

Arconic Inc.
Form PRE 14A
August 17, 2017
TABLE OF CONTENTS

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant Filed by a party other than the Registrant
Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

ARCONIC INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(1)
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(3)

Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1)

Amount previously paid:

(2)

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(3)

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(4)

Date Filed:

TABLE OF CONTENTS

[], 2017

Dear Arconic Shareholders:

You are cordially invited to attend a Special Meeting of Shareholders of Arconic Inc. (“Arconic” or the “Company”) to be held on [], 2017, at [], local time, at [].

At the special meeting, we will ask you to consider and vote on a proposal to approve the merger (the “Reincorporation Merger”) of the Company with a newly formed direct wholly owned subsidiary of the Company incorporated in Delaware (“Arconic Delaware”) in order to effect the change of the Company’s jurisdiction of incorporation from Pennsylvania to Delaware (the “Reincorporation”); a proposal to approve, on an advisory basis, that the certificate of incorporation of Arconic Delaware following the Reincorporation (the “Delaware Certificate”) will not contain any supermajority voting requirements; and a proposal to approve, on an advisory basis, that the Board of Directors of Arconic Delaware following the Reincorporation will be elected on an annual basis pursuant to the Delaware Certificate.

The proxy statement attached to this letter provides you with information about the proposed Reincorporation and related governance changes. Please read the entire proxy statement carefully. You may obtain additional information about Arconic from documents we file with the U.S. Securities and Exchange Commission.

Whether or not you plan to attend the special meeting in person, please complete, sign, date and return promptly the enclosed proxy card or voting instruction form. If you hold shares through a bank, broker or other nominee, you should follow the procedures provided by your bank, broker or nominee to provide voting instructions. You can revoke your proxy at any time before the special meeting and provide a new proxy as you deem appropriate. Only your latest dated proxy will count. If you decide to attend the special meeting and wish to change your proxy vote, you may do so by voting in person at the special meeting.

Your vote is very important. We look forward to seeing you on [], 2017.

Sincerely,

David P. Hess
Interim Chief Executive Officer

TABLE OF CONTENTS

NOTICE OF 2017 SPECIAL MEETING OF SHAREHOLDERS AND PROXY STATEMENT

The Special Meeting of Shareholders of Arconic Inc. (“Arconic” or the “Company”) will be held at [] on [], 2017, at [], local time. Holders of record of Arconic common stock at the close of business on [record date for the special meeting (the “record date”), are entitled to vote at the special meeting.

The special meeting will be held for the following purposes:

1.
to vote on a proposal to approve the merger (the “Reincorporation Merger”) of the Company with a newly formed direct wholly owned subsidiary of the Company incorporated in Delaware (“Arconic Delaware”) in order to effect the change of the Company’s jurisdiction of incorporation from Pennsylvania to Delaware (the “Reincorporation”);
2.
to vote on a proposal to approve, on an advisory basis, that the certificate of incorporation of Arconic Delaware following the Reincorporation (the “Delaware Certificate”) will not contain any supermajority voting requirements;
3.
to vote on a proposal to approve, on an advisory basis, that the Board of Directors of Arconic Delaware following the Reincorporation will be elected on an annual basis pursuant to the Delaware Certificate; and
4.
to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

You will need an admission ticket if you plan to attend the special meeting. Please see the questions and answers section of the proxy statement for instructions on how to obtain an admission ticket.

Your vote is important. Whether or not you plan to attend the special meeting in person, please vote by completing, signing, dating and returning the enclosed proxy card or voting instruction form as soon as possible to ensure your representation at the special meeting. Promptly voting your shares will ensure a quorum and save Arconic the expense of further solicitation. A proxy may be revoked at any time before the special meeting.

On behalf of Arconic’s Board of Directors,

Katherine Hargrove Ramundo
Executive Vice President, Chief Legal Officer and Corporate Secretary
[], 2017

TABLE OF CONTENTS

PROXY SUMMARY

We provide below highlights of certain information in this Proxy Statement. As it is only a summary, please refer to the complete Proxy Statement before you vote.

2017 SPECIAL MEETING OF SHAREHOLDERS

Time and Date: [], local time, [], 2017

Place: []

Record Date: [], 2017

Voting: Shareholders as of the record date are entitled to vote. Each share of Arconic common stock is entitled to one vote for each of the proposals to be voted on.

Admission: An admission ticket is required to attend Arconic’s special meeting. See Question 5 in the “Questions and Answers About the Special Meeting and Voting” section regarding how to obtain a ticket.

How to Cast Your Vote

Your vote is important! Please cast your vote.

Shareholders of record, who hold shares registered in their names, can vote by:

Internet at calling [] mail
 [] toll-free from the return the signed
 U.S. or Canada proxy card

The deadline for voting online or by telephone is [], Eastern Time, on [], 2017. If you vote by mail, your vote must be received before the special meeting. If you hold shares in an Arconic savings plan, your voting instructions must be received by [], Eastern Time, on [], 2017.

Beneficial owners, who own shares through a bank, brokerage firm or other financial institution, can vote by returning the voting instruction form, or by following the instructions for voting via telephone or the Internet, as provided by the bank, broker or other organization. If you own shares in different accounts or in more than one name, you may receive different voting instructions for each type of ownership. Please vote all your shares.

If you are a shareholder of record or a beneficial owner who has a legal proxy to vote the shares, you may choose to vote in person at the special meeting. Even if you plan to attend our special meeting in person, please cast your vote as soon as possible.

See the “Questions and Answers About the Special Meeting and Voting” section for more details.

Voting Matters and Board Recommendations

Voting Matters	Board’s Recommendation
Item 1. A proposal to approve the Reincorporation Merger with Arconic Delaware in order to effect the Reincorporation.	FOR
Item 2. A proposal to approve, on an advisory basis, that the certificate of incorporation of Arconic Delaware following the Reincorporation (the “Delaware Certificate”) will not contain any supermajority voting requirements.	FOR
Item 3. A proposal to approve, on an advisory basis, that the Board of Directors of Arconic Delaware following the Reincorporation will be elected on an annual basis pursuant to the Delaware Certificate.	FOR

TABLE OF CONTENTS

PROXY STATEMENT

FOR

ARCONIC INC.

TABLE OF CONTENTS

<u>ABOUT THIS PROXY STATEMENT</u>	1
<u>Purpose</u>	1
<u>Recommendation of the Board of Directors</u>	1
<u>Questions and Answers About the Special Meeting and Voting</u>	2
<u>PROPOSALS</u>	6
<u>The Proposals</u>	6
<u>Certain Risks Associated with the Reincorporation</u>	7
<u>General Information</u>	7
<u>Reasons for the Reincorporation</u>	8
<u>Background</u>	8
<u>Reasons for Reincorporation in Delaware</u>	8
<u>Changes to the Business of the Company as a Result of the Reincorporation</u>	9
<u>Mechanics of the Reincorporation</u>	10
<u>Shares Held in Book-Entry and Through a Bank, Broker or Other Nominee</u>	10
<u>Effective Time</u>	11
<u>Effect on Preferred Stock and Convertible Notes</u>	11
<u>Preferred Stock</u>	11
<u>Convertible Notes</u>	12
<u>Effect on Dividends</u>	12
<u>Comparison of Corporate Laws and Governance Between Arconic Pennsylvania and Arconic Delaware</u>	12
<u>Interest of Certain Persons in Matters to be Acted Upon</u>	23
<u>Reservation of Right to Delay or Abandon the Reincorporation</u>	23
<u>Vote Required</u>	23
<u>Dissenters' Appraisal Rights</u>	24
<u>General</u>	24
<u>Fair Value</u>	24
<u>Notice of Intention to Dissent</u>	24
<u>Notice to Demand Payment</u>	25
<u>Failure to Comply with Notice to Demand Payment</u>	25
<u>Payment of Fair Value of Shares</u>	25
<u>Estimate by Dissenter of Fair Value of Shares</u>	25
<u>Valuation Proceeding</u>	26
<u>Costs and Expenses</u>	26
<u>Material U.S. Federal Income Tax Consequences of the Reincorporation</u>	27
<u>STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS</u>	29
<u>STOCK OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS</u>	30
<u>FORWARD-LOOKING STATEMENTS</u>	32

<u>OTHER BUSINESS</u>	<u>32</u>
<u>SHAREHOLDER PROPOSALS AND NOMINATIONS OF DIRECTOR CANDIDATES</u>	<u>32</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>33</u>
<u>EXHIBIT A — Form of Reincorporation Merger Agreement</u>	<u>A-1</u>
<u>EXHIBIT B — Form of Delaware Certificate</u>	<u>B-1</u>
<u>EXHIBIT C — Form of Delaware Bylaws</u>	<u>C-1</u>
<u>EXHIBIT D — Subchapter D of Chapter 15 of the Pennsylvania Business Corporation Law</u>	<u>D-1</u>

TABLE OF CONTENTS

390 Park Avenue
New York, NY 10022-4608

ABOUT THIS PROXY STATEMENT

Purpose

This proxy statement is being furnished by Arconic Inc., a Pennsylvania corporation (“Arconic,” “Arconic Pennsylvania” or, prior to the Reincorporation, the “Company”), in connection with the solicitation by Arconic’s Board of Directors of proxies to be voted at our special meeting of shareholders to be held on [], 2017, at [], local time any adjournment or postponement thereof. The holders of record of Arconic common stock, par value \$1.00 per share (“common stock”), as of the close of business on [], 2017, the record date for the special meeting, will be entitled to notice of and to vote at the special meeting and any adjournment or postponements thereof. As of the record date, there were [] shares of our common stock issued, outstanding and entitled to vote. Each share of our common stock is entitled to one vote on any matter presented at the special meeting.

The special meeting will be held for the following purposes:

1.
to vote on a proposal to approve the merger (the “Reincorporation Merger”) of the Company with a newly formed direct wholly owned subsidiary of the Company incorporated in Delaware (“Arconic Delaware”) in order to effect the change of the Company’s jurisdiction of incorporation from Pennsylvania to Delaware (the “Reincorporation”);
2.
to vote on a proposal to approve, on an advisory basis, that the certificate of incorporation of Arconic Delaware following the Reincorporation (the “Delaware Certificate”) will not contain any supermajority voting requirements;
3.
to vote on a proposal to approve, on an advisory basis, that the Board of Directors of Arconic Delaware following the Reincorporation will be elected on an annual basis pursuant to the Delaware Certificate; and
4.
to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

If our shareholders approve the Reincorporation Merger to effect the Reincorporation, and Arconic effects it, the Reincorporation will become effective at the effective time of the Reincorporation Merger (the “Effective Time”), pursuant to the filings of the Statement of Merger in the Pennsylvania Department of State and the Certificate of Merger with the Delaware Secretary of State effecting the Reincorporation Merger (together, the “Merger Certificates”). Assuming approval by our shareholders, the Company currently expects the Effective Time of the Reincorporation Merger to occur on or about December 31, 2017. However, even if shareholders approve the Reincorporation Merger to effect the Reincorporation, Arconic may delay the Effective Time of the Reincorporation Merger or abandon the Reincorporation if the Arconic Board of Directors determines that such action is in the best interests of Arconic and our shareholders.

Recommendation of the Board of Directors

The Board of Directors recommends that you vote FOR the proposal to approve the Reincorporation Merger to effect the Reincorporation, FOR the proposal to approve, on an advisory basis, that the Delaware Certificate will not contain any supermajority voting requirements and FOR the proposal to approve, on an advisory basis, that the Board of Directors of Arconic Delaware following the Reincorporation will be elected on an annual basis pursuant to the Delaware Certificate.

TABLE OF CONTENTS

Questions and Answers About the Special Meeting and Voting

1.

Who is entitled to vote and how many votes do I have?

If you were a holder of record of Arconic common stock at the close of business on [], 2017, you are eligible to vote at the special meeting. For each matter presented for vote, you have one vote for each share you own.

2.

What is the difference between holding shares as a shareholder of record/registered shareholder and as a beneficial owner of shares?

Shareholder of Record or Registered Shareholder. If your shares of common stock are registered directly in your name with our transfer agent, Computershare, you are considered a “shareholder of record” or a “registered shareholder” of those shares.

Beneficial Owner of Shares. If your shares are held in an account at a bank, brokerage firm or other similar organization, then you are a beneficial owner of shares held in street name. In that case, you will have received these proxy materials from the bank, brokerage firm or other similar organization holding your account and, as a beneficial owner, you have the right to direct your bank, brokerage firm or similar organization as to how to vote the shares held in your account.

3.

How do I vote if I am a shareholder of record?

By Telephone or Internet. All shareholders of record can vote by touchtone telephone within the United States, U.S. territories and Canada, using the toll-free telephone number on the proxy card, or through the Internet, using the procedures and instructions described on the proxy card. The telephone and Internet voting procedures are designed to authenticate shareholders’ identities, to allow shareholders to vote their shares and to confirm that their instructions have been recorded properly.

By Written Proxy. All shareholders of record can also vote by written proxy card. If you are a shareholder of record and receive a Notice of Internet Availability of Proxy Materials (“Notice”), you may request a written proxy card by following the instructions included in the Notice. If you sign and return your proxy card but do not mark any selections giving specific voting instructions, your shares represented by that proxy will be voted as recommended by the Board of Directors.

In Person. All shareholders of record may vote in person at the special meeting. See Question 5 below regarding how to obtain an admission ticket to attend the special meeting.

If no contrary instruction is indicated on your proxy, the proxy committee will vote the shares FOR the proposal to approve the Reincorporation Merger to effect the Reincorporation, FOR the approval, on an advisory basis, that the Delaware Certificate will not contain any supermajority voting requirements and FOR the approval, on an advisory basis, that the Board of Directors of Arconic Delaware following the Reincorporation will be elected on an annual basis pursuant to the Delaware Certificate.

Whether you plan to attend the special meeting or not, we encourage you to vote by proxy as soon as possible. The proxy committee will vote your shares according to your directions.

4.

How do I vote if I am a beneficial owner of shares?

If you are a beneficial owner of shares of common stock, you can vote by completing and returning the voting instruction form from your broker, bank or other financial institution or following the instructions provided to you for voting your shares via telephone or the Internet. If you wish to vote your shares at the special meeting, you must obtain a legal proxy from your broker, bank or other financial institution and bring it with you to hand in with your ballot. See Question 5 below regarding how to obtain an admission ticket to the special meeting.

5.

How do I get an admission ticket to attend the special meeting?

You may attend the special meeting if you were a shareholder as of the close of business on the record date. If you plan to attend the meeting, you will need an admission ticket. If you are a registered shareholder, have your Notice available and call [] or visit [] and follow the

2

TABLE OF CONTENTS

instructions provided. If a broker, bank or other financial institution holds your shares and you would like to attend the meeting, please write to: Arconic Inc., 201 Isabella Street, Pittsburgh, PA 15212-5858, Attention: Diane Thumma or email to diane.thumma@arconic.com. Please include a copy of your brokerage account statement or a legal proxy (which you can obtain from your broker, bank or other financial institution), and we will send you an admission ticket.

6.

What does it mean if I receive more than one Notice?

If you are a shareholder of record or participate in Arconic's Dividend Reinvestment and Stock Purchase Plan or employee savings plans, you will receive one Notice (or if you are an employee with an Arconic email address, an email proxy form) for all shares of common stock held in or credited to your accounts as of the record date, if the account names are exactly the same. If your shares are registered differently and are in more than one account, you will receive more than one Notice or email proxy form, and in that case, you can and are urged to vote all of your shares, which will require you to vote more than once. To avoid this situation in the future, we encourage you to have all accounts registered in the same name and address whenever possible. You can do this by contacting our transfer agent, Computershare, at 1-888-985-2058 (in the United States and Canada) or 1-201-680-6578 (all other locations) or through the Computershare website, www.computershare.com.

7.

How do I vote if I participate in one of the employee savings plans?

You must provide the trustee of the employee savings plan with your voting instructions in advance of the special meeting. You may do so by returning your voting instructions by mail, or submitting them by telephone or electronically using the Internet. You cannot vote your shares in person at the special meeting; the trustee is the only one who can vote your shares. The trustee will vote your shares as you have instructed. If the trustee does not receive your instructions, your shares generally will be voted in proportion to the way the other plan participants voted. To allow sufficient time for voting by the trustee, your voting instructions must be received by [], Eastern Time, on 2017.

8.

Can I change my vote?

There are several ways in which you may revoke your proxy or change your voting instructions before the time of voting at the special meeting (please note that, in order to be counted, the revocation or change must be received by [], Eastern Time, on [], 2017, or by [], Eastern Time, on [], 2017 in the case of employee savings plan):

- Vote again by telephone or at the Internet website.
- Mail a revised proxy card or voting instruction form that is dated later than the prior one.
- Shareholders of record may vote in person at the special meeting.
- Shareholders of record may notify Arconic's Corporate Secretary in writing that a prior proxy is revoked.
- Employee savings plan participants may notify the plan trustee in writing that prior voting instructions are revoked or are changed.

9.

Is my vote confidential?

Yes. Proxy cards, ballots and voting tabulations that identify shareholders are kept confidential except:

- as necessary to meet applicable legal requirements and to assert or defend claims for or against the Company or its successors;
- in the case of a contested proxy solicitation;
- if a shareholder makes a written comment on the proxy card or otherwise communicates his or her vote to management; or
- to allow the independent judge of election to certify the results of the vote.

3

TABLE OF CONTENTS

[], the independent proxy tabulator used by Arconic, counts the votes and acts as the judge of election for the special meeting.

10.

What happens if I do not instruct my broker how to vote?

Under New York Stock Exchange (“NYSE”) rules, the proposals to approve the Reincorporation Merger to effect the Reincorporation, to approve, on an advisory basis, that the Delaware Certificate will not contain supermajority voting requirements and to approve, on an advisory basis, that the Board of Directors of Arconic Delaware will be elected on an annual basis following the Reincorporation, are each considered “non-discretionary” items. This means that brokerage firms may not exercise discretionary authority on behalf of clients (beneficial owners) who have not furnished voting instructions regarding any of the proposals to be voted on at the special meeting—brokerage firms that have not received voting instructions from their clients on these matters may not vote on these proposals. Therefore, if you hold your shares in street name, it is important that you cast your vote by instructing your bank, broker or other nominee on how to vote if you want your vote to be counted at the special meeting.

11.

What constitutes a “quorum” for the special meeting?

A quorum consists of a majority of the outstanding shares, present at the meeting or represented by proxy. A quorum is necessary to conduct business at the special meeting. You are part of the quorum if you have voted by proxy. If you vote to abstain on one or more proposals, your shares will be counted as present for purposes of determining the presence of a quorum unless you vote to abstain on all proposals, in which case your shares will not be counted as present for purposes of determining the presence of a quorum.

12.

What is the voting requirement to approve each of the proposals, and how are votes counted?

At the close of business on the record date for the special meeting, Arconic had outstanding [] shares of common stock. Each share of common stock outstanding on the record date is entitled to one vote for each of the proposals to be voted on. Shares of preferred stock will not be entitled to vote on any of the proposals at the special meeting.

Under Pennsylvania law, the proposals to approve the Reincorporation Merger to effect the Reincorporation, to approve, on an advisory basis, that the Delaware Certificate will not contain supermajority voting requirements and to approve, on an advisory basis, that the Board of Directors of Arconic Delaware will be elected on an annual basis following the Reincorporation each requires the affirmative vote of a majority of the votes cast by all shareholders entitled to vote thereon. “Votes cast” on these proposals means votes “for” or “against” a particular proposal, whether by proxy or in person. Abstentions are not considered “votes cast” on these proposals and therefore have no effect on the outcome of these proposals.

13.

Who pays for the solicitation of proxies?

Arconic pays the cost of soliciting proxies. Proxies will be solicited on behalf of the Board of Directors by mail, telephone, other electronic means or in person. We have retained Innisfree M&A Incorporated (“Innisfree”), 501 Madison Avenue, New York, NY 10022, to assist with the solicitation for an estimated fee of \$[], plus expenses. We will reimburse brokerage firms and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for sending proxy materials to shareholders and obtaining their votes.

14.

What is “householding”?

Shareholders of record who have the same last name and address and who request paper copies of the proxy materials will receive only one copy unless one or more of them notifies us that they wish to receive individual copies. This method of delivery, known as “householding,” will help ensure that shareholder households do not receive multiple

copies of the same document, helping to reduce our printing and postage costs, as well as saving natural resources. Householding will not in any way affect dividend check mailings.

4

TABLE OF CONTENTS

We will deliver promptly upon written or oral request a separate copy of the proxy statement or Notice of Internet Availability of Proxy Materials to a security holder at a shared address to which a single copy of the document was delivered. Please direct such requests to Diane Thumma at Arconic Inc., 201 Isabella Street, Pittsburgh, PA 15212-5858, Attention: Diane Thumma, or email to diane.thumma@arconic.com or call 1-412-553-1245.

Shareholders of record may request to begin or to discontinue householding in the future by contacting our transfer agent, Computershare, at 1-888-985-2058 (in the United States and Canada), 1-201-680-6578 (all other locations), by regular mail to Computershare, P.O. Box 505000, Louisville, KY 40233-5000, by overnight delivery to Computershare, 462 South 4th Street Suite 1600 Louisville, KY 40202, or through the Computershare website, www.computershare.com. Shareholders owning their shares through a bank, broker or other nominee may request to begin or to discontinue householding by contacting their bank, broker or other nominee.

15.

Who should I contact if I have any questions?

Shareholders with questions or who need assistance in voting their shares may call Innisfree toll-free at (877) 750-5836. Banks and brokers may call collect at 1-212-750-5833.

5

TABLE OF CONTENTS

PROPOSALS

The Proposals

Arconic is asking shareholders to:

1. approve the merger of the Company with a newly formed direct wholly owned subsidiary of the Company incorporated in Delaware (“Arconic Delaware” or, following the Reincorporation, the “Company”) in order to effect the change of the Company’s jurisdiction of incorporation from Pennsylvania to Delaware;
2. approve, on an advisory basis, that the Delaware Certificate will not contain any supermajority voting requirements; and
3. approve, on an advisory basis, that the Board of Directors of Arconic Delaware following the Reincorporation will be elected on an annual basis pursuant to the Delaware Certificate.

On [], 2017, our Board of Directors (the “Board”) approved the Reincorporation Merger to effect the Reincorporation subject to the authority of the Board, in its discretion, to determine that it is in the best interests of Arconic and its shareholders to abandon the Reincorporation Merger and the Reincorporation. If approved by shareholders, the Reincorporation will be effected through the merger of the Company with and into Arconic Delaware, with Arconic Delaware surviving the merger. The name of the Company after the Reincorporation will remain Arconic Inc. No further action on the part of shareholders will be required to implement, or to abandon, the Reincorporation. For purposes of the discussion below, the Company as it currently exists as a corporation organized under the laws of the Commonwealth of Pennsylvania is sometimes referred to herein as “Arconic Pennsylvania.”

The principal effects of the Reincorporation will be that:

- The affairs of the Company will cease to be governed by Pennsylvania corporation laws and will become subject to Delaware corporation laws.
- Each outstanding share of common stock, par value \$1.00 per share, of Arconic Pennsylvania will automatically be converted into one share of common stock, par value \$1.00 per share, of Arconic Delaware. Each outstanding share of preferred stock of Arconic Pennsylvania will automatically be converted into one share of preferred stock of Arconic Delaware with the same respective par value. All of our employee benefit and incentive compensation plans immediately prior to the Reincorporation will be continued by Arconic Delaware, and each outstanding equity award and notional share unit relating to shares of Arconic Pennsylvania’s common stock will be converted into an equity award or notional share unit, as applicable, relating to an equivalent number of shares of Arconic Delaware’s common stock on the same terms and subject to the same conditions.
- Other than the change in corporate domicile, the Reincorporation will not result in any change in the business, physical location, management, assets, liabilities or number of authorized shares of the Company, nor will it result in any change in location of our current employees, including management.
- The Company’s existing Articles of Incorporation (the “Pennsylvania Articles”) and existing By-Laws (the “Pennsylvania By-Laws”) will be replaced by a new Certificate of Incorporation (the “Delaware Certificate”) and new Bylaws (the “Delaware Bylaws”), as more fully described below.
-

The Delaware Certificate and the Delaware Bylaws will not contain any supermajority voting requirements. The Pennsylvania Articles currently contain provisions that require the affirmative vote of 80% of the outstanding shares of capital stock of the Company to (a) amend Article SEVENTH of the Pennsylvania Articles, which provides that certain repurchases of capital stock from interested shareholders require approval by the Company's other shareholders; (b) amend Article EIGHTH of the Pennsylvania Articles, which addresses the Board size, the classified Board structure, nominations for the election of directors, removal of directors and filling vacancies on the Board; and (c) remove directors with or without cause.

TABLE OF CONTENTS

• The Delaware Certificate and the Delaware Bylaws will provide that the Board will be completely declassified and that all directors elected at each annual meeting will be elected on an annual basis with one-year terms. Under the Pennsylvania Articles, the Board is currently divided into three classes, as nearly equal in number as possible, composed of directors each serving terms of office of three years.

• The Delaware Certificate will generally provide that the sole and exclusive forum for any (i) derivative action or proceeding brought on behalf of the Company, (ii) action asserting a claim for or based on a breach of a fiduciary duty owed by any current or former director or officer or other employee of the Company to the Company or to the Company's stockholders, (iii) action asserting a claim against the Company or any current or former director or officer or other employee of the Company arising pursuant to any provision of the Delaware General Corporation Law (the "DGCL") or the Delaware Certificate or the Delaware Bylaws, (iv) action asserting a claim related to or involving the Company that is governed by the internal affairs doctrine or (v) action asserting an "internal corporate claim" as that term is defined under Delaware law, will be a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware).

• Certain other key substantive rights of Arconic Pennsylvania shareholders, such as majority voting in uncontested director elections and the right of shareholders to call a special meeting, will remain in effect for Arconic Delaware following the Reincorporation. See the comparison contained in the chart below under the heading "Comparison of Corporate Laws and Governance Between Arconic Pennsylvania and Arconic Delaware."

Certain Risks Associated with the Reincorporation

Notwithstanding the belief of the Board as to the benefits to our shareholders of the Reincorporation, there can be no assurance that the Reincorporation will result in the benefits discussed in this proxy statement, including the benefits of or resulting from access to Delaware courts, incorporation under Delaware law, the ability to attract and retain qualified directors and officers or certain changes in our corporate governance. In addition, the Delaware Certificate and the Delaware Bylaws, in comparison to the Pennsylvania Articles and the Pennsylvania By-Laws, contain or eliminate certain provisions that may have the effect of reducing certain rights of stockholders.

Furthermore, Arconic Delaware will not be subject to certain statutory takeover provisions that currently apply to Arconic Pennsylvania, which could impact Arconic Delaware's ability to resist or negotiate in the event of a takeover bid that the Board believes is not in the best interests of Arconic Delaware or its shareholders. However, Arconic Delaware will be subject to some statutory provisions of Delaware law that may have anti-takeover effects, such as Section 203 of the DGCL. See the "Comparison of Corporate Laws and Governance Between Arconic Pennsylvania and Arconic Delaware" section for more details.

General Information

Shareholders are urged to read these proposals carefully, including all of the related exhibits referenced below and attached to this proxy statement, before voting on the Reincorporation and the other proposals to be considered at the special meeting. The following discussion summarizes material provisions of the Reincorporation. This summary is subject to and qualified in its entirety by the proposed Agreement and Plan of Merger (the "Reincorporation Merger Agreement") by and between Arconic Pennsylvania and Arconic Delaware, in the form attached hereto as Exhibit A, the Delaware Certificate, in the form attached hereto as Exhibit B, and the Delaware Bylaws, in the form attached hereto as Exhibit C. Copies of the Pennsylvania Articles and Pennsylvania By-Laws are filed with the U.S. Securities and Exchange Commission (the "SEC") as exhibits to our periodic reports and also are available for inspection at our principal executive offices. Copies will be sent to shareholders free of charge upon written request to Arconic Inc., Corporate Communications, 201 Isabella Street, Pittsburgh, PA 15212-5858.

TABLE OF CONTENTS

Reasons for the Reincorporation

Background

In connection with the Company's 2017 Annual Meeting of Shareholders (the "2017 Annual Meeting"), the Board submitted certain proposals for shareholder approval at the 2017 Annual Meeting to eliminate the supermajority voting provisions in the Pennsylvania Articles and to declassify the Board structure. In the Company's definitive proxy statement for the 2017 Annual Meeting, the Company stated that such proposals required the approval of the holders of 80% of the outstanding common stock of the Company under the Pennsylvania Articles and if they received the approval of less than 80% of the outstanding common stock, the Company intended to submit for shareholder approval at or prior to the 2018 annual meeting of shareholders one or more proposals to effect the change of the Company's jurisdiction of incorporation from Pennsylvania to Delaware by means of a reincorporation merger, and that the Board structure of the resulting Delaware corporation would be declassified, and its organizational documents would not contain any supermajority vote requirements.

In addition, prior to the 2017 Annual Meeting, Arconic entered into an agreement with affiliates of Elliott Management Corporation ("Elliott") to resolve the proxy contest Elliott had commenced in connection with the 2017 Annual Meeting and, as part of the agreement, Arconic agreed to use reasonable best efforts to reincorporate in Delaware on or prior to December 31, 2017. As part of the agreement, Elliott agreed to cause to be present for quorum purposes at the special meeting all Arconic common stock that Elliott or any of their affiliates have the right to vote as of the record date, and vote or cause to be voted all such common stock in favor of the approval of the Reincorporation and related proposals.

At the 2017 Annual Meeting, each proposal to eliminate supermajority voting requirements and to declassify the Board received the support of approximately 97% of the votes cast, but failed to receive the requisite approval of 80% of the outstanding shares of the Company. In accordance with the views expressed by its shareholders and the agreement with Elliott, Arconic is seeking to complete the Reincorporation on or prior to December 31, 2017.

Reasons for Reincorporation in Delaware

The State of Delaware has been a leading jurisdiction in adopting a comprehensive and coherent set of corporate laws that are responsive to the evolving legal and business needs of corporations organized under Delaware law. The Board believes that it is important for Arconic to be able to draw upon well-established principles of corporate governance in making legal and business decisions. The prominence and predictability of Delaware corporate law provide a reliable foundation on which our governance decisions can be based, and we believe that our shareholders will benefit from the responsiveness of Delaware corporate law to their needs. In addition, the Board believes that direct benefits that Delaware law provides to a corporation indirectly benefit the shareholders, who are our owners. Specifically, the Board believes that there are several benefits in the Reincorporation, as summarized below.

Access to Specialized Courts. Delaware has a specialized court of equity called the Court of Chancery that hears corporate law cases. The Delaware Court of Chancery operates under rules that are intended to ensure litigation of disputes in a timely and effective way, keeping in mind the timelines and constraints of business decision-making and market dynamics. The appellate process on decisions emanating from the Court of Chancery is similarly streamlined, and the justices of Delaware appellate courts tend to have substantial experience with corporate cases because of the relatively higher volume of these cases in the Delaware courts. As the leading state of incorporation for both private and public companies, Delaware has developed a vast body of corporate law that helps to promote greater consistency and predictability in judicial rulings. In contrast, Pennsylvania does not have a similar specialized court established to hear corporate law cases. Rather, disputes involving questions of Pennsylvania corporate law are either heard by the Pennsylvania Courts of Common Pleas, the general trial courts in Pennsylvania that hears all manner of cases, or, if federal jurisdiction exists, a federal district court. These courts hear many different types of cases, and the cases may be heard before judges or juries with limited corporate law experience. As a result, corporate law cases brought in Pennsylvania may not proceed as expeditiously as cases brought in Delaware and the outcomes in such courts may be less consistent and predictable.

TABLE OF CONTENTS

Highly Developed and Predictable Corporate Law. Delaware has one of the most modern statutory corporation codes, which is revised regularly in response to changing legal and business needs of corporations. The Delaware legislature is particularly responsive to developments in modern corporate law and Delaware has proven sensitive to changing needs of corporations and their shareholders. The Delaware Secretary of State is viewed as particularly flexible and responsive in its administration of the filings required for mergers, acquisitions and other corporate transactions. Delaware has become a preferred domicile for most major American corporations and the DGCL and administrative practices have become comparatively well-known and widely understood. As a result of these factors, it is anticipated that the DGCL will provide greater efficiency, predictability and flexibility in the Company's legal affairs than is presently available under Pennsylvania law. In addition, Delaware case law provides a well-developed body of law defining the proper duties and decision making processes expected of boards of directors in evaluating potential or proposed extraordinary corporate transactions.

Enhanced Ability to Attract and Retain Directors and Officers. The Board believes that the Reincorporation will enhance our ability to attract and retain qualified directors and officers, as well as encourage directors and officers to continue to make independent decisions in good faith on behalf of the Company. We are in a competitive industry and compete for talented individuals to serve on our management team and on our Board of Directors. The vast majority of public companies are incorporated in Delaware. Not only is Delaware law more familiar to directors, it also offers greater certainty and stability from the perspective of those who serve as corporate officers and directors. The parameters of director and officer liability are more extensively addressed in Delaware court decisions and are therefore better defined and better understood than under Pennsylvania law. The Board believes that the Reincorporation will enhance our ability to recruit and retain directors and officers. We believe that the better understood and comparatively stable corporate environment afforded by Delaware law will enable us to compete more effectively with other public companies in the recruitment of talented and experienced directors and officers.

Shareholder-Friendly Corporate Governance Changes. The Pennsylvania Articles currently provide that amendments to certain provisions relating to fair price protection, director elections, director removal and the classified structure of the Board require the approval of the holders of 80% of the outstanding common stock of the Company. In connection with the Reincorporation, the Delaware Certificate and the Delaware Bylaws will not contain any supermajority voting requirements and will provide for a declassified Board structure. The Board believes that a majority voting standard for shareholder action will ensure that actions may be taken to reflect the expressed views of the holders of a majority of the voting power, rather than requiring that a supermajority percentage of the Company's outstanding shares be voted in favor of a proposal, which can result in the failure of the proposal to be approved if more than 20% of the Company's outstanding shares simply fail to vote either for or against the proposal. The Board has also considered that the potential advantages of declassifying the Board structure include the ability of shareholders to evaluate directors annually. An annually elected Board structure is also perceived by many institutional shareholders as increasing the accountability of directors to shareholders. The foregoing corporate governance changes were previously proposed by the Board at the 2017 Annual Meeting and overwhelmingly supported by our shareholders, with each proposal receiving the support of approximately 97% of the votes cast, but failed to receive the requisite approval of 80% of the outstanding shares of the Company under the Pennsylvania Articles.

Changes to the Business of the Company as a Result of the Reincorporation

Other than the change in corporate domicile, the Reincorporation will not result in any change in the business, physical location, management, assets, liabilities or number of authorized shares of the Company, nor will it result in any change in location of our current employees, including management. Upon consummation of the Reincorporation, our principal executive offices will continue to be located at 390 Park Avenue, New York, NY. The consolidated financial condition and results of operations of Arconic Delaware immediately after consummation of the Reincorporation will be the same as those of Arconic Pennsylvania immediately before the consummation of the Reincorporation. In addition, upon the effectiveness of the Reincorporation, the Board of Arconic Delaware immediately after consummation of the Reincorporation will consist of those persons serving on the Board of Arconic Pennsylvania immediately prior to the Reincorporation, and the individuals serving as executive officers of Arconic

TABLE OF CONTENTS

Pennsylvania immediately prior to the Reincorporation will continue to serve as executive officers of Arconic Delaware, without any change in title or responsibilities. Upon effectiveness of the Reincorporation, Arconic Delaware will be the successor in interest to Arconic Pennsylvania, and the shareholders of Arconic Pennsylvania will become stockholders of Arconic Delaware.

Mechanics of the Reincorporation

The Reincorporation will be effected by the merger of Arconic Pennsylvania with and into Arconic Delaware, a direct wholly owned subsidiary of the Company that will be incorporated under the DGCL for purposes of the Reincorporation, in the Reincorporation Merger. The Company as it currently exists as a Pennsylvania corporation will cease to exist as a result of the Reincorporation Merger, and Arconic Delaware will be the surviving corporation and will continue to operate our business as it existed prior to the Reincorporation. The existing holders of our common stock will own all of the outstanding shares of Arconic Delaware common stock, and no change in ownership will result from the Reincorporation.

At the Effective Time, we will be governed by the Delaware Certificate, the Delaware Bylaws and the DGCL. Although the Delaware Certificate, the Delaware Bylaws and the DGCL contain many provisions that are similar to the provisions of the Pennsylvania Articles, the Pennsylvania By-Laws and the Pennsylvania Business Corporation Law (the “PBCL”), they do include certain provisions that are different, as described in more detail below. If our shareholders approve the Reincorporation Merger to effect the Reincorporation, and Arconic effects it, upon the Effective Time, each outstanding share of common stock, par value \$1.00 per share, of Arconic Pennsylvania will automatically be converted into one share of common stock, par value \$1.00 per share, of Arconic Delaware. Each outstanding share of preferred stock of Arconic Pennsylvania will automatically be converted into one share of preferred stock of Arconic Delaware with the same respective par value. All of our employee benefit and incentive compensation plans immediately prior to the Reincorporation will be continued by Arconic Delaware, and each outstanding equity award and notional share unit relating to shares of Arconic Pennsylvania’s common stock will be converted into an equity award or notional share unit, as applicable, relating to an equivalent number of shares of Arconic Delaware’s common stock on the same terms and subject to the same conditions. The Company’s other employee benefit arrangements including, but not limited to, equity incentive plans with respect to issued unvested restricted stock, will be continued by Arconic Delaware upon the terms and subject to the conditions specified in such plans. The registration statements of Arconic Pennsylvania on file with the SEC immediately prior to the Reincorporation will be assumed by Arconic Delaware.

Our common stock is listed for trading on the New York Stock Exchange (“NYSE”) under the ticker symbol “ARNC.” After the Reincorporation, Arconic Delaware’s common stock will continue to be traded on NYSE without interruption, under the same symbol.

CERTIFICATES CURRENTLY ISSUED FOR SHARES IN ARCONIC PENNSYLVANIA WILL AUTOMATICALLY REPRESENT SHARES IN ARCONIC DELAWARE UPON COMPLETION OF THE REINCORPORATION MERGER, AND SHAREHOLDERS WILL NOT BE REQUIRED TO EXCHANGE STOCK CERTIFICATES AS A RESULT OF THE REINCORPORATION.

Shares Held in Book-Entry and Through a Bank, Broker or Other Nominee

The conversion of shares of common and preferred stock of Arconic Pennsylvania into corresponding shares of common and preferred stock of Arconic Delaware will occur automatically at the Effective Time without any additional action on the part of shareholders.

Upon the Reincorporation, we intend to treat shareholders holding shares of our common stock or preferred stock in “street name” (that is, through a bank, broker or other nominee) in the same manner as registered shareholders whose shares of our common stock are registered in their names. Banks, brokers or other nominees will be instructed to effect the Reincorporation for their beneficial holders holding shares of our common stock or preferred stock in “street name”; however, these banks, brokers or other nominees may apply their own specific procedures for processing the Reincorporation. If you hold your shares of our common stock or preferred stock with a bank, broker or other nominee, and you have any questions in this regard, we encourage you to contact your nominee.

TABLE OF CONTENTS

If you hold registered shares of Arconic Pennsylvania common stock or preferred stock (including any fractional shares) in a book-entry form, you do not need to take any action to receive your post-Reincorporation shares of Arconic Delaware common stock or preferred stock, as applicable, in registered book-entry form. A transaction statement will automatically be sent to your address of record as soon as practicable after the Effective Time indicating the number of shares of Arconic Delaware common stock or preferred stock you hold.

If you hold any of your shares of Arconic Pennsylvania common stock or preferred stock in certificate form, you will receive a transmittal letter from our transfer agent as soon as practicable after the Effective Time. The transmittal letter will be accompanied by instructions specifying how you can exchange your certificate representing shares of Arconic Pennsylvania common stock or preferred stock for either: (1) a certificate representing post-Reincorporation shares of Arconic Delaware common stock or preferred stock, as applicable, or (2) post-Reincorporation shares of Arconic Delaware common stock or preferred stock, as applicable, in a book-entry form, evidenced by a transaction statement that will be sent to your address of record as soon as practicable after the Effective Time indicating the number of shares of our common stock or preferred stock you hold. Beginning at the Effective Time, each certificate representing Arconic Pennsylvania common stock or preferred stock will be deemed for all corporate purposes to evidence ownership of Arconic Delaware common stock or preferred stock, as applicable.

Shareholders should not destroy any share certificate(s) and should not submit any share certificate(s) until requested to do so.

Effective Time

If our shareholders approve the Reincorporation Merger to effect the Reincorporation, and Arconic effects it, the Reincorporation will become effective at the Effective Time of the Reincorporation Merger, pursuant to the filings of the Merger Certificates in the Pennsylvania Department of State and with the Delaware Secretary of State effecting the Reincorporation Merger. Assuming approval by our shareholders, the Company currently expects the Effective Time of the Reincorporation Merger to occur on or about December 31, 2017.

If, at any time prior to the Effective Time, the Board, in its discretion, determines that it is in Arconic's best interests and the best interests of Arconic's shareholders to delay the filing of the Merger Certificates or abandon the Reincorporation, the Reincorporation may be delayed or abandoned, without any further action by our shareholders.

Effect on Preferred Stock and Convertible Notes

Preferred Stock

Pursuant to the Pennsylvania Articles, the Company's current authorized capital stock consists of 660,000 shares of Serial Preferred Stock, par value \$100 per share ("Pennsylvania Class A Preferred Stock"), 10,000,000 shares of Class B Serial Preferred Stock, par value of \$1.00 per share (the "Pennsylvania Class B Preferred Stock" and together with the Pennsylvania Class A Preferred Stock, the "Pennsylvania Preferred Stock"), and 600,000,000 shares of common stock.

The Reincorporation would not impact the total authorized number of shares of preferred stock or common stock, or the par value of the preferred stock or the common stock. The Delaware Certificate will authorize the same number of shares of the common stock and each class of preferred stock at the same corresponding par values. The Delaware Certificate will also provide that the Board may authorize the issuance from time to time of shares of preferred stock in one or more series, and may specify the number of shares to be included in each such series and to fix the designations, powers, rights and preferences of the shares of each such series, and the qualifications, limitations and restrictions thereof, pursuant to the Delaware Certificate and Delaware law.

As of [], 2017, the following shares were issued and outstanding: [] shares of Pennsylvania Class A Preferred Stock designated as \$3.75 Cumulative Preferred Stock and [] shares of Pennsylvania Class B Preferred Stock designated as 5.375% Mandatory Convertible Preferred Stock, Series 1 (the "Mandatory Convertible Preferred Stock"). Under the terms of the Mandatory

TABLE OF CONTENTS

Convertible Preferred Stock, on October 1, 2017, all outstanding shares of the Mandatory Convertible Preferred Stock will automatically convert into shares of Arconic Pennsylvania common stock, at a conversion rate described in the terms of the Mandatory Convertible Preferred Stock. In the Reincorporation, each share of Pennsylvania Preferred Stock outstanding immediately prior to the Effective Time will automatically be converted into one share of preferred stock, of the same par value, of Arconic Delaware.

Convertible Notes

If the Reincorporation is approved by our shareholders, prior to the Reincorporation Merger, Arconic Pennsylvania intends to merge RTI International Metals, Inc. (“RTI”), a wholly owned subsidiary of Arconic Pennsylvania, with and into Arconic Pennsylvania. Arconic Pennsylvania will be the surviving entity of that merger (the “RTI Merger”). The RTI Merger will result in Arconic Pennsylvania replacing RTI as the issuer and primary obligor under RTI’s outstanding 1.63% Convertible Notes due 2019 (the “Convertible Notes”). The Reincorporation Merger will then result in Arconic Delaware replacing Arconic Pennsylvania as the issuer and primary obligor under the terms of the Convertible Notes, and the Convertible Notes will become convertible into shares of Arconic Delaware common stock rather than Arconic Pennsylvania common stock.

Effect on Dividends

Under Pennsylvania law, holders of Arconic Pennsylvania common stock are only entitled to receive such dividends payable on our common stock as the Board may declare out of funds legally available for such payments. The Reincorporation is not expected to materially affect the status of such holders’ entitlement to dividends. Under Delaware law, holders of Arconic Delaware common stock will only be entitled to receive such dividends payable on Arconic Delaware common stock as the Board may declare out of funds legally available for such payments. The Board reviews the appropriateness of the dividend on our common stock each quarter. The determination of the amount of future dividends on our common stock will depend on our future earnings, capital requirements, financial condition and other relevant factors. The Board may determine to reduce or eliminate our common stock dividend in the event of material future deteriorations in business conditions.

Comparison of Corporate Laws and Governance Between Arconic Pennsylvania and Arconic Delaware

The following summarizes a comparison of certain provisions of the Pennsylvania Articles and Pennsylvania By-Laws and Delaware Certificate and Delaware Bylaws, as well as certain provisions of Pennsylvania law and Delaware law. The comparison highlights important differences, but is not intended to list all differences, and is qualified in its entirety by reference to the Pennsylvania Articles and Pennsylvania By-Laws, and the Delaware Certificate and Delaware Bylaws. Shareholders are encouraged to read the Delaware Certificate, the Delaware Bylaws, the Pennsylvania Articles and the Pennsylvania By-Laws in their entirety. The Delaware Certificate and Delaware Bylaws are attached to this proxy statement as Exhibit B and Exhibit C, respectively, and the Pennsylvania Articles and Pennsylvania By-Laws are filed publicly as exhibits to our periodic reports with the SEC. In addition, shareholders are encouraged to read the PBCL and the DGCL.

Provision	Arconic Pennsylvania	Arconic Delaware
Shareholder Approval of Certain Business Combinations	Under Section 2538 of the PBCL, the approval of shareholders holding at least a majority of voting shares (excluding the interested shareholders’ vote) is generally required for certain transactions such as mergers or share exchanges with an “interested shareholder,” unless (i) the transaction has been approved by a majority of the	Under Section 203 of the DGCL, a Delaware corporation is generally prohibited from engaging in a “business combination” with an “interested stockholder” for three years following the time that such person or entity becomes an interested stockholder, unless (i) prior to the time that such stockholder became an interested stockholder, the board of

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
<p>Pennsylvania Anti-Takeover Provisions</p>	<p>directors not associated with the interested shareholder, (ii) the transaction satisfies a statutory minimum price standard, or (iii) the transaction is effected as a statutory short-form merger by an 80% shareholder. Sections 2551 – 2556 of the PBCL prohibit “business combinations” with “interested shareholders” holding at least 20% of a company’s voting power, unless (i) the board of directors had approved either the transaction or the interested shareholder’s acquisition of its 20% or more interest, (ii) the interested shareholder holds at least 80% of the corporation’s voting power and the transaction satisfies specified minimum-price and other requirements and is approved by a majority of the shares not held by the interested shareholder, or (iii) at least five years have passed after the interested shareholder acquired its 20% or more interest, and (A) the transaction is approved by a majority of the shares not held by the interested shareholder, or (B) the transaction is approved by a majority of all shares and the transactions satisfies specified minimum-price and other requirements. Arconic Pennsylvania has not opted out of these requirements. In addition, the Pennsylvania Articles provide that the Company shall not knowingly engage in any stock repurchase from an “interested shareholder” without the affirmative vote of not less than a majority of the votes entitled to be cast by the holders of all then outstanding shares which are beneficially owned by persons other than such interested shareholder.</p> <p>Under Section 2545 of the PBCL, a “control transaction” (an acquisition by a person or group of the voting power over at least 20% of the voting shares of a corporation) involving certain registered corporations requires the controlling person or group to provide prompt notice of the transaction to each</p>	<p>directors approved either the business combination or the transaction which resulted in the stockholding becoming an interested stockholder, (ii) upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the outstanding voting stock, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned (A) by persons who are directors and also officers and (B) employee stock plans in which employee participants do not have the right to determine confidentially whether shares subject to the plan will be tendered in a tender or exchange offer, or (iii) at or following the time that such stockholder become an interested stockholder, the board of directors and two-thirds of the shares (other than owned by the interested stockholder) approve the transaction. A corporation may “opt out” of Section 203 of the DGCL in its certificate of incorporation. The Company currently expects that Arconic Delaware will be subject to Section 203 of the DGCL.</p> <p>The Delaware Certificate does not include an analogous provision to the Pennsylvania Articles requiring shareholder approval for stock repurchases from interested stockholders.</p> <p>The DGCL does not have analogous anti-takeover provisions.</p>

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
Directors' Fiduciary Duties	<p>shareholder and to a Pennsylvania court, and shareholders may make a written demand on the controlling person or group for payment of the fair value of their shares, subject to certain appraisal rights.</p> <p>Under Section 2564 of the PBCL, shares of certain registered corporations acquired in a "control-share acquisition" (in which an acquirer first gains voting power of at least 20%, 33 1/3% or 50%) have no voting rights unless a resolution approved by a vote of a majority of the disinterested shares restores their voting rights.</p> <p>Arconic Pennsylvania has not opted out of either of these provisions.</p> <p>Under Section 1712 of the PBCL, directors of Pennsylvania corporations owe their fiduciary duties to the corporation, and must perform their duties as a director in good faith, in a manner they reasonably believe to be in the best interests of the corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.</p> <p>Under Section 1715 of the PBCL, in discharging the duties of their respective positions, the board of directors, committees of the board and individual directors may, in considering the best interests of the corporation, consider to the extent they deem appropriate: (1) the effects of any action upon any or all groups affected by such action, including shareholders, employees, suppliers, customers and creditors of the corporation, and upon communities in which offices or other establishments of the corporation are located, (2) the short-term and long-term interests of the corporation, including benefits that may accrue to the corporation from its long-term plans and the possibility that these interests may be best served by the continued independence of the corporation, (3) the resources, intent and conduct (past, stated and potential) of any person seeking to acquire control of</p>	<p>Delaware law generally provides that directors owe their fiduciary duties to the stockholders of a company, and must generally consider the best interests of stockholders above other constituencies, except in certain distressed company situations, in which directors may also owe duties to the company as an "enterprise," which may be asserted in derivative claims on behalf of the company by other constituencies such as creditors.</p>

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
	<p>the corporation and (4) all other pertinent factors.</p> <p>Section 1715 further provides that the fiduciary duty of directors does not require directors to redeem any shareholder rights plan, approve or take any action under section 2554 or other anti-takeover provisions, or otherwise take action solely because of the effect that such action might have on a proposed acquisition of control of the corporation or the consideration that might be paid to shareholders in such an acquisition.</p>	
Board Size	<p>Under the Pennsylvania By-Laws, the number of directors is 13, and the Board is authorized to increase or decrease the number of directors without a vote of the shareholders, provided that such number is not less than 7 nor more than 15.</p>	<p>The Delaware Certificate and Delaware Bylaws provide that, subject to any rights of holders of preferred stock to elect directors, the number of directors is fixed exclusively by the Board. The Delaware Certificate and Delaware Bylaws do not specify the number of directors or provide for a minimum or maximum number of directors.</p> <p>Under Delaware law, shareholders are generally permitted to act by written consent in lieu of a shareholder meeting unless the certificate of incorporation provides otherwise.</p>
Shareholder Action by Written Consent	<p>Section 1766 of the PBCL permits shareholder action by unanimous consent unless a corporation's bylaws provide otherwise. For "registered corporations" such as Arconic Pennsylvania, shareholders may take action by the minimum number of votes that would be necessary to authorize the action at a meeting only if the articles of incorporation affirmatively provide for it. The Pennsylvania Articles and Pennsylvania By-Laws permit shareholders to take action by written consent, provided that a consent or consents in writing to such action, setting forth the action so taken, be (1) signed by the shareholders who would have been entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote thereon were present and voting and (2) filed with the secretary of the Company.</p>	<p>Section 228 of the DGCL permits stockholder action by the written consent of the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted, unless otherwise provided in a corporation's certificate of incorporation.</p> <p>The Delaware Certificate provides that stockholders may take action without a meeting if a consent or consents shall be signed by the holders of stock of Arconic Delaware having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock of Arconic Delaware entitled to vote thereon were present and voted.</p>

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
Special Meetings of Shareholders	<p>Under the Pennsylvania Articles, a special meeting of shareholders may only be called by (1) the chairman of the board, (2) the board of directors pursuant to a resolution adopted by the board, (3) the Secretary of the Company at the request in proper form of an “interested shareholder” (as defined in Section 2553 of the PBCL) for the purpose of approving certain business combinations under the PBCL or (4) the Secretary of the Company at the request in proper form of shareholders who have continuously held as shareholders of record net long shares representing in the aggregate at least 25% percent of the outstanding shares of common stock of the Company for at least one year prior to the date such request is delivered to the Secretary.</p>	<p>Under Section 211 of the DGCL, a special meeting of shareholders may be called by the board of directors or by such person or persons as may be authorized to do so in the certificate of incorporation or the bylaws. The Delaware Certificate provides stockholders with substantially the same right to call special meetings as provided under the Pennsylvania Articles, except without a provision analogous to the provision in the Pennsylvania Articles for requests by an “interested shareholder” for the purpose of approving certain business combinations.</p>
Vacancies on the Board of Directors	<p>Under Section 1725 of the PBCL, vacancies in the board of directors of a corporation, including vacancies resulting from an increase in the number of directors, may be filled by a majority vote of the remaining members of the board though less than a quorum, or by a sole remaining director.</p> <p>The Pennsylvania Articles provide that vacancies in the board of directors, including vacancies resulting from an increase in the number of directors, shall be filled only by a majority vote of the remaining directors then in office, though less than a quorum, except that vacancies resulting from removal from office by a vote of the shareholders may be filled by the shareholders at the same meeting at which such removal occurs. Under the Pennsylvania Articles, the affirmative vote of 80% of the outstanding shares of capital stock of the Company is required to amend or repeal, or adopt any provisions inconsistent with, this provision.</p>	<p>Under Section 223 of the DGCL, vacancies and newly created directorships may be filled by a majority of directors then in office, even if less than a quorum, or by a sole remaining director, unless otherwise provided for in a corporation’s certificate of incorporation or bylaws (or unless the certificate of incorporation directs that a particular class of stock is to elect such director(s), in which case a majority of the directors elected by such class, or a sole remaining director so elected, shall fill such vacancy or newly created directorship).</p> <p>Like the Pennsylvania Articles, the Delaware Certificate and Delaware Bylaws provide that vacancies in the board of directors, including vacancies resulting from an increase in the number of directors, shall be filled only by a majority vote of the remaining directors then in office, though less than a quorum. However, under the Delaware Certificate, amendments to this provision are subject to amendment by the affirmative vote of a majority (rather than 80%) of the voting power of the issued and outstanding capital stock of Arconic Delaware entitled to vote thereon.</p>

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
Classification of Board of Directors	<p>Section 1724 of the PBCL provides that each director of a corporation will be selected for the term of office provided in the bylaws, which must be one year and until his successor has been selected and qualified or until his earlier death, resignation or removal, unless the board is classified. If the board is classified, except as otherwise provided in the articles of incorporation: (1) each class must be as nearly equal in number as possible, (2) the term of office of at least one class must expire each year and (3) the members of a class cannot be elected for a longer period than four years.</p> <p>The Pennsylvania Articles provide that directors are classified into three classes, as nearly equal in number as possible, with directors elected to three-year terms. Under the Pennsylvania Articles, the affirmative vote of 80% of the outstanding shares of capital stock of the Company is required to amend or repeal, or adopt any provisions inconsistent with, this provision.</p>	<p>Section 141 of the DGCL permits a board of directors, by the certificate of incorporation or by an initial bylaw, or by a bylaw adopted by a vote of the stockholders, to be divided into one, two or three classes; the term of office of those of the first class to expire at the first annual meeting held after such classification becomes effective; of the second class one year thereafter; of the third class two years thereafter; and at each annual election held after such classification becomes effective, directors to be chosen for a full term, as the case may be, to succeed those whose terms expire.</p> <p>The Delaware Certificate provides that all directors will be elected annually to one-year terms. If the Reincorporation is effected, the terms of all directors serving on the Board as of December 31, 2017 (and the terms of any directors appointed to fill any vacancies thereafter) will expire at the 2018 annual meeting. Under the Delaware Certificate, amendments to this provision are subject to amendment by the affirmative vote of a majority (rather than 80%) of the voting power of the issued and outstanding capital stock of Arconic Delaware entitled to vote thereon.</p>
Removal of Directors	<p>Under the Pennsylvania Articles, any director, any class of directors, or the entire board of directors may be removed from office by shareholder vote at any time, with or without cause, but only if shareholders entitled to cast at least 80% of the votes that all shareholders would be entitled to cast at an annual election of directors or of such class of directors vote in favor of such removal. Under the Pennsylvania Articles, the affirmative vote of 80% of the outstanding shares of capital stock of the Company is required to amend or repeal, or adopt any provisions inconsistent with, this provision.</p>	<p>Under Section 141 of the DGCL, any director or the entire board of directors of a corporation that does not have a classified board of directors or cumulative voting may be removed with or without cause with the approval of at least a majority of the outstanding shares entitled to vote at an election of directors.</p> <p>The Delaware Certificate and Delaware Bylaws provide that subject to the rights, if any, of the holders of shares of preferred stock then outstanding, any or all of Arconic Delaware's directors may be removed, with or without cause, by the affirmative vote of the holders of at least a majority in voting power of the issued and outstanding capital stock of Arconic Delaware entitled to vote in the election of directors. Under the Delaware Certificate, amendments to this provision are subject to amendment by the affirmative vote of a</p>

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
Advance Notice of Director Nominations	<p>The Pennsylvania Articles require that any shareholder nominations for the election as directors must be delivered to the Secretary of the Company not later than ninety days prior to the anniversary date of the immediately preceding annual meeting, and the affirmative vote of 80% of the outstanding shares of capital stock of the Company is required to amend or repeal, or adopt any provisions inconsistent with, this provision.</p>	<p>majority (rather than 80%) of the voting power of the issued and outstanding capital stock of Arconic Delaware entitled to vote thereon.</p> <p>The Delaware Bylaws provide that a stockholder’s notice of a director nomination must be delivered to the Secretary of the Company not earlier than the close of business on the 120th day and not later than the close of business on the 90th day prior to the first anniversary of the preceding year’s annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the 120th day prior to the date of such annual meeting and not later than the close of business on the later of the 90th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than 100 days prior to the date of such annual meeting, the 10th day following the day on which public announcement of the date of such meeting is first made. In addition, under the Delaware Bylaws, amendments to this provision will be subject to amendment by the board of directors or by the affirmative vote of a majority (rather than 80%) of the voting power of the issued and outstanding capital stock of Arconic Delaware entitled to vote thereon.</p>
Limitation of Liability	<p>Pennsylvania law permits a corporation to adopt a provision in its articles of incorporation eliminating or limiting, with exceptions, the monetary liability of a director to the corporation or its shareholders for breach of the director’s fiduciary duties. The Pennsylvania Articles and By-Laws include provisions that eliminate the liability of directors to the Company or its shareholders for monetary damages for a breach of fiduciary duties as directors to the fullest extent permitted by Pennsylvania law.</p>	<p>Delaware law similarly permits a corporation to adopt a provision in its certificate of incorporation eliminating or limiting, with exceptions, the monetary liability of a director to the corporation or its shareholders for breach of the director’s fiduciary duties. The Delaware Certificate includes provisions that eliminate the liability of directors to the Company or its shareholders for monetary damages for a breach of fiduciary duties as directors to the fullest extent permitted by Delaware law.</p>

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
	<p>Pennsylvania law permits Pennsylvania corporations to include, in their bylaws, a provision eliminating or limiting the personal monetary liability of the corporation’s directors for any actions unless such actions involve a breach in the director’s duties that constitutes self-dealing, willful misconduct or recklessness.</p>	<p>Under Delaware law, such a provision may not eliminate or limit a director’s monetary liability for: (i) breaches of the director’s duty of loyalty to the corporation or its stockholders; (ii) acts or omissions not in good faith or involving intentional misconduct or knowing violation of law; (iii) the payment of unlawful dividends or stock repurchases or redemptions; or (iv) transactions in which the director received an improper personal benefit.</p>
	<p>The Pennsylvania Articles permit, and the Pennsylvania By-Laws provide for, indemnification of directors, officers and employees and advancement of expenses in accordance with Pennsylvania law. Pennsylvania law generally provides for similar indemnification of directors and officers as Delaware law, except that Pennsylvania law prohibits indemnification only in circumstances where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted “willful misconduct or recklessness,” and permits corporations to provide supplementary indemnification coverage that, unlike Delaware, is not limited to actions “in good faith and in a manner [...] reasonably believed to be in or not opposed to the best interests of the corporation.”</p> <p>Arconic Pennsylvania has entered into indemnification agreements with its officers and directors.</p>	<p>The Delaware Certificate permits and the Delaware Bylaws provide for, indemnification of directors and officers and advancement of expenses in accordance with Delaware law. Delaware law generally provides for similar indemnification of directors and officers as Pennsylvania law, except that Delaware law provides that, in an action or suit by or in the right of the company, no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation (unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses).</p> <p>In connection with the Reincorporation, Arconic Delaware will assume Arconic Pennsylvania’s obligations under its indemnification agreements with its officers and directors or will enter into new agreements to indemnify its officers and directors pursuant to the DGCL.</p>
Inspection of Books and Records	<p>Section 1508 of the PBCL provides that shareholders of record, upon written demand stating the purpose, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the share register, books and records of</p>	<p>Section 220 of the DGCL permits any stockholder of record or beneficial owner of shares held by a voting trust or nominee for the beneficial owner, upon compliance with procedures specified in the DGCL, to inspect a list of stockholders entitled to vote at a meeting</p>

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
Dividends and Repurchases of Shares	<p>account, and records of the proceedings of the incorporators, shareholders and directors, and to make copies or extracts therefrom.</p> <p>Under Section 1551 of the PBCL, a corporation is generally authorized to make distributions to shareholders, but may not make a distribution if: (i) the corporation would be unable to pay its debts as they become due in the usual course of its business; or (ii) the total assets of the corporation would be less than the sum of its total liabilities plus (unless otherwise provided in the articles of incorporation) the amount that would be needed, if the corporation were to be dissolved at the time as of which the distribution is measured, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those receiving the distribution. Section 1552 of the PBCL authorizes a corporation to acquire its own shares, and Section 1103 of the PBCL defines “distribution” to include payments made to acquire a corporation’s own shares.</p> <p>Under Sections 1914 and 1504 of the PBCL, in general, the amendment of a corporation’s articles of incorporation and bylaws requires the affirmative vote of a majority of the votes cast by all shareholders entitled to vote thereon, except for certain limited amendments to articles of incorporation which may be adopted by a board of directors without shareholder approval, unless otherwise restricted in the articles of incorporation. The Pennsylvania Articles provide that amendments to certain provisions relating to fair price protection, director elections, director removal and the classified structure of the Board require the approval of the holders of 80% of the outstanding common stock of the Company. In general, the Pennsylvania By-Laws may be altered, amended, added to or</p>	<p>and the corporation’s other books and records for any proper purpose reasonably related to such person’s interest as a stockholder.</p> <p>Section 170 of the DGCL permits a corporation to declare and pay dividends out of surplus or, if there is no surplus, out of net profits for the fiscal year in which the dividend is declared and/or for the preceding fiscal year as long as the amount of capital of the corporation following the declaration and payment of the dividend is not less than the aggregate amount of the capital represented by the issued and outstanding shares of all classes having a preference upon the distribution of assets. Section 160 of the DGCL generally provides that a corporation may redeem or repurchase its shares only if the capital of the corporation is not impaired and such redemption or repurchase would not impair the capital of the corporation. Under Delaware law, this standard is interpreted to mean that redemptions and repurchases are to be made out of surplus.</p> <p>Under Delaware law, the provisions of a corporation’s certificate of incorporation and bylaws generally may be amended by the affirmative vote of the holders of a majority of the outstanding stock entitled to vote on such an amendment. In addition, the Delaware Certificate provides that the Delaware Bylaws may be altered, amended or repealed, or new bylaws enacted, by the Board. The Delaware Certificate and the Delaware Bylaws will not contain supermajority stockholder voting requirements for amendments.</p>
Amendment of Organizational Documents	<p>The Pennsylvania Articles provide that amendments to certain provisions relating to fair price protection, director elections, director removal and the classified structure of the Board require the approval of the holders of 80% of the outstanding common stock of the Company. In general, the Pennsylvania By-Laws may be altered, amended, added to or</p>	<p>Under Delaware law, the provisions of a corporation’s certificate of incorporation and bylaws generally may be amended by the affirmative vote of the holders of a majority of the outstanding stock entitled to vote on such an amendment. In addition, the Delaware Certificate provides that the Delaware Bylaws may be altered, amended or repealed, or new bylaws enacted, by the Board. The Delaware Certificate and the Delaware Bylaws will not contain supermajority stockholder voting requirements for amendments.</p>

TABLE OF CONTENTS

Provision	Arconic Pennsylvania	Arconic Delaware
Voting on Statutory Mergers	<p>repealed by the Board, subject to the power of the shareholders to change such action. The Pennsylvania By-Laws also provide that any amendment to the provision limiting director liability requires the affirmative vote of the holders of a majority of the outstanding shares of common stock of the Company.</p> <p>Pennsylvania law generally requires the affirmative vote of a majority of the votes cast by all shareholders entitled to vote on a plan of merger, subject to certain exceptions.</p> <p>Under Pennsylvania law, unless the articles of incorporation or bylaws provide otherwise, shareholders are generally not entitled to dissenters' rights if the shares held by such shareholders that would otherwise give rise to such rights are (i) listed on a national securities exchange or (ii) held beneficially or of record by more than 2,000 persons; provided, that dissenters rights are nevertheless available to shareholders of any preferred or special class or series unless all shareholders of the class or series are entitled to vote on the plan or transaction and the affirmative vote of a majority of the votes cast by all shareholders of the class or series is required for the adoption of the plan or the effectuation of the transaction.</p> <p>Neither the Pennsylvania Articles nor the Pennsylvania By-Laws diverge from default Pennsylvania law with respect to dissenters' rights.</p> <p>Pennsylvania law does not have an analogous exception to Delaware law pursuant to which the entitlement to appraisal rights may depend on the form of consideration to be received in a merger.</p>	<p>Delaware law generally requires that the holders of a majority of the outstanding shares of each Delaware constituent corporation in a statutory merger adopt the merger agreement providing for the merger, subject to certain exceptions.</p>
Dissenters' Rights	<p>Under Pennsylvania law, unless the articles of incorporation or bylaws provide otherwise, shareholders are generally not entitled to dissenters' rights if the shares held by such shareholders that would otherwise give rise to such rights are (i) listed on a national securities exchange or (ii) held beneficially or of record by more than 2,000 persons; provided, that dissenters rights are nevertheless available to shareholders of any preferred or special class or series unless all shareholders of the class or series are entitled to vote on the plan or transaction and the affirmative vote of a majority of the votes cast by all shareholders of the class or series is required for the adoption of the plan or the effectuation of the transaction.</p> <p>Neither the Pennsylvania Articles nor the Pennsylvania By-Laws diverge from default Pennsylvania law with respect to dissenters' rights.</p> <p>Pennsylvania law does not have an analogous exception to Delaware law pursuant to which the entitlement to appraisal rights may depend on the form of consideration to be received in a merger.</p>	<p>Under Delaware law, stockholders have the right to demand payment for the fair value of their shares pursuant to the appraisal rights provisions of the DGCL, if the stockholder has not voted in favor of such merger or consolidation and if the stockholder otherwise complies with the statutory requirements to perfect appraisal rights, except in connection with certain mergers or consolidations. Appraisal rights will not be available in certain circumstances, including with respect to shares (i) listed on a national securities exchange or held of record by more than 2,000 holders and (ii) for which, pursuant to the plan of merger or consolidation, stockholders will receive only (a) shares of stock of the corporation surviving or resulting from the merger or consolidation, or depository receipts in respect thereof, (b) shares or depository receipts of another corporation which at the date the merger or consolidation is completed will be either listed on a national securities exchange or held of record by more than 2,000 holders, (c) cash in lieu of fractional shares, or (d) any combination of the foregoing.</p>
Forum Selection	<p>Pennsylvania courts have not yet provided definitive guidance with respect to the enforceability of forum selection provisions in the organizational</p>	<p>Section 115 of the DGCL expressly permits a certificate of incorporation or bylaws to require that any or all "internal corporate claims" be brought solely and</p>

TABLE OF CONTENTS

Provision Arconic Pennsylvania

documents of corporations. Neither the Pennsylvania Articles nor the Pennsylvania By-Laws contain a forum selection provision.

Arconic Delaware

exclusively in any or all Delaware courts, and that no provision of a certificate of incorporation or bylaws may prohibit bringing such claims in Delaware courts.

The Delaware Certificate will generally provide that the sole and exclusive forum for any (i) derivative action or proceeding brought on behalf of the Company, (ii) action asserting a claim for or based on a breach of a fiduciary duty owed by any current or for