



FOR IMMEDIATE RELEASE

SAILINGSTONE CAPITAL PARTNERS OUTLINES NEW PROXY VOTING GUIDELINES

SAN FRANCISCO, April 4, 2017 – SailingStone Capital Partners LLC (“SailingStone” or “the Company”) announced today that it has updated its proxy voting guidelines. A copy of the Company’s revised guidelines can be found at <http://www.sailingstonecapital.com/resources>.

The new framework, which incorporates ISS’ Sustainability Policies, is based on feedback that SailingStone has received from its investment partners and portfolio companies on important governance matters. SailingStone anticipates that the guidelines will continue to evolve as corporate governance standards change and as the Company receives additional input from investors, management teams, and independent directors.

One point of emphasis in the Company’s new framework is incentive compensation. SailingStone is concerned that the incentive compensation programs of many companies in the natural resource industry continue to reward top-line growth over other measures that are tied more closely to value creation – often at the expense of shareholders. The Company believes that the poor returns on capital and the weak balance sheets in the sector reflect the misalignment that frequently exists between shareholders and management. Thus, SailingStone will consider the effectiveness of compensation plans in linking pay with returns on capital and value creation, as well as the degree to which potentially value-destructive production and reserve-based growth targets are used, when deciding how to vote for directors and incentive programs in the future.

Another area of focus for SailingStone in its proxy voting guidelines is transparency. The Company believes that the perception of the natural resource sector has been negatively impacted by the lack of transparency that many companies provide for investors regarding the returns that are being generated on shareholder capital. SailingStone further argues that the potentially misleading practices of providing selective project/well disclosures and “half-cycle” returns have only served to further erode investor confidence. The Company expects boards to provide their owners with a review of the estimated returns that were generated on shareholder capital when evaluating the performance of the company and management compensation. Going forward, SailingStone will consider the transparency that companies provide regarding returns on capital when deciding how to vote for directors.

Lastly, SailingStone is of the view that good corporate governance practices should include a formal shareholder engagement program that provides shareholders with an opportunity to speak with independent directors at least once per year. The Company does not believe that it is appropriate to leave shareholder engagement to executives alone given the potential conflicts of interest that may exist. SailingStone will consider the effectiveness of shareholder engagement initiatives when deciding whether to vote for or against directors.

SailingStone will support policies and proposals which the Company believes will help to create economic value for shareholders, and is committed to providing transparency into the Company’s proxy voting guidelines moving forward.

About SailingStone Capital Partners LLC

SailingStone Capital Partners is a 100% employee-owned investment advisory firm focused exclusively on providing investment solutions in the global natural resource space. Based in San Francisco, SailingStone manages concentrated, long-only natural resource equity portfolios for investors.