ONLINE APPENDIX

TABLE OA1
Three Schemes for Coding Activism Demands by the Level of Strain Exerted on Employees

Activist demand	Coding scheme		
	Main	Robustness	
	Five-point scale 1 (low) to 5 (high)	Three-point scale 1 (low) to 3 (high)	Dummy 0 (no strain) or 1 (strain)
Amend bylaw	1	1	0
Board independence	2	1	0
Recapitalization	1	2	0
Remove CEO or other board member	4	2	1
Remuneration	3	1	0
Gain board representation	2	2	0
Adopt majority vote standard	1	1	0
Separate Chairman & CEO	1	1	0
Change board composition	2	2	0
Spin-off/sale of business division	5	3	1
Lack of/inaccurate information from company	4	3	0
Push for company division	5	3	1
Eliminate staggered board	1	1	0
Push for/oppose merging of shares	1	1	0
Push for sale of company	5	3	1
Business restructuring	5	3	1
Replace management	4	2	1
Operational efficiency	5	3	1
General cost cutting	5	3	1
Share repurchase	1	1	0
Focus on growth strategies	3	3	1
Dividends	1	1	0
Oppose acquisition of third party	2	2	0

TABLE OA2
The 12 Most Representative Words for Select LDA Topics

LDA topic		
Employee financial hardship	Communication	Workplace training
employee	communication	training
benefits	business	experience
lack	work	report
competitive	better	way
keep	time	customers
balance	enterprise	working
due	make	team
business	change	members
hard	focus	people
pay	attitudes	time
hours	inflexible	information
time	shadow	business

TABLE OA3
Results Using Different Pre-activism Employee-related CSR

	Model 1	Model 2
Shareholder activism × Post-activism	0.28***	0.33***
	(0.06)	(0.06)
Pre-activism employee-related $CSR_{[t-1]}$	0.24***	
	(0.01)	
Shareholder activism × Post-activism × Pre-activism employee-related $CSR_{[t-1]}$	-0.01	
	(0.01)	
Pre-activism employee-related $CSR_{[t-3]}$		0.28***
		(0.01)
Shareholder activism × Post-activism × Pre-activism employee-related $CSR_{[t-3]}$		-0.02+
		(0.01)
Control variables	Y	Y
Year FE	Y	Y
Log likelihood	-2847.50	-2756.40

*Notes. This table reports Poisson results from ZIP models using alternative pre-activism windows for measuring employee-related CSR. The logistic component, control variables, and all other variables, including post-activism and the relevant interaction terms, are included but not displayed for brevity. Robust standard errors clustered at the firm level are reported in parentheses. N = 17,312. + p < .10; * p < .05; ** p < .01; *** p < .001.*

TABLE OA4
Results using an Unmatched Sample

	Model 1	Model 2	Model 3	Model 4
Shareholder activism × Post-activism	0.34***		0.49***	0.42
	(0.02)		(0.025)	(0.02)
Shareholder activism × Post-activism × Employee strain		0.17***		
		(0.003)		
Shareholder activism × Post-activism × Pre-activism employee-related CSR			-0.020***	
			(0.001)	
Shareholder activism × Post-activism × Pre-activism employee satisfaction				-0.05+
				(0.03)
Control variables	Y	Y	Y	Y
Year FE	Y	Y	Y	Y
Log Likelihood	-1361.20	-1354.01	-1359.80	-1323.93

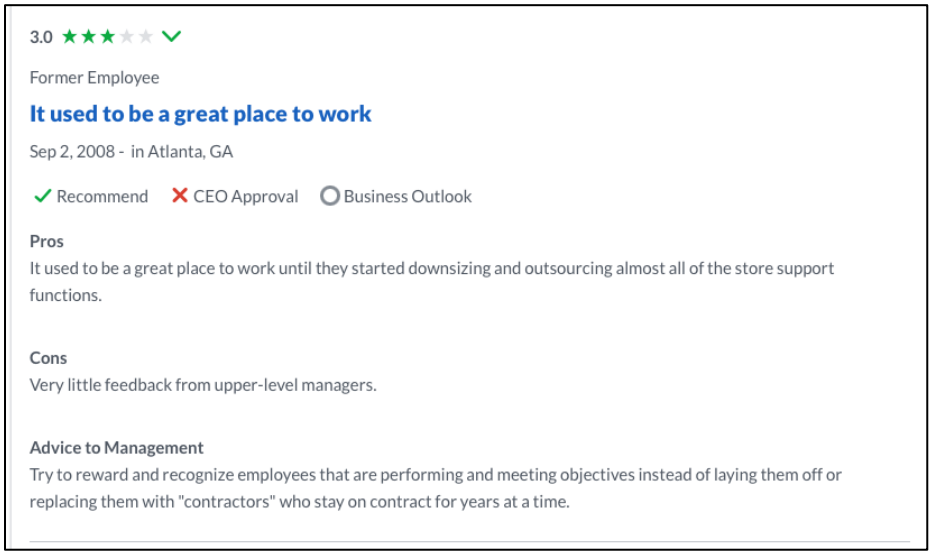
*Notes. This table reports Poisson results from ZIP models using the full unmatched sample. The logistic component, control variables, and all other variables, including post-activism and the relevant interaction terms, are included but not displayed for brevity. Robust standard errors clustered at the firm level are reported in parentheses. N = 33,296. + p < .10; * p < .05; ** p < .01; *** p < .001.*

TABLE OA5
Results Using One- and Three-year Windows Around Shareholder Activism

	One-year window				Three-year window			
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
Shareholder activism × Post-activism (H1)	0.18***				0.23***			
	(0.04)				(0.03)			
Shareholder activism × Post-activism × Employee strain (H2)		0.04***				0.12***		
		(0.01)				(0.006)		
Shareholder activism × Post-activism × Pre-activism employee-related CSR (H3)			-0.005*				-0.01***	
			(0.002)				(0.002)	
Shareholder activism × Post-activism × Pre-activism employee satisfaction (H4)				-0.05				-0.004+
				(0.05)				(0.04)
Controls	Y	Y	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y	Y	Y
Log likelihood	-39271.26	-37308.80	-40910.17	-34713.45	-64695.24	-64571.13	-64615.52	-63365.96

*Notes. This table reports Poisson results from ZIP models using alternative observation windows around shareholder activism. The logistic component, control variables, and all other variables, including post-activism and the relevant interaction terms, are included but not displayed for brevity. Robust standard errors clustered at the firm level are reported in parentheses. N = 5,450 (one-year window); N = 8,874 (three-year window). + p < .10; * p < .05; ** p < .01; *** p < .001.*

FIGURE OA1
Sample Glassdoor Review for The Home Depot



Notes. This figure reproduces a sample employee review for The Home Depot as displayed on Glassdoor.com. Reviews include an overall satisfaction rating (1–5 scale), a recommendation and outlook assessment, and structured text fields for pros and cons. The review is shown for illustrative purposes only.