



## **A LETTER TO THE STOCKHOLDERS OF GCP APPLIED TECHNOLOGIES INC.**

March 2, 2020

Dear Fellow Stockholders,

Starboard Value LP (together with its affiliates, “Starboard”) currently has a beneficial ownership interest of approximately 8.1% of the outstanding shares of GCP Applied Technologies Inc. (“GCP” or the “Company”), making us one of the Company’s largest stockholders. Our interests are directly aligned with yours and our sole focus is to drive significant long-term value creation for the benefit of all stockholders of GCP. We believe that GCP has a powerful portfolio of value-additive construction chemicals and building products and solutions. However, the Company has struggled under years of poor oversight and governance leading to substantial underperformance since the Company’s debut as a public company four years ago.

We continue to believe substantial changes are needed at GCP in order to best position the Company for future success and long-term stockholder value creation. As we have highlighted in our past letters, GCP has significantly underperformed the market and its peers over almost any time period. We believe this is largely due to repeated missed and lowered financial expectations, poor governance and compensation practices, and, most recently, a failed attempt to sell the Company. We believe the current Board of Directors (the “Board”) has repeatedly failed to appropriately represent stockholders and are very concerned about the future for GCP under the guidance of the current Board.

To that end, last Friday we filed preliminary proxy materials with the Securities and Exchange Commission regarding the election of directors to the Board at GCP’s 2020 Annual Meeting of Stockholders (the “2020 Annual Meeting”). This is the next step towards seeking the election of directors at the 2020 Annual Meeting. Our definitive proxy statement, which we would expect to file in the next few weeks, will specify the details of our intentions and allow us to engage in more detailed discussions with our fellow stockholders.

We are mindful that replacing a majority of an incumbent board of directors represents an extraordinary step, and we take that responsibility very seriously. In the recent past, we have had tremendous success in similar situations that required a change in a majority of the board. These situations include Darden Restaurants (“Darden”) and Marvell Technology Group (“Marvell”), among others. In both of these situations, a majority of the board was changed through either a settlement or an election, and in both cases tremendous value was created for the benefit of all stockholders through a multi-year operational turnaround.

If you review the backgrounds and qualifications of our nominees and compare them to the incumbent Board, we believe you will agree that our slate is much more qualified to oversee GCP and has the independence and objectivity required to make important decisions for the Company going forward. The nominees we have proposed have substantial and highly successful experience as executives and directors in the construction, industrial, and chemical industries. Together, they have the expertise to oversee a much-needed turnaround at GCP, transform the Company into a true industry leader, and finally deliver value for its stockholders. These nominees are committed to driving dramatically improved governance, oversight, transparency, and accountability.

We look forward to sharing more details with you regarding the qualifications of our nominees and our plans for GCP. During this election process, we will be providing detailed materials to all stockholders describing why we believe change is needed, the opportunities we see for value creation, and plans for the future of the Company. We will also further describe why the slate we have nominated is better positioned to govern GCP going forward and represent the interests of all stockholders. We believe these materials will be helpful to stockholders in making a well-informed decision on who should be entrusted to oversee the future of the Company.

We remain open to having discussions with the current Board and management in order to find a constructive solution. Unfortunately, to date, the Company has been unwilling to accept the need for substantial change and has been reluctant to work constructively with us to find a solution that benefits all stockholders. The Board has been barely responsive and extremely uncooperative, indicating severe entrenchment. We believe material changes are needed, and we remain committed to seeking such change at the 2020 Annual Meeting.

Thank you for your continued support, and we look forward to communicating our detailed plans for GCP over the coming weeks and months.

Best Regards,

A handwritten signature in black ink, appearing to read "Peter A. Feld". The signature is fluid and cursive, with the first name "Peter" being larger and more prominent than the last name "Feld".

Peter A. Feld  
Managing Member  
Starboard Value LP