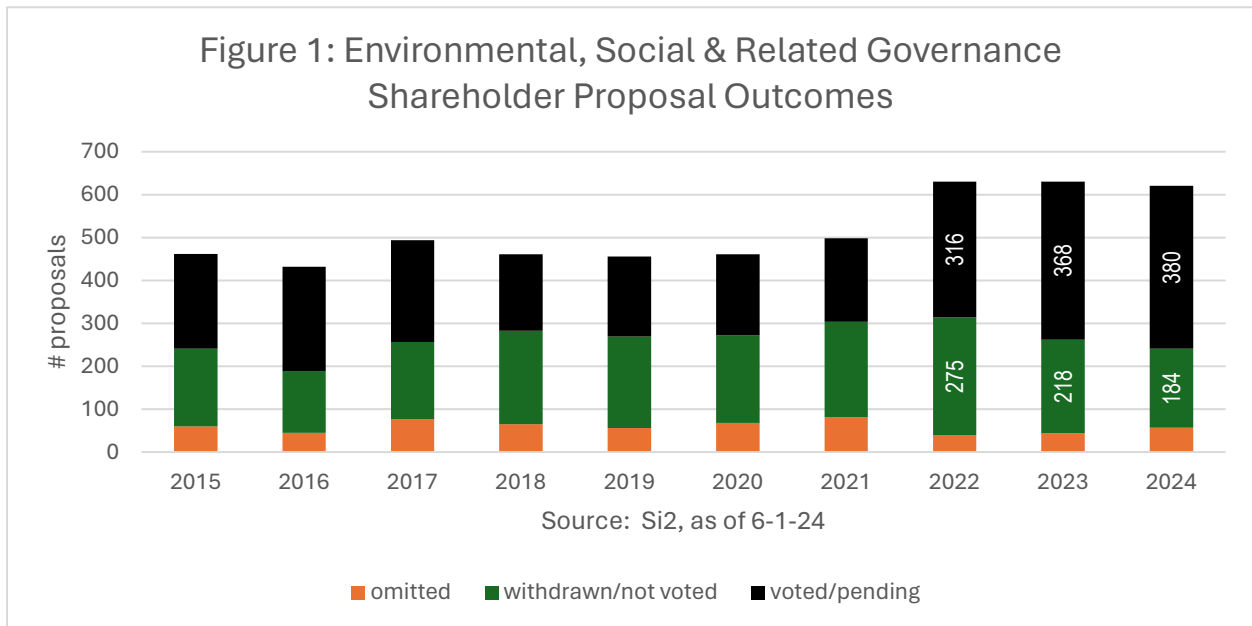


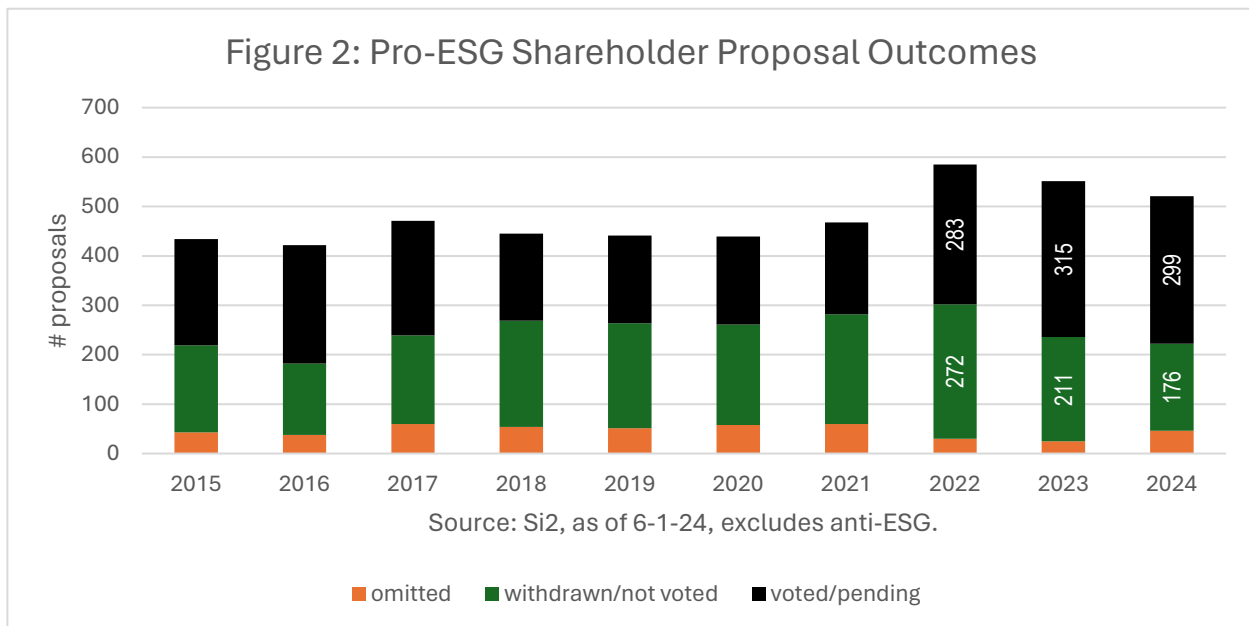
Long-term Trends for Pro- and Anti-ESG Shareholder Proposals

June 4, 2024

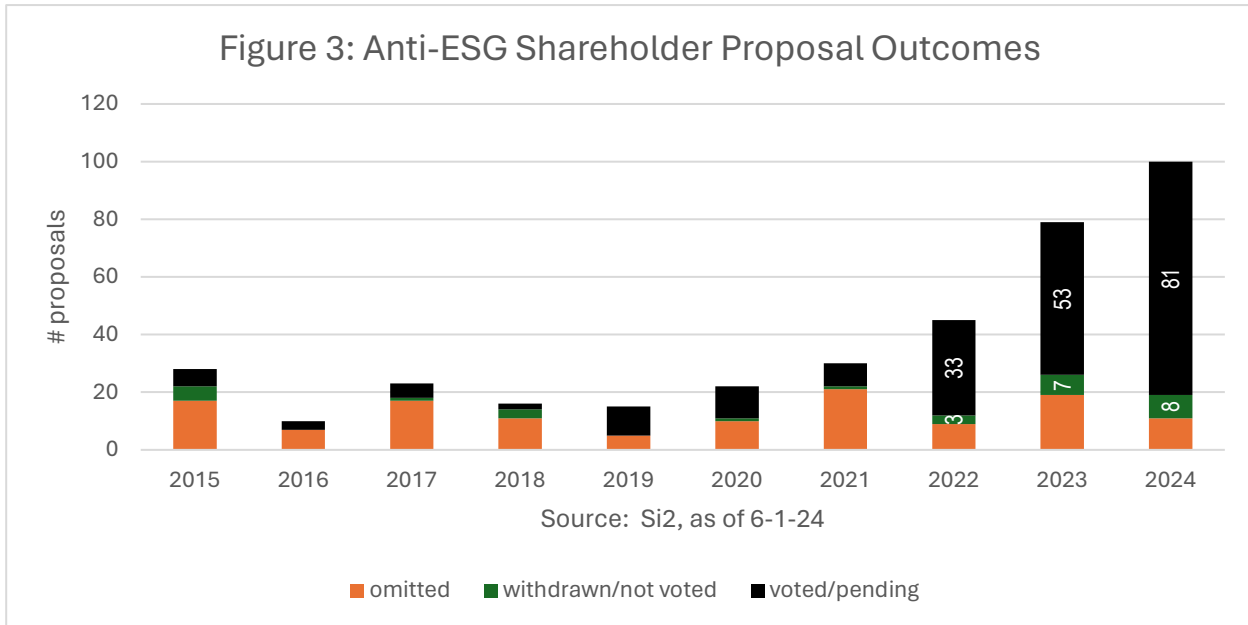
The total volume of shareholder proposals raising questions about corporate environmental, social and related corporate governance policies jumped dramatically starting in 2022. Compared to previous years, many more of these proposals have gone to votes during the last three years and proponents have withdrawn a commensurately smaller proportion of the proposals. (Figure 1.)



Smaller proportion of pro-ESG votes: A closer look at the data shows very different trends for proposals in favor of more oversight and disclosure of ESG policies and those opposed. As Figure 2 shows, while more pro-ESG proposals have gone to votes in the last three years, the overall volume of such proposals has dropped.



More anti-ESG votes: More anti-ESG proposals have been filed during the last three year period, however, as shown in Figure 3. Most of these, if not omitted, have gone to votes—illustrating little success for the proponents in reaching agreements with companies.



Support: Investors at large have given widely divergent support for pro- and anti-ESG proposals, as shown in Figure 4. In nine of the last 10 years, the average support for anti-ESG resolutions has not been above the 5 percent support needed to qualify for resubmission. At the same time, after a steady increase in support for pro-ESG proposals that roughly corresponds to the deregulatory Trump era, average support for pro-ESG proposals has dropped dramatically since 2021. The steep decline slowed significantly in 2024, however.

