INSIGHTIA MONTHLY

VOLUME 1 ISSUE 7 | SEPTEMBER 2022

GET READY

The universal proxy card will lead to subtle changes in the tenor of contests

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THE ONCOMING STORM

Investors are placing an ESG lens on their scrutiny of donations by public companies

GOVERNANCE

ENGAGEMENT

STEWARDSHIP

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WELCOME

REBECCA SHERRATT
PUBLICATIONS EDITOR, INSIGHTIA.

With summer drawing to a close, it's now time for shareholders to take stock of the recent months and prepare for the coming proxy season. Diligent's Modern Governance Summit, which took place earlier this month in Austin, Texas, was the perfect place to reflect and learn about the latest in corporate governance trends, bringing together risk, compliance, audit, and ESG professionals across all industries.

Insightia Editor-in-Chief Josh Black also joined the event, sharing insights from our latest special report, *ESG Activism 2022*. The second edition of this Insightia special report arrives in a surprisingly different environment from the first, even though just over a year has passed. There was a sharp rise in ESG-themed proxy fights this year and in other forms of ESG- and remuneration-led activism. But the success of these demands has been mixed. If you haven't already, make sure to give the report a read online.

This month marks the introduction of the mandatory universal proxy card, perhaps one of the most significant developments in shareholder activism in recent years, and the topic of our leading article this month. From September 1, companies now have to list valid nominees on a single card, cutting the costs of a solicitation and dramatically increasing the choice available to investors.

This development could signal a surge in activism, especially by groups that have traditionally lacked the resources to wage full contests. It may also increase focus on the qualifications and reputation of each director candidate, making the threat of being unseated an all-too real reality for every director on the board rather than a select few.

Our second article this month examines how political spending resolutions have evolved in recent years, broadening their scope to encompass how corporate donations link to a company's ESG commitments. For years, political spending proposals at U.S. issuers followed a relatively anodyne if modestly successful strategy of improving public record-keeping, but investor demands are set to change. Political spending is likely to gain increased attention in the coming season, with the Center for Political Accountability (CPA), together with its investor partners, intending to file proposals calling for deeper disclosure of corporate donations at a broader range of companies.

This month we also have the pleasure of speaking with Michelle Edkins, managing director at BlackRock Investment Stewardship (BIS). Michelle shares with us her thoughts on why ESG shareholder proposals have become overly prescriptive, the importance of board independence, and what spurred BlackRock's decision to provide clients with the ability to control how their shares are voted at shareholder meetings.

Tracy Gopal, founder and CEO of Third Arrow Strategies, also joins us this month to explore how Japanese issuers are taking significant steps to advance board gender diversity, while we reflect on the late former Japanese Prime Minster Shinzo Abe's impact on Japanese corporate governance practices.

> ***"THERE WAS A SHARP RISE IN ESG-THEMED PROXY FIGHTS THIS YEAR, AND IN OTHER FORMS OF ESG- AND REMUNERATION-LED ACTIVISM. BUT THE SUCCESS OF THESE DEMANDS HAS BEEN MIXED."***

Also in this issue, we explore the growing backlash against ESG investing, with U.S. state policymakers threatening the exclusion of financial institutions from state contracts that are deemed guilty of boycotting energy firms. We also explore the evolution of "push for sale" activist demands and why S&P 500 energy giant Halliburton is vulnerable to activism.

We hope you enjoy this issue of *Insightia Monthly*. We encourage our readers to let us know what they think of the magazine and how we can make it even better.
You can let us know what you think by emailing us at **insightia.press@diligent.com**. Happy reading!

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MONTHLY SUMMARY

THE LATEST TRENDS IN GOVERNANCE AND SHAREHOLDER ENGAGEMENT.

NO. COMPANIES PUBLICLY SUBJECTED TO ACTIVIST DEMANDS BY SECTOR

SECTOR	2021 YTD	2022 YTD*	YOY CHANGE %
BASIC MATERIALS	70	67	↓ 4.29
COMMUNICATION SERVICES	24	24	0.00
CONSUMER CYCLICAL	98	112	↑ 14.29
CONSUMER DEFENSIVE	51	59	↑ 15.69
ENERGY	34	37	↑ 8.82
FINANCIAL SERVICES	94	98	↑ 4.26
FUNDS	20	13	↓ 35.00
HEALTHCARE	74	77	↑ 4.05
INDUSTRIALS	113	118	↑ 4.42
REAL ESTATE	32	32	0.00
TECHNOLOGY	98	102	↑ 4.08
UTILITIES	24	29	↑ 20.83
TOTAL	**732**	**768**	**↑ 4.92**

SOURCE: INSIGHTIA / ACTIVISM
DATA AS OF AUGUST 31, 2022

ACTIVIST TARGETS BY DEMAND TYPE GLOBALLY

DEMAND GROUP	2021 YTD	2022 YTD*	YOY % CHANGE
APPOINT PERSONNEL	210	226	↑ 7.62
REMOVE PERSONNEL	113	141	↑ 24.78
OPPOSE M&A	55	35	↓ 36.36
PUSH FOR M&A	38	46	↑ 21.05
DIVESTITURE	45	49	↑ 8.89
CAPITAL STRUCTURE	28	31	↑ 10.71
OPERATIONAL	51	50	↓ 1.96
RETURN CASH TO SHAREHOLDERS	81	108	↑ 33.33
ENVIRONMENTAL	73	120	↑ 64.38
SOCIAL	99	137	↑ 38.38
GOVERNANCE	329	344	↑ 4.56
REMUNERATION	75	105	↑ 40.00

SOURCE: INSIGHTIA / ACTIVISM
DATA AS OF AUGUST 31, 2022

NO. AND AVERAGE SUPPORT FOR (%) CREATE CLIMATE CHANGE REPORT PROPOSALS AT U.S.-LISTED COMPANIES BY YEAR

	2020		2021		2022 YTD*	
PROPOSAL	NO.	SUPPORT	NO.	SUPPORT	NO.	SUPPORT
CREATE CLIMATE CHANGE REPORT	10	39.80%	23	50.10%	29	30.80%

SOURCE: INSIGHTIA / VOTING
DATA AS OF AUGUST 31, 2022

NO. COMPANIES PUBLICLY SUBJECTED TO ACTIVIST DEMANDS BY COMPANY HQ REGION

COMPANY REGION	2021 YTD	2022 YTD*	YOY CHANGE %
U.S.	391	428	↑ 9.46
U.K.	37	35	↓ 5.41
CANADA	37	37	0.00
AUSTRALIA	45	37	↓ 17.78
EUROPE (EXCLUDING U.K.)	105	77	↓ 26.67
ASIA	104	140	↑ 34.62
OTHER	13	14	↑ 7.69
GLOBAL	**732**	**768**	**↑ 4.92**

SOURCE: INSIGHTIA / ACTIVISM
DATA AS OF AUGUST 31, 2022

AVERAGE ONE-WEEK AND ONE-MONTH RETURNS FOR ACTIVIST SHORT CAMPAIGNS AT U.S.-LISTED COMPANIES BY YEAR (%)

YEAR	AVERAGE OF ONE-WEEK CAMPAIGN RETURN	AVERAGE OF ONE-MONTH CAMPAIGN RETURN
2018	5.80	5.08
2019	6.08	4.13
2020	8.00	7.73
2021	4.62	13.82
2022 YTD*	9.45	5.74

SOURCE: INSIGHTIA / SHORTS
DATA IS AS OF AUGUST 31, 2022

NO. AND AVERAGE SUPPORT FOR (%) HUMAN RIGHTS SHAREHOLDER PROPOSALS AT U.S.-LISTED COMPANIES BY YEAR

	2020		2021		2022 YTD*	
PROPOSAL	NO.	SUPPORT	NO.	SUPPORT	NO.	SUPPORT
CREATE HUMAN RIGHTS REPORT	13	26.90%	11	33.60%	15	33.70%
ADOPT/AMEND HUMAN RIGHTS POLICY	5	16.90%	4	18.10%	0	N/A
HUMAN RIGHTS (COMBINED)	18	24.40%	15	29.50%	15	33.70%

SOURCE: INSIGHTIA / VOTING
DATA AS OF AUGUST 31, 2022

NEWS IN BRIEF

A ROUNDUP OF DEVELOPMENTS IN GOVERNANCE, STEWARDSHIP, AND SHAREHOLDER ENGAGEMENT.

BOARDROOM BATTLES

Twitter shareholders approved the proposed $44-billion takeover bid from Elon Musk, despite the Tesla CEO's attempts to renege on the deal. DETAIL

Victor Khosla's Strategic Value Partners may be preparing to launch its first public activist campaign since 2019 after suggesting it will engage with real estate investment trust CBL & Associates Properties. DETAIL

Swiss luxury goods group Richemont survived a board push by activist investor Bluebell Capital Partners, which led a campaign to reform the company's governance in a challenge to Chairman Johann Rupert. DETAIL

Faraday Future Intelligent Electric's biggest shareholder, FF Top, asked the electric vehicle maker to oust another director previously installed at its behest. The activist's request follows a similar one seeking the replacement of Brian Krolicki, also a FF Top designee, with Li Han. DETAIL

Ammo put two of its top executives, including chief strategy officer and dissident shareholder Steven Urvan, on administrative leave to investigate potential data theft. Ammo's move comes just one week after Urvan revealed plans to replace the company's entire board in a proxy contest. DETAIL

Star Equity Fund will continue to push for change at Gyrodyne after shareholders withheld the majority of their votes for two directors targeted by the activist. DETAIL

Lodbrok Capital called on Valaris to sell some of its jackup rigs to finance dividends or share buybacks, a move which the activist believes would help close the discount between the offshore oil driller's stock and its "strong" fundamentals. DETAIL

Activist investor Nelson Peltz will close his $508-million London vehicle Trian Investors 1 after a bruising proxy fight with Global Value. DETAIL

SHAREHOLDER VICTORIES

Belgian chemicals group Solvay pledged to "significantly" reduce the climate impact of its operations, ending a long-running spat with activist investor Bluebell Capital Partners. DETAIL

New York City Comptroller Brad Lander commended the International Organization for Standardization's (ISO) approval of the establishment of a merchant category code for gun and ammunition retailers. DETAIL

Two directors lost their seats and five dissidents gained representation on the board of Japanese technology company OKWave, following a successful proxy campaign led by a coalition of shareholders. DETAIL

S&P 500 consumer goods company Procter & Gamble committed to increase the sustainability of its consumer goods, following longstanding pressure from investors to address deforestation risks. DETAIL

Johnson & Johnson committed to transitioning its global talc-based baby powder portfolio to cornstarch, following years of shareholder engagement regarding related lawsuits. DETAIL

ASIA-PACIFIC ACTIVISM

3D Investment Partners requisitioned a special meeting at Japanese IT company Fujisoft to have four new directors elected to the board, including the founder of fellow activist Hibiki Path Advisors. 3D earlier this year lost a proxy contest despite being backed by two proxy voting advisers. DETAIL

PROCTER & GAMBLE COMMITTED TO INCREASE THE SUSTAINABILITY OF ITS CONSUMER GOODS TO ADDRESS DEFORESTATION RISKS.

Market Forces lodged a complaint with the Australian Securities and Investments Commission (ASIC), accusing energy company Santos of greenwashing. The Australasian Centre for Corporate Responsibility (ACCR) also expanded the scope of its greenwashing lawsuit against the oil major. DETAIL

Gold Brick Capital garnered sufficient votes from fellow Jatcorp investors to oust two of the Australian health foods company's directors and name a new board member. DETAIL

Drake Private Investments again requisitioned a special meeting from Structural Monitoring Systems (SMS) as part of an ongoing campaign to overhaul the Australian sensor maker's board. DETAIL

The chief executive officer of Australian wearables company Spacetalk survived a challenge from a group of shareholders led by Merewether Capital Management. DETAIL

Several investors joined forces to launch an offensive against three directors at 1414 Degrees, a little over a month after ex-Chairman Kevin Moriarty regained his board seat following a proxy contest. DETAIL

Activist investor Pentwater Capital Management is disgruntled with Rio Tinto's $3.3-billion bid for Turquoise Hill Resources and is considering launching legal action to thwart the buyout. SailingStone Capital Partners is also dissatisfied with the deal. DETAIL

Australian aerial imaging company Nearmap, which was targeted last year by short outfit J Capital Research, agreed to be acquired by U.S. private equity firm Thoma Bravo for $730 million. DETAIL

The Principles for Responsible Investment (PRI) issued recommendations aiming to reform policy barriers that allegedly limit Australian institutional investors in pursuing sustainability objectives. DETAIL

COMPENSATION CONCERNS

U.S. issuers will have to report on how CEO pay compares to company performance, in amendments to the Securities and Exchange Commission's (SEC) pay versus performance rule. DETAIL

Significant retention payments to C-suite executives are driving the brunt of investor dissent in the U.S. and Europe this year, according to Glass Lewis' proxy season briefings. DETAIL

Elderly care home operator Orpea pledged to reimburse 25.7 million euros ($25.6 million) to French authorities after the company was hit by a scandal alleging embezzlement, tax fraud, and patient mistreatment. DETAIL

ESG ACTIVISM

BlackRock defended its policies on climate risk and ESG investing, expressing concern over the politicization of public pension plans, amid attacks from Republican states in the U.S. over boycotting claims. DETAIL

ELDERLY CARE HOME OPERATOR ORPEA PLEDGED TO REIMBURSE 25.7 MILLION EUROS ($25.6 MILLION) TO FRENCH AUTHORITIES AFTER THE COMPANY WAS HIT BY A STRING OF SCANDALS.

U.S. energy giant Chevron was urged to resist the demands of "ESG-promoting asset managers" in an open letter from a coalition of shareholders. DETAIL

BHP shareholders submitted a proposal calling for the Australian mining firm to align its company policy with the goals of the Paris Agreement ahead of its annual meeting later this year. DETAIL

Companies are making "unprecedented progress" on advancing racial equity, according to As You Sow's latest report on engagements with U.S. issuers. DETAIL

A $4.3-trillion investor coalition lent support to the U.K.'s Business, Human Rights and Environment Act, mandating companies to carry out human rights and environmental due diligence across their operations and value chains. DETAIL

A group of over 500 institutional investors from across the globe released a unified statement calling on governments to enact ambitious policies that would leverage the private capital required to effectively address the climate crisis. DETAIL

The New York State Common Retirement Fund warned that oil and gas companies which do not have viable plans to transition to a low carbon economy may face divestment. DETAIL

SHORT SELLING

Short seller Iceberg Research published a short report on multinational firm Lilium, which specializes in the development of vertical-takeoff air travel technologies. DETAIL

Short seller Ningi Research accused insurance broker BRP Group of window dressing its financials and argued the business is in a much worse condition than markets realize. DETAIL

The fraud trial of former Nikola CEO Trevor Milton began on September 12 in New York, two years after short-seller Hindenburg Research accused him of lying to investors about the company's technology. DETAIL

Occasional activist Tang Capital Partners sold its entire stake in La Jolla Pharmaceutical under a $149-million tender offer run by royalty management company Innoviva. DETAIL

U.S. ENERGY GIANT CHEVRON WAS URGED TO RESIST THE DEMANDS OF "ESG-PROMOTING ASSET MANAGERS".

GET READY

The universal proxy card makes it easier for activist investors and ESG agitators to shake up boards of directors and will lead to subtle changes in the tenor of contests, writes Jason Booth.

The universal proxy rule is now in effect, and while its full impact won't be clear until annual meeting season, the consensus is that it will provide smaller activists, including those with environmental or social objectives, a new option to influence boards. One leading ESG activist told *Insightia Monthly* for this article that it is already considering its first ever public board campaigns to take advantage of the new rule.

While the benefit of a universal proxy is debatable for established activists seeking board control, or a majority of seats, the ability for smaller investors to put their candidates on the same ballot as management's nominees will make proxy fights easier and cheaper. It will also increase focus on the qualifications and reputation of each director candidate.

BETTER TOGETHER

As of September 1, the Securities and Exchange Commission (SEC) requires both companies and stockholders engaged in a contested shareholder vote to include all director nominees on their respective proxy cards distributed to stockholders. Previously, each side would send proxy cards with just their own candidates.

> ***EVERYONE WANTS TO HAVE CONTROL OF THEIR SITUATION AND INTRODUCING THE UNIVERSAL PROXY CARD DOES CEDE SOME SORT OF CONTROL AND YOU'RE PUTTING THE OTHER SIDE ON YOUR MATERIALS.***

The rules still allow for other differences between proxy cards but the ability of dissident shareholders to have nominees on the company's card promises to lower the costs of nominating and soliciting votes.

Until now, the excessive cost of running campaigns has made smaller activists and shareholder advocacy groups hesitant to nominate directors. "If you don't have in the double-digit millions to spend it is very difficult because you've got to do all the mailings and solicitations, the phone calls," said Andrew Behar, CEO of advocacy group As You Sow, which has filed dozens of shareholder proposals over the years but has never formally nominated directors.

That could change under universal proxy.

In an interview, Behar told Insightia that As You Sow was prepared to nominate a slate of six directors at ExxonMobil last year after the energy giant ignored years of complaints about its environmental policies, including a 2017 shareholder proposal for a report on climate change policy that received 62% shareholder support.

As You Sow shelved the nomination plan after fellow activist Engine No. 1 launched a separate proxy contest. But the experience gained in preparation for that fight will be useful now universal proxy is in place, Behar said. He noted that there were 10 companies where proposals filed by As You Sow received majority support at annual meetings this year.

"We're looking at all of those companies and talking to management," he said. "If, next year, they are still resisting then we will escalate and run a board slate." Directors on audit, compensation, and risk committees will be likely targets.

CLEANING UP

The benefits of a shared ballot for larger activist investors are less clear, especially when they are seeking multiple seats.

"Everyone wants to have control of their situation and introducing the universal proxy card does cede some sort of control as you're putting the other side on your materials," said Eleazer Klein, an activism lawyer at Schulte Roth & Zabel.

Carl Icahn questioned the value of the universal proxy when speaking with Insightia earlier this year, especially in the kind of majority slate campaigns typical of the veteran activist.

"It might be helpful if you are trying to get two or three seats, but if you want six seats on a 10-seat board it's probably better to just put out your own slate and hope shareholders go for yours and not theirs," stated Icahn. Such demands for majority slates are relatively rare, however. There were 10 contested elections in the U.S. last year but none of them sought a majority on the board.

Other activists are more enthusiastic. Because universal proxy will make it easier for shareholders to choose a mix of individual directors from two or more sets of nominations, rather than having to choose one slate over another, "campaigns may be more résumé-specific," predicted Ted White, managing director at Legion Partners Asset Management, which has around $500 million in assets under management. "Which, in turn, makes it more likely boards are going to do a better job at refreshment over time, which is something they often fail at miserably."

Earlier this year, Legion requested a universal proxy card for its campaign for four board seats at Genesco. And while the company rejected the idea, Legion's desire for its candidates to go head-to-head with management's was evident.

"If the company genuinely believes that 20-year director Matthew Diamond and other long-serving incumbents are such world-class board members with the optimal blend of relevant experience and expertise, it should embrace giving shareholders the opportunity to vote for them on a universal card that also includes our four nominees," Legion said in a statement at the time.

PLAYING GAMES

With limited SEC guidance on the use of universal proxies, there is speculation that a good deal of gamesmanship will intrude on the process in its early stages.

According to the SEC, universal proxy cards are required to include all director nominees, with nominees grouped together according to the party nominating them and listed alphabetically. Yet there is little guidance on questions such as placement of names on each card, size of text, or the colors used to highlight particular candidates.

Then there is the scope of solicitation. The SEC required that each side must solicit at least 67% of outstanding shares, yet the means of solicitation remains undefined at a time when both activists and management are increasingly using social media to solicit votes from retail investors. "Gone are the days of full-page (and very expensive) ads in The Journal and The New York Times," noted Steve Lipin, CEO of Gladstone Place Partners, in a recent column on proxy solicitation. "Now, CEOs are doing stand-up videos posted on YouTube, Reddit, and LinkedIn compelling shareholders to vote."

> ***"IT MIGHT BE HELPFUL IF YOU ARE TRYING TO GET TWO OR THREE SEATS, BUT IF YOU WANT SIX SEATS ON A 10-SEAT BOARD IT'S PROBABLY BETTER TO JUST PUT OUT YOUR OWN SLATE AND HOPE SHAREHOLDERS GO FOR YOURS AND NOT THEIRS."***

The result is that the first set of campaigns will be watched by shareholders and lawyers alike, with legal challenges likely to determine how the rule is used over the long term.

BOTH ACTIVISTS AND MANAGEMENT ARE INCREASINGLY USING SOCIAL MEDIA TO SOLICIT VOTES FROM RETAIL INVESTORS.

Klein noted that both sides are likely to "push the envelope" in terms of how they're going to present things and see how the regulators react. "They will be learning on the fly because not everything has been cleared by the SEC and they are going to have to get clear guidance on what they can say," he predicted.

"Everyone is going to be learning during this first round," agreed Behar, who said As You Sow considered making nominations earlier this year for 2022 annual meetings scheduled after September 1. "We considered it but decided we're going to let somebody else with more experience get their feet wet first."

PAST USES OF THE UNIVERSAL PROXY CARD

Three companies have voluntarily used a universal proxy card in recent years, a fraction of the number that have been requested to do so. In at least two cases, the tactic was seen as blunting the activist's chances of winning all of the board seats they had sought – but the Rice brothers nonetheless seated all seven of their nominees at EQT in 2019.

COMPANY	INVESTOR	YEAR	SEATS PROPOSED	SEATS GAINED
EQT CORP.	TOBY & DEREK RICE	2019	7	7
MELLANOX TECHNOLOGIES	STARBOARD VALUE	2018	8	3
SANDRIDGE ENERGY	CARL ICAHN	2018	7	5

THE FIRST TEST CASE?

The first company to face a proxy fight under the new universal proxy card rules looks likely to be either AIM Immunotech or Ammo. Jonathan Jorgl nominated two candidates ahead of AIM's November 3 annual meeting to remedy years of "overpromising and underdelivering." AIM urged shareholder to dismiss the "invalid" nominees, on the grounds that their campaign is funded by an individual who recently pleaded guilty to charges of fraudulent securities trading. Fellow activist Steve Urvan nominated a full director slate at Ammo, claiming the ammunition manufacturer needs a new board to evolve into a "diversified, growing, and profitable e-commerce powerhouse." The special meeting date has yet to be confirmed but is expected to be held in late October.

THE ONCOMING STORM

The partisan state of U.S. politics hasn't stopped investors from placing an ESG lens on their scrutiny of donations by public companies, writes Rebecca Sherratt.

For years, political spending proposals at U.S. issuers followed a relatively anodyne if modestly successful strategy of improving public record-keeping.

That changed with the storming of the Capitol in January 2021, growing partisanship, and the rise of ESG. Now, big investors are falling behind new proposals that hold companies accountable for where their donations end up and the impact their political spending has on external stakeholders.

Over the last 18 months, investors have sought more disclosures on how companies reconcile their sustainability or medicine accessibility goals with support for lawmakers who work against these efforts.

"Investors want to know how corporations are making political contributions, especially to electeds that may have openly questioned the outcomes of the 2020 election," Edgar Hernández, assistant director at the Service Employees' International Union (SEIU), told *Insightia Monthly* in an interview. "It's no surprise to me that investors are sharpening their focus to include corporate contributions on the issues they are addressing."

RECOGNIZING RISKS

While support for ESG shareholder proposals declined significantly this season, support for political spending resolutions remained notably more stable.

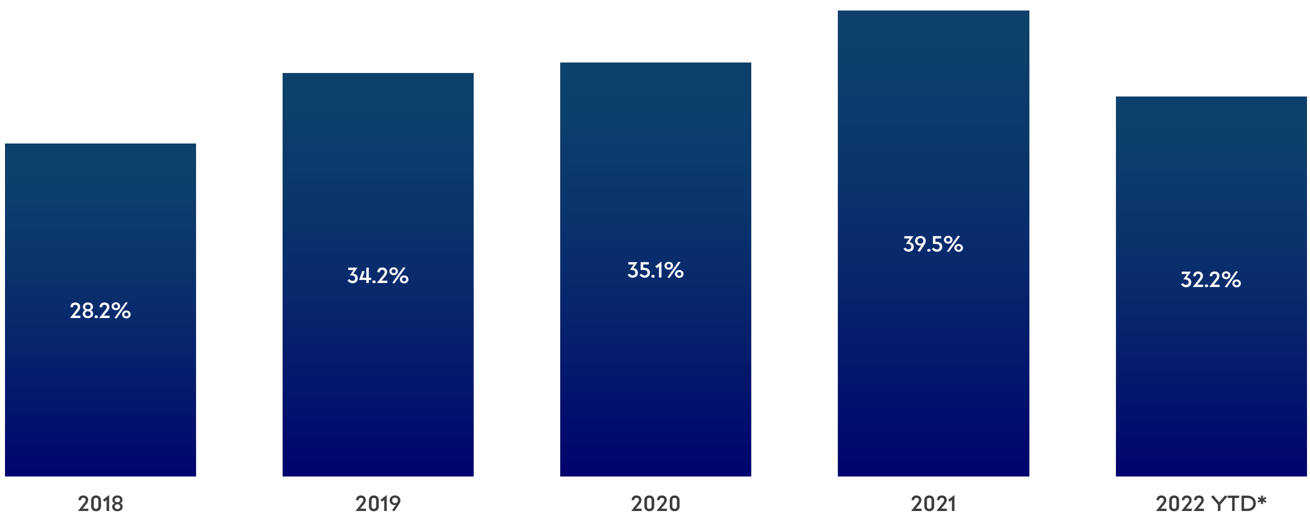
As of August 31, 2022, the 49 proposals seeking lobbying disclosure at U.S.-listed companies have won 32.8% average support, compared to 35.1% and 40.3% average support throughout 2020 and 2021, respectively, according to Insightia's *Voting* module.

Shareholders scored five political spending majority wins this season at Netflix, Dollar General, Twitter, Travelers Co., and Gilead Sciences. With the exception of Dollar General, these issuers ranked among the top 2,000 most generous political action committee (PAC) donors in the 2020 election cycle, according to political spending nonprofit OpenSecrets.

And new proposals, geared toward understanding how an issuer's donations reconcile with its public ESG commitments, are also winning the backing of responsible investors.

NO. AND AVERAGE SUPPORT FOR (%) POLITICAL SPENDING/LOBBYING PROPOSALS BY YEAR GLOBALLY

NO. PROPOSALS				
2018	2019	2020	2021	2022 YTD*
61	64	60	49	50



SOURCE: INSIGHTIA / VOTING
*DATA AS OF AUGUST 31, 2022

The 13 proposals calling on pharmaceutical companies to disclose how their lobbying aligns with their public positions on medicine accessibility won 32.9% average support, while the four proposals seeking enhanced climate-related lobbying disclosure won 31.6% average support.

According to Bruce Freed, president of the Center for Political Accountability (CPA), these new proposal types are gaining traction because of a “broader recognition of the wide impact that corporate donations have on issues such as climate change, abortion, and the fate of democracy.”

EVOLVING EXPECTATIONS

Contributing to the success of political spending proposals is backing from leading investors that had held back their support until the Capitol storming.

In 2021, BlackRock supported 41.7% of political spending shareholder proposals subject to a vote at U.S.-listed companies, compared to a measly 3.2% and 1.7% throughout 2019 and 2020, respectively. Vanguard similarly supported 29.2% of political spending proposals in 2021, having supported none the previous two years.

In a February whitepaper, BlackRock noted that it revised its political spending policy post-insurrection, recognizing that the disclosure of political contributions is “often not consolidated, leading investors to make piecemeal compilations of various governmental or official records.”

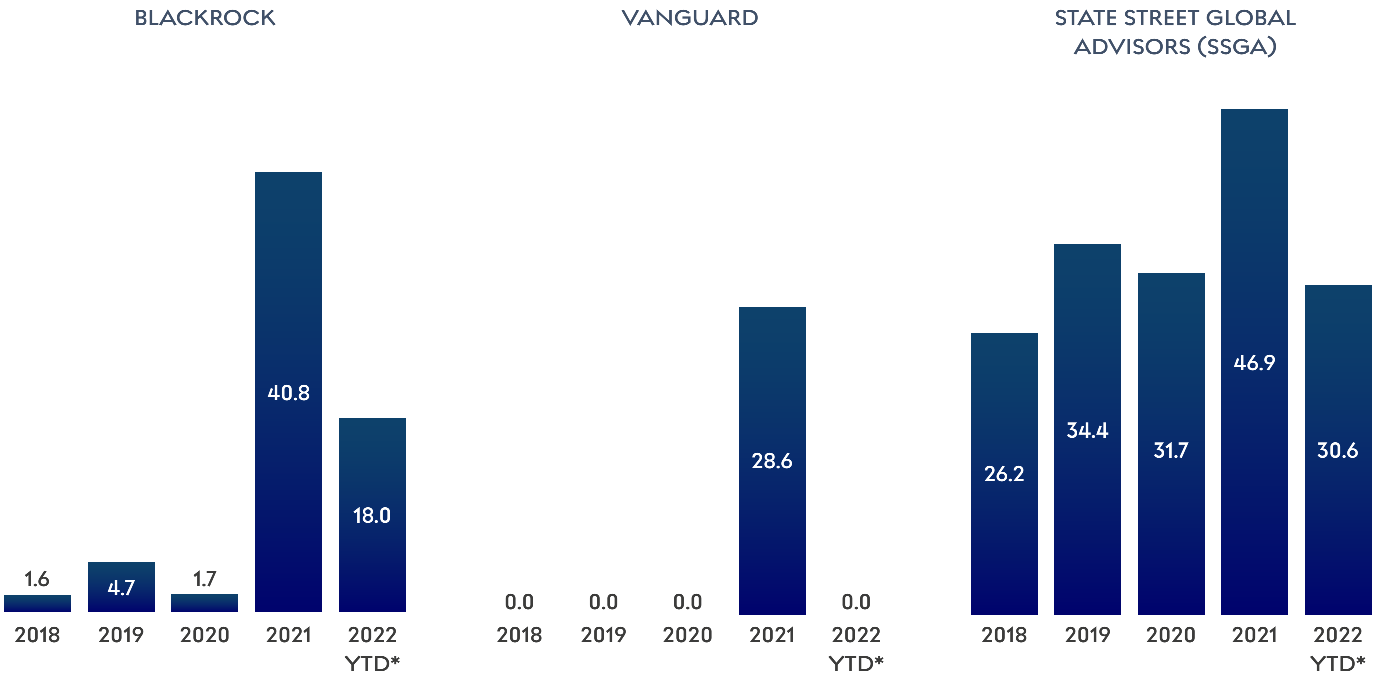
> ***“NEW PROPOSALS, GEARED TOWARD UNDERSTANDING HOW AN ISSUER’S DONATIONS RECONCILE WITH ITS PUBLIC ESG COMMITMENTS, ARE ALSO WINNING THE BACKING OF RESPONSIBLE INVESTORS.”***

State Street Global Advisors (SSGA) echoed BlackRock’s stance in a report that same month, noting that political spending “continues to carry risks that warrant stronger board oversight and increased transparency.”

UPPING THE STAKES

By and large, companies seem to be listening to investor demands for enhanced transparency. The CPA-Zicklin

BLACKROCK, VANGUARD, AND STATE STREET GLOBAL ADVISORS' (SSGA) SUPPORT FOR (%) POLITICAL SPENDING PROPOSALS BY YEAR



SOURCE: INSIGHTIA / VOTING
**DATA AS OF AUGUST 31, 2022*

index, which assesses the S&P 500 on the transparency of their political donations, gave 79 companies scores upwards of 90% in 2020, compared to just 35 in 2016.

This doesn't mean political spending proposals are a thing of the past. Ahead of the 2023 proxy season, CPA told *Insightia Monthly* that its partners will be filing a new form of proposal asking companies to commission and share information from third-party groups on where their donation money ends up.

> ***WE WILL TARGET BIG COMPANIES THAT HAVE PROVIDED DISCLOSURE BUT WOULD BENEFIT FROM DEEPER THIRD-PARTY DISCLOSURES.***

"These new 2023 proposals will target companies which were not necessarily targets for the proposals we have historically filed requiring basic political spending disclosure," Dan Carroll, vice-president: programs and counsel at CPA said in an interview. "Instead, we will target big companies that have provided disclosure but would benefit from deeper third-party disclosures."

CPA plans to file approximately 50 proposals of this kind in the 2023 proxy season, more than double the 22 political spending disclosure proposals filed by its members the previous season. Filings will likely increase in number in 2024, following the CPA-Zicklin index expanding its coverage to the Russell 1000.

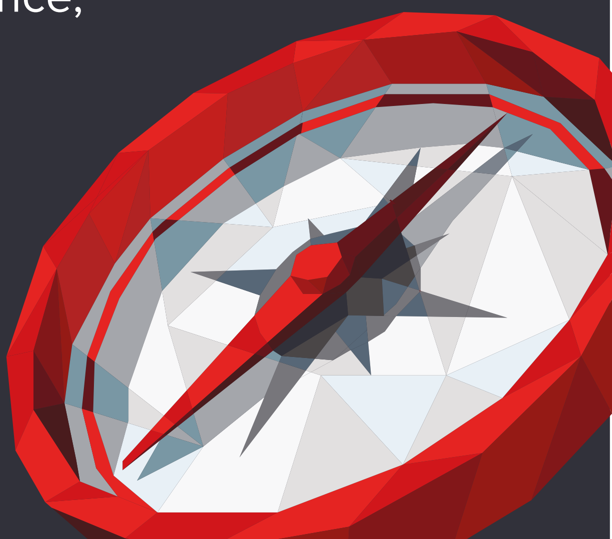
"It seems reasonable to anticipate that political spending proposals will probably be a key theme for the upcoming shareholder season," Hernández of SEIU said. "Corporations should take the lead and adopt or update disclosure policies proactively and not wait to receive a proposal for an investor to begin the process."

TOP 10 INVESTORS TO DEMONSTRATE THE MOST SIGNIFICANT INCREASE IN SUPPORT FOR POLITICAL SPENDING SHAREHOLDER PROPOSALS IN 2021

LIMITED TO INVESTORS WITH AT LEAST $100BN ASSETS UNDER MANAGEMENT (AUM) WHO VOTED AT A MINIMUM OF 10 MEETINGS PER YEAR.

INVESTOR	AUM ($ BN)	MEETINGS (#) 2021	MEETINGS (#) 2020	FOR (%) 2021	FOR (%) 2020	CHANGE
AMERICAN CENTURY	234	42	55	82.2	1.7	80.5
VOYA INVESTMENT MANAGEMENT	213	40	56	73.8	3.3	70.5
RUSSELL INVESTMENT MANAGEMENT	330	39	55	63.4	1.7	61.7
LORD ABBETT & CO.	262	22	27	70.8	10.7	60.1
CLEARBRIDGE INVESTMENTS	190	22	27	95.8	55.2	40.6
BLACKROCK	8487	46	56	40.8	1.7	39.1
CAPITAL GROUP	2600	30	42	40.6	4.4	36.2
GE ASSET MANAGEMENT	110	13	22	46.7	13	33.7
VANGUARD	7796	46	56	28.6	0	28.6
INVESCO ADVISERS	805	41	54	70.5	50	20.5

SOURCE: INSIGHTIA / VOTING



LEADING THE CHARGE

AN INTERVIEW WITH MICHELLE EDKINS, MANAGING DIRECTOR, BLACKROCK INVESTMENT STEWARDSHIP (BIS).

FOUNDED IN 1988, BLACKROCK IS THE WORLD'S LARGEST INSTITUTIONAL INVESTOR, WITH $10 TRILLION IN ASSETS UNDER MANAGEMENT.

IN YOUR MIND, HOW DOES THE 2022 PROXY SEASON COMPARE TO THE PREVIOUS SEASON?

Michelle Edkins (ME): First and foremost, we were clearly in a different operating environment for companies this past proxy season than we were in prior years. The highest inflation in several decades and a global energy crisis were only the latest issues facing corporate management, coming on top of the tight labor markets and snarled supply chains that we saw previously play through.

That being said, BIS takes a long-term view in our stewardship approach. The issues we are focused on in our engagements and voting remained generally consistent with the past several years. In fact, we've actually seen an intensified focus, from both companies and investors, on many important themes we first saw last year or two years ago - for example, how companies are addressing the risks and opportunities presented by the energy transition and the importance of sound human capital management practices.

Many companies went into the 2022 proxy year having made meaningful progress on material governance and sustainability issues such as climate disclosures and targets, board diversity, and executive compensation. That's partly why we supported more director elections and saw lower average support across the market for environmental and social shareholder proposals in the U.S. We also saw more proposals that we thought were overly prescriptive or unduly constraining on board and management decision-making.

YOU MENTION BLACKROCK OPPOSED SEVERAL ENVIRONMENTAL AND SOCIAL (E&S) SHAREHOLDER PROPOSALS THIS SEASON ON THE GROUNDS THAT THEY WERE OVERLY PRESCRIPTIVE. DO YOU THINK PROPOSALS IN THE 2023 PROXY SEASON MAY SUFFER THE SAME FATE?

ME: BIS will continue to take a case-by-case approach to evaluating shareholder proposals, accounting for companies' unique circumstances and with a singular focus on supporting long-term shareholder value creation for our clients. That approach is not going to change. However, based on public comments in the news, there's certainly appetite from some stakeholders for more directive shareholder proposals, meaning ones that look for specific actions or outcomes. It is never BIS' intention to tell companies what to do or what their business strategy should look like.

BLACKROCK HAS SUPPORTED 20% OF E&S SHAREHOLDER PROPOSALS SO FAR THIS YEAR, COMPARED TO 7.5% AND 32.4% THROUGHOUT 2020 AND 2021, RESPECTIVELY, ACCORDING TO INSIGHTIA *VOTING* DATA.

BLACKROCK MOST COMMONLY ENGAGED WITH COMPANIES ON BOARD QUALITY AND EFFECTIVENESS IN THE 2022 PROXY SEASON. HOW DOES THE QUALITY OF BOARD INDEPENDENCE VARY, FROM THE U.S. TO EUROPE AND THE ASIA-PACIFIC REGION?

ME: At BlackRock, we believe that sound governance is critical to a company's ability to succeed and deliver strong shareholder returns over a long-time horizon. A qualified, well-structured, and engaged board is going to be better able to oversee management in addressing risks and opportunities in the business, including those related to sustainability issues. That's why our engagements start and end with board quality. This also means that we prefer there to be independent leadership on the board – either an independent chair or a lead independent director.

Like last year, a lack of independence was the single most common reason why we did not support the election of a board director candidate globally. In our view, board independence is a much more established norm in the U.S. compared to the rest of the Americas and in many markets in Europe, the Middle East, and Africa (EMEA), which is reflected in our voting and engagements, but we have seen significant progress in those regions. Asia is where we are really focused on promoting the need for greater director independence. Given how common concentrated ownership structures are in the region, BIS looks to companies to nominate non-executive directors who can bring an independent view to board discussions to help protect the interests of minority shareholders like BlackRock's clients. In the 2022 proxy year, we did not support the election of at least one director at over a quarter of the companies that we voted on in Asia over concerns related to their lack of independence.

DID THE BROADER ADOPTION OF MANAGEMENT "SAY ON CLIMATE" VOTES THIS SEASON HELP ADDRESS GAPS IN CORPORATE CLIMATE REPORTING OR DO THEY POTENTIALLY POSE A GREENWASHING THREAT?

ME: As we do with all proposals, we evaluate each "say on climate" management proposal in the context of the company's existing practices and public disclosures. It is worth noting that there are very few management proposals on company climate action plans, and we continue to believe that votes on directors are the most important, globally consistent mechanism for signaling support for or concerns about a company's approach. We view "say on climate" proposals as one avenue through which companies can get investor feedback on their approach to climate risk and the energy transition. It shows that the board and management are thinking about these issues, but they are by no means a panacea. BIS will continue to engage constructively with companies on the actions they're taking to address climate risks and opportunities, including those at which we may have supported a "say on climate" proposal.

WE BORE WITNESS TO SOME SIGNIFICANT PAY REVOLTS IN THE 2022 SEASON. WHAT ARE SOME OF THE BIGGEST MISTAKES ISSUERS MAKE WHEN ESTABLISHING PAY PLANS?

ME: Actually, many companies in Europe, where historically we've seen the most issues, have moved purposefully to address shareholder concerns related to their disclosures and incentive structures. This is likely driven by both regulatory developments and shareholder feedback. That being said, we still see some companies tying a meaningful portion of incentive pay exclusively to short-term increases in stock price. The region continues to be where our votes signaling compensation concerns are concentrated.

In the Americas, the main misalignments we see companies make in their executive compensation programs are not clearly explaining how their performance metrics are aligned with corporate strategy; not making performance goals rigorous enough so as to reward meeting stretch goals; aligning awards with short-term goals at the expense of long-term performance; and front-loading awards.

SO FAR THIS YEAR, BLACKROCK HAS SUPPORTED 93.2% OF ADVISORY "SAY ON PAY" PROPOSALS AT U.S.-LISTED COMPANIES, COMPARED TO 95.9% AND 94.7% THROUGHOUT 2020 AND 2021, RESPECTIVELY.

BLACKROCK ANNOUNCED A PROGRAM TO PROVIDE MORE CLIENTS THE ABILITY TO CONTROL HOW THEIR SHARES ARE VOTED AT SHAREHOLDER MEETINGS AND INTENDS TO EXPAND THIS OPTION FURTHER. WHAT SPURRED THIS DECISION? DO YOU THINK THIS MIGHT IMPACT SUPPORT FOR ESG SHAREHOLDER PROPOSALS?

ME: We see broader access to participation in the shareholder voting process as a natural extension of our efforts to bring greater choice to more investors and to help empower them to realize their financial objectives. It is clear to us that more and more of our clients are interested in having a say in how their index holdings are voted and at BlackRock, we pride ourselves on being able to stay ahead of our clients' needs.

As for how it will impact support for ESG shareholder proposals, I think it's too early to tell. We developed Voting Choice in recognition of the fact that investors have different investment views and philosophies. While a lot of attention tends to be paid to how large institutional investors voted on key resolutions, the shareholder voting ecosystem is more complex and nuanced. The impact of more shareholders voting on shareholder and management proposals remains to be seen, particularly as most voting is binary - for or against. Importantly, investor interest in expressing a view goes beyond just BlackRock's clients and we believe that the voting choice initiative that we've launched provides options that can be emulated by others in the industry.

IF YOU COULD INTRODUCE ONE CORPORATE GOVERNANCE REFORM, EITHER IN THE U.S. OR INTERNATIONALLY, WHAT WOULD IT BE?

ME: Corporate governance practices continue to be refined at the margin in most markets around the world. One development we support is a global baseline set of standards for corporate reporting on material sustainability factors that drive risk and value in company business models. We see this as key to improving the quality of information available to investors to assess a company's ability to generate long-term financial returns. We are hopeful that the International Sustainability Standards Board (ISSB) can develop this global baseline, on which different jurisdictions could build.

THANK YOU, MICHELLE.

ADVANCING GENDER DIVERSITY IN JAPAN

JAPANESE ISSUERS FACE MOUNTING DEMANDS BY SHAREHOLDERS TO STRENGTHEN BOARD GENDER DIVERSITY, WRITES TRACY GOPAL, CEO AND FOUNDER, THIRD ARROW STRATEGIES.

Proxy advisors and foreign investors are no longer giving Japanese boards a free pass for a lack of board diversity. Year-on-year, more foreign investors are opting to vote against both chairs and CEOs at the annual meetings of Japanese-listed companies, voicing concern about the prominence of all-male or male-dominated boards and pushing companies to take prompt action.

Dissenting votes should come as no surprise to boards, given that investors proactively revealed their stringent new board diversity expectations at the start of the year in their updated voting guidelines.

In 2022, both proxy advisers and a significant number of foreign investors updated or launched new minimum diversity threshold policies for Japanese companies.

One notable example is proxy adviser Glass Lewis, which in February expanded its recommendation that shareholders vote against the chair or most senior person (the nominating committee chair under a three-committee system) at listed companies on Japanese stock exchanges with fewer than one gender-diverse director on the board. This year, UBS also updated its policy to vote against directors at Japanese-listed companies with at least 10 board members or a market capitalization of more than $10 billion with less than 30% female board representation.

THE LEADERS AND THE LAGGARDS

Some companies are taking long-awaited action. During the 2022 proxy season, several large “holdout” companies appointed their first woman to the board, including Koito Manufacturing, Stanley Electric, Ito En, and Capcom.

Currently, at least 12 Japanese companies feature four female directors on the board, including Sony, Lixil, Sega Sammy, NIDEC, and Ajinomoto. Appointing four women to a board in Japan sends a clear message to investors that the board is listening to global shareholders and focusing on diversity as a key part of its strategy. A handful of companies are also leading with the practice of appointing a female outside director as chair. Examples include Mitsui Financial Group (which recently appointed Izumi Kobayashi), Lixil (Kimie Iwata), and NetOne Systems (Maya Ito).

On the other end of the spectrum, larger companies still lacking female board director representation post-proxy season include Toray, Canon, Obic, Makita, and Hirose Electric. Among the companies that still lack female board representation, more than 20 investors launched votes against management proposals at shareholder meetings this season, specifically citing concern regarding a lack of board diversity. Among this list of dissenting investors includes AllianceBernstein, Amundi Asset Management, Florida State Board of Administration, Invesco Asset Management, Legal & General Investment Management, Pensionskassernes Administration, Schroders, and T. Rowe Price Associates.

Foreign investor pressure is still the driving source of change in Japan. Governmental organizations and stock exchanges are aware of global trends and taking action to address these issues, but, despite this, regulations have yet to be established which mandate the appointment of at least one female director per board. The Japanese Ministry for Economy, Trade, and Industry’s (METI) July corporate governance guidelines went beyond the Corporate Governance Code’s recommendation to consider diversity, including gender and international experience, and stated that companies that do not have a single woman on their board should actively consider appointing female directors.

Japanese boards must step up their efforts to fill thousands of seats with female candidates, should they want to meet global investor expectations. Proper oversight of the director nominations processes will become increasingly critical for competitive positioning.

Tracy Gopal is an impact entrepreneur focused on increasing the value of Japanese-listed companies through training Japan’s current and future female directors to be progressive voices of modern governance. She is the CEO and founder of Third Arrow Strategies and the Japan Board Diversity Network (JBDN), a global network of directors and senior leaders with a passion for enhancing corporate governance in Japan. She supports Japanese companies and subsidiaries in identifying diverse skills-based directors and works towards the alignment of objectives of shareholders and companies through promoting effective engagement.

ABE LEGACY LIVES ON AS JAPANESE ACTIVISM SURGES

TWO MONTHS AFTER FORMER JAPANESE PRIME MINISTER SHINZO ABE WAS ASSASSINATED, AND TWO YEARS SINCE HE LEFT OFFICE, THE CONTINUING RISE IN SHAREHOLDER ACTIVISM AT JAPANESE COMPANIES IS TESTIMONY TO HIS LEGACY OF ECONOMIC REFORM, WRITES ANTOINETTE GIBLIN.

So far this year, 91 campaigns have been initiated at Japan-based companies, a 57% increase on the same period in 2021. It's an impressive performance for a nation once known for its vigorous opposition to activists. A decade of change in both Japanese economic policy and investment philosophy since Abe took office for his second term in 2012 has changed that.

POLICY AND PHILOSOPHY

Abe was fatally shot on July 8 in the city of Nara while speaking at a political campaign rally. His policies, commonly dubbed "Abenomics," sought to tackle longstanding problems prevalent among Japanese issuers, including the risks posed by insular management teams, often led by founding families, more focused on maintaining control via cross holdings in affiliated companies than improving profitability. The 2014 Japanese Stewardship Code sought to end what had been regarded as a culture of cozy relationships between institutional investors and corporations by enabling investors to be more active in encouraging companies to increase returns.

The Governance Code followed in 2015 and focused on increasing returns on capital by requiring companies to firmly take shareholder interests on board on a "comply or explain" basis. More recently there has been a push for diversity, including revisions to the Corporate Governance Code in June 2021 that required companies to pay more attention to the functions and independence of boards, workplace diversity, and sustainability initiatives.

As the COVID-19 pandemic raged in 2020, a record number of shareholder proposals focused on board reform at Japanese companies emerged, with 105 proposals winning an average 27.4% support, according to Insightia's Voting module. Although 2021 saw a slight drop in the volume of such proposals at 72, the level of shareholder support remained steady at 27.4%. In the first eight months of this year, 82 such proposals have already been brought forward, with the level of support remaining above the 21% mark.

Recent victories for activists include a board shake-up at Toshiba where shareholders elected two representatives

NO. JAPAN-BASED COMPANIES PUBLICLY SUBJECTED TO ACTIVIST DEMANDS BY SECTOR

SECTOR	2020 YTD	2021 YTD	2022 YTD*
BASIC MATERIALS	3	5	12
COMMUNICATION SERVICES	2	0	0
CONSUMER CYCLICAL	12	7	14
CONSUMER DEFENSIVE	2	4	5
ENERGY	0	1	0
FINANCIAL SERVICES	6	5	9
HEALTHCARE	2	1	4
INDUSTRIALS	21	19	19
REAL ESTATE	2	4	0
TECHNOLOGY	6	6	12
UTILITIES	3	1	4
TOTAL	**59**	**53**	**79**

SOURCE: INSIGHTIA / ACTIVISM
**DATA AS OF AUGUST 31, 2022.*

ACTIVIST TARGETS BY DEMAND TYPE AT JAPAN-BASED COMPANIES

DEMAND GROUP	2020 YTD	2021 YTD	2022 YTD*
APPOINT PERSONNEL	18	9	21
CAPITAL STRUCTURE	0	2	9
DIVESTITURE	14	9	17
ENVIRONMENTAL	1	5	8
GOVERNANCE	27	25	31
OPERATIONAL	3	3	6
OPPOSE M&A	4	4	1
PUSH FOR M&A	5	4	3
REMOVE PERSONNEL	16	8	12
REMUNERATION	4	5	18
RETURN CASH TO SHAREHOLDERS	22	20	48
SOCIAL	1	1	3

SOURCE: INSIGHTIA / ACTIVISM
**DATA AS OF AUGUST 31, 2022.*

of hedge funds Elliott Management and Farallon Capital Management at the company's June annual meeting. There was also significant reform at Olympus, after the company agreed to sell its scientific instruments business for 428 billion yen ($3.1 billion), following years of pressure to reorganize as part of a campaign led by activist fund ValueAct Capital. The large cap's CEO Yasuo Takeuchi has this year conceded that ValueAct's involvement was "positive for the company and led to strong share price performance" after its stock climbed upwards of 210% since the campaign was initiated in May 2018. Domestic Japanese investors have also embraced activism, with two directors recently ousted and five dissident seats secured at technology company OKWave.

ENLIGHTENED SELF-INTEREST

Yet Abe's most important legacy may be the change in investment philosophy of both the government and Japanese investors. Moving from a point where maintaining the corporate status quo was the overriding concern, a low birth-rate and ageing population have put return-on-investment at the top of the agenda. Nicholas Smith, Japan Strategist with CLSA, credits Abe with helping Japanese pension plans move away from Japanese government bonds (JGBs) to equities.

"Before Abe, it was very largely in Japanese government bonds, yielding slightly less than nothing at all in real terms. Equities were regarded as risky," Smith told Insightia. "Abe's insight was that, no, it's JGBs that are dangerous."

WEATHERING THE STORM

According to various market players, this has helped Japanese issuers weather the recent stock market meltdown. "Japanese companies don't need to worry about higher rates on their debt, which they don't have much of at all. They just need to spend their money, which will improve their return on equity (ROE) and return on invested capital (ROIC) - the all-important barometer in inflationary times," Oasis Management's Chief Investment Officer Seth Fischer told Insightia in an interview. "As an equity investor in the inflationary winter storm we have just entered, Japan looks like a secure harbor."

This is echoed by Asian market expert, Belita Ong, chair of Dalton Investments, who told Insightia that with the continuation of Abenomics and its aggressive monetary and fiscal policies combined with structural reform, Japan is "at a distinct advantage versus global peers." Year to date, the Nikkei 225 index is down just over 5%, versus a loss of almost 18% by the S&P 500. In fact, the Japanese market has outperformed the U.S. over the last two years.

NO. AND AVERAGE SUPPORT FOR (%) SHAREHOLDER PROPOSALS AT JAPAN-BASED COMPANIES

ENVIRONMENTAL

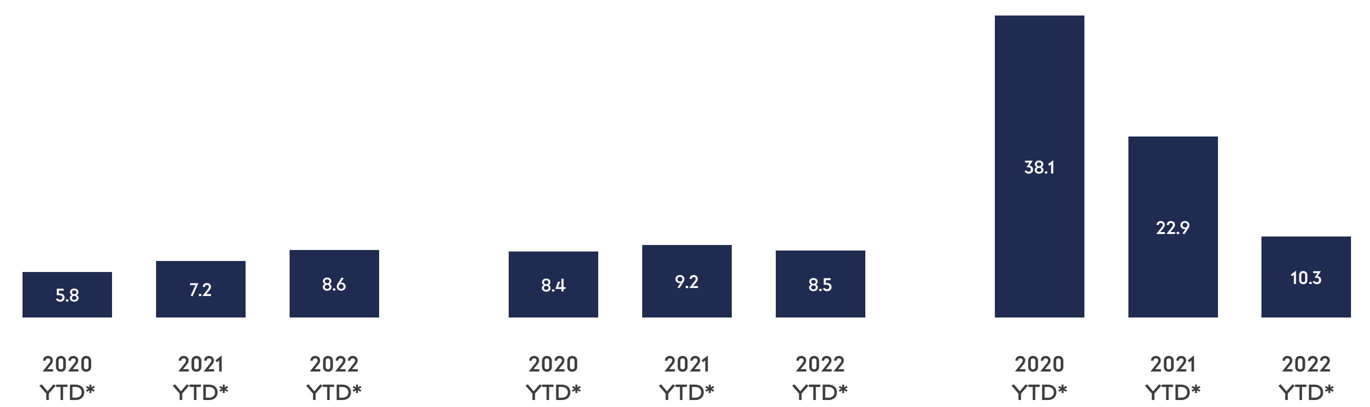
NO. PROPOSALS		
2020 YTD*	2021 YTD*	2022 YTD*
36	37	40

SOCIAL

NO. PROPOSALS		
2020 YTD*	2021 YTD*	2022 YTD*
2	9	9

GENERAL GOVERNANCE

NO. PROPOSALS		
2020 YTD*	2021 YTD*	2022 YTD*
4	5	6



SOURCE: INSIGHTIA / VOTING
*DATA AS OF AUGUST 31, 2022.

NEW ACTIVIST INVESTMENTS

THE LATEST ACTIVIST INVESTMENTS FROM AROUND THE WORLD.

					PUBLIC DEMAND							
ACTIVIST	COMPANY	HQ	CAMPAIGN START DATE	CURRENT HOLDING	OPPOSE M&A	APPOINT PERSONNEL	REMOVE PERSONNEL	SOCIAL	CAPITAL STRUCTURE	RETURN CASH TO SHAREHOLDERS	OPERATIONAL	DETAIL
ELLIOTT MANAGEMENT	KINROSS GOLD	🇨🇦	SEP 20, 2022	N/A	–	–	–	–	–	●	–	DETAIL
STRIVE ASSET MANAGEMENT	CHEVRON	🇺🇸	SEP 07, 2022	N/A	–	–	–	–	–	–	●	DETAIL
BLISS CHANCE GLOBAL	BISON FINANCE	🇭🇰	SEP 05, 2022	47.86%	–	–	–	–	●	–	–	DETAIL
TREPANG SERVICES	AUSTRALIAN PACIFIC COAL	🇦🇺	SEP 02, 2022	39.16%	–	●	●	–	–	–	–	DETAIL
PZENA INVESTMENT MANAGEMENT	PUNCH & ASSOCIATES	🇺🇸	SEP 01, 2022	12.00%	●	–	–	–	–	–	–	DETAIL
3D INVESTMENT PARTNERS	FUJI SOFT	🇯🇵	SEP 01, 2022	19.40%	–	●	–	–	–	–	–	DETAIL
DRAKE PRIVATE INVESTMENTS	STRUCTURAL MONITORING SYSTEMS	🇦🇺	SEP 01, 2022	18.60%	–	●	●	–	–	–	–	DETAIL
INTERNATIONAL BROTHERHOOD OF TEAMSTERS	CINTAS	🇺🇸	AUG 30, 2022	N/A	●	–	●	●	–	–	–	DETAIL
LIGHT STREET CAPITAL MANAGEMENT	ZENDESK	🇺🇸	AUG 30, 2022	N/A	●	–	●	–	–	–	–	DETAIL

SOURCE: INSIGHTIA / ACTIVISM

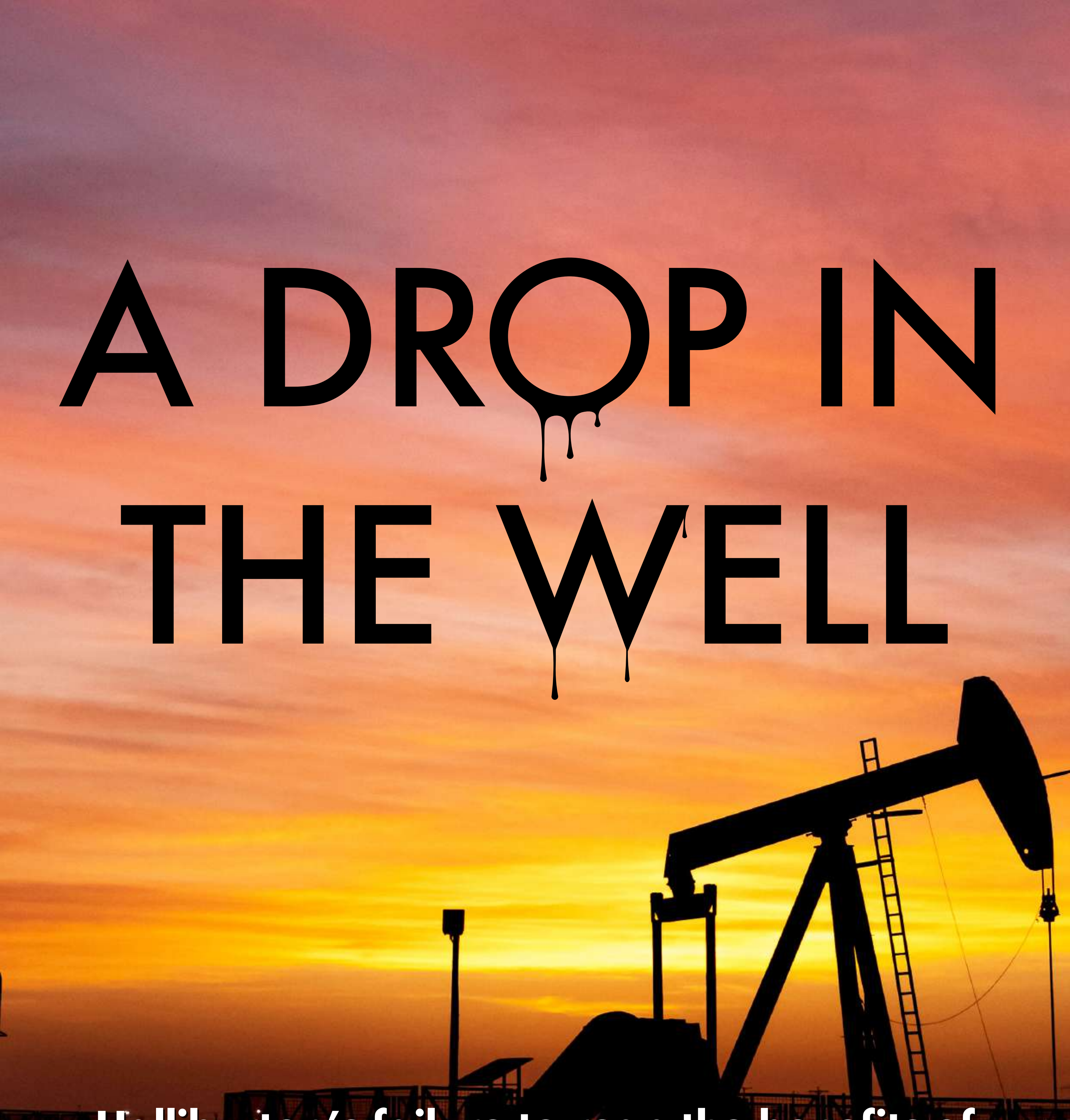
NEW SHORT INVESTMENTS

THE LATEST DISCLOSED ACTIVIST SHORT INVESTMENTS.

				ALLEGATIONS				
SHORT SELLER	COMPANY	HQ	CAMPAIGN START DATE	ACCOUNTING FRAUD	COMPETITIVE PRESSURES	MISLEADING ACCOUNTING	STOCK PROMOTION	DETAIL
JEHOSHAPHAT RESEARCH	ARRAY TECHNOLOGIES	US	SEP 16, 2022	●	–	–	–	DETAIL
KERRISDALE CAPITAL MANAGEMENT	AST SPACEMOBILE	US	SEP 16, 2022	–	–	–	●	DETAIL
NINGI RESEARCH	BRP GROUP	US	SEP 14, 2022	–	–	●	–	DETAIL
OSS RESEARCH	AIRBOSS OF AMERICA	CA	SEP 09, 2022	–	●	–	–	DETAIL
SPRUCE POINT CAPITAL	FIGS	US	SEP 08, 2022	–	●	–	–	DETAIL
NIGHT MARKET RESEARCH	ONDAS HOLDINGS	US	SEP 07, 2022	–	–	–	●	DETAIL

SOURCE: INSIGHTIA / SHORTS

A DROP IN THE WELL



Halliburton's failure to reap the benefits of rising energy prices, coupled with excessive cash on its balance sheet, may make the hydraulic fracturing operator particularly appealing to activist investors, writes Josh Black.

HALLIBURTON	
SECTOR	ENERGY
MARKET CAP	$27.4 BN (LARGE-CAP)
EXCHANGE	NYSE
TICKER	HAL
HQ	TX
CORPORATE GOVERNANCE SCORE*	16/20 (GOOD)

VULNERABILITIES

VALUATION

PERFORMANCE

REMUNERATION SUPPORT

DIRECTOR TENURE

Oilfield services heavyweight Halliburton should be a bigger beneficiary from rising energy prices. An activist could take advantage of management's conservative balance strategy to call for share repurchases or cost-efficiencies to convince the market of the company's financial strength.

According to Insightia's *Vulnerability* module, the stock is in the 84th percentile of companies most likely to be targeted by an activist investor.

ACTIVIST THESIS

Halliburton has a history with activism, having had ValueAct Capital Partners seek to influence its merger with Baker Hughes in 2016 before antitrust regulators blocked the deal. As a result of that decision, large-scale M&A is likely out of the question.

Instead, an activist would likely focus on the more than $2 billion Halliburton has on its balance sheet, calling for generous share repurchases before a recent law imposing a 1% tax rate on buybacks takes effect. Earnings-per-share (EPS) could be further juiced by cutting costs and optimizing the portfolio.

PEERS AND INDUSTRY

With a market capitalization of $ $27.4 billion and a storied history thanks to its connections with the Bush family that delivered two U.S. presidents, Halliburton is a big player in the oilfield services industry.

Its biggest competitor is Houston neighbor Schlumberger, which is double the size by market capitalization and produces 165% more EBITDA, but on revenues only 42% higher than Halliburton's. Other recent activist campaigns in the sector include Star Equity Fund at Superior Drilling Products and Bradley Radoff at Newpark Resources.

CORPORATE STRUCTURE

Halliburton currently employs over 40,000 people in more than 70 countries, providing products and services to exploration and production companies, an industry that has had an unexpectedly buoyant 2022 thanks to rising energy prices.

The company operates in two segments: completion and production accounted for 55% of revenues in 2021, and drilling and evaluation accounted for 45%. The two segments have operating margins of 15% and 12%, respectively, according to the company's annual report and an activist could suggest management consider selling some assets to improve the productivity mix.

PERFORMANCE AND VALUATION

Halliburton's total shareholder return (TSR) of 54% over the past 12 months is better than Schlumberger's 36% TSR. However, it trades at a lower price-to-sales ratio and has higher excess cash.

Halliburton's wider Insightia *Vulnerability*-selected peers, which include upstream energy firms, have enjoyed the greater benefit from rising oil prices – their median TSR was 96% over

**SOURCE: INSIGHTIA / GOVERNANCE*
A higher score indicates a more shareholder-friendly corporate governance structure.

the past year and 36% over the past five years, during which time Halliburton's returns have been slightly negative.

Investors likely believe Halliburton can improve its profitability, given its low price-to-sales ratio of 1.5. In contrast, the median stock of an S&P 500 company trades at three-times the revenue-per-share generated.

> **AN ACTIVIST WOULD LIKELY FOCUS ON THE MORE THAN $2 BILLION HALLIBURTON HAS ON ITS BALANCE SHEET, CALLING FOR GENEROUS SHARE REPURCHASES BEFORE A RECENT LAW IMPOSING A 1% TAX RATE ON BUYBACKS TAKES EFFECT.**

FINANCIAL PERFORMANCE

The standout feature of Halliburton's balance sheet is its cash holdings, which account for 8.4% of its market capitalization, compared with 4.4% for its *Vulnerability*-selected peer group and even lower for Schlumberger. Probing questions around buybacks are already starting to creep into the company's earnings call, although Chief Financial Officer Eric Carre said the company's first priority was paying down debt.

Overheads appear to be a problem, with total costs at 89% of revenue, compared with 65% for peers, according to Insightia's *Vulnerability* module. Analysts at Cowen Group noted in July that higher corporate costs and conservative guidance may have played a role in the stock's recent underperformance relative to peers.

CORPORATE GOVERNANCE AND MANAGEMENT

Jeff Miller has been in charge of Halliburton since the beginning of June, 2017 and the company has outperformed the Philadelphia Oil Service Index since then, suggesting his primary job is safe. However, he was also given the chairman role in 2019 and the company's corporate governance, while rated "Good" by Insightia's *Governance* module, could be improved by separating the CEO and chairman roles.

Indeed, an insight into the company's weak governance – especially around costs – can be witnessed from the fact that of the four directors to receive significant protest votes against their reelection in 2021, three were linked to 2020's "say on pay" report, which was poorly received and did not receive a sufficiently robust response from management. The 2022 "say on pay" vote witnessed 46% opposition, upping the pressure on the board.

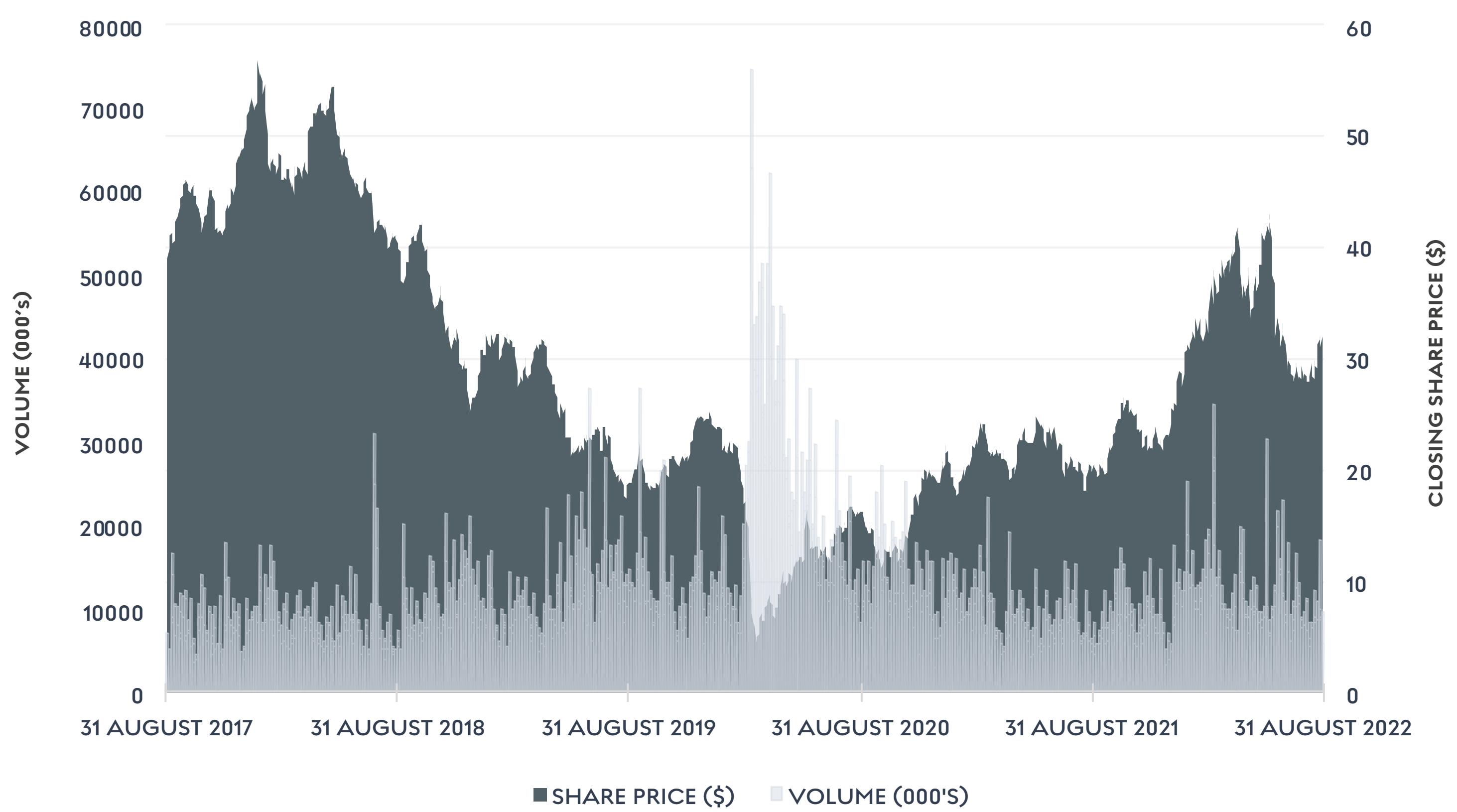
SHAREHOLDER REGISTER

Halliburton's top shareholders are Vanguard, BlackRock, and Capital Group. Although activist ownership is currently low, insider ownership is de minimis.

The company has a nomination deadline of February 17 for a meeting likely to be held in May.

THE STANDOUT FEATURE OF HALLIBURTON'S BALANCE SHEET IS ITS CASH HOLDINGS, WHICH ACCOUNT FOR 8.4% OF ITS MARKET CAPITALIZATION, COMPARED WITH 4.4% FOR ITS VULNERABILITY-SELECTED PEER GROUP.

HALLIBURTON'S 5-YEAR SHARE PRICE PERFORMANCE



Share price data sources: CSI - www.csidata.com and Xignite

DISCLAIMER: Insightia Vulnerability reports use proprietary data, along with third-party analyst reports and, in certain cases, interviews with industry sources to identify companies that might become activist targets. They represent an analytical attempt at predicting companies that may be engaged by an activist from a wide range of possible targets and are in no way intended to indicate that a speculated event is imminent or will take place. Insightia does not provide investment advice or accept responsibility for the result of trades based on Insightia Vulnerability reports or descriptions of Insightia Vulnerability reports by third-party media.

PERSONNEL MOVES

THE LATEST HIRES AND APPOINTMENTS IN THE GOVERNANCE INDUSTRY.

GLOBAL

Jenny Bofinger-Schuster, Hiroshi Komori, and Veronika Pountcheva – International Sustainability Standards Board (ISSB)
Board members
Jenny Bofinger-Schuster, Hiroshi Komori, and Veronika Pountcheva were appointed to the ISSB, bringing the total number of board members to 13. Bofinger-Schuster joined the board from Siemens, where she served as senior vice-president for sustainability and operational excellence. Komori joined from the Government Pension Investment Fund (GPIF) in Japan, where he worked as its senior director and head of the stewardship and ESG division. Pountcheva arrives from Metro, where she served as senior vice president of corporate responsibility.

U.S.

Kelly Hagg – Nuveen
Senior managing director and head of responsible investing strategy and solutions
Nuveen hired Kelly Hagg to be its senior managing director and head of responsible investing strategy and solutions. Working out of Denver in this newly created role, Hagg is responsible for coordinating the firm's residual income commercialization, as well as expanding the firm's market share through relationship building with existing clients. Hagg joined Nuveen from Janus Henderson Investors, where he worked as the firm's global head of product strategy and ESG.

Donna Riley Bebb – Thoma Bravo
Head of ESG
Private equity manager Thoma Bravo named Donna Riley Bebb as head of ESG. In this newly created role, Bebb will be responsible for leading and expanding Thoma Bravo's existing ESG initiatives, as well as working with the firm's investment teams to assess ESG opportunities and risks associated with the investment cycle. Bebb joined Thoma Bravo from Google, where she worked as the company's head of global credit and ESG.

EUROPE

David Thomas – Robeco
Senior portfolio manager of biodiversity strategy
Robeco appointed David Thomas to be the senior portfolio manager of its soon-to-launch biodiversity strategy. In this role, Thomas will work with Robeco's investment professionals from its thematic investment, research, and active ownership teams, to prepare the firm for the launch of the strategy in Q4 2022. Thomas joined Robeco from Ellerston Capital, where he worked since 2016 as a portfolio manager.

James Purcell – Credit Suisse
Head of sustainability framework
Credit Suisse appointed James Purcell as its head of sustainability frameworks. In this role, Purcell is responsible for the development of Credit Suisse's sustainable investment framework, while also overseeing the development of its sustainable activities framework. Purcell joined the firm from Quintet Private Bank.

Herman Kleeven – Kempen Capital Management
Investment lead for sustainable equity team
Kempen Capital Management appointed Herman Kleeven as its new investment lead for its sustainable equity team. Kleeven takes over from the departing Richard Klijstra and will be responsible for maintaining the firm's commitment to its strict sustainable investment strategy. Kleeven joined Kempen from APG Asset Management, where he had been leading its focus equities team for the past nine years.

Cassandra Traeger – Columbia Threadneedle Investments
Vice president: ESG analyst, responsible investment
Columbia Threadneedle Investments appointed Cassandra Traeger to be its new vice president: ESG analyst, responsible investment. In this role, Traeger is responsible for managing Columbia Threadneedle's investments and policies relating to ESG and sustainable investment in Europe, the Middle East, and Africa (EMEA), and the Asia-Pacific (APAC) region.

REST OF THE WORLD

Elaine Wu – BlackRock
Asia-Pacific head of research
BlackRock hired Elaine Wu to be its new Asia-Pacific head of research. In this newly created position, Wu will be working out of Hong Kong in BlackRock's sustainable investing unit, overseeing the fund manager's sustainability research across the region. Wu joined BlackRock from JP Morgan, where she worked as its head of Asia ex-Japan ESG and utilities equity research.

Jayne Mammatt and Jyoti Vallabh – Deloitte Africa
Audit and assurance division partners
Deloitte Africa announced the appointment of Jayne Mammatt and Jyoti Vallabh to be partners within its audit and assurance division. Mammatt and Vallabh will be responsible for helping Deloitte Africa clients to develop, execute, and report on their ESG initiatives, as well as providing assurance on sustainability reporting.

DIRECTOR UPDATES

THE LATEST DIRECTOR MOVES ON PUBLIC BOARDS.

Sheila Penrose – McDonald's
McDonald's revealed that Sheila Penrose will leave its board on September 30, after 15 years as a director. Penrose led the company's sustainability and corporate responsibility committee and was targeted for removal by Carl Icahn earlier this year, who slammed the fast-food giant for buying pork from companies that confine pregnant pigs to small gestation crates.

Justin Roberts – TherapeuticsMD
Justin Roberts of Rubric Capital Management joined the board of TherapeuticsMD ahead of the U.S. pharmaceutical company's 2022 annual meeting after the healthcare issuer faced pressure from Rubric to conduct a strategic review. Rubric, an 18.27% stakeholder in TherapeuticsMD, nominated Roberts at the beginning of August, citing that its hefty investment in the company would allow it to secure the best outcome for all shareholders.

Jonathan Schechter and Joshua Silverman – PharmaCyte Biotech
PharmaCyte added Iroquois Capital Management nominees Jonathan Schechter and Joshua Silverman to a refreshed seven-person board that also includes new members Jack Stover, Daniel Farb, and Daniel Allen, as well as two incumbents: CEO Kenneth Waggoner and Michael Abecassis in August. PharmaCyte had formerly accused Iroquois of trying to take control of its board so it can obtain access to the $80 million in cash on the company's balance sheet.

Adrian Gill and Gareth Helm – Purplebricks
British online estate agency Purplebricks added two industry executives to its board as it gears up for an annual meeting where dissident shareholder Adam Smith might again call for the removal of Chairman Paul Pindar.

Harry Madonna – Republic First Bancorp
Republic First Bancorp founder Harry Madonna was appointed interim chief executive, replacing Vernon Hill after a protracted fight for control of the community lender. Activist hedge fund Driver Management was the first to publicly criticize Hill last year. Madonna served as Republic First's chairman and CEO until being replaced by Hill as chairman in 2016 and chief executive in 2021.

John Foley – Peloton Interactive
Peloton Interactive, the company under the crosshairs of Blackwells Capital, announced the departure of its executive chairman and co-founder John Foley. In addition, another co-founder and the company's chief legal officer, Hisao Kushi, is also leaving.

THE WAR FOR AN ESG MIDDLE GROUND

RESPONSIBLE INVESTING IS FACING THE LOOMING THREAT OF ANTI-ESG STATE POLICYMAKERS NOW MORE THAN EVER, WRITES MILES ROGERSON.

The rising tide of responsible investing is spreading throughout corporate America, and while a few companies are keen to work with investors to come out ahead, some state officials and shareholder groups are trying to stop the rapid uptake.

A growing number of Republican states are pushing against "improper" use of ESG, warning financial institutions that they will face exclusion if they are determined to be "boycotting" oil and gas firms. West Virginia State Treasurer Riley Moore has already made good on his commitments, restricting five banks and fund managers from state contracts on the basis of their ESG commitments.

U.S. advocacy group the National Center for Public Policy Research (NCPPR) is also concerned with the nuances of social equity, having filed 10 proposals criticizing ESG policies at U.S.-listed companies in 2022.

TROJAN HORSE PROPOSALS

Ahead of Meta's May 25 annual meeting, NCPPR filed a proposal requesting an audit analyzing the company's impacts on civil rights and non-discrimination. The non-profit group pointed out that many investors have pressured companies to adopt "anti-racism programs that seek to establish racial/social equity, which appears to mean the distribution of pay and authority on the basis of race, sex, orientation, and ethnic categories rather than by merit."

NCPPR posits that such programs are themselves "deeply racist and otherwise discriminatory."

In another near-identical proposal at Citigroup, NCPPR stated that "discrimination against employees deemed non-diverse," puts companies at reputational, legal, and financial risk.

Such proposals have proven unpopular among the broader shareholder base, winning only 1.8% average support so far this year.

NCPPR Fellow Scott Shepard told Insightia that this is "further evidence that the giant investment houses, most notably BlackRock, State Street, and Vanguard, are violating their fiduciary duties to investors and shareholders by using their influence to push their CEOs' and executives' personal policy preferences."

Shepard also warned that we can expect to see "some costly lawsuits," demonstrating "to diversity officers that discrimination on the basis of race, sex, and orientation is very illegal."

STATE'S RIGHTS

The ESG movement must also contend with some state regulators, which are calling on leading investors to weaken their ESG commitments.

Policymakers in these states argue that public pension funds shouldn't ask individual companies to engage in any activity that doesn't strictly relate to increasing their own profits, because doing so might reduce the money ultimately available for state workers who depend on pension funds for their retirement.

Texas Comptroller Glenn Hegar recently placed BlackRock, BNP Paribas, Credit Suisse Group, Danske Bank, Jupiter Fund Management, Nordea Bank, Schroders, Svenska Handelsbanken, Swedbank, and UBS Group on a list of financial companies that he claimed "boycott energy companies" and engage in anti-oil and gas rhetoric publicly.

BlackRock Chief Client Officer Mark McCombe criticized the decision, saying that the review was "faulty" and "bad for the business climate," in an interview with Bloomberg News. McCombe added that the move politicized pension fund investing and that BlackRock's inclusion wasn't based on fact.

West Virginia State Treasurer Riley Moore recently barred BlackRock, Goldman Sachs, JP Morgan Chase, Morgan Stanley, and Wells Fargo from state banking contracts for this very reason.

And Arkansas State Senator Tom Cotton similarly condemned BlackRock for collaborating with other investors "to restrict the supply of fossil fuels," while Florida Governor Ron DeSantis passed legislation in August prohibiting the Florida State Board of Administration from using any fund managers that consider ESG factors when investing the state's money.

BACKLASH TO THE BACKLASH

These restrictions "benefit nobody but the legislators and the special interests who control them," Frederick Alexander, CEO of The Shareholder Commons told Insightia in an interview, adding that "they are only turning to political action because the market has already spoken and declared that ESG activism is a winning investment strategy."

In response to state action against ESG, many investors have argued that fund managers have a duty of care to protect beneficiaries from risks they can reasonably foresee, including climate risk.

Andrew Behar, CEO of As You Sow, told Insightia in a recent interview that leading financial institutions need to "redouble their commitments to the 'New Purpose of a Corporation' pledge they signed in 2019, to serve all stakeholders and not be cowed by a radical few trying to score political points at the expense of their citizens."

But while it's mostly Republican senators and governmental bodies that speak of the dangers of ESG investing, The Shareholder Commons has also spoken out on the need for ESG engagements between issuers and investors to evolve, acknowledging that a company's ESG commitments, if not managed properly, can result in lower long-term economic performance that drags down overall portfolio performance and shareholder value.

"Risk oversight shareholder proposals focus on risk to company enterprise value, not risk to critical social and environmental systems," Alexander said. "Shareholder activism will need tools beyond company-based risk management to root out corporate conduct that endangers these systems."

SUPPORT FOR ANTI-ESG SHAREHOLDER PROPOSALS AT U.S.-LISTED COMPANIES

FILED BY THE NATIONAL CENTER FOR PUBLIC POLICY RESEARCH (NCPPR)

ISSUER	MEETING DATE	RESOLUTION TEXT	% FOR	% AGAINST
CITIGROUP	APR 26, 2022	SHAREHOLDER PROPOSAL REGARDING NON-DISCRIMINATION AUDIT	2.94	97.06
JOHNSON & JOHNSON	APR 28, 2022	REPORT ON A CIVIL RIGHTS, EQUITY, DIVERSITY AND INCLUSION AUDIT	2.74	97.26
WALT DISNEY	MAR 09, 2022	REPORT ON WORKPLACE NON-DISCRIMINATION AUDIT	2.67	97.33
TWITTER	MAY 25, 2022	COMMISSION A WORKPLACE NON-DISCRIMINATION AUDIT	2.26	97.74
BANK OF AMERICA	APR 26, 2022	REPORT ON CIVIL RIGHTS AND NONDISCRIMINATION AUDIT	2.12	97.88
LOWE'S COMPANIES	MAY 27, 2022	COMMISSION A CIVIL RIGHTS AND NON-DISCRIMINATION AUDIT	1.95	98.05
CVS HEALTH	MAY 11, 2022	COMMISSION A WORKPLACE NON-DISCRIMINATION AUDIT	1.63	98.37
LEVI STRAUSS & CO.	APR 20, 2022	REPORT ON WORKPLACE NON-DISCRIMINATION AUDIT	0.94	99.06
WALMART	JUN 01, 2022	REPORT ON A CIVIL RIGHTS AND NON-DISCRIMINATION AUDIT	0.56	99.44
META PLATFORMS	MAY 25, 2022	COMMISSION A WORKPLACE NON-DISCRIMINATION AUDIT	0.32	99.68

SOURCE: INSIGHTIA / VOTING
**DATA AS OF AUGUST 31, 2022.*

STATE ANTI-ESG LEGISLATION

ARKANSAS
JULY 13, 2022
State Senator Thomas Cotton wrote to BlackRock, condemning the fund manager for "acting like a climate cartel" through its involvement in the Climate Action 100+ initiative.

WEST VIRGINIA
JULY 28, 2022
Barred BlackRock, Goldman Sachs, JP Morgan Chase, Morgan Stanley, and Wells Fargo from entering into state banking contracts due to their alleged "boycotting" of fossil fuels.

FLORIDA
AUGUST 23, 2022
Passed a resolution directing Florida state fund managers to eliminate ESG considerations when making investment decisions.

TEXAS
AUGUST 24, 2022
Placed 10 financial institutions on the restricted list due to their "boycotting" of energy companies.

OPPORTUNITY KNOCKS FOR DEALMAKING ACTIVISTS

WITH COVID-19 DISRUPTION AND RECENT MARKET VOLATILITY CREATING A TARGET-RICH ENVIRONMENT, ACTIVIST INVESTORS ARE RAMPING UP DEMANDS FOR MERGERS AND ACQUISITIONS, WRITES WILL ARNOT.

The first half of 2022 marked the first time since 2018 where activists ran more "push for sale" campaigns than in the first half of the previous year. While "push for sale" campaign frequency had been on the decline leading up to 2021, a resurgence in the second half of 2021 was backed up in the first half of 2022, when the 20 campaigns were a 33.3% increase on last year's first half.

The reasons for the demands vary. "Push for sale" demands have a much higher chance of succeeding than other activist demands. Since the start of 2017, 25.32% of resolved activist campaigns have been successful, while 29.97% of "push for sale" campaigns have been.

Bruce Goldfarb, the CEO of Okapi Partners, told Insightia in an interview that investors "will go public with their desire for a company to be sold, in order to increase the chance of a deal going through."

A POST-PANDEMIC PUSH?

An activism defense expert noted to Insightia that while "push for sale" campaigns have always been a recurring theme, "Activists are using the current market conditions and volatility post-pandemic as benchmarks to determine potential windows for action."

A separate source noted that a hangover effect of the pandemic is a rise in the number of companies with a laggardly stock performance, despite strong underlying assets and infrastructure.

According to an S&P Global Market Intelligence study into the industries most affected by the pandemic, over 80% of all industries have seen their probability to default increase.

Industries that have been affected most by the pandemic have created a "target-rich environment" according to the source, exemplified by 15 of the 57 companies targeted by "push for sale" campaigns since the start of last year being from industries such as Road & Rail, Air Travel, and Specialty Retail, where the probability to default has increased by over 115%.

BIG WIGS TARGET BIG CAPS

Another trend this year is activists targeting much larger companies than in previous years. While in 2021, 2.5% of companies targeted were large-cap, as of June 30 this year that number has risen to 10%.

Elon Musk at Twitter, Land & Buildings and Prologis at Duke Realty, and JetBlue Airlines, TIG Advisors, and Discovery Capital Management at Spirit Airlines, mark some of the biggest "push for sale" campaigns so far this year.

For Peter Michelsen, head of technology boutique Qatalyst Partners' activist practice, investors are more fearful of betting on smaller companies; "In times of volatility you will see a flight to quality and activists are going after targets that are better capitalized more stable and less likely to have significant continued downside," he said. "Activists are more willing to invest billions of dollars into a large-cap company with moderate upside but limited downside because the risk and reward is better in a recessionary environment than at a small-cap company where the downside is much more magnified."

A financial services specialist speaking to Insightia on condition of anonymity said long-term shareholders were likely reticent to rotate their portfolios, if they are generally satisfied with the investment. While those that do make public calls for sales are looking for "easy wins" to improve the standing of their funds and assets under management.

In the case of mid-cap companies, where investments may be less liquid, investors can achieve liquidity from their investments by trading up to an offer price, following a public "push for sale," Goldfarb added.

IN AND OUT

The campaigns at Twitter, Duke Realty, and Spirit share a common theme, as their respective activists held stakes in the companies for less than a financial quarter before making a demand.

Indeed, according to SEC filings reviewed by Insightia for activists that have run "push for sale" demands since the beginning of 2021, 50.75% of "push for sale" demands were initiated within 90 days of the activist's first public notified holding.

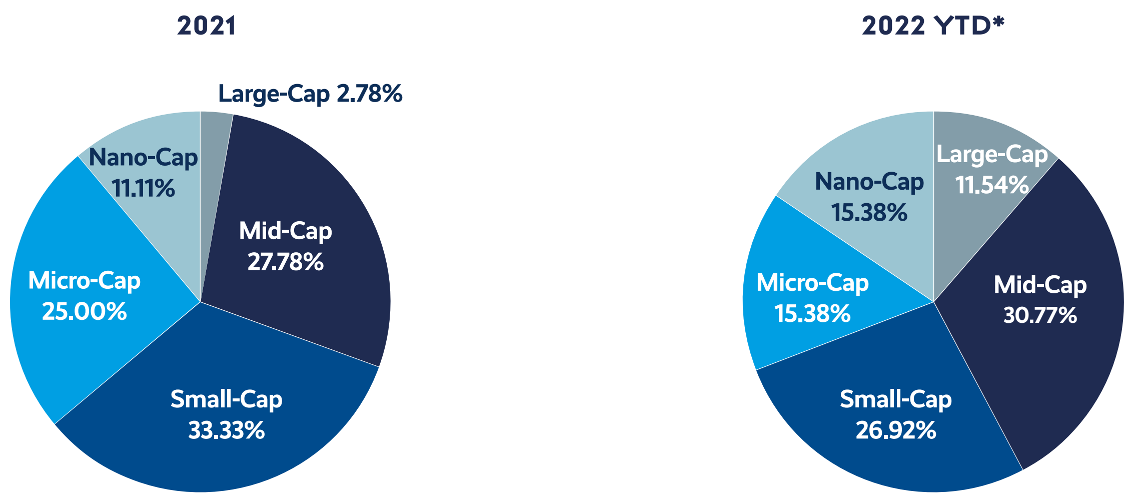
Okapi's Goldfarb noted that investors can use "push for sale" campaigns to alleviate the pain of an underperforming investment, stating that investors can "believe getting the deal done is going to be the best way to achieve value."

NUMBER OF AT LEAST PARTIALLY SUCCESSFUL RESOLVED "PUSH FOR SALE" OF COMPANY DEMANDS AT U.S.-BASED COMPANIES, BY OUTCOME AND OUTCOME YEAR

OUTCOME	2018	2019	2020	2021	2022 YTD*
ACTIVIST AT LEAST PARTIALLY SUCCESSFUL	20	26	16	14	10
ACTIVIST'S OBJECTIVES UNSUCCESSFUL	30	27	47	20	5
ACTIVIST WITHDREW DEMANDS	27	22	27	8	11
GRAND TOTAL	**77**	**75**	**90**	**42**	**26**

SOURCE: INSIGHTIA/ACTIVISM
**DATA AS OF AUGUST 31, 2022.*

PROPORTION OF U.S.-BASED COMPANIES PUBLICLY SUBJECTED TO A "PUSH FOR SALE" DEMAND, BY MARKET-CAP CATEGORY AND DEMAND YEAR



SOURCE: INSIGHTIA/ACTIVISM
**DATA AS OF AUGUST 31, 2022.*

UPCOMING EVENTS

A SELECTION OF UPCOMING MEETINGS AND SHAREHOLDER PROPOSALS.

Meetings

ISSUER	TYPE	HQ	DATE	
KORN FERRY	ANNUAL		SEP 22, 2022	DETAIL
PROCTER & GAMBLE	ANNUAL		OCT 11, 2022	DETAIL
APPLIED INDUSTRIAL TECHNOLOGIES	ANNUAL		OCT 25, 2022	DETAIL
1414 DEGREES	ANNUAL		NOV 11, 2022	DETAIL
NEW HOPE CORP.	ANNUAL		NOV 24, 2022	DETAIL

Shareholder proposals

ISSUER	INVESTOR	HQ	MEETING DATE	
AMERICAN OUTDOOR BRANDS	KENNETH STEINER		SEP 22, 2022	DETAIL

Declassify the board of directors.

Reorganize directors into one class, with each director subject to a vote annually.

ISSUER	INVESTOR	HQ	MEETING DATE	
GENERAL MILLS	GREEN CENTURY CAPITAL MANAGEMENT		SEP 27, 2022	DETAIL

Report on plastic pollution.

Report on how the company can increase the scale, pace, and rigor of its sustainable packaging efforts.

ISSUER	INVESTOR	HQ	MEETING DATE	
CINTAS	INTERNATIONAL BROTHERHOOD OF TEAMSTERS		OCT 25, 2022	DETAIL

Report on political contributions.

Annually report on corporate political donations and related policies.

ISSUER	INVESTOR	HQ	MEETING DATE	
WHITEHAVEN COAL	MARKET FORCES		NOV 26, 2022	DETAIL

Report on capital protection.

Annually report on how the company's capital expenditure and operations pertaining to coal assets will be managed in a manner consistent with a net-zero by 2050 scenario.

SOURCE: INSIGHTIA / VOTING