



ELLIOTT MANAGEMENT CORPORATION
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April 17, 2017

Board of Directors
Arconic Inc.
390 Park Avenue
New York, NY 10022-4608

Dear Directors of Arconic Inc. ("Arconic" or the "Company"):

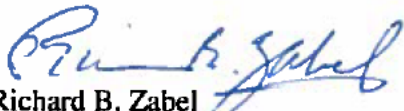
On April 12, I wrote privately to you and your Chief Legal Officer to bring to your attention Klaus Kleinfeld's April 11 letter to Paul Singer. In my letter, I expressed concern regarding Dr. Kleinfeld's veiled suggestions that he might blackmail or extort Mr. Singer. In a public announcement today you chose to inject Dr. Kleinfeld's letter to Mr. Singer into the news. This may have served whatever pre-emptive purposes you thought you had to achieve, but it was insensitive to Mr. Singer who is a victim of this conduct, and now you have made a privately bad situation a publicly bad one. (Your not naming Mr. Singer was not ameliorative in any way since of course everyone speculates that Dr. Kleinfeld would have written Mr. Singer.) There are larger concerns, however, that you have made more urgent and cannot be ignored, namely, that illegal conduct was initiated by Dr. Kleinfeld and may still be underway.

While I understand that Dr. Kleinfeld is appropriately being discontinued in his role as CEO and Chairman of the Board, that is not a sufficient response as it does not fully address all of the concerns about his conduct for us or for the Company. For example, we have no information regarding what if anything is being done to ensure that Mr. Singer and Elliott are not damaged by whatever machinations Dr. Kleinfeld may have set in motion. I expect that like any public company with sophisticated counsel you are undertaking a properly scoped independent investigation to understand what steps Dr. Kleinfeld took to gather or generate his supposed information from "quite a few people" and to potentially make this information "lastingly legendary," as well as his other suggestive commentary. We do not know who these other individuals are that Dr. Kleinfeld refers to, and whether he employed people (perhaps at the Company's expense) to work on this warped initiative, but clearly he suggests he was actively engaged with others in developing information to use publicly against Mr. Singer. While we still do not understand what information Dr. Kleinfeld is referring to, and we believe was manufacturing, I want to protect my client from whatever your CEO and Chairman may have set in motion. The fact that Dr. Kleinfeld did this while acting in the scope of his role as CEO and Chairman makes this the responsibility of the Company and the Board, *see, e.g., U.S. Attorney's Manual Section ("USAM") 9-28.210*, and we expect the Company to make sure that Mr. Singer and Elliott are not damaged in any way. Further, a truly independent investigation would not involve any conflicted director, such as Patricia Russo, whom we have never viewed as independent because of her interlocking Board roles with Dr. Kleinfeld. Indeed, we understand that Dr. Kleinfeld has continually had power over Ms. Russo's

compensation and governance responsibilities at Hewlett Packard Enterprise ("HPE") by virtue of his specific role on HPE's Board of Directors. That conflict should never have been the case for a supposed independent director in the first place but certainly cannot be present in a proper independent internal investigation, which it would not be if she is or has been involved. Finally, these concerns about Dr. Kleinfeld's conduct, and how it will be handled internally at a company he directed until today, are not unfounded given Dr. Kleinfeld's history at Siemens in Germany of trying to tarnish the reputations of those he viewed as opponents.

Therefore, we want to be assured that you are attending to your responsibility to understand what Dr. Kleinfeld actually did, what he intended to do, and to make sure whatever he set in motion is stopped. Furthermore, we expect that if anyone in the Company or among the Directors acquiesced in, condoned or was complicit in this conduct, they are not being retained by the Company. These are standards commonly expected to be abided by under federal law. *See, e.g., USAM 9-28.700, 9-28.900, 9-28.1000, 9-28.1100.* I remind you that not only are Mr. Singer and Elliott potential victims, we are shareholders as well, and we do not want to see these issues proliferate for us or for the Company. While I recognize that you may have concerns about maintaining the privilege and confidentiality of any investigation, there are ways that you or your counsel could assure us that Mr. Singer, as the target of Dr. Kleinfeld's conduct, can be satisfied that the concerns I mention above are all being dealt with and are under control. This is not difficult to do, as your counsel will inform you, especially since facts are not privileged, and I would appreciate speaking to a representative of your choosing or your counsel regarding these issues. Please have someone contact me no later than April 18 to discuss this.

Yours truly,



Richard B. Zabel
General Counsel/Chief Legal Officer

cc: Kate Ramundo
Chief Legal Officer and Corporate Secretary, Arconic Inc.

Jon Pollock
Co-CEO, Elliott Management Corporation

The Board of Directors of Arconic Inc.

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