The background of the slide is a photograph of the United States Capitol building in Washington, D.C. The image is dominated by the massive, fluted marble columns of the portico, which are arranged in a perspective that leads the eye towards the center. The lighting is soft and slightly overcast, creating a sense of depth and grandeur. The text is overlaid on this image in white, providing a high-contrast, professional look.

# Activists at the Doorstep: IRO Leadership in Preparation and Defense

*Tabletop Simulation Exercise*

*NIRI Chicago Midwest IR Symposium*

September 2025

LATHAM & WATKINS<sup>LLP</sup>

H/ADVISORS  
*Abernathy*

# Presenter Information

**Christopher Drewry**

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+1.312.777.7122

Christopher Drewry, Global Co-Chair of Latham's Shareholder Activism & Takeover Defense Practice, regularly represents multinational corporations across industries and jurisdictions in their highest-stakes shareholder activism and takeover defense matters. He has built a leading cross-border practice that spans the full spectrum of M&A, corporate governance, and shareholder activism and takeover defense matters, with a focus on board-level advice for leading global companies.

Christopher is recognized by The Legal 500 for 2025 in their top category of advisors to boards on shareholder activism - 1 of only 11 lawyers in the "strongest partners" category. He has also been recognized by Business Insider nationally as one of 13 lawyers on speed-dial when companies and activist investors fight for boardroom control.

His nearly 20 years of experience includes defending Boards against leading activists including Ichan Enterprises, Elliott, Third Point, JANA Partners, Starboard, Land and Buildings, Engine Capital, Ancora, and Eminence.

He regularly speaks and writes on new developments in the field, including presenting at Latham's annual Public M&A conference in Frankfurt, Germany, the Cornell Tech Board of Directors Forum, the NACD Directors' Summit, and editing the M&A chapters in the updated third edition of Investment Banking: Valuation, LBOs, M&A, and IPOs, on evolving shareholder rights plan (poison pill) technologies and proxy contest trends and developments.

**Moderator: Dan Scorpio**

Managing Director,  
Head of M&A & Activism Practice,  
H/Advisors Abernathy  
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Dan Scorpio is head of corporate advisory firm H/Advisors Abernathy's M&A and Activism Defense Practice, and leads the firm's team in Chicago. He provides strategic communications, investor relations and stakeholder engagement counsel to leadership teams and Boards of Directors regarding transactions, activism defense, IPOs, corporate governance and complex investor matters.

An experienced capital markets communications adviser, Dan regularly advises publicly listed companies, privately held organizations and investment firms on high-profile situations and reputational matters. He has advised on hundreds of acquisitions, divestitures, take-private and joint venture transactions in his career, and provided counsel during public and private engagement with an array of established and emerging activist investors.

Dan has advised numerous corporate clients in private and public engagements against activist investors including Carl Icahn, Elliott Management, JANA, Mantle Ridge, Pershing Square, Engine Capital, Sachem Head and Starboard Value, among others.

Dan frequently speaks at the Corporate Counsel Institute, Garrett Corporate and Securities Law Institute, ROTH Conference and industry events hosted by the Society for Corporate Governance, National Investor Relations Institute and National Association of Corporate Directors.

# Latham’s Top Ranked Shareholder Activism & Takeover Defense Practice

Our Shareholder Activism and Takeover Defense Practice has extensive experience supporting public companies globally at every stage of activism planning, proxy contest defense, and activism campaigns as they increase in intensity. We are experienced, strong, and unyielding advocates for our clients’ viewpoints and objectives. Supported by our careful planning, cutting-edge strategy and experienced counseling, management and directors are able to minimize the disruption of activist shareholders while attaining successful outcomes.

In 2024, Latham worked with more than:



Clients praise Latham’s team as “both technically proficient and pragmatic,” adding: “The team is strong in the boardroom” and “display[s] an ability to anticipate the tactics of the activists.”

*Legal 500 US 2022*

RANKED

# 1

Global and US Activism Defense Adviser by Target Engagement\*

*Bloomberg YE 2024*

RANKED

# 1

US Activism Defense by Campaign Count\*

*FactSet YE 2024*

TIER

# 1

Top Ranked US Shareholder Activism Practice – Advice to Boards

*Legal 500 US 2025*

\*Companies with market capitalizations between US\$2-10B at the time of the campaign announcement

# H/Advisors Abernathy: 40 Years of Leadership in Capital Markets Communications

Corporate advisory firm with a 40-year history of partnering with the world’s largest companies through the moments that matter most.

Broad portfolio of practice areas specifically designed to meet C-Suite, senior executive and Boardroom needs in today’s stakeholder-centric marketplace.

Battle-tested through high-profile and complex transactions, proxy contests, litigation and crisis situations, among others.

Unique combination of senior-led, market-specific expertise with global resources and scale.

Modern offering, including integrated digital strategies and analytics-backed insights, drives our focus on business-first and results-oriented outcomes for clients.



PR & Communications  
Agency of the Year



Named firm of the year for M&A and activism defense by *The Deal*



Annually ranked as a top activism defense advisor in the U.S. by Bloomberg



Consistently ranked a top M&A communications and IR advisor by Mergermarket

**168**

Total number of transactions in 2024

**\$225+ bn**

Total value of transactions in 2024



H/Advisors Abernathy



H/Advisors Abernathy

# Shareholder Activism is a Prevalent Threat

Activist investors purchase shares and/or derivatives in public companies and attempt to force changes to drive short term economic gain. Activist campaigns can distract from executing corporate strategy, shift the focus to short-term benefits at the expense of long-term value creation, attract negative media and investor attention, create uncertainty and volatility in the company’s leadership and strategic direction, impact business operations and relationships and generally be costly and disruptive.

## Globally In 2024:

739

Activist campaigns

242

Proxy fights

39%

Involved First Time Activist

140

Activist campaigns resulting in a board seat

272

New directors from activist engagement

## First Half of 2025:

451

Activist campaigns

135

Proxy fights

35%

Involved First Time Activist

78

Activist campaigns resulting in a board seat

145

New directors from activist engagement

\$1.2 Trillion

Equity Assets Under Management

## Recent themes in activism campaigns:

Operational Improvements

Break-Ups

Capital Return

M&A Activism

Board Seats

CEO Change

Source: FactSet

Note: Data for Campaigns launched in 2024 with the objective of Board Control, Board Representation, Hostile/Unsolicited Acquisition, Maximize Shareholder Value, Remove Director(s), Remove Officer(s), Vote/Activism Against a Merger. Equity assets for holders with an activism threat level of high or very high, excluding pension funds.

# The Universe of Activists is Ever-Expanding



# What are Activists After?

## What makes a company a good activist target?

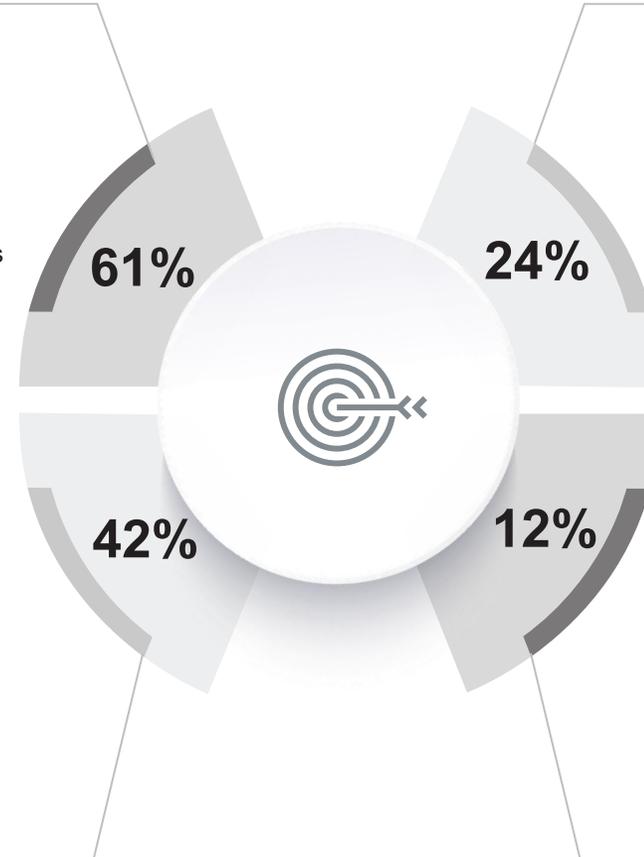
- Suffers from unremarkable or poor relative returns
  - > Preferred if also has a valuation issue that can be seized upon
- Liquidity in the stock – trading more than \$15M of stock each day
- Persuadable shareholder base
- Not stigmatized as a company that is hopelessly locked in secular decline
- Operational or strategic “ask” that can be achieved in a reasonable amount of time (i.e., a few months and less than three years)
  - > If the “ask” is for a full or partial sale, there must be buyers ready to answer the call

### Governance

- Replace directors
- Adopt governance “best practices”
- Change governance provisions perceived as favoring management and the board in lieu of shareholders
- Address concerns by institutional investors and proxy advisory firms such as ISS and Glass Lewis
- Implementation of majority-supported shareholder proposals

### Strategic Planning and M&A

- Spin-off or sell division (non-core businesses or assets, perceived unfocused strategy, parts are worth more than the whole analysis)
- Sale of company
- Industry consolidation
- Improve deal terms or block deal from proceeding



### Operational

- Change of management
- Rationalization of cost structure
- Improve underperformance of specific business segments
- Address discounted trading price relative to peers
- Criticize executive compensation
- Improved alignment between management forecasts and results

### Capital Allocation

- Stock buyback/special dividend
- Leverage and debt repayment
- Sale leaseback and off-balance sheet arrangements
- Address poor capital allocation or investment track record

Source: Gordon Haskett and FactSet

Note: Data for Campaigns launched in 2023 with the objective of Board Control, Board Representation, Hostile/Unsolicited Acquisition, Maximize Shareholder Value, Remove Director(s), Remove Officer(s), Vote/Activism Against a Merger. Numbers will not foot to 100% due to campaigns with multiple campaign demands.

# No Company is Immune From Activism

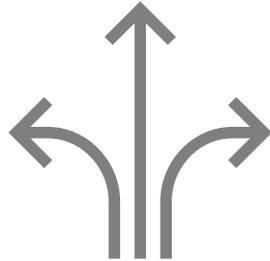


# Activism Best Practices for Directors

## Confidentiality



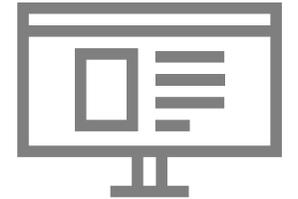
## Inquiries/No One-Off Conversations



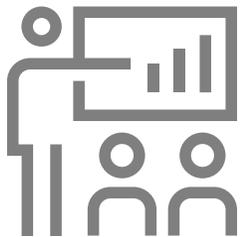
## Emails, Text Messages & Written Communications



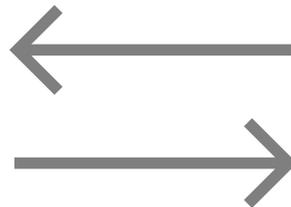
## Note Keeping



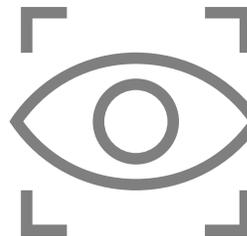
## Board Meetings



## No Trading



## Intelligence

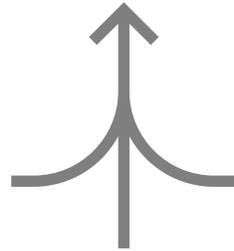


## Participation



# Monitoring for Signs of Activism

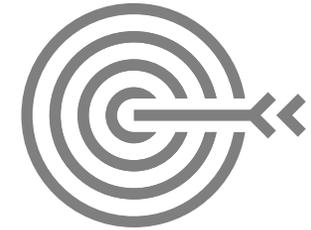
**IR Team**



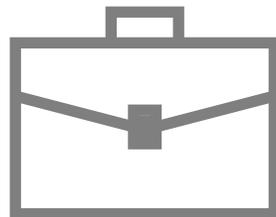
**Stock Watch Service**



**Independent Research Firms**



**Hart-Scott-Rodino (HSR) Filing**



**SEC Section 13 Filings**



**Website Monitoring**

