



## **Elliott Welcomes Glass Lewis Support for Shareholder Nominees at Hyundai Mobis**

*Leading proxy advisory firm recommends governance enhancements at Hyundai Mobis*

*Current board composition and size do not meet standard for independence*

**HONG KONG** (March 13, 2019) – Elliott Advisors (HK) Limited, which advises various Elliott affiliated funds (together “Elliott”), today welcomed the report issued by Glass, Lewis & Co. (“Glass Lewis”), a leading independent proxy advisory firm, regarding Hyundai Mobis Co., Ltd. (“Mobis” 012330:KS).

In its report, Glass Lewis recommended that shareholders vote to expand the Mobis Board from 9 to 11 directors and to elect both of the shareholder nominees (Robert “Bob” Kruse Jr. and Rudolph “Rudi” William C. von Meister). The company’s Annual General Meeting (“AGM”) is scheduled to take place on March 22, 2019.

Regarding these highly qualified nominees, Glass Lewis noted the following:

- “...we believe the appointment of Elliott’s two independent director nominees would be additive to the board’s composition of expertise, perspectives and independence.”
- “In our view, strengthening the automotive and technological expertise of the independent directors would serve shareholders well by enhancing management accountability and adding relevant perspectives during a transformative time for the Company and the industry.”

Regarding board expansion and governance enhancements, Glass Lewis noted the following:

- “...based on our analysis and definition of independence, we find that the board, as currently composed and sized, does not have a sufficient number of independent directors, with only four directors out of nine meeting our standard for independence.”
- “...we view Elliott’s proposals to (i) expand the board from nine to 11 directors and (ii) elect two additional independent director nominees who have significant and relevant industry experience in areas in which the Company is focused and intends to invest and grow in the near future, represent a significant opportunity for shareholders to support the further enhancement of the composition of the board of directors, thereby improving Hyundai Mobis’ oversight, accountability and governance, which we believe increases the likelihood of maximizing investor returns and shareholder value going forward.”

Regarding capital allocation, Glass Lewis noted:

- “... we broadly agree with Elliott that: (i) Hyundai Mobis is indeed significantly overcapitalized relative to auto parts peers; (ii) the excess and as of yet underutilized capital is dragging down returns on equity and total shareholder returns; and (iii) Hyundai Mobis could likely return trillions more of capital to shareholders on an accelerated timeframe than it has currently proposed while still leaving the Company well positioned financially to weather any downturn, meet liquidity needs, fund R&D initiatives and pursue M&A transactions, among other cash and liquidity requirements.”
- “We’re also sympathetic to Elliott’s view that the announced buyback program, while a step in the right direction, seems relatively small when compared to the Company’s net cash position and other spending priorities. Furthermore, the Company’s three-year time horizon for the total KRW 1 trillion share buyback program seems underwhelming to us.”
- “In our view, the Hyundai Mobis management team and a refreshed board of directors will be well equipped to oversee the Company’s business and financial plan going forward, with particular emphasis on capital allocation and investment discipline as the Company embarks on a multi-year period of significant investment within the evolving auto industry. We would encourage the refreshed board to seriously consider making additional significant returns of capital to shareholders as a key component of this plan.”

While Elliott welcomes the Glass Lewis report, Elliott continues to encourage all shareholders of Mobis to vote for ALL of the shareholder proposals up for consideration at the company’s AGM on March 22, including the payment of dividends.

Shareholders can learn more about these proposals by visiting <http://www.acceleratehyundai.com>.

### **About Elliott**

Elliott Management Corporation manages two multi-strategy funds which combined have more than \$34 billion of assets under management. Its flagship fund, Elliott Associates, L.P., was founded in 1977, making it one of the oldest funds of its kind under continuous management. The Elliott funds’ investors include pension plans, sovereign wealth funds, endowments, foundations, funds-of-funds, and employees of the firm. Elliott Advisors (HK) Limited is an affiliate of Elliott Management Corporation. With a strong understanding of the Korean market and corporate structures, Elliott has a history of successfully enhancing shareholder value in Korea.

### **Media Contacts**

**New York**  
Stephen Spruiell  
Elliott Management Corporation  
+1 (212) 478-2017  
[sspruiell@elliottmgmt.com](mailto:sspruiell@elliottmgmt.com)

**Seoul**  
Kyle Kim  
KorCom  
+82-2-6925-1507  
[kihoon@korcom.com](mailto:kihoon@korcom.com)