CAPITAL MARKETS ADVISORY · M&A & SHAREHOLDER ENGAGEMENT

Three Ways to Move a Company

A typology of best-practice investor engagement

By Dr. Christine Chow and Andreas Posavac

Three live cases from the past twenty-four months — a coalition shareholder resolution at BP, a bilateral confrontation at Honeywell, and a quiet boardroom campaign at Swiss insurer Bâloise — illuminate distinct theories of investor-driven corporate change. Each operates on a different theory of change, requires different capabilities, and produces a different kind of outcome. The lesson is not which model is best, but which fits the company and the ask.

Private & Confidential · © 2026 Embera Partners

INTRODUCTION

There is no single playbook

Stewardship and governance literature often treats engagement as if it were a single discipline. Three live cases from the past twenty-four months show otherwise. Each operates on a different theory of change, requires different capabilities, needs different shareholders to drive the changes, and produces a different kind of outcome. The lesson is not which is best, but which fits the company and the ask. The three cases: a coalition-led shareholder resolution at a London-listed oil major; a bilateral confrontation with a US industrial conglomerate; and a quiet board-room campaign at a mid-cap Swiss insurer. All three have produced measurable consequences. They are useful precisely because they are different.

This piece is written for two audiences: investment professionals - portfolio managers, analysts and stewardship leads - looking to calibrate which engagement lever fits which company; and corporate boards and investor relations teams preparing for the engagement and activist pressure that will land in 2026 and 2027.

The investor reader should expect a working typology for choosing where to deploy time and capital. The corporate reader should expect a mirror diagnostic: which kind of pressure the company is likely to face given its shareholder register and governance, and what a credible response looks like in each case.

CASE ONE

ACCR at BP — coalition resolution

On 14 January 2026, the Australasian Centre for Corporate Responsibility (ACCR) filed Resolution 24 at BP's AGM, backed six institutional investors with £191bn in AUM - Nest, London CIV, the Welsh and Manchester pension pools, Merseyside Pension Fund and Switzerland's PUBLICA. The filing was the formal escalation of engagement that began in 2022. The supporting case found BP's gas assets were on average more expensive than 76% of global pre-final investment decision (FID) supply, exploration capex was 20% above the decade's annual average despite worsening outcomes, upstream capex guidance hd been raised by US$ 1.5bn per year, a 17% increase in February 2025.[1]

The vote on 23 April 2026 produced 25.85% in favour: the highest-ever support for a management-opposed resolution at BP, with both ISS and Glass Lewis recommending FOR. Under

[1]ACCR, "Moving BP from Rhetoric to Action on Capital Discipline," November 2025; BP plc, Notice of AGM 2026, Resolution 24.

UK Corporate Governance Code Provision 4, BP must consult shareholders within six months and report back. The October 2026 consultation is the next milestone.[2]

The vote's significance extended beyond the numbers. New CEO Meg O'Neill, speaking at her first earnings call five days after the AGM, anchored the company on capital discipline, using "balance sheet" more than a dozen times, and BP subsequently announced plans to redeem US$4.3bn of perpetual hybrid bonds across 2026–27. The buyback suspension and withdrawal of 30–40% cash-return guidance pre-dated Resolution 24, however, and are more plausibly attributed to Elliott Management, which built a 5% stake and has pushed for greater upstream intensity and a US$20bn free cash flow target by 2027. Elliott wants BP to drill more and faster; ACCR wants BP to prove each project clears a credible cost-of-capital hurdle.

One month after the AGM, BP's governance picture darkened further. On 26 May 2026, Chair Albert Manifold, appointed only in October 2025, was abruptly dismissed following a whistleblower report and board investigation into a pattern of conduct concerns. Ian Tyler was named Interim Chair pending a permanent successor; Manifold has publicly contested the characterisation of his removal. The result is a board heading into the October consultation already under scrutiny, navigating competing shareholder demands with no permanent chair in place.

What this case is good for?

Single-shareholder leverage is small at BP - large, regulated, politically exposed, with a register dominated by index funds and pension capital that needs a defensible reason to vote against management. Assemble a coalition, build the case on financial-materiality grounds any trustee can defend, and use a Stewardship Code-mandated AGM mechanism as the escalation step. The downside is that the approach is slow and procedurally expensive.

Is the campaign generating shareholder value?

BP closed at 516.9p on 15 June 2026, up from 386.4 a year earlier (+33% share price return). Brent rose from US$ 70 to over US$ 120 by April befor coming back to US$84 in mid June (+20%) due to supply disruption. Most of BP’s re-rating is therefore beta to crude, not alpha attributable to Resolution 24. BP did outperform Shell and TotalEnergies over the same period, and that delta is where the combined shareholder and activist contribution sits.

What is the message for corporates?

Corporate boards should read this case as a warning that credibility now depends on capital allocation discipline, not just strategy rhetoric. A well-prepared, evidence-based shareholder coalition can turn a formal AGM vote into a governance milestone that forces consultation, reframes management messaging, and raises the bar for future disclosure. While general governance weakness are usually identified by proxy advisers and investors’ stewardship teams, real change and impactful engagement campaigns is visible at underperforming companies, corporates who – over a longer period of time – cannot match the industry and peer capital markets performance. We have seen a similar dynamic also in Europe and Asia, with corporates

[2]BP plc, AGM 2026 Voting Results, 23 April 2026 (UK National Storage Mechanism). UK Corporate Governance Code 2024, Provision 4.

including Bayer and Gerresheimer (Germany), LG Chem (South Korea) and Tokyo Gas (Japan) having been targeted over the last few years.

CASE TWO

Elliott at Honeywell — bilateral confrontation

On 12 November 2024, Elliott disclosed a stake of more than US$ 5bn in Honeywell and published a letter arguing Aerospace and Automation would each be worth US$ 100bn as standalone listings, projecting 51-75% upside within two years. The argument was classic sum-of-the-parts (SOTP): the aerospace cash cow generated 43% of profit but had received only 10% of M&A spend over twenty years; the conglomerate structure was masking value; precedents (GE, United Technologies, Tyco, Ingersoll Rand) had delivered substantial post-separation returns.[3]

On 6 February 2025 the board announced it would separate Automation and Aerospace, on top of the previously announced Advanced Materials spin-off - a three-way break-up. Elliott partner Marc Steinberg joined the board in May 2025. Solstice Advanced Materials (NASDAQ: SOLS) was spun off on 30 October 2025, taking with it US$ 3.8bn in 2024 net sales and US$ 1.1bn of adjusted EBITDA. The Aerospace and Automation separations complete tax-free in H2 2026.[4] The corporate structure of a US$ 150bn-cap S&P 500 industrial was rewritten in 86 days by an activist with no AGM resolution, no proxy fight, no co-filers and no ESG framing - only a US$ 5bn position and a sufficiently good underwriting argument.

What this case is good for?

This works when a single activist can credibly claim to have done the operational work, when the company has obvious arbitrage (clearly separable units, separate management, separate back office), and when the activist has the balance sheet to make the position credible. Elliott deployed roughly US$ 19bn across 2025.[5] Most board-seat wins came through settlement - once the case is well made, the rational response is to negotiate. The downside: hedge-fund capital, hedge-fund concentration, hedge-fund willingness to lose. Not a model for a long-only manager.

Is the campaign generating shareholder value?

Not yet. Elliott disclosed at US$234 in November 2024 with a two-year horizon. By early June 2026, HON traded around US$217, recovering from US$209.59 in early May, with SOLS at approximately US$78, down slightly from the May peak of US$81, but still roughly double its first-trade price of US$40 when it spun out of Honeywell in October 2025. On the 1-for-4 SOLS distribution ratio, that adds roughly US$19–20 per HON share. Combined HON and SOLS economic value of around US$235–237, plus US$6.78 of accumulated HON dividends, leaves Elliott approximately flat to marginally ahead of its entry price over 18 months, against a US S&P 500 return of around 15% over the same period.

[3]Elliott Investment Management, letter to Honeywell board, 12 November 2024.
[4]Honeywell 8-K, 6 February 2025; Honeywell 8-K, October 2025 (Solstice Advanced Materials, NASDAQ: SOLS, completed 30 October 2025).
[5]Barclays, 2025 Review of Shareholder Activism, January 2026.

The more significant near-term development is structural. Honeywell's board approved the spin-off of its Aerospace Technologies business, to trade as HONA on NASDAQ, with a record date of 15 June 2026 and distribution scheduled for 29 June, at one HONA share per two HON shares held. That separation, worth more than US$17bn in annual revenue, is the catalyst Elliott has been pushing hardest for. The Automation separation remains on track for H2 2026. With two of three separations either complete or days away, the sum-of-the-parts valuation case is only now becoming testable; price discovery is still very much in motion.

What is the message for corporates?

Corporate boards can learn that a strong, well-underwritten activist case can force strategic change quickly when the value gap is easy to explain and the structure is clearly separable. Boards should not wait for a proxy fight to test their thesis; they need to be prepared and be able to explain why the current portfolio is worth more together than apart, and provide evidence. If the logic is weak, delay only increases the odds that the company gets targeted by a more powerful activist campaign.

Comparable cases can be found in Europe and Asia. In Germany, Petrus Advisers and Teleios Capital Partners built a combined stake above 20% in Aareal Bank, a long-underperforming lender with governance and disclosure weaknesses, and used it to press for value to be surfaced from software unit Aareon and to shape the terms of the Advent/Centerbridge takeover.[6] In Asia, the more governance-driven equivalent is ValueAct at Seven & i in Japan, where a sum-of-the-parts and board-accountability case, backed by ISS and Glass Lewis, was defeated at the ballot in 2023 but still helped force a chair/CEO split and other governance changes the activist later endorsed.[7]

CASE THREE

Cevian at Bâloise — quiet constructive activism

Cevian Capital, a Stockholm-based activist fund with roughly €13–14bn under management and offices in London and Zürich, runs a "constructive activist" model: no public letters, no short positions, no leverage, and in nearly thirty years no proxy fights. It builds large stakes, engages management privately, and waits for strategic change to deliver returns. That reputation for restraint is, paradoxically, part of its leverage - companies know Cevian will not embarrass them publicly, but also that it will not go away.

The Bâloise campaign only became possible because of a structural governance change. At Bâloise's April 2024 AGM, shareholders voted removed the 2% voting-rights cap that had long limited any single investor's influence, and simultaneously lowered the threshold for a qualified majority from three-quarters to two-thirds. Those two changes, taken together, eliminated the

[6]https://www.refire-online.com/investment/wiesbaden-court-decision-needed-in-aareal-bank-takeover-stru/
[7]https://www.reuters.com/business/retail-consumer/glass-lewis-recommends-seven-i-investors-elect-all-dissident-candidates-2023-05-15/. https://www.bloomberg.com/news/articles/2023-05-24/seven-i-board-seen-prevailing-over-valueact-at-annual-meeting

main structural defence against an activist accumulating a meaningful block — and Cevian moved quickly.[8]

On 18 May 2024 Cevian disclosed a 3.12% stake at around CHF 138 per share, implying an initial outlay of roughly CHF 214m . By September, it had built to 9.4%, making it Bâloise's largest shareholder. The investment thesis had three planks: refocus the group on its Swiss core, divest the German insurance unit and Solothurner Bank, and return substantially more capital to shareholders. The strategic logic was straightforward - Bâloise was a well-capitalised insurer trading at a discount to peers, weighed down by non-core assets that obscured the quality of the underlying business. Management's response was underwhelming. The September 2024 capital markets day passed without the strategic reset Cevian had been pressing for. In December 2024, Cevian escalated to the only tool left short of a full proxy fight: it announced that its partner Robert Schuchna would stand for election to the Bâloise board at the May 2025 AGM — a unilateral nomination, without board endorsement.[9] That announcement sent a clear signal that patience was running out. By late 2024, Axa, Allianz and Generali were reportedly studying a bid for Bâloise or parts of it.

What followed moved very fast. On 22 April 2025, Bâloise and fellow Swiss insurer Helvetia announced an all-share merger of equals, creating Helvetia Baloise Holding Ltd, listed on the SIX Swiss Exchange under the ticker HBAN, with a combined market value of more than CHF 18bn. Three days later - hours before Bâloise's AGM at which Schuchna had been due to stand - Patria Genossenschaft, Helvetia's 34.1% anchor shareholder, acquired Cevian's entire 9.35% stake. The price was not disclosed; at the day's closing price of CHF 184.20, the implied gross proceeds were approximately CHF 789m, against an estimated entry cost around CHF 138 per share — a return of roughly 33% in under twelve months. Schuchna's candidacy immediately fell away. The timing was not coincidental: Cevian's block had been the only credible obstacle to the two-thirds majority the merger required, and removing it in a single transaction cleared the path to completion. The deal closed on 5 December 2025.[10]

Since closing, the merged group has moved to demonstrate the value of the combination. At its first Capital Markets Day in April 2026, Helvetia Baloise set out three-year targets: earnings per share growth of 10–12% annually, a return on adjusted equity of 16–18%, and cumulative dividends of more than CHF 2.8bn over 2026–28, implying a dividend per share more than 50% higher by 2029 than at the time of the merger. A capital return programme of approximately US$3.6bn to 2028 was confirmed. The group had already captured CHF 139m of its CHF 350m pre-tax synergy target on a run-rate basis by year-end 2025. The first HBAN AGM, held in Basel in May 2026, approved all board proposals and a dividend of CHF 7.70 per share, a 5.4% increase on the two companies' combined 2024 distributions.

[8]Cevian profile, *The Hedge Fund Journal*; ECGI institutional profile. Baloise, AGM Results, 26 April 2024.
[9]Bloomberg, "Activist Cevian Bets on Swiss Finance," 21 May 2024; SWI swissinfo.ch, 4 September 2024.
[10]Baloise/Helvetia joint ad hoc, 22 April 2025; Baloise ad hoc, "Patria acquires Baloise shares from Cevian," 25 April 2025.

What this case is good for?

This works when the target is a mid-cap, there are credible strategic acquirers in the same sector, and the activist has the patience and capital to remain in serious dialogue with the board, with or without a board seat, while management runs its own process.

It demonstrates two things well. First, that activist pressure can catalyse M&A even when the activist's original thesis is never adopted. Cevian wanted a leaner Bâloise; what it got was a larger combined entity. The pressure was real but the outcome was the board's design, not Cevian's. Second, and more instructively, it shows that governance structure changes are the true precondition for this model to work. None of it - the stake, the nomination threat, the blocking position - would have been possible without the April 2024 removal of the voting-rights cap and the reduction of the qualified-majority threshold. That prior governance change is the variable the original argument elides entirely, and in markets or companies where those structural defences remain intact, the model as described simply does not apply.

Is the campaign generating shareholder value?

For Cevian, the outcome is a profitable but partial vindication. The 33% return in under a year is a strong result by any measure. But the original thesis - a leaner, Swiss-focused Bâloise returning capital through divestiture - was not what was delivered. Instead, the activist pressure triggered a consolidation that transferred the value uplift to a broader shareholder base and produced a larger, more complex entity rather than a smaller, simpler one. Whether the German operations question that animated Cevian's original thesis re-emerges inside the three-year integration plan remains open. What the campaign unambiguously demonstrated is that the removal of Bâloise's voting-rights cap in April 2024 transformed the governance landscape for Swiss insurers - and that a credible blocking position, held quietly and at scale, can move a board toward strategic change even without a single public letter.

What is the message for corporates?

Corporate boards can draw a clear lesson from the constructive activist model: the absence of confrontation does not mean the absence of pressure. An activist who builds a large position quietly, maintains private dialogue, and never writes a public letter can still become the decisive constraint on a board's freedom of action, not by shaping outcomes directly, but by accumulating a blocking position that limits what the board can do without their agreement, particularly in any transaction requiring a supermajority vote.

The cost depends on when the board engages. Address a well-argued capital allocation thesis early and the board retains control of the process. Ignore it and the activist builds to a blocking position, at which point resolution typically comes through a transaction designed partly around removing that block, that is faster, more expensive, and far less on the board's own terms.

The issues an activist surfaces are almost never new. The same concerns have usually been raised by long-only shareholders and stewardship teams before the stake is disclosed, raised politely and ignored. Boards that fail to recognise when the same concern is being raised by multiple independent parties are not avoiding activism; they are deferring it and increasing its cost.

SYNTHESIS

What you see by reading all three

The cases share a core. Every successful engagement is built on company-specific underlying thesis. ACCR's filing is a capital-allocation argument; Elliott's Honeywell letter is sum-of-the-parts arithmetic, classic of this investor; Cevian's is thesis is operational restructuring. None would have moved capital with values-led language alone. The political environment of 2026 - US anti-ESG backlash and SEC 13D[11] guidance, alongside an EU framework that pushes the other way through the Shareholder Rights Directive II's comply-or-explain engagement and voting-disclosure duties[12] has made financial-materiality framing the only frame that survives across mandates.

The differences matter as much. Coalition resolution (BP) needs scale of capital and patience for years. Bilateral confrontation (Honeywell) needs a single deep-pocketed activist and a separable company. Quiet constructivism (Bâloise) needs board access and a viable M&A endpoint. The diagnostic question is not "what is the best engagement approach?" but "which of these fits this very target company at this time?" Outcomes are not all of one kind: ACCR has framing and a Code-mandated consultation, substance pending; Elliott has a structural transformation half-completed; Cevian has a clean exit. None is the full result originally anticipated. Investors who score engagement on a binary "did the resolution pass?" miss the point. So do corporates, who fail to understand that shareholder dissent at general meetings usually builds up slowly and negative votes at board election, remuneration and pay-for-performance items, capital or discharge resolutions can be a reflection of larger issues. Proactive investor relations, covering all stakeholders (incl. active and passive investors, retail, sell side) including the different personas involved – both for investment decision and stewardship purposes – is a key advantage and protection mechanism for larger issues.

STRUCTURAL SHIFTS

Three things changed over the last twenty-four months

1. The Big Three stewardship monolith fractured

For a decade, BlackRock, Vanguard and State Street collectively held roughly a fifth of every S&P 500 company and many times more than 10 percent collectively in EMEA and APAC corporates, spread across their index funds and passive mandates, many of which externally managed pension and retirement mandates. But, they voted as if they were one investor. No longer. On 1 January 2025, BlackRock split its stewardship function into BIS (index) and BAIS (active), with separate voting policies and the explicit possibility that BlackRock will vote against itself. Vanguard split into

[11] SEC Schedule 13D guidance requires any individual or group that acquires more than 5% of a public company's voting stock to file a beneficial ownership report with the SEC

[12] In the EU, the Shareholder Rights Directive II (Directive (EU) 2017/828, "SRD II", fully applicable since September 2020) frames engagement in the opposite direction to the US chill: it requires institutional investors and asset managers to publish an engagement policy and disclose how it has been implemented, including their most significant votes and use of proxy advisers, on a comply-or-explain basis. A review toward "SRD III" is under way, with calls to confirm that collective engagement does not by itself amount to acting in concert. Sources: Directive (EU) 2017/828; ESMA/EBA joint report on SRD II implementation, July 2023; ECGI, "From SRD II to SRD III."

Capital Management and Portfolio Management. State Street has done something similar having launched a stewardship service. Glass Lewis will retire its single benchmark policy in 2027 and offer four parallel frames.[13] A 7% BlackRock stake is now anywhere from one to two votes depending on the active/index split, BlackRock Voting Choice (US$ 885bn of index AUM as of December 2025), and how the issuer specific discussion goes inside BAIS at the time of voting. Coalition-building and pre-AGM disclosure now matter more than the size of the marquee shareholder on the register. For issuers, the only way to de-risk its AGM is to work closely with their advisors who have a proven insights into these dynamic changes and build up its own intelligence to ensure engagement with all relevant parts happens.

2. The SEC chilled large-shareholder engagement

In February 2025, the SEC issued Compliance and Disclosure Interpretation 103.12, narrowing what a 5%+ shareholder can do without losing "passive" 13G[14] status. Engagement that previously sat comfortably within 13G now risks 13D[15] classification if it crosses into "exerting pressure to implement specific measures." Several large active managers have throttled back the granularity of public engagement at large US holdings. Engagement has bifurcated into the very small (sub-5%) and the very large (asset owners pushing through stewardship managers, themselves often sub-5%). The middle has hollowed out. Europe has not seen the same chill. There is no "passive" filing carve-out to lose, and SRD II actively requires investors to engage and disclose how they vote; the binding constraint is instead the "acting in concert" line under national takeover codes, which ESMA has softened through its White List of permitted cooperation. The practical effect is that EU and APAC engagement has changed shape including more careful coordination, more reliance on AGM and say-on-pay votes, rather than retreating, even as US disclosure rules reach cross-border holders.[16]

3. Withhold campaigns at the proxy fight

Q1 2026 underscored the shift. 41 of 45 activist board-seat wins came through settlement. There was only one US contested-slate vote of meaningful scale in the quarter, and it was not really a slate vote: Biglari Capital's "vote no" campaign at Jack in the Box on 27 February 2026, targeting Chairman David Goebel after Biglari withdrew its director nominees.[17] Full-year 2025 saw 32 US CEO resignations within a year of an activist campaign, +60% on the four-year average. Where activists did go to the ballot - Elliott at Phillips 66 (two of four seats, the firm's first-ever successful US proxy vote) and Mantle Ridge at Air Products (three of four, CEO and lead director removed) - the cost remained high even when the activist won. The withhold model is cheaper and increasingly sufficient.

[13]BlackRock, *Active Investment Stewardship 2026 Engagement and Voting Guidelines*; Voting Choice USD 885bn at 31 December 2025. Skadden, "Glass Lewis to End Benchmark Proxy Voting Policy," 20 October 2025.

[14] Schedule 13G is an SEC filing used by beneficial owners of more than 5% of a company's stock who have no intent to influence or change control of the issuer

[15]EU/UK parallel to the US 13D/13G regime: the Transparency Directive (2004/109/EC, as amended) sets the major-shareholding notification baseline at 5% (Germany's WpHG adds a 3% first threshold; the UK DTR requires notification from 3% for UK issuers), with no "passive" carve-out equivalent to Schedule 13G.

[16] US SEC, *CDI 103.12*, February 2025; Cleary Gottlieb, "2025 Shareholder Activism Trends," 27 January 2026.

[17]Barclays Q1 2026 Review of Shareholder Activism; Biglari Capital DEFA14A SEC filings, January–February 2026.

Oasis ran withhold campaigns at Taiyo Holdings, Kyocera and Kusuri No Aoki in Japan in 2025. Tripadvisor is the corollary on the settlement side: in March 2026, Starboard (9.4% stake) secured four board seats by cooperation agreement in exchange for a customary standstill.[18] The activist economic model has shifted from "launch a slate, swing for board control" to "commission the research, time the disclosure, watch the chair sweat." Europe reaches the same place by a different mechanism. Rather than US-style withhold slates, dissent is registered through binding or advisory say-on-pay and director-discharge votes: HelloFresh's remuneration reports were voted down for three consecutive years (FY2021–2023) before Active Ownership Capital pressed for cost discipline and a board seat in 2025, and Switzerland's binding say-on-pay regime gives Swiss shareholders an annual veto on board and executive pay. The signal is the same as a vote-no campaign - rising negative votes on pay, discharge or board items - reached through the continental governance toolkit.[19]

KEY TAKEAWAYS

What to take from this

1. There is no single best practice; choose the approach that fits the company, the situation and the ask.
2. Financial materiality is the only frame that survives political crossfire; build engagement cases the way you build investment cases.
3. The Big Three are no longer one bloc; update proxy-outcome models accordingly and work closely with informed advisors.
4. Withhold campaigns are a cheaper, often effective tactic; for boards, securing turnout from supportive holders matters more than slate defence.
5. Distinguish process success from substance: ACCR won framing, substance is still pending; Elliott won the break-up, value crystallisation is pending; Cevian achieved a clean exit, while the operational thesis it published was never delivered.
6. For issuers, the strongest defence is built in peacetime: maintain year-round engagement with the investment and governance teams as per the shareholder register, stress-test strategic alternatives before pressure builds, and ensure the chair is reachable by key shareholders before they conclude that public escalation is the only route.

CONCLUSION

Three campaigns. One asked a public question and got an answer 6 months from now. One demanded a structural break-up and got it in 86 days. One quietly sought a board seat and ended up selling into a strategic merger at scale. Each was "best practice". None was the same as the others. The point of studying engagement is not to identify one winning model. It is to recognise

[18] Phillips 66 8-K, 21 May 2025; Air Products AGM, 23 January 2025; Oasis Management press releases (Business Wire), May–July 2025; Tripadvisor, Cooperation Agreement with Starboard Value, 23 March 2026.
[19] Swiss Code of Obligations (art. 735).

which model a company invites and to understand what success looks like inside that frame - and to be prepared for it.