iv) the filing of a Company proxy statement for the 2017 annual meeting inconsistent with the agreement, (v) the adoption of an amendment to the Company's governing documents that would impair a shareholder's ability to nominate directors or submit proposals, (vi) December 31, 2018, and (vii) thirty days prior to the opening of the advance notice window for director nominations for the 2019 annual meeting; provided, that, with respect to (vi) and (vii), if the Company gives notice that it will not nominate Bluescape's executive chairman for reelection at the 2018 annual meeting, (vi) and (vii) shall be replaced by the date on which the Bluescape's executive chairman no longer serves on the Board. If Bluescape's executive chairman remains a director at the end of the standstill period, it will be automatically extended until the earlier of (x) his resignation/removal and (y) expiration of his term as a director at any subsequent annual meeting.	None.
Committee Membership	<ul style="list-style-type: none"> A "New Committee" shall conduct a review of, and make recommendations to the Board with respect to, the Company's (i) operational and cost excellence initiatives, (ii) potential portfolio and/or asset de-consolidations, dispositions, and optimization, (iii) capital structure and allocation, and (iv) broader strategic initiatives, and shall comprise five 	<ul style="list-style-type: none"> One Elliott designee appointed to the CEO Search Committee and the Compensation Committee. One Elliott designee appointed to the Executive Committee and the Finance Committee.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Bluescape	Elliott Management
	<p>directors, including both new directors, and Bluescape's executive chairman shall be chair.</p> <ul style="list-style-type: none"> Bluescape's executive chairman will also be appointed to the Finance & Risk Management Committee. The Company will consider in good faith the appointment of the new independent director to each other existing committee. At least one of the new directors shall be appointed to any new committee that may be formed. 	<ul style="list-style-type: none"> One Elliott designee appointed to two committees as decided by the Governance and Nominating Committee.
Other Strategic Initiatives	<ul style="list-style-type: none"> The Board shall not exceed thirteen directors during the Restricted Period. Lawrence Coben appointed chair of the Board. 	<ul style="list-style-type: none"> CEO Search Committee will keep Elliott reasonably informed about the CEO search process, provide Elliott with an opportunity to meet CEO candidates and provide Elliott an opportunity to present its views. The CEO Search Committee shall consider a named Elliott designee as a candidate for the permanent CEO position. The size of the Board shall not be increased above thirteen through the date immediately prior to the date of the 2018 Annual Meeting, except to enable the Company's permanent CEO to become a member of the Board. Prior to the appointment of a new CEO, an independent director shall be appointed Board chair. The Company's governance guidelines shall be amended to take into account lengthy tenures and over-boarding when assessing potential director nominees. The Company shall use reasonable best efforts to reincorporate from Pennsylvania to Delaware on or before December 31, 2017, and the Delaware corporation shall have a declassified board structure with all directors having terms expiring on an annual basis and shall not require a supermajority for any shareholder vote. The Company and Elliott shall cooperate in good faith to enter into a registration rights agreement obligating the Company to file a

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Bluescape	Elliott Management
		resale registration statement relating to the resale of the shares of common stock of the Company held by Elliott.
Voting	At any annual meeting during the standstill period, Bluescape shall vote (i) in favor of the election of the directors nominated by the Board and (ii) otherwise in accordance with the Board's recommendation on any non-extraordinary transaction proposals.	At the 2017 annual meeting, Elliott shall vote in favor of the election of all Company nominees and in accordance with the recommendations of the Board on the other proposals in the Company's definitive proxy statement.
Min/Max Ownership	<p>Min: If Bluescape's ownership drops below 6,245,771 shares (subject to adjustment), Bluescape's executive chairman must resign from the board and the obligations of the parties under the agreement terminate.</p> <p>Max: Bluescape is prohibited from beneficial ownership of greater than 4.99%, or economic exposure to greater than 9.9%, of the common stock.</p>	<p>Min: Elliott is permitted to replace any of its 2017 designees as long as it has a net long position of 5% or more of the Company's common stock. Elliott is further permitted to replace its 2016 designees as long as it has a net long position of 10% or more of the Company's common stock.</p>
Expense Reimbursement	Yes; up to \$1,100,000.	None.
Non-Disparagement	Yes.	None.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Elliott Management	Elliott Management
Company	Cognizant Technology Solutions Corp.	NRG Energy Inc.
Agreement Date	February 8, 2017	February 13, 2017
Board Seats	3/11 (two new independent directors (one designated by Elliott and a second designated by the board (in each case subject to approval by the other party) appointed by the 2017 annual meeting and the third (designated by the board and approved by Elliott) appointed by the 2018 annual meeting)	2/13 (same two directors as Bluescape-NRG agreement, one of whom was Bluescape's executive chairman)
Standstill (including term)	Yes; until the earliest of (i) a material breach that is not cured within five days of notice thereof, (ii) the announcement of entry into a change-of-control transaction by the Company, (iii) the commencement of a change-of-control tender offer that the Company does not recommend against, (iv) the filing of a Company proxy statement for the 2017 or 2018 annual meeting inconsistent with the agreement, (v) the adoption of an amendment to the Company's governing documents that would impair a shareholder's ability to nominate directors or submit proposals, and (vi) thirty days prior to the opening of the advance notice window for director nominations for the 2018 annual meeting.	Yes; until the earliest of (i) a material breach that is not cured within five days of notice thereof, (ii) the announcement of entry into a change-of-control transaction by the Company, (iii) the commencement of a change-of-control tender offer that the Company does not recommend against, (iv) the filing of a Company proxy statement for the 2017 annual meeting inconsistent with the agreement, (v) the adoption of an amendment to the Company's governing documents that would impair a shareholder's ability to nominate directors or submit proposals, (vi) December 31, 2017, and (vii) thirty days prior to the opening of the advance notice window for director nominations for the 2018 annual meeting.
Committee Membership	The Company shall form a Financial Policy Committee, comprising three directors (one director appointed by the Company, an incumbent director with previous operational experience to be mutually agreed upon by the Company and Elliott, and the Elliott designee). The Financial Policy Committee shall (i) review the Company's operating margins with the assistance of a globally recognized consultant who has been assisting the Company in its review of operating margins, (ii) assist and advise on a long-term margin improvement plan, (iii) provide the Board with updates summarizing its progress to date, and (iv) review the Company's capital	<ul style="list-style-type: none"> A "New Committee" shall conduct a review of, and make recommendations to the Board with respect to, the Company's (i) operational and cost excellence initiatives, (ii) potential portfolio and/or asset de-consolidations, dispositions, and optimization, (iii) capital structure and allocation, and (iv) broader strategic initiatives, and shall comprise five directors, including both new directors, and Bluescape's executive chairman shall be chair. Bluescape's executive chairman will also be appointed to the Finance & Risk Management Committee.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Elliott Management	Elliott Management
	structure and capital allocation policies and strategy. The Financial Policy Committee will be empowered to hire additional advisors, as necessary, to assist in its operating review.	<ul style="list-style-type: none"> The Company will consider in good faith the appointment of the new independent director to each other existing committee. At least one of the new directors shall be appointed to any new committee that may be formed.
Other Strategic Initiatives	The Board shall not exceed eleven directors following the 2017 annual meeting during the standstill period, except as a result of the appointment of the third director (only until the 2018 annual meeting) and/or the addition of a new director appointed by mutual consent of the Company and Elliott.	<ul style="list-style-type: none"> The Board will not exceed thirteen directors during the Restricted Period. Lawrence Coben appointed chair of the Board.
Voting	At any annual meeting during the standstill period, Elliott shall vote in favor of the directors nominated by the Board and otherwise in accordance with the Board's recommendation on any proposal not related to an extraordinary transaction.	At any annual meeting during the standstill, Elliott shall vote (i) in favor of the election of the directors nominated by the Board and (ii) otherwise in accordance with the Board's recommendation on any non-extraordinary transaction proposals.
Min/Max Ownership	Max: Elliott is prohibited from having beneficial ownership of greater than 4.99% of the Company's common stock.	<p>Min: If Elliott beneficially owns fewer than 9,463,289 shares, then the Company is not obligated to nominate the new directors at the 2017 annual meeting or replace a new director who is unable to continue serving or announce results of the "New Committee" review.</p> <p>Max: Elliott is prohibited from beneficial ownership of greater than 9.9%, or economic exposure to greater than 19.9%, of the common stock.</p>
Expense Reimbursement	None.	Yes; up to \$700,000.
Non-Disparagement	Yes.	Yes.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	FrontFour Capital Group	JANA Partners
Company	ClubCorp Holdings, Inc.	Tiffany & Co.
Agreement Date	May 12, 2017	February 20, 2017
Board Seats	2/10 (one FrontFour representative and one new independent director; FrontFour representative added to the class with terms expiring at the 2018 annual meeting, and the new independent director added to the class with terms expiring at the 2017 annual meeting (such new independent director shall be supported by the Company for election at the 2017 annual meeting))	3/13
Standstill (including term)	Yes; until the date that is 20 calendar days prior to the initial expiration of the advance notice window for director nominations for the 2018 annual meeting.	Yes; until the earlier of (i) the later of (x) thirty days prior to the expiration of the Company's advance notice window for the nomination of directors for the 2018 annual meeting and (y) if the JANA designees are included, and have agreed in advance to such inclusion, on the Company's slate for the 2018 annual meeting or for any annual meeting of shareholders of the Company subsequent thereto, the date that is thirty days prior to the expiration of the Company's advance notice window for the nomination of directors at the next annual meeting, and (ii) a material breach by the Company that is not cured within fifteen days of notice.
Committee Membership	<ul style="list-style-type: none"> • FrontFour representative appointed to the Strategic Review Committee. • New independent director appointed to the Nominating Committee. • The Board shall consider further committee appointments at its annual review of committee composition. • Both new directors shall have full access to and participation in any Board or committee matters related to the Company's search and selection process for a new CEO. 	A specified JANA designee appointed to the committee overseeing the search for a new CEP and to the Nominating/Corporate Governance Committee.
Other Strategic Initiatives	None.	The Board will not exceed twelve directors unless there are not enough vacancies to accommodate the JANA designees, in which case the Board

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	FrontFour Capital Group	JANA Partners
		shall not exceed thirteen directors, subject to certain limited exceptions.
Voting	During the standstill, FrontFour shall vote in favor of (i) all directors nominated by the Board and (ii) in accordance with the Board's recommendation with respect to all proposals; provided, that, (x) if both ISS and Glass Lewis recommend otherwise with respect to any proposal (other than the election or removal of directors), FrontFour may vote in accordance with the ISS and Glass Lewis recommendation, and (y) with respect to a proposal related to an extraordinary transaction, FrontFour may vote in its discretion.	During the standstill, JANA shall vote in favor of each JANA designee and all current directors as of the date of the agreement nominated by the Board for election at each such meeting and in accordance with the Board's recommendations with respect to any other business other than proposals relating to extraordinary transactions, matters related to takeover defenses or on compensation plans.
Min/Max Ownership	<p>Min: FrontFour must beneficially own at least 2% of the Company's common stock.</p> <p>Max: FrontFour is prohibited from beneficial ownership of greater than 9.9% of the Company's common stock.</p>	Max: JANA is prohibited from beneficial ownership of greater than 10% of the Company's common stock.
Expense Reimbursement	Yes; up to \$80,000.	None.
Non-Disparagement	Yes.	Yes.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Legion Partners Asset Management	Mantle Ridge
Company	Banc of California, Inc.	CSX Corp.
Agreement Date	March 13, 2017	March 6, 2017
Board Seats	2/9 (the Company will conduct a search for two mutually acceptable new independent directors and Legion's two nominees shall be considered; one new director added to the class with terms expiring at the 2018 annual meeting, and the other added to the class with terms expiring at the 2019 annual meeting)	5/13
Standstill (including term)	Yes; until the day after the 2017 annual meeting.	Yes; until the conclusion of the 2018 annual meeting.
Committee Membership	None.	<ul style="list-style-type: none"> • Four Mantle Ridge designees appointed to the Executive Committee, with one designee appointed to chair the committee. • Two Mantle Ridge designees appointed to the Finance Committee. • Two Mantle Ridge designees appointed to the Governance Committee, with one designee appointed to chair the committee. • Two Mantle Ridge designees appointed to the Audit Committee. • Two Mantle Ridge designees appointed to the Compensation Committee, with one designee appointed to chair the committee. • Two Mantle Ridge designees appointed to the Public Affairs Committee.
Other Strategic Initiatives	None.	<ul style="list-style-type: none"> • The Company shall promptly amend its Corporate Governance Guidelines to separate the CEO and Chairman roles, make the Chairman a non-executive role, and add the role of Vice Chairman. • As of the date of the agreement, the CEO resigned and a Mantle Ridge designee, Hunter Harrison, was appointed as CEO. Mantle Ridge founder Paul Hilal was appointed as Vice Chairman.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Legion Partners Asset Management	Mantle Ridge
		<ul style="list-style-type: none"> The Board shall not exceed thirteen directors from the date of the 2017 annual meeting until the 2018 annual meeting, and the Company shall use reasonable best efforts to elect the Mantle Ridge designees at both the 2017 annual meeting and 2018 annual meeting. The Company shall make a determination within fifteen days of the 2017 annual meeting as to whether to pay to Mantle Ridge \$55 million and Harrison \$29 million.
Voting	During the standstill, Legion shall vote (i) in favor of each director nominated and recommended by the Board, (ii) against any shareholder nominees who are not approved and recommended by the Board for election and any proposals or resolutions to remove any member of the Board, and (iii) in accordance with the recommendations by the Board on all other proposals of the Board set forth in the Company's proxy statements; provided, that (x) in the event that ISS or Glass Lewis recommends otherwise with respect to any matter (other than nominees for election as directors), Legion shall have the right to vote in accordance with that recommendation, and (y) Legion may vote in its discretion with respect to any business combination, tender or exchange offer, dissolution or reorganization, change to the capital structure other than equity plans, any change-of-control transactions, and any debt or equity financings.	Mantle Ridge shall vote in favor of all director nominees of the Company at the 2017 annual meeting who are nominated in accordance with and as required by the agreement.
Min/Max Ownership	Max: Legion is prohibited from beneficial ownership of greater than 10% of the Company's common stock.	Min: If Mantle Ridge owns less than 2% of the Company's common stock, Mantle Ridge will cause Hilal to resign from the Board.
Expense Reimbursement	Yes; up to \$100,000.	None.
Non-Disparagement	Yes.	Yes.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Sachem Head Capital Management	Starboard Value
Company	Autodesk, Inc.	Perrigo Company
Agreement Date	February 6, 2017	February 6, 2017
Board Seats	1/11	5/11 (one Starboard representative, two Starboard-selected independent directors, and two additional Starboard-selected independent directors to be appointed upon Starboard's request)
Standstill (including term)	Yes; until the earlier of (i) the 2018 annual meeting and (ii) June 30, 2018.	Yes; until the earlier of (i) fifteen business days prior to the end of the advance notice window for shareholder nominations for the 2018 annual meeting and (ii) 100 days prior to the first anniversary of the 2017 annual meeting.
Committee Membership	Sachem Head designated replacement directors to serve on the Audit Committee and the Compensation & Human Resources Committee.	<ul style="list-style-type: none"> Starboard representative appointed the chair of the Nominating & Governance Committee, which shall also include one independent director, the first additional independent director, and one other director. One independent director shall be appointed the chair of the Remuneration Committee, which shall also include the Starboard representative, the second additional independent director, and one other director. One independent director appointed to the Audit Committee. Starboard representative appointed to the Tiger Transaction Committee. Starboard representative and one independent director appointed to a strategic review working group. Any new committees formed post-agreement will include at least one of the Starboard representative and the independent directors.
Other Strategic Initiatives	<ul style="list-style-type: none"> Two Sachem Head designees appointed under a 2016 agreement will resign upon the later of the appointment of a new CEO and the 2017 annual meeting; provided, that the replacement for one such designee, Scott Ferguson, will be a person acceptable to 	The Board shall not seek shareholder approval to increase the size of the Board beyond eleven directors without Starboard's written consent.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Sachem Head Capital Management	Starboard Value
	<p>Ferguson and shall serve until at least the 2018 annual meeting.</p> <ul style="list-style-type: none"> • President and CEO resigned effective February 7, 2017, with a transition period to end before October 30, 2017. • The Company agreed to promptly undertake a search for a new CEO to be identified by the Board in a process to be overseen by the Succession Planning Committee. • The Board shall not exceed eleven directors prior to the conclusion of the 2018 annual meeting. • Prior to the 2017 annual meeting, the Board will not take any action to amend the Company's consent solicitation process. 	
Voting	<p>During the standstill, Sachem Head shall vote in favor of all nominees recommended by the Board, against any nominees not recommended by the Board, and against any proposals to remove any director.</p>	<ul style="list-style-type: none"> • At the 2017 annual meeting, Starboard shall vote (i) in favor of all of the Company's nominees, (ii) in favor of the ratification of Ernst & Young as the Company's independent registered public accounting firm for the 2017 fiscal year, (iii) in accordance with the Board's recommendation with respect to the Company's "say-on-pay" proposal, and (iv) in accordance with the Board's recommendation with respect to any other Company proposal or shareholder proposal; provided, however, that in the event ISS or Glass Lewis recommends otherwise with respect to the Company's "say-on-pay" proposal or any other Company proposal or shareholder proposal (other than proposals relating to the election of directors), Starboard shall be permitted to vote in accordance that recommendation. • During the standstill, at any extraordinary general meeting, Starboard shall vote in accordance with the Board's recommendation on any proposal relating to the appointment, election or removal of directors.

* Includes summaries of publicly available agreements filed from January 1, 2017 to June 30, 2017.

H1 2017 Settlement Agreement Key Terms* (continued)

	Sachem Head Capital Management	Starboard Value
Min/Max Ownership	<p>Min: If (i) Sachem Head ceases to beneficially own at least 6,445,000 shares of the Company's common stock and (ii) Eminence Capital (party to the 2016 agreement) ceases to beneficially own at least 6,541,294 shares of the Company's common stock, Ferguson will immediately tender his resignation from the Board.</p> <p>Max: Legion is prohibited from beneficial ownership of greater than 7% of the Company's voting power.</p>	<p>Min: If Starboard owns less than the lesser of 3% and 4,301,342 shares of the Company's common stock, the Starboard representative must resign and Starboard may not appoint replacements.</p>
Expense Reimbursement	None.	Yes; up to \$250,000.
Non-Disparagement	Yes.	Yes.

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