



Record Breaking Year for Environmental, Social, and Sustainable Governance (ESG) Shareholder Resolutions

Nearly three dozen majority votes highlight historic increase in shareholder support.

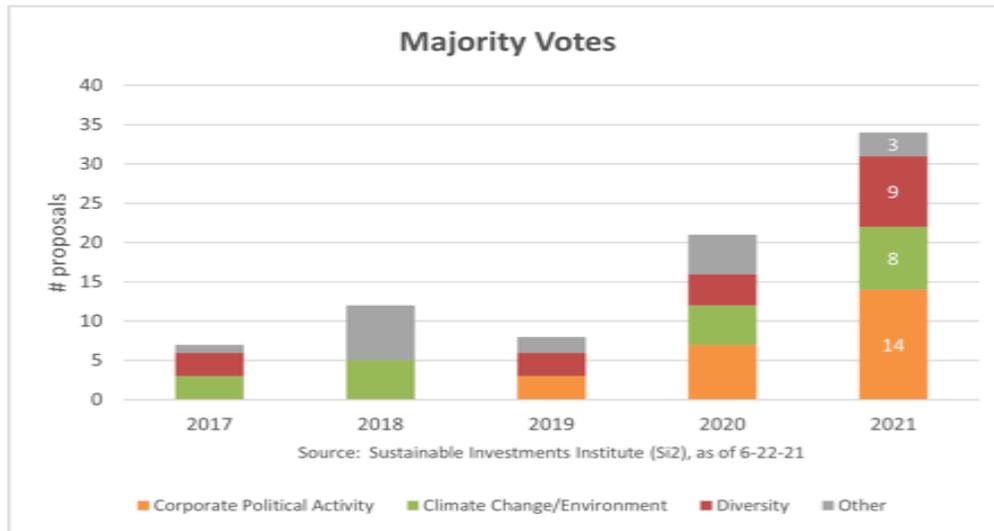
BERKELEY, CA—JUNE 24, 2021—The [Proxy Preview](#) team today released highlights of the unprecedented 2021 proxy season, which saw nearly three dozen majority votes for disclosure and action on environmental, social, and sustainable governance (ESG) shareholder resolutions.

To date, there have been 34 majority votes for ESG proposals, shattering last year's record of 21. More are likely by year's end. Last year, only two votes broke 70%, while this year 17 did. Eight were in the 80s and six saw more than 90% support. Four of the six that received more than 90% were supported by management — a first for U.S. environmental and social resolutions. More importantly, other high-scoring proposals were opposed by management but still earned huge support.

“This has been an extraordinary year with record high votes for climate change, diversity and political spending issues,” said **Michael Passoff, CEO of Proxy Impact and co-author of the Proxy Preview**. “Shareholder proposals about the COVID-19 pandemic and sexual harassment also received majority votes, while new proposals on racial justice gained unusually high support.”

“The slew of majority votes suggests investors at large see ESG as material,” said **Heidi Welsh, Executive Director of the Sustainable Investments Institute (Si2) and co-author of Proxy Preview**. “Evidence from the financial markets seems to contradict the intent of [new SEC rules](#) that will make it harder to file and resubmit shareholder proposals in 2022,” Welsh added, noting that the SEC's own analysis showed most individuals will not be able to sponsor proposals at all.

“Looking ahead, the question now is how companies will implement changes to their policies and practices in response to these high votes, and how investors respond if they don't,” said **Andrew Behar, CEO of As You Sow and report publisher**. “This year we saw three out of four dissident directors elected at ExxonMobil after shareholders lost patience with its inaction on climate change. All boards have been put on notice this could happen to them.”



Top votes include:

Political Spending: Proposals about the ways in which companies influence the political system accounted for the largest group of majority votes — 14. The top votes were for more election spending oversight and disclosure with 80.6% at **Netflix** and 80.1% at **Chemed**. A resolution asking for a report about climate change lobbying and advocacy, both directly and indirectly through trade and other associations, won 76.4% at **Norfolk Southern**, while the top vote for more generalized disclosure on lobbying was 66.3% at **GEO Group**.

Climate and environment: Eight climate change proposals earned more than 50% and resulted in the two highest votes of the year. Investors gave 98.8% support for reporting on supply chain deforestation impacts at **Bunge** and 98% for reporting on net-zero GHG goals at **General Electric** — though management supported both. Yet votes were extraordinary even with management opposition, hitting 81.2% in favor for more disclosure on plastics pollution at **DuPont de Nemours**, 80.3% for adopting greenhouse gas (GHG) emission goals at **Phillips 66**, 76.2% for reporting on deforestation in the supply chain of **Bloomin' Brands**, and 60.7% for cutting GHG emissions from oil and gas products sold by **Chevron**.

Diversity: The national debate over racial justice made itself known in proxy season by many more proposals about diversity in the workplace and executive suite, and on boards, with nine majorities. At the top were a resolution asking **IBM** for details on the effectiveness of diversity, equity, and inclusion programs (94.3% with management support), one asking **Paycom Software** about executive diversity (93.7% after management did not take a position), and 91.2% for more board diversity at **First Solar** despite a recommendation against it by the board. Board diversity also received 85.3% at **Badger Meter**, while a call for EEO-1 data disclosure earned 86.5% at **Union Pacific**, where a request for diversity program data also received 81.4%.

COVID-19: Concerns about the pandemic were at the heart of the third highest vote this year. Although **Wendy's** tried to keep a proposal about reporting on pandemic worker

safety off the proxy ballot with an SEC challenge, it failed and in the end the company supported the proposal—prompting a 95.2% vote.

Sexual Harassment: A resolution on mandatory arbitration—which can hide sexual harassment problems—received 53.2% at **Goldman Sachs** and even more (59.4%) at solar panel maker **Sunrun**.

Racial Justice: Although they did not receive majority support, two new proposals about conducting racial justice audits received unusually high support for first-year resolutions, with 44.2% at **Amazon.com** and 40.5% at **JPMorgan Chase**.

###

Proxy Preview is a unique collaboration between [As You Sow](#), [Sustainable Investments Institute](#) (Si2), and [Proxy Impact](#). *Proxy Preview* provides the most comprehensive free data on hundreds of ESG shareholder resolutions on environmental, corporate political spending, human rights, diversity, and sustainable governance issues.