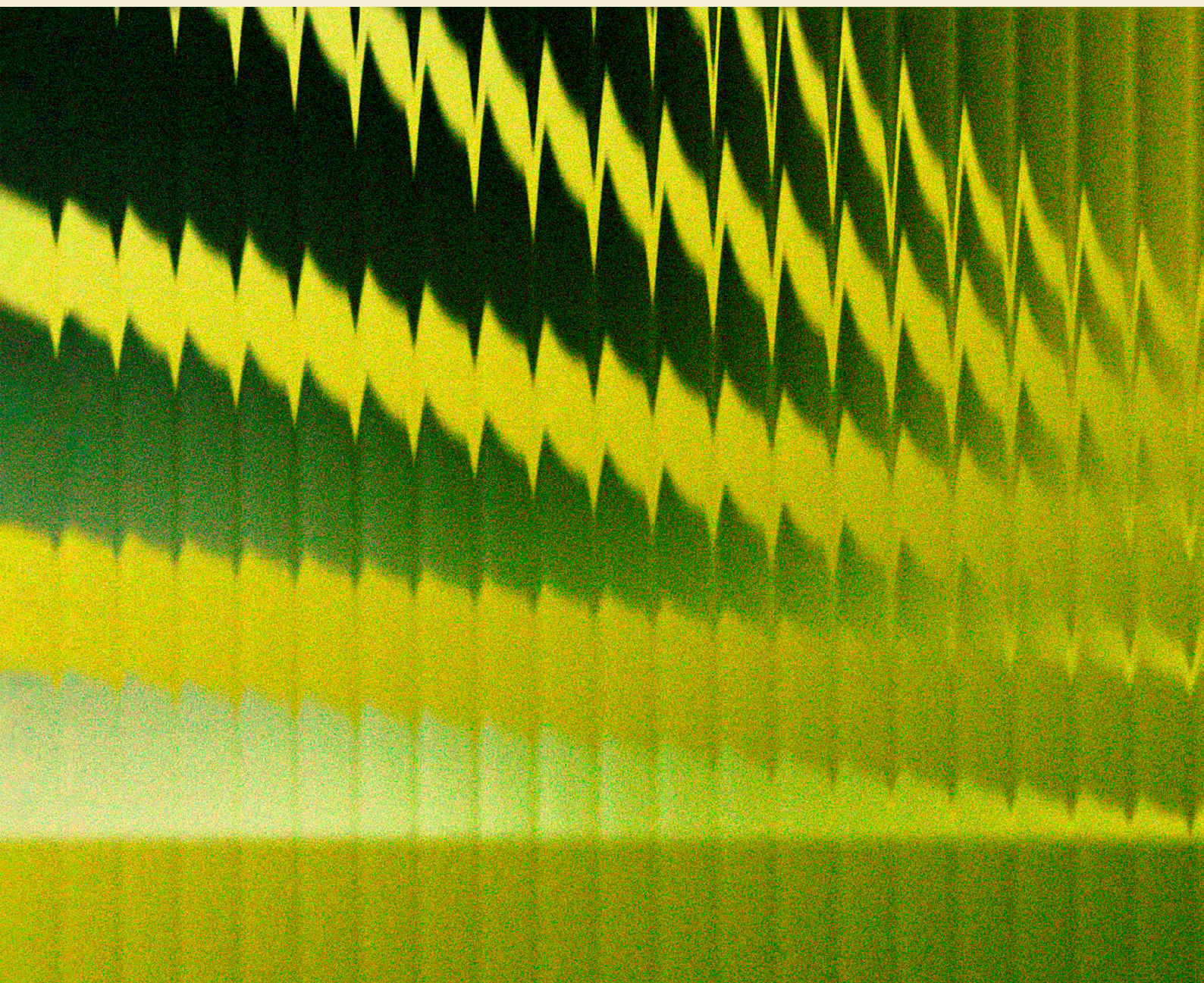


The Stewardship Field Guide

A Practical Playbook for Credible Investor Influence

by Eleanor Willi & Siyana Gurova, PhD



Acknowledgements

Authors

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rezonanz provides data-driven insights into institutional investors' proxy voting and engagement practices, benchmarking their impact on sustainability and corporate governance. Our platform and research enable asset owners, managers, and stakeholders to evaluate and enhance their stewardship strategies with transparent, comparative analysis.



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Disclaimer

The views expressed in this document are those of the rezonanz team and any and all mistakes or omissions are our own.



Foreword

Stewardship has reached an inflection point. While many agree that it is the future of responsible investment, neither practitioners nor the academic disciplines tracking them have yet agreed upon a common definition of what an “engagement” is. Companies can’t tell who is serious. Clients can’t see who is effective. And stewardship teams within asset managers struggle to prove that voting and engagement are more than compliance exercises or a cost center.

As modern portfolio theory ascended and ownership became more fragmented, the original behaviors of active investing began to fade. Originally, stewardship was implicit: if you owned a company, you influenced it. But diversification, intermediation, and passive design gradually decoupled ownership from responsibility. The challenges of the 21st century — including systemic risks, fragile trust, and weakened corporate accountability — demand not only new frameworks but also a revival of active ownership practices.

In the wake of the Global Financial Crisis, the surge in stewardship codes signaled a determined push to re-anchor active investment governance in a rapidly changing market landscape. But many of those codes focus on principles, not craft. Again and again, we’ve heard that what’s missing is practical evidence, peer learning, and a shared language for what credible stewardship actually looks like in the real world.

We wrote this Field Guide to meet that moment. It’s not a framework or a checklist. It’s a collection of practices and the evidence behind them structured as pattern

language:¹ a modular, field-tested architecture for building credible, influence-driven stewardship. Each “pattern” captures a challenge, a response, and the evidence behind it. From “Vote Like Every Vote Counts” to “Disclose Engagement Activity and Impact,” from “Reward Progress Transparently” to “Shape the Stewardship Infrastructure,” these are more than a collection of best practices. They’re a library of strategies and tactics, which, when used consistently, can create the feedback loops, escalation pathways, and public expectations that move companies and - taken together - they can reshape markets when applied with intention and consistency.

This guide draws from the lived practice of leading investors as well as the unmet expectations of companies. It embeds what we’ve seen across dozens of conversations with asset owners, asset managers, service providers, companies, responsible investment organizations and formal interviews as well as informal conversations with academic experts, asking the question: how can investors best steward their investees through the challenges of the 21st century?

It combines insights from:

- rezonanz’s global *Voting for Sustainability* Ranking and validation we’ve received through conversations with the ranked investors themselves
- our research into European pension funds’ proxy

¹ This Field Guide is inspired by *A Pattern Language* (Alexander et al., 1977), a foundational work in architecture and systems design. It introduced the idea of “patterns” as modular, reusable solutions to recurring problems within complex systems. This approach that has since influenced fields as diverse as urban planning, software engineering, and organizational theory. We apply this logic to stewardship as a “language” of credibility and influence.



voting and the role of stewardship codes (*“Voting for the Future”*)

- Research commissioned by Greenpeace Switzerland to benchmark Swiss asset managers’ stewardship performance
- and our ongoing work to compile a global engagement overview that empowers investors with novel peer insights and new ways of measuring engagement impacts.

We’ve all heard that “not everything that matters can be measured.” This Field Guide strives to cover what matters, whether it can be measured or not. It forms the backbone of our stewardship benchmarking framework coming in 2026. Given that stewardship is a collective good with concentrated costs and dispersed benefits, we’re convinced that recognition can support the diffusion of best practices and rightfully bolster the credibility of those leading the way.

We’re inviting asset managers, asset owners, and stewardship teams to use the practices and evidence laid out in this guide to foster better practice and better conversations.

We look forward to hearing from you on how we can make the guide even more supportive of meaningful action. You can share feedback and sign up for our monthly newsletter via the QR code below:



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Introduction

A SYSTEM, NOT A CHECKLIST

Responsible investing is at a crossroads. With scrutiny rising and consensus fracturing, stewardship now stands as the most credible pathway for investors to shape long-term corporate behavior and systemic outcomes. Yet for all its potential, stewardship remains frustratingly undefined. What counts as engagement? When is it credible? And how do we move from scattered practices to strategic influence?

This guide offers some answers. It doesn't aim to replace stewardship codes or frameworks: it aims to operationalize them. Built for asset owners, asset managers, and stewardship practitioners, the Field Guide collects the best of what we've seen: from discussions with front-line engagement leads to oversight bodies, from stewardship researchers to proxy voting analysts. It's a modular toolkit of proven practices — a pattern language for credible stewardship.

A PATTERN LANGUAGE FOR STEWARDSHIP

We use “patterns” because they distill what works into adaptable building blocks — practical solutions to recurring challenges, grounded in real-world stewardship practice. In a field still fragmented by definitions and frameworks, patterns provide a shared language: a way to turn disparate efforts into coherent strategy and learn from what others have already tried. Each pattern in this guide addresses a real-world challenge: from internal alignment to public signaling, from company-level escalation to systemic influence. Some are foundational. Others are advanced. All are grounded in field practice and supported by evidence where available. They are grouped into four parts:

- Part I – Vision: clarify your motive, map your theory of change

- Part II – Strategy: build alignment across teams and define escalation logic
- Part III – Tactics: translate strategy into day-to-day action through voting, engagement, and escalation
- Part IV – System: shape the field itself through public signaling and policy

These parts build on one another, but the guide is designed to be consulted non-linearly. Use it as a reference or a roadmap.

THREE PILLARS OF INVESTOR INFLUENCE

Stewardship doesn't operate on a single axis. Most credible strategies draw from a blend of three influence pillars:

Pillar	Target	Tools	Timeframe
Exit	Portfolio or companies	Reallocation, screening, divestment,	Short-term
Voice	Individual companies	Dialogue, voting, proposals	Mid-term
Field-Building	Systems and norms	Standards, signaling, transparency	Long-term

Too often, strategies lean heavily on one pillar — especially Exit — while neglecting others. This guide helps rebalance that equation.



What Shapes What You Can Do?

Stewardship operates differently depending on who you are and how you work. Your options depend not just on your motivation, but on your structure. Who owns the assets? Who executes the stewardship? These factors shape what kind of influence is realistic, how visible you are in the field, and which practices actually apply to your context.

To help you navigate this, we use a simple 2×2 matrix that distinguishes investors along two key dimensions:

1. Asset ownership: are you managing your own capital or acting as a fiduciary on behalf of others?

2. Execution model: do you carry out stewardship activities directly or delegate to third parties?

Together, these dimensions form four common stewardship models, most easily represented in a 2x2 matrix:

	Direct Execution (Stewardship done in-house)	Delegated Execution (Stewardship outsourced to third parties)
Asset Owner (Own capital)	● In-House Asset Owners: Full autonomy over strategy and execution. <i>e.g., pension funds with in-house asset management, voting and engagement</i>	○ Outsourced Asset Owners: External managers, internal oversight; mandate-setting, <i>e.g., pension funds with delegation to asset managers and stewardship service providers</i>
Asset Manager (Fiduciary role)	▲ Actively Stewarding Asset Managers: Active stewardship performed in-house on client capital by active or passive asset managers; <i>e.g., asset managers with voting and engagement fully in-house</i>	△ Asset Managers Delegating Stewardship: Full outsourcing of voting and/or engagement with oversight role, <i>e.g., smaller AMs with limited resources</i>

These four archetypes shape what's feasible, and what's expected. To help readers navigate, each pattern in this Guide is tagged with the investor types it's most relevant for:

In-House Asset Owners: “● In-House Owners”; Outsourced Asset Owners: “○ Outsourced Owners”; Actively Stewarding Asset Managers: “▲ Active Managers”; Asset Managers Delegating Stewardship: “△ Delegated Managers”

WHY “TYPE” MATTERS

As an example, a passive asset owner who fully delegates stewardship to carefully-chosen asset managers is unlikely to benefit from the detailed voting tactics in Part III because voting and engagement is handled by a third party. Instead, patterns in Part I (Vision) and Part IV (System) may be more relevant, particularly around setting clear mandates, defining systemic goals, and selecting service providers aligned with your values.

By contrast, an active asset manager with internal stewardship capacity may find all patterns applicable: from theory of change to voting rationales, escalation logic, and infrastructure building. These firms are fully accountable for how their influence is deployed and equipped to act.

As you read, look for investor-type tags accompanying each pattern. They're designed to *help you focus on what's most actionable* in your context.

EVIDENCE SIGNALS

Each pattern in this guide is marked with 0, 1, or 2 asterisks, reflecting the maturity and evidentiary support behind it. This is not a rating system or a hierar-

chy: some of the most enduring patterns may never be empirically tested. But they remain essential, born from practice and validated in the field.

These asterisks are provided as a cue to help readers understand where each practice sits in the evolving architecture of stewardship and to document what works: what practitioners are trying, what experts are recommending, and what research is beginning to support.

No asterisk - Emerging or field-tested: rooted in lived experience, peer interviews, or anecdotal practice. These patterns may be new, contested, or context-specific, but they're too useful to ignore.

* - Codified in guidance: supported by stewardship codes, regulatory standards, or industry frameworks. These are widely recognized as good practice, even if the evidence is still catching up.

** - Empirically-supported: reinforced by academic studies, evaluations, or cross-market research. These patterns show clear signs of effectiveness across multiple settings.

Ultimately, the most effective investors don't treat stewardship tools as isolated choices. They build feedback loops, where vision informs structure, structure enables tactics, and tactics reinforce field norms.

This Field Guide exists to help you do exactly that:

- Audit your current practices
- Spot structural gaps
- Align intentions with capabilities
- And build a coherent system that works under scrutiny.



Part I: Vision

Part I helps you clarify what kind of role you seek to play and how that influence is expected to work. Before diving into strategy or execution, you need to define your purpose, name your change intent, and develop a fitting theory of change that links your actions to intended outcomes. This section sets the foundation for all that follows.

With your vision in place, Part II will help you resource your ambition, assign internal roles, and select targets based on where you can make the greatest difference.

Pattern	Key Decision	Why It Matters
01: Define Your Stewardship Direction*	Articulate your core motive: performance, risk mitigation, long-term value, systemic resilience, transformational change?	Your “why” defines the bar for impact, escalation thresholds, and how credibility is judged. It aligns teams and prevents stewardship drift.
02: Articulate Your Theory of Change*	Specify how you aim to exert influence (voice, exit, field-building). Map clear pathways from input to outcome. Identify your role (driver, validator, amplifier) for each thematic priority.	Without a theory of change, stewardship risks becoming a narrative. A credible pathway enables accountability, realistic expectations, and resource alignment.



Pattern 01: Define Your Stewardship Direction*

Relevant for: ▲ *Active Managers* | △ *Delegated Managers*
| ● *In-House Owners* | ○ *Outsourced Owners*

Context

Without a clear directional anchor, stewardship strategies risk becoming reactive: shaped more by headlines, NGO pressure, or voting cycles than by durable purpose. Stewardship teams and responsible investment leads may find themselves chasing disparate issues, applying inconsistent standards, or struggling to justify escalation decisions. Externally, it creates skepticism. Motives blur. Vision gets outsourced. Credibility suffers.

But stewardship isn’t just a toolkit. It’s an expression of who you are as an investor and the kind of influence you’re committed to exerting. That requires clarity across three dimensions:

1. STEWARDSHIP MOTIVE: WHY ARE YOU DOING THIS?

Your motive defines what you’re optimizing for, and who you’re accountable to. Most investors operate with a mix of motivations, but articulating your primary motive (beyond fiduciary duty) is essential for:

- Communicating with companies and clients
- Deciding when and how to escalate
- Choosing whether to lead or collaborate
- Articulating outcomes and reporting transparently

Below you’ll find our simplified guide to common stewardship motives, which together form what we call the “Fiduciary Motive Matrix.”

This matrix helps distinguish:

- Value preservation vs. system-shaping
- Financial vs. moral alignment
- Risk management vs. impact generation¹

Most actors blend across types. What matters is transparency and coherence. Hidden or conflicting motives erode trust and stakeholders will notice.

2. EXCHANGE VS. CHANGE: WHAT ARE YOU SEEKING?

Stewardship intent varies just as influence mechanisms do. Engagements² typically fall along a spectrum:

Exchange-Oriented	Hybrid	Change-Oriented
Trust-building	Soft influence + groundwork	Targeted behavior change
Listening & learning	Framing without formal asks	Proposal advocacy
Relationship development	Early-stage thematic work	Voting escalation, public pressure

Exchange-oriented engagements build relationships and improve information flow between investor and

1 See for example, the Methodology for market studies on sustainability-related investments https://www.eurosif.org/wp-content/uploads/2024/02/2024.02.15-Final-Report-Eurosif-Classification_2024.pdf#page=3

2 In this guide, we define engagement as “the dialogue between an investor (whether shareholder or creditor) and the issuer of a security (typically, but not exclusively, a company), involving direct discussions and written communication to clarify expectations and address material issues.” We distinguish between two forms of engagement: Exchange-oriented engagement, focused on relationship-building and mutual understanding; and Change-oriented engagement, which seeks concrete improvements in disclosure, governance, or behavior: often supported by escalation strategies.



Fiduciary Motive Matrix

Adapted from Boos et al. (2024)

Dimension	Control & Performance	Mitigating Risk, Compliance	Value Creation	Systemic Stewardship	Transformational Stewardship
Objective	Shareholder return on the company level	Risk mitigation at the company level	Long-term profit via stewardship	Long-term value across the portfolio	System-level impact within planetary boundaries
Financial Focus	Portfolio: Alpha generation, cost cutting	Portfolio: Operational and reputational risk mitigation	Portfolio: Operational efficiency and strategic alignment	System: Beta improvement through system-level risk reduction	System: Protecting long-term viability of markets and society
Perspective	Inside-in (control from within)	Outside-in (external risks)	Inside-out and outside-in (bi-directional)	Portfolio-level interconnection	Holistic, field-level perspective
Externalities	Not considered	Considered when financially material	Integrated into engagement if value-linked	Material externalities factored into systemic risk	All externalities considered, including moral and ecological
Time Horizon	Short- to medium-term	Short- to medium-term	Long-term	Long-term	Intergenerational
Level of Influence	Company-specific	Company-specific	Company-specific and thematic	Portfolio or market-wide	Systemic and societal
Profit Logic	Shareholder profit is the central goal	Profit maintained through risk avoidance	Profit enhanced through stewardship	Profit as outcome of systemic health	Profit secondary to long-term viability
Impact Mechanism	Performance pressure on management	Risk reduction through monitoring	Constructive influence through engagement	Collaborative risk governance	Norm change and field building
Fiduciary Tension	Low	Low	Moderate	High	Very high

investee. For active managers, they can also directly inform investment decisions, providing insights into company risks and opportunities that complement financial analysis. Change-oriented engagements aim to shift company behavior or disclosures. Many fall somewhere in between,³ but clarity on intent matters:

- Only change-oriented engagements require a theory of change, thematic objectives, and escalation logic
- Being transparent about engagement intent builds strategic focus and accountability

In our work through *Collective Insight*, we've found engagement counts ranging from 3 to over 2,300, with little standardization. Many investors conflate intent, reporting all contact as "engagement" without distinguishing substance. This is a key credibility gap. Claims of systemic change require alignment with substantive practice. Engagements that remain one-sided or lack clear objectives may undermine credibility.

We believe that investors targeting impact should disclose:

- The change objective of each engagement
- Whether they are reporting exchange, change, or both

If you claim to be targeting systemic change or impact generation but your engagements are merely dialogues between the portfolio manager and the company, with only a single-materiality mention of how environmental or social factors are influencing the company's business model and without any meaningful targets, there is a mismatch. It is our view that inves-

3 Engagements may evolve: an exchange-oriented meeting can set the stage for later change-oriented asks, or conversely, change campaigns may revert to dialogue after progress. Tracking this evolution clarifies intent and outcomes.

tors' claiming to engage for systemic change and impact should be able to disclose the underlying change objective of each and every "change engagement."

3. STEWARDSHIP VISION: WHAT FUTURE ARE YOU TRYING TO HELP BUILD?

Once motive and engagement intent are clear, ask: what systems, norms, or behaviors are we trying to shift? Your vision informs:

- Time horizon: quarter-by-quarter performance or system change by 2030?
- Role: are you a driver, validator, or follower?⁴
- Theory of influence: do you act through bilateral dialogue, public pressure, or coordinated investor power?

A shared vision prevents internal fragmentation, where PMs, stewardship leads, and comms teams talk past each other. It also builds resilience when priorities are tested.

NOTE: MIXED MOTIVES ARE NORMAL BUT SHOULD BE CLARIFIED

Motives blend and they can also evolve:

- A passive fund may start from risk mitigation, but shift to field-building
- A values-based fund might use systemic risk logic to engage on equity
- External scrutiny may prompt pivots

This evolution is healthy, especially when accompanied

4 Driver = initiates and leads engagement; Validator = supports peers' asks to increase pressure; Follower = aligns quietly without leading.



by reflection and recalibration. Without it, strategies drift, and influence weakens.

Motives differ in scope: performance and risk motives tend to apply at the company level, whereas systemic and transformational motives inherently require portfolio- or market-wide perspectives.

Solution

- Articulate your primary motive, internally and externally
- Use the Fiduciary Motive Matrix to identify mismatches between language and behavior
- Write down your stewardship vision: define time-frame, goals, and progress metrics
- Select the tactics in your toolbox based on what gives you the greatest leverage
- Classify engagements as “exchange-” or “change-oriented”—and apply a higher bar to the latter
- Revisit all of the above periodically

Evidence

Boos et al. (2024) outlined a precursor of the Fiduciary Motive Matrix.

Busch et al. (2024) classify sustainability-related investments from basic ESG through impact-aligned to impact-generation, the latter of which demands not only measurement of company impact but the investor contribution to generating measurable positive impact.

Gosling (2024) proposes the “stewardship double test,” asking two core questions: Why are you doing it? and How will it actually work?

Accenture (2021) reports that 82% of asset managers surveyed consider it imperative for principles to align across ESG, stewardship, proxy, and brand—signaling that coherent motive and vision are positioned to become industry standard.



Pattern 02: Articulate Your Theory of Change*

Relevant for: ▲ *Active Managers* | △ *Delegated Managers* | ● *In-House Owners* | ○ *Outsourced Owners*

Context

Many investors claim to be “driving change” through stewardship, but few can explain how that change is meant to happen. Without a clear theory of change, it’s difficult to define objectives, design escalation pathways, or report impact credibly. Teams risk acting on autopilot: voting by precedent, engaging out of habit, or launching initiatives for optics. The result is stewardship that’s busy but ineffective.

A theory of change is a structured explanation of how your stewardship actions are expected to influence corporate behavior, market norms, or systemic outcomes. It connects inputs (dialogues, votes, proposals) to outputs (corporate shifts, regulatory changes, public norms) through a clear causal logic.

Like many concepts in sustainable finance, the concept of a theory of change originates from the fields of international development and philanthropy, where it is used to map the causal links between interventions and social outcomes. In the context of stewardship, it helps translate influence into intentional, measurable pathways for change.

This isn’t simply a box-ticking exercise: it’s the cornerstone of strategic stewardship. A good theory of change helps you:

- Prioritize targets based on materiality and influence
- Match tactics to actual leverage
- Escalate with intention

- Avoid overclaiming progress

Not every theory of change is credible in every context. If your only tool is bilateral dialogue, claiming systemic impact is a stretch. If your stake is small and you’re silent at the AGM, it’s hard to credibly claim to have moved the board. Using Gosling’s simple litmus test can be helpful:

- Can you clearly explain what you’re trying to achieve?
- Can you credibly show that your actions contributed to it?

Without a credible theory of change, stewardship risks being aspirational narrative rather than actionable strategy. A credible stewardship theory of change must also fit the investor’s structure. For example, index funds cannot threaten exit in a meaningful way, so their influence often relies on persistent engagement, voting, and norm-shaping at the system level. Active managers, by contrast, can combine engagement with capital reallocation and divestment threats. Similarly, organisations with deep in-house expertise can integrate stewardship tightly with investment decisions, while leaner or outsourced models may depend more on setting expectations, contractual provisions, and collaborative platforms.

Solution

You can design a practical, theory of change in three steps.

STEP 1. DEFINE YOUR INTENDED OUTCOME

Be specific:

- Disclosure? (e.g. Scope 3 emissions)
- Policy shift? (e.g. removal of dual-class shares)”



- Behavior change? (e.g. tie pay to safety metrics)
- Systemic norm shift? (e.g. tax transparency standards)

STEP 2. USE THEMATIC FOCUS AS A FOUNDATION

Anchor your engagement goals around a few core themes. Good thematic focus should:

- Reflect your stewardship motive (see Pattern 01)
- Be public and actionable enough to guide escalation
- Help companies, coalitions, and clients understand your expectations

Example themes could include climate transition readiness, biodiversity and nature risks, worker voice and just transition, lobbying alignment and corporate accountability, or human rights in supply chains. Themes serve as filters for all stewardship activities: engagements, collaborations, voting, and reporting.

STEP 3. CLARIFY YOUR CONTRIBUTION AND ROLE

Not every investor will play the same part in every engagement, but every credible theory of change requires clarity about your contribution.

Ask yourself:

- Are you driving the effort, supporting a broader push, or amplifying others' influence?
- Is your role informational (e.g., sharing data), relational (e.g., brokering trust), or directional (e.g., steering action)?
- Will your actions be visible to the company, your clients, or the public?

You're not expected to solve systemic problems alone, but you are expected to be honest about where and how you add value.

Evidence

People's Pension Partnership (2025) highlights in Principle 3 that a credible stewardship framework requires an explicit theory of change.

Boos et al. (2024) find that effective stewardship balances materiality with actual ability to influence.

Dimson et al. (2021) demonstrate that collaborative engagement success improves with proximity and relational trust.

Heeb & Kölbel (2024) show that credible threats paired with realistic asks increase corporate responsiveness.



Part II: Strategy

Once your vision is set, it needs operationalization. Part II is about building the internal engine that enables credible stewardship: matching ambition with resources, assigning clear roles, focusing on high-impact targets, and ensuring consequences when progress stalls. These strategic foundations turn intention into repeatable practice.

With this infrastructure in place, you can execute day-to-day actions more effectively — the focus of Part III.

Pattern	Key Decision	Why It Matters
03: Integrate Stewardship into Products & Selection	Decide how stewardship should influence fund design and manager oversight. Define how you will reflect ownership practices in product and mandate structures.	Stewardship integration improves visibility, comparability, and alignment. It helps clients and peers distinguish credible practice from box-ticking.
04: Align Resources with Stewardship Ambition*	Calibrate your team, budget, and tools to match the scale and intensity of your stewardship strategy.	Ambition without resources breeds symbolic action (and even burnout). Credibility depends on capacity.
05: Build Internal Alignment & Define Roles*	Clarify who owns which stewardship functions (e.g. strategy, engagement, escalation, voting, disclosure) and how portfolio teams are involved.	Misalignment creates incoherence. Shared ownership ensures engagement, voting, and disclosure reinforce each other.
06: Prioritize Material and Engageable Targets*	Identify which companies and topics matter most, and where you can realistically make a difference.	Strategic targeting increases influence and focus. It prevents dilution and enables effective resource allocation.
07: Establish Escalation Logic for when Engagement Stalls*	Define thresholds and actions for when progress isn't made. Set expectations at the outset of engagements.	Without escalation, “change-oriented” engagement lacks credibility. Defined pathways prevent inertia.
08: Track, Evaluate, and Iterate*	Set up systems to track stewardship inputs, outputs, and outcomes and revisit progress regularly.	Without evaluation, stewardship can become performative. Tracking builds accountability and drives learning.



Pattern 03: Integrate Stewardship into Products & Selection

Relevant for: ▲ *Active Managers* | ● *In-House Owners* | ○ *Outsourced Owners*

Context

Stewardship practices are often invisible to clients and capital markets. Fund documents, sustainability labels, and ESG ratings rarely reflect the quality of active ownership. This undermines comparability and leaves clients unable to distinguish serious stewards from box-tickers.

Today, stewardship is:

- Poorly integrated into most fund's design and marketing.
- Unmeasured or mismeasured by ESG rating agencies.
- Absent from product selection filters or client communications.

But pressure is growing. As Tom Gosling wrote in *"Is the Market About to Sort?"* (March 2025), the backlash against greenwash may trigger a more meaningful distinction between funds based on actual stewardship practice, not just branding, with the market moving from policy to performance.

For asset managers, this means embedding stewardship more deeply into products and portfolios. For asset owners, it means actively selecting and monitoring managers based on the credibility of their stewardship practices.

This creates a turning point: investors who credibly integrate stewardship into fund design (and align with trusted third party benchmarks) can take the lead.

Solution

PROMOTE THE DESIGN OF FUNDS THAT REFLECT BOTH CAPITAL ALLOCATION AND STEWARDSHIP COMMITMENTS

- Embed stewardship logic, exclude unresponsive companies, or tie holdings to engagement priorities
- Use stewardship milestones as fund-level inputs (e.g., removal from watchlist → reinvestment)

REPORT STEWARDSHIP INTEGRATION TRANSPARENTLY

- Show clients how stewardship outcomes shape portfolio construction, voting, and public signaling
- Adopt external ratings and link to them publicly. Cite third-party voting and engagement evaluations (e.g., your rezonanz benchmarking results) in stewardship reports, PRI submissions, and product disclosures
- Model behavior like LD Fonde, ASGA Pensionkasse, and Velliv, publicly highlighting performance in the rezonanz *"Voting for the Future"* report to signal leadership and momentum. If you choose to be transparent about the *policies* underlying your success, others can learn from your approach as well.

SUPPORT FIELD-BUILDING THROUGH ADOPTION

- Encouraging clients, peers, partners and platforms to reference stewardship quality in fund selection

(FOR ASSET OWNERS ● | ○) EXTEND SELECTION AND OVERSIGHT TO EXTERNAL MANAGERS

- Include stewardship evaluation as a core criterion



in manager selection and mandate design

- Use stewardship ratings and scorecards (both in-house and external) to benchmark asset managers over time
- Where appropriate, set expectations via side letters, mandate clauses, or stewardship principles
- Disclose which managers are used, and how they perform
- Escalate if stewardship performance lags, via dialogue, reallocation, or termination

Evidence

Gosling (2025) predicts that financial markets will increasingly distinguish funds based on the credibility of their stewardship practices rather than on ESG branding alone.

LD Fonde (2025) publicly referenced its top stewardship rating, demonstrating how transparent performance disclosure can strengthen market differentiation and reinforce accountability.



Pattern 04: Align Resources with Stewardship Ambition*

Relevant for: ▲ *Active Managers* | ● *In-House Owners* | ○ *Outsourced Owners*

Context

Stewardship may be mission-driven, but it is always resource-bound. Ambition without resourcing breeds burnout, symbolic action, and unmet expectations. As scrutiny rises and standards mature, the gap between stated intent and operational capacity has become one of the defining challenges in the field.

We've seen it across interviews: small teams monitoring thousands of holdings, specialists stretched across voting, engagement, and reporting, and strategies constrained not by will, but by bandwidth. Without realistic alignment between ambition and resourcing, even the best stewardship visions can become empty signaling.

And yet, few investors explicitly size or structure their stewardship capacity in relation to their portfolio, influence model, or strategic intent.

Solution

Resourcing is strategy. Treat it as such.

1. MAP YOUR STEWARDSHIP LOAD

Estimate the volume and type of stewardship activities you pursue:

- Voting: number of meetings, resolutions, geographies, coverage rate
- Engagement: # of companies, themes, expected intensity (exchange vs. change-oriented)
- Reporting & disclosure: internal needs (clients,

boards), external needs (codes, rankings)

- Collaboration: coalition participation, policy input, standard setting

Now ask: Do your current headcount, budget, and tools match this load?

2. RIGHT-SIZE THE TEAM TO THE TASK

There is no one-size-fits-all model. But anecdotal evidence thus far suggests:

- Baseline Coverage: 1 full-time stewardship professional per 20-30 portfolio companies for proactive engagement
- Scaling Factors: adjust for strategy complexity (e.g., systemic themes), geographical spread, and in-house vs. outsourced functions
- Specialist Roles: consider separating out analyst, engagement lead, voting, data, and policy roles where scale allows

3. BUDGET FOR STEWARDSHIP AS A CORE FUNCTION

If stewardship is central to your investment promise, it should be supported as such. Budget lines should include:

- Salaries + training
- Tools + platforms (voting, tracking, benchmarking)
- Coalition memberships + travel
- Policy engagement (if applicable)

Underfunding stewardship while claiming influence invites reputational and regulatory risk.

4. USE STRUCTURE TO AMPLIFY RE-



SOURCES

Organizational design can stretch limited resources:

- Embed stewardship liaisons in PM teams
- Standardize escalation logic to reduce case-by-case decision burden
- Use pre-disclosure templates and share vote rationales
- Integrate outcome tracking into investment dashboards

5. CLARIFY RESOURCE ACCOUNTABILITY

Who “owns” stewardship resourcing? Is it isolated to ESG or part of investment strategy? Are team KPIs aligned with influence?

As expectations rise, regulators, clients, and collaborators will ask: are you equipped to do what you claim to do?

Evidence

The Principles for Responsible Investment (PRI, 2024) find that under-resourcing is the most frequently cited barrier to credible escalation in engagement, underscoring the gap between ambition and delivery

The International Corporate Governance Network (ICGN, 2024) emphasizes that adequate resourcing is a foundational element of effective stewardship capacity.

rezonanz (2024–2025) interviews highlight a persistent mismatch between declared stewardship ambition and actual team capacity across investors. The UK Stewardship Code (Financial Reporting Council, 2026) requires signatories to explain how resources are allocated to stewardship and how that allocation supports effectiveness



Pattern 05: Build Internal Alignment & Define Roles*

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Even the best-designed stewardship strategies can fall apart without internal coherence. When portfolio managers, stewardship leads, ESG analysts, legal, and product teams operate in silos, engagements lose credibility, voting becomes incoherent, and decisions stall.

Too often, stewardship is delegated to specialist teams with little connection to investment decision-makers. Portfolio managers may be absent from engagement conversations, and sustainability specialist teams may lack visibility into investment priorities. The result: fractured messaging, diluted influence, and a widening gap between what a firm claims and how it acts.

This fragmentation is especially risky when investors rely on collaborative engagement models. While collaboration expands reach and signals alignment with industry norms, it can sideline PMs and weaken the link to portfolios. Thematic campaigns may look coherent externally but struggle to gain traction internally: especially when they lack a direct link to portfolio strategy or mandate objectives.

Effective stewardship requires alignment across roles and clarity on who is responsible for what. Misalignment not only reduces impact but undermines trust with companies, collaborators, clients, and regulators.

Solution

Invest in formal and informal structures that foster coordination, credibility, and clear ownership.

Make internal alignment operational through:

- Cross-functional meetings between PMs, stewardship, legal, and sustainability teams
- A public-facing governance/stewardship contact (e.g., stewardship@...) for corporate response and coalition outreach
- Portfolio manager input into priority themes and target selection
- Joint engagement tracking tools with consistent messaging and follow-up protocols
- Shared accountability for public statements and collaborative positions
- Pre-vote internal memos clarifying rationale and escalation logic

At a minimum, portfolio management should help shape:

- Thematic and company engagement priorities
- Interpretation of engagement outcomes
- Escalation decisions and timing
- How stewardship informs investment strategy

Structure stewardship intentionally. Options include:

Model	Best For	Key Features
Integrated Teams	Active managers with sector expertise	Stewardship embedded with PMs; seamless materiality alignment
Centralized Unit	Multi-strategy firms	Dedicated team oversees engagement, voting, reporting, escalation
Hub-and-Spoke	Global firms with diverse mandates	Core strategy with regional/thematic specialists



Decentralized w/ Guardrails	PM-led cultures or boutiques	Stewardship owned by PMs; escalation guidance set centrally
Hybrid w/ Field Leads	System-focused investors	Separate structures for corporate engagement and policy influence

There's no one-size-fits-all solution, but there must be a fit-for-purpose model backed by resourcing and role clarity.

CHECKLIST: ARE YOUR STEWARDSHIP ROLES CLEAR?

Function	Key Questions
Strategy & Prioritization	Who sets thematic priorities? Are PMs involved?
Engagement	Who initiates and leads company meetings? Is progress tracked?
Escalation	Is there a defined escalation protocol? Who triggers it?
Voting	Who decides and signs off on votes? Are decisions aligned with engagements?
Disclosure	Who owns stewardship reporting? Are outputs consistent and accurate?
Resources	Is stewardship someone's job or everyone's responsibility? Is anyone accountable for impact?

CREDIBILITY COUNTS

Credibility starts at home. If you expect diversity, model it. If you ask companies to align pay and performance, ensure stewardship is tied to internal KPIs. The Swiss Stewardship Code, PRI, and ICGN all emphasize this: investor behavior should reflect investor expectations.

Evidence

rezonanz (2024–2025) interviews highlight that internal misalignment between portfolio managers, ESG teams, and stewardship leads is a key barrier to effective stewardship implementation.

Guidance from the Principles for Responsible Investment (PRI) and the International Corporate Governance Network (ICGN) underscores that functional coherence and cross-team coordination are central to credibility.

Rexhepaj (2025) demonstrates that direct participation of portfolio managers in engagements significantly increases their efficacy and influence on corporate outcomes.



Pattern 06: Prioritize Material and Engageable Targets*

Relevant for: ▲ *Active Managers* | ● *In-House Owners* | ○ *Outsourced Owners*

Context

Effective stewardship demands focus. Yet many engagement strategies still spread attention too thinly, diluting influence and credibility. Without a clear process for selecting which companies to engage (and on which topics) investors risk symbolic engagement that lacks strategic alignment or traction.

While some targets are self-evident due to major controversy or index prominence, intentional selection still matters. Not every issue is material to every company. And not every investor is equally well-positioned to influence every target.

Strategic targeting is about maximizing effectiveness, not narrowing ambitions. That means applying two filters: materiality (does this issue matter?) and engageability (can we make a difference?).

Solution

Use a Materiality–Engageability Matrix to prioritize your targets.

STEP 1: SCREEN FOR MATERIALITY

Ask:

- Is the issue material to portfolio risk or return?
- Does it link to your stewardship motive and theory of change?

- Is it a priority theme you’ve publicly committed to?
- Does it reflect broader systemic goals (e.g. just transition, biodiversity, governance integrity)?

STEP 2: ASSESS ENGAGEABILITY

Engageability is about leverage. Aim where you’re relevant and can be heard with two lenses:

1. Investor Positioning

- Do you hold a significant stake?
- Are you part of a relevant coalition or influence chain?
- Do you have reputational weight, long-term exposure, or trusted access?

2. Company Receptivity

- Is the board or management open to engagement?
- Does the ownership structure allow for investor pressure?
- Is the business model adaptable to the issue?
- Have there been prior positive (or stalled) interactions?

This approach echoes the IIGCC Net Zero Stewardship Toolkit’s guidance on prioritizing key engagements based on portfolio analysis and influence pathways, but can be applied to a much broader range of topics.

STEP 3: FOCUS ON FIT

Not all “important” companies are “engageable.” And not all “engageable” companies are worth your limited bandwidth. Use the matrix to find your sweet spot: high materiality, high engageability.



STEP 4: DOCUMENT AND REVIEW

Make your selection logic explicit. This:

- Supports internal alignment and resource allocation
- Improves credibility with clients, companies, and peers
- Enables easier reporting and audit trails

Evidence

The Institutional Investors Group on Climate Change (IIGCC, 2023) Net Zero Stewardship Toolkit sets out a detailed framework for target selection based on a company's net-zero alignment status and the investor's potential to influence change.

Guidance from the Principles for Responsible Investment (PRI) and the International Corporate Governance Network (ICGN) emphasizes that target prioritization and thematic alignment are key to credible and effective stewardship.

Boos et al. (2024) posited that companies should be selected not only based on impact materiality, but also on the basis that they have a real option to change their business model: as one of their interviewees stated, companies selected need to be 'engageable.'

rezonanz (2024–2025) interviews reveal that leading practitioners regularly revisit and refine their target lists in response to new data, evolving contexts, and engagement outcomes.



Pattern 07: Establish Escalation Logic for when Engagement Stalls*

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Many asset managers indicate they engage for impact, yet fail to escalate when companies don't respond. Drawing on Boos et al. (2024) and on rezonanz interviews we conducted with stewardship leads, we found that a surprising number of firms never meaningfully escalate at all, even after years of unproductive dialogue. This undermines the credibility of "change-oriented" stewardship and contributes to stewardship skepticism.

To be effective, change-oriented engagement must be consequential. That means companies need to understand the investor intends to take a next step if their progress stalls. This is where many investors hesitate. While escalation should be to some extent adaptive to context, it cannot be entirely discretionary. Stewardship that depends solely on case-by-case judgment introduces inconsistency, bias, and the risk of inertia.

Balancing flexibility and accountability is central to effective escalation design.
Clear pathways distinguish dialogue from credible influence.



Solution

There needs to be a form of baseline expectation that escalation follows inaction after a defined period. This doesn't mean every issue escalates to divestment. It does mean that the lack of progress triggers a re-assessment, and that the escalation pathway is pre-defined and credible.

Define a clear, proportional, and transparent escalation logic for "change-oriented" engagements and make it part of your internal and external accountability framework.

1. DIFFERENTIATE ENGAGEMENT TYPES

Start by clearly classifying engagements as exchange- or change-oriented (see Pattern 13). In our view, escalation logic applies only to the latter. If you're aiming to shift behavior, policy, or governance, the company should know what's expected, and the consequences if progress stalls.

2. SET TRIGGERS FOR ESCALATION

Establish a baseline expectation that inaction triggers action. Triggers may include:

- Missed milestones or deadlines
- Repeated delays or backsliding
- Refusal to engage in good faith

3. DEFINE A CASCADE OF ESCALATION TOOLS⁵

Build an escalation pathway that's:

⁵ Escalation tools such as voting, divestment, or collaborative engagement are fundamental investor rights. They are not inherently escalatory, but may be deployed in an escalatory manner depending on context.

The Escalation Cascade

A flexible but structured framework for building consequence into change-oriented stewardship. Not every issue escalates the same way. But every change-oriented engagement should include a pathway that increases pressure if progress stalls. This helps companies take investor input seriously—and builds internal discipline around follow-through.

Level 0: Business as Usual

- Voting with management
- No formal engagement or dissatisfaction signals

Level 1: Initial Signals of Concern

- Private meetings or introductory letters raise the issue
- Votes with management but accompanied by flagged concerns in rationales
- Informal milestones or requests communicated

Level 2: Formalized Requests

- Clear asks articulated (e.g. disclosure, target, governance change)
- Time-bound expectations shared
- Letters or collaborative statements issued

Level 3: Voting Action

- Vote against relevant directors or reports
- Support for shareholder proposals
- Pre-disclosure of voting intentions
- File or co-file shareholder proposals if dialogue stalls

Level 4: Public Signaling

- Joint investor statements
- Inclusion in public scorecards or benchmarks
- Media engagement or public campaigns in coalition

Level 5: Exit or Structural Leverage

- Underweighting or divestment (where appropriate)
- Withdrawal of support for capital raises or refinancing
- Advocacy for policy or regulatory intervention

- Thematic (aligned with your stewardship priorities)
- Proportional (calibrated to company responsiveness and materiality)
- Timed (not open-ended)
- Tailored (reflective of your structure, asset class, and motive)

Common escalation steps include:⁶

- Letters of concern or public statements
- Voting against directors or reports
- Shareholder proposals or co-filing
- Collaborative signaling or scorecard publication
- Underweighting or divestment
- Regulatory or policy engagement

The IIGCC’s Net Zero Stewardship Toolkit provides a detailed and useful “model ‘net zero’ voting policy on routine votes” which provides a useful reference for what can be done when “after a deadline to deliver on criteria/time-bound objective has elapsed” (IIGCC, 2023, p. 23), from voting against chair and director re-appointments to remuneration and annual reports. But the toolkit usefully also provides a comprehensive list of non-voting escalation actions which both shareholders and bondholders can deploy if the dialogue does not succeed:

- Direct outreach to companies

⁶ Note: Not all escalation pathways are sequential. While many engagements begin with dialogue and progress through escalating steps, some investors apply direct escalation — for example, voting against directors or reports without prior engagement — particularly where expectations are well established or company responsiveness is historically low. The cascade should therefore be seen as a flexible framework rather than a mandatory sequence.

- Use of collaborative engagements
- Private and public letters to the board
- Engagement with company advisors
- Underweighting/divesting⁷

(For the full list including details on the approach and the key deployment considerations, refer to pages 18 and 19 of the Net Zero Stewardship Toolkit.)

4. SET EXPECTATIONS UPFRONT

When initiating a change-oriented engagement, communicate—formally or informally—that failure to make progress may result in next-step actions. This builds pressure without adversarial tone.

5. REVIEW AND APPLY ANNUALLY

Build a culture of follow-through. Reassess open engagements annually (or faster) using structured protocols. Ensure escalation decisions are documented and reviewed across relevant teams.

Evidence

Research by Boos et al. (2024) analyzing 13 major asset managers found that most did not escalate even after years of unproductive engagement, revealing a systemic credibility gap in current stewardship practice.

ShareAction (2023) described the lack of escalation as “the missing spine” of stewardship, arguing that failure to follow through weakens investor influence and misleads clients.

⁷ Underweighting/divestment need not be permanent. If the company demonstrates credible improvement, investors may re-invest, treating divestment as both a sanction and a potential incentive.



The rezonanz Voting for the Future report (2025) found through expert interviews that the increased specificity around escalation in the UK and Swiss stewardship codes has stimulated greater dialogue and, ultimately, more investor action.

Both the Principles for Responsible Investment (PRI) and the International Corporate Governance Network (ICGN) emphasize that escalation mechanisms are essential for effective and credible stewardship, a point echoed across multiple national codes, including those of the UK and Switzerland.

Pattern 08: Track, Evaluate, and Iterate*

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Without structured tracking and evaluation, stewardship risks becoming performative. Engagements are repeated, progress stalls unnoticed, and escalation opportunities are missed. Meanwhile, investors struggle to demonstrate impact (both internally or externally) and credibility suffers.

Many stewardship efforts are still documented partially, if at all. Inputs like meetings and votes may be logged, but the actual *outcomes* (company responses, behavior shifts, or portfolio implications) often remain unevaluated. Transparency suffers, strategic learning stalls, and reporting tends to focus on activity counts (“number of engagements”) rather than progress made or lessons learned.

Yet stewardship is an iterative process. No engagement path is linear; outcomes take time. That makes learning—both within and *across* organizations—critical. Tracking where engagement has succeeded, stalled, or failed sharpens future strategy and enables meaningful accountability.

A robust tracking and evaluation system:

- Supports internal alignment and resource allocation
- Informs escalation logic and voting choices
- Enables transparent, outcome-focused reporting
- Strengthens your organization’s long-term learning capacity

But this only works when you know what you’re measur-

ing and why.

Solution

Design a stewardship tracking and evaluation system with three core elements:

1. DEFINE METRICS ACROSS THE INFLUENCE CHAIN

Structure your data collection around three levels:

- Inputs: Resources allocated (e.g. staff time, votes cast, collaborative initiatives)
- Outputs: Engagement activity (e.g. meetings held, letters sent, requests made)
- Outcomes: Observable responses from companies (e.g. improved disclosure, policy shifts, board changes); and, where feasible, longer-term effects on portfolio or system-level risks

2. TRACK PROGRESS OVER TIME

Use structured engagement logs to record:

- Company-specific milestones (e.g. deadlines, commitments, non-responses)
- Changes in tone, responsiveness, or leadership
- Escalation actions taken and the rationale for each

Where possible, link engagements to voting decisions, and vice versa. This integrated timeline is key to strategic accountability.

3. BUILD ITERATION LOOPS INTO YOUR PROCESS

Stewardship should adapt as the landscape evolves. Conduct periodic reviews—quarterly or annually—asking:



- Which engagements are making progress? Which are stalling?
- Are escalation thresholds being met or ignored?
- Are current themes still fit for purpose? Or should resources shift?

Use these reflections to adjust your theory of change, your escalation logic, and your collaborative strategy.

4. REPORT TRANSPARENTLY: BEYOND ACTIVITY COUNTS

Make outcome-orientation part of your public stewardship narrative. Share progress where it exists. Be honest about limitations. Acknowledge failed engagements and lessons learned. Where possible:

- Disclose how many engagements led to meaningful change
- Distinguish “exchange” vs. “change” efforts (Pattern 13)
- Link voting and engagement choices to underlying objectives

This builds trust with clients, companies, collaborators, and civil society.

Evidence

ShareAction (2023) criticizes the lack of transparent outcome reporting in current stewardship practice and calls for clearer escalation processes and follow-through mechanisms.

UK Stewardship Code 2020 explicitly requires signatories to track outcomes, review and revise their stewardship activities, and report transparently on the effectiveness of their approaches. Principle 5 calls for reviewing policies and processes; Principle 6 emphasizes record keeping and outcome assessment; and Principle 7 focuses on transparent reporting.

Swiss Stewardship Code (2023) similarly stresses the need for clear stewardship goals, tracking progress, and escalation when engagement fails, emphasizing transparency and evaluation as part of good practice,



Part III: Tactics

This is where the day-to-day of influence happens. Part III provides a tactical playbook for deploying voice through voting, engagement, shareholder proposals, and disclosing in ways that scale, signal intent, and reinforce your strategy.

Used together, these tools amplify pressure on laggards, reward progress, and make your stewardship stance legible to companies, clients, and peers.

Pattern	Key Decision	Why It Matters
09: Vote Like Every Vote Counts**	Treat each vote as a strategic signal. Align voting policies with your stewardship objectives and escalation thresholds.	Voting is your most scalable tool. Intentional, consistent voting drives board accountability and strategic influence.
10: Disclose All Voting Records to Scale Influence*	Decide what, when, and how to disclose your votes at the resolution level, across geographies and formats.	Disclosure increases transparency, trust, and signaling power. It enables verification and benchmarking.
11: Disclose Voting Rationales to Build Trust and Signal Intent**	Frame your voting decisions with clear explanations to companies, clients, and collaborators.	Rationales clarify expectations, support engagement, and invite peer learning and alignment.
12: Pre-Disclose Wherever Feasible to Maximize Influence**	Choose when and how to disclose key votes in advance to shape outcomes and amplify pressure.	Pre-disclosure sends strong signals before the vote, influencing peers and companies alike.



13: Disclose Engagement Activity and Outcomes*	Decide what level of detail to disclose about your engagements, asks, and results.	Transparent reporting builds trust, avoids overclaiming, and supports comparability.
14: Collaborate to Build Leverage**	Determine when to engage solo vs. collaboratively and define your role in each.	Collaboration scales influence, but requires clarity of role and accountability to avoid dilution.
15: File Shareholder Proposals to Signal, Influence, and Escalate**	Use filings strategically to clarify demands and drive change, not only as a last resort.	Proposals shift agendas and apply public pressure. Precision and follow-through matter more than the vote tally.
16: Link Engagement Outcomes to Votes and Acknowledge Progress*	Create internal feedback loops between engagement and voting, recognizing both progress and inaction.	Consistency builds credibility. Rewarding progress and escalating against stagnation strengthens influence.



Pattern 09: Vote Like Every Vote Counts**

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Proxy voting is stewardship's most scalable tool. Yet too often, it is treated as a formality: outsourced, automated, or fragmented across portfolios. When investors vote inconsistently or without intention, they dilute their influence and erode the credibility of their stewardship commitments.

Voting at company meetings is a fiduciary duty, but votes also signal priorities, expectations, and escalation in stewardship. Contrary to common belief, even dissent well below the majority threshold can have a meaningful impact on a company's strategy. Many stewardship codes note that votes should align with engagement objectives, stewardship commitments, and fiduciary responsibilities.

Recognizing the critical importance of active owners, pension funds in Switzerland are legally required to vote their Swiss holdings. In the UK, approaches like the Investment Association's Public Register serve a complementary role by promoting accountability and transparency around contentious votes in particular.

rezonanz's cross-country analysis of top-quartile pension funds ("Voting for the Future") revealed that effective voting policies go beyond general commitments. They embed clear escalation pathways, apply consistent thresholds on issues like climate and diversity, and link board accountability directly to progress on key environmental and social themes. These best practices ensure votes are not just signals of dissent, but structured tools for change that anchor voting behavior in stewardship objectives and effectively increase pressure on lagging companies.

Solution

- Adopt and disclose a coherent, intentional voting policy linked to stewardship objectives
- Incorporate voting policy elements linked to sustainability outcomes, such as clear escalation pathways, thematic thresholds (e.g. climate, biodiversity), and voting red lines or guardrails (e.g. board accountability triggers): these were identified as common best practices among top-quartile performers in rezonanz's cross-country analysis
- Treat every vote as a signal to companies, clients, and peers, and not just a compliance exercise
- Ensure voting decisions reflect engagement history and escalation logic
- Use tools like public vote disclosures (including the UNPRI) to reinforce the significance of key votes

Evidence

Quigley (2020) reviews academic evidence on board-level voting and cites five studies showing that even relatively low levels of dissent—11 percent or fewer investors opposing a candidate—can substantially increase company-level behavioral change compared with majority-supported shareholder resolutions. Quigley also references Iliev et al.'s finding that the mere threat of voting against directors can prompt corporate behavioral adjustments.

rezonanz's "Voting for the Future" report (2025) identifies European pension funds leading with respect to sustainability-aligned proxy voting approaches and identified key best practices those voting policies applied.

rezonanz's interview with Investment Association's senior policy adviser on stewardship and



corporate governance, Sana Mirza-Awan, further demonstrates the real-world impact from transparency-based accountability measures (see below). Sana's team oversees and maintains the Public Register, giving them intimate insight into its mechanics and impact.



The UK Public Register: A Transparency-Based Accountability Tool

The Public Register is a non-regulatory initiative launched in 2017. The UK government asked the Investment Association to develop and maintain the Register, which tracks FTSE All-Share companies that either face 20% or more shareholder dissent on a resolution or withdraw resolutions before a vote.

This 20% threshold aligns with Provision 4 of the UK Corporate Governance Code, which requires companies to publish an update statement within six months of the shareholder meeting, setting out the actions the board intends to take to understand the reasons behind the result.

Rather than prescribing how companies should act, the Register promotes voluntary accountability and ongoing dialogue between companies and investors. It includes:

- Resolution details and meeting dates
- Full voting results (including withheld votes)
- AGM/GM results and board responses
- Links to six-month update statements

The register has positively influenced corporate governance practices in the UK by promoting greater transparency and accountability in the way that companies respond to shareholder concerns. The Register has led to improved responsiveness and a drop in the number of companies and resolutions appearing on it since its inception in 2017, showing that even a low-cost, transparency-based tool can drive corporate behavioural change.

The Register reinforces stewardship expectations without imposing formal regulation, making it an effective model for other markets seeking a balance between accountability and flexibility.

Pattern 10: Disclose All Voting Records to Scale Influence*

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Voting is a fiduciary duty, and systematic and comprehensive disclosure of those votes is fundamental. Even when investors vote thoughtfully, those votes can be lost in opaque systems. Without public disclosure, there's no way for stakeholders (or companies themselves) to verify how investors voted, and whether those votes reflect a standardized approach to routine items or an escalated state with a company under scrutiny. This undermines both accountability and the potential influence of stewardship actions.

- Disclosure combats the “leaky pipeline” of global custody chains where votes can get lost, misallocated, or overridden.
- Beyond technical failures, there's a critical transparency gap: in some jurisdictions, companies lack visibility into how their investors are voting.
- Even in markets *with* reliable vote transmission, disclosure bridges this informational gap, enabling companies to understand investor positions, priorities, and areas of contention.

Solution

- Publicly disclose full, resolution-level voting records in a machine-readable format
- Ensure disclosures are consistent across geographies and aligned with best practice standards such as the Vote Reporting Template from Pensions UK
- Frame disclosures as a stewardship act: reinforcing

ing accountability, enabling benchmarking, and enhancing influence on company behavior

- Asset owners (● ○): whether you retain or delegate voting rights, disclosing your aggregated positions on key issues *across* delegated asset managers' transparently reflects the range of managers you work with)

Evidence

Major stewardship codes, including the UK Stewardship Code, strongly recommend comprehensive disclosure of voting records

The International Corporate Governance Network (ICGN, 2024) Global Stewardship Principles reinforce these expectations, emphasizing that transparent voting disclosure is essential to credible stewardship.

FCLTGlobal (2024) identifies systemic risks within the proxy voting infrastructure and highlights public disclosure as a key mechanism for mitigating those risks and strengthening market trust.



Pattern 11: Disclose Voting Rationales to Build Trust and Signal Intent**

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Publishing votes is only half the battle. Without clear rationales, votes lack context, diminishing credibility and reducing their ability to influence on corporate behavior. Transparent rationales enhance stakeholder trust and, importantly, provide valuable feedback to companies themselves.

- For Investors: rationales demonstrate alignment between votes, engagement, and fiduciary duties.
- For Companies: rationales clarify investor expectations, reducing guesswork and supporting constructive dialogue.
- Rationales are a powerful stewardship communication tool and not simply a disclosure burden.

Solution

Systematic Rationale Disclosure: the greater the coverage of rationales, the clearer (and by extension more effect) your signal to investees can be

Company-Facing Clarity: Frame rationales to be informative for companies, enhancing engagement effectiveness

Data Feed Potential: Over 77 major investors (representing >\$31 trillion in AuM) already systematically disclose rationales behind at least some of their votes

Evidence

Michaely et al. (2023) found that disclosed rationales reflected real limitations in company boards and led to measurable change in the board members put forth in subsequent years (t+2)

rezonanz (2024–2025) interviews with company representatives consistently highlight the value of understanding why investors choose to dissent or support specific proposals and how these rationales inform broader voting approaches.



Pattern 12: Pre-Disclose Wherever Feasible to Maximize Influence**

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Investors often miss the opportunity to shape outcomes by disclosing votes only *after* AGMs. Pre-disclosing votes on key issues of importance to you can influence company behavior, signal peer expectations, and amplify stewardship impact.

- **Peer Influence:** public declarations can catalyze alignment among other investors.
- **Strategic Signaling:** pre-disclosures act as an escalation, influencing corporate decision-making ahead of formal votes.

Currently, 25 major investors (managing over \$4.5 trillion in AuM) already pre-disclose votes systematically.

Solution

- **Develop a pre-disclosure policy:** Identify high-conviction issues suitable for advance disclosure via existing dashboards and/or press releases
- **Use as a targeted tool:** if your institution is uncomfortable with comprehensive predisclosure, focus on votes with strategic or reputational leverage
- **Leverage peer efforts:** maximize signaling impact through collective pre-disclosures. Public pre-disclosures from over two dozen investors are already captured and collated systematically in rezonanz's pre-disclosures feed, and can be leveraged as a source to support new forms of coalition-building

Evidence

Empirical research on pre-disclosure by Norges Bank Investment Management (NBIM) shows that when NBIM announces its intention to vote against a proposal, opposition from other shareholders increases by approximately 2.7 percent—compared with 12 percent for Institutional Shareholder Services (ISS) and 6.5 percent for Glass Lewis (SSRN Working Paper. Retrieved from: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4660355).

In a 2024 ESG Currents podcast episode, Carine Smith Ihenacho, Chief Governance and Compliance Officer at NBIM, noted that pre-disclosing voting intentions produced several counterintuitive benefits:

1. **More engagement and less work:** By publicly disclosing voting choices and rationales, NBIM reached more companies with feedback while reducing behind-the-scenes lobbying for its votes.

2. **Richer conversations:** Pre-disclosure attracted dialogue with investors who have direct stakes in the outcome, adding perspectives distinct from those of proxy advisors.

3. **Increased impact:** Transparent communication of voting intentions amplified NBIM's influence on other investors' decisions (Du Boff & Smith Ihenacho, 2024, ESG Currents, Bloomberg).

A similar case occurred in June 2023, when the Church of England Pensions Board (CEPB) pre-declared its intention to vote against the re-election of National Grid's Chair, Paula Rosput Reynolds, and CEO, John Pettigrew, due to insufficient disclosure of the company's climate-related lobbying activities (Church

of England, 2023a). Shortly afterward, National Grid announced it would conduct a full review of its climate lobbying and public communications, prompting the CEPB to reverse its position and vote in favor of the leadership (Church of England, 2023b).



Pattern 13: Disclose Engagement Activity and Outcomes*

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Engagement reporting has often been overly focused on the wrong metrics: delivering on volume (number of meetings, number of companies engaged) but underdelivers on clarity, specificity, and outcomes. This erodes stewardship credibility and makes it difficult for stakeholders to differentiate between serious engagement and mere signaling. Moreover, case studies are selectively framed, with the risk that multiple investors attribute their involvement as decisive, overclaiming “impact” when they arguably can only claim “contribution.”

Solution

High-quality engagement disclosure is a cornerstone of credible stewardship. It enables:

- Accountability to beneficiaries and clients
- Better benchmarking and comparability
- Signal clarity to companies

For many investors, there is a long way to go to reach leading practice. Of the dozens of investors disclosing their list of engaged companies, the majority disclose the company names with E, S, and/or G focus of the engagement. While this is better than non-disclosing peers, it isn’t enough to give stakeholders and peers a deeper understanding of what’s really going on. High-quality disclosure ideally covers both company-level outcomes (e.g., changes in disclosure, governance, or strategy) and investor-level outcomes (e.g.,

insights gained, adjustments to investment decisions, stewardship priorities). This distinction helps stakeholders understand both the external and internal impact of stewardship activity.

As part of rezonanz’s *Collective Insight* Engagement Initiative, we categorize engagement disclosure across four tiers:

BRONZE (MINIMUM STANDARD): DISCLOSE THE FULL LIST OF COMPANIES YOU’VE ENGAGED

Name all the companies you’ve engaged in a specific time period (going beyond case studies to show the full list).

SILVER (GOOD PRACTICE): DISCLOSE COMPANIES + THE AREA OF FOCUS

Identify the topic/theme of engagement (e.g. “climate transition”, “workforce treatment”).

Indicate whether the engagement is exchange- or change-oriented (starting in 2026)

GOLD (BEST PRACTICE): DISCLOSE YOUR ASKS AND OBJECTIVES

Specify the goal of the engagement, including measurable asks (e.g., “Disclose Scope 3 emissions,” “Set a short-term target to audit 50% of tier 2 suppliers”).

- For a comprehensive example of engagement objectives that support net-zero alignment — including targets, governance, disclosure, and capital allocation — see the 10-point alignment criteria in the IIGCC Net Zero Stewardship Toolkit (pp.10–12).
- Link objectives to your broader thematic priorities or theory of change, ensuring alignment across portfolio-level and company-level actions.



- Disclose progress and status, such as: “in dialogue,” voting escalation filed, de-escalated, or engagement closed.

ONE EMERGING APPROACH: “JOINT STATEMENTS” DISCLOSING ENGAGEMENT OUTCOMES BACKED BY COMPANY ACKNOWLEDGMENT

Sharing concrete outcomes from engagement can take the form of published “joint statements” with companies publicly acknowledging that investor influence contributed to a change. These are rare, but powerful. As François Humbert (Generali) puts it:

“If a company publicly acknowledges that they made a change because of you, you can claim additionality.”

While powerful indicators of tangible impact, they are, however, not the only marker of stewardship effectiveness. Moreover, they can also be highly resource-intensive, difficult to scale, and may invite cherry-picking. In some cases, sharper bilateral dialogue can drive more meaningful change.

For this reason, joint statements should be viewed as one important disclosure option, rather than the singular “north star.”

- Use the bronze–silver–gold framework to progressively increase the granularity of your engagement reporting
- Design engagement tracking systems to capture company-level targets pursued and milestones achieved, not just themes
- Prioritize clarity and comprehensiveness over volume in external disclosures
- Publish outcome-focused case studies that illus-

trate what success looks like, even when partial or still in progress

- Recognizing failure is part of the field, be transparent about failed or stalled engagements: failures can signal investor ambition or corporate intransigence and sharing empowers others to learn from your example

Evidence

The Institutional Investors Group on Climate Change (IIGCC, 2023) Net Zero Stewardship Toolkit provides an illustrative framework for disclosing key objectives and outcomes, including guidance on setting company-level, time-bound engagement objectives for firms categorized as Not Aligned, Committed, Aligning, or Aligned. To support this process, the toolkit introduces a detailed “net zero alignment staircase” with sector-specific benchmarks and engagement milestones—offering a practical reference for transparent engagement tracking and reporting systems (pp. 13–15).

The European Securities and Markets Authority (ESMA, 2023) identifies “unsubstantiated engagement” as a material greenwashing risk, emphasizing the need for verifiable evidence of investor influence.

An article in Responsible Investor citing Generali (2023) advocates for joint investor–company statements as the clearest demonstration of additionality and accountability in engagement outcomes.

The agreement between JPMorgan Chase and the New York City Comptroller’s Office exemplifies this approach: following the Comptroller’s request, JPMorgan became the first major bank to disclose a key clean-energy financing metric (Fortune, 2024).



Pattern 14: Collaborate to Build Leverage**

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Many investors seek scale, influence, access, credibility, thematic reach, and portfolio integration. But in practice, you can't have it all. The engagement model you choose shapes what's possible: direct and PM-integrated vs. collaborative, or even outsourced.

There are two primary engagement models:

1. DIRECT ENGAGEMENT (PORTFOLIO MANAGEMENT-INTEGRATED)

- Close alignment with investment strategy and capital allocation decisions.
- Greater credibility with companies, especially on directly financially-material governance issues.
- Tighter link between engagement and voting/escalation decisions.
- But: resource-intensive, limits scalability and thematic breadth.

2. COLLABORATIVE OR OUTSOURCED ENGAGEMENT

- Enables broader thematic reach and system-level influence.
- Can mobilize reputational pressure across peers.
- Efficient for pooled asks and standard-setting.
- But: can be disconnected from portfolio context,

diluting accountability,⁸ limit jurisdiction over escalation, and provoke corporate resistance to service provider-led engagement (as reported in a Chatham House-protected panel at Institutional Investor's Rights and Responsibilities Conference in March 2025)

Solution

BE HONEST ABOUT YOUR ENGAGEMENT MODEL AND ITS LIMITS

- Direct engagement builds deep influence, but is resource-constrained.
- Collaborative models expand reach, but may weaken the signal.
- Don't overclaim influence in outsourced models: if engagement isn't integrated with voting or PM accountability, calling it strategic is a stretch.

ADAPT YOUR TACTICS TO FIT THE MODEL

- Use direct engagement for priority holdings or high-salience themes.
- Use collaboration for norm-shaping, peer signaling, or hard-to-reach geographies.
- When participating in third-party or collaborative engagements, be explicit about your own capital at stake and your decision-making authority. Where possible, supplement outsourced dialogue with direct investor signals (votes, letters, or meetings) to reinforce credibility and avoid being dismissed as "box-ticking."

⁸ Companies themselves increasingly distinguish between investor-led and service provider-led approaches. While collaborative engagement can amplify reach, some issuers push back against outsourced or consultant-driven efforts, questioning their legitimacy and depth. This creates an additional credibility hurdle that investors need to address when choosing collaborative models.



ENSURE INTERNAL CLARITY

- Portfolio managers, stewardship leads, and leadership should agree on what kind of influence you pursue and how.

Disclosing your level of commitment and leadership helps signal where influence is being exercised versus diffused. Investors should be transparent about the nature of their participation in collaborative efforts. Are you leading, co-driving, or passively signed on? Effective collaboration requires clarity of roles, shared accountability, and real effort and not just a name on a list.

A Note about Legal Considerations

Conventional collaborative engagement can carry legal risks in certain jurisdictions. In Europe, “acting-in-concert” rules may be triggered if investor collaboration is viewed as coordinated action to influence corporate control, potentially requiring disclosure or limiting trading activities. In the United States, recent political and regulatory scrutiny (particularly around sustainability-related collaborations) has raised concerns about potential antitrust or collusion claims, creating uncertainty and increasing the perceived legal risk for some investors.⁹

⁹ This is why *Collective Insight*, rezonanz’s anonymized engagement intelligence initiative, does not involve direct coordination or information exchange between investors. Instead, it aggregates self-disclosed engagement records confidentially and shares only anonymized patterns (e.g. “Investor(s) engaged Company X on Topic Y”) to support transparency and strategic alignment without creating legal entanglements or coordinated pressure campaigns. For more information about Collective Insight, visit <https://www.rezonanz.io/collective-insight>

Investors can mitigate exposure by:

- Maintaining clear governance of coalitions (charters, transparency on objectives)
- Avoiding coordination on trading or portfolio construction
- Seeking legal guidance when entering sensitive collaborations

Addressing these concerns upfront reinforces credibility and demonstrates that collaboration is both responsible and lawful.

Evidence

Dimson et al. (2015) find that collaborative engagements can be up to ten times more effective than individual efforts, largely because investors share targets and reinforce one another’s influence.

Research by InfluenceMap, DLA Piper, and the Cambridge Institute for Sustainable Leadership—cited in Investment & Pensions Europe—shows that shareholder collaboration is succeeding in improving corporate lobbying practices and transparency (IPE, 2024)<https://www.ipe.com/news/shareholder-engagement-succeeding-in-improving-corporate-lobbying-practices/10129331.article>

Rezonanz (2025) interviews with responsible investment leaders reveal increasing pushback from companies against third-party engagement firms, suggesting growing sensitivity to perceived delegation of stewardship responsibilities.



Pattern 15: File Shareholder Proposals to Signal, Influence, and Escalate**

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Shareholder proposals are not just a “last resort.” The act of filing itself is a public signal that can shape managerial priorities and strategy. Evidence shows that targeted firms improve their ESG performance, with climate proposals reducing carbon intensity.¹⁰ The impact does not depend on whether proposals are withdrawn, omitted, or voted: the act of filing sets the agenda. Repeat exposure strengthens the effect, and proposals from *financially* motivated (non-SRI) sponsors tend to prompt stronger responses.

Solution

Use filings deliberately, as part of a planned escalation arc, to clarify expectations, set timelines, and create accountability in public.

1. DEFINE THE STRATEGIC “ASK”

- Tie each proposal to a portfolio level priority (e.g., climate transition, human capital, governance risk).
- Write specific, timebound asks (e.g., publish Scope 3 with assurance by FY2026; adopt capex aligned transition plan; link pay to near term intensity targets).

¹⁰ Busch et al. (2025) analyzed 7,448 ESG/climate proposals filed in the US (2006–2020) using propensity score matching and difference-in-differences. They found ESG scores improved (+7–8%), carbon intensity fell (–11%), and effects were similar whether proposals were withdrawn, omitted, or voted.

- Where relevant, anchor to recognized alignment criteria (e.g., IIGCC alignment staircase) for credibility and consistency.

2. CHOOSE THE FILING MOMENT (AND FILER) TO MAXIMIZE SIGNAL

- Use proposals when dialogue stalls or commitments lack timelines.
- Co-file strategically considering sponsor optics: evidence from Busch et al (2025) suggests proposals from financially-oriented investors (as opposed to SRI-oriented investors) can prompt stronger managerial response and subsequent ESG score increases.

3. ENGINEER REPEAT EXPOSURE (IF NEEDED)

The cumulative number of proposals matters. If progress is partial or cosmetic, re-file with refined asks and tighter deadlines. Reference prior filings to reinforce the narrative arc.

4. INTEGRATE WITH VOTING & ESCALATION

- Pair filings with vote policies (e.g., board votes against if milestones missed).
- Use proposal outcomes (support %, management response, commitments) to trigger next steps (public letters, director votes, additional proposals, or reallocation/divestment for red line breaches)

5. DISCLOSE THE SIGNAL AND TRACK OUTCOMES

- Publicly report: companies targeted, asks, timing, management response, support %, post filing outcomes (policy adoption, disclosure, capex shifts).
- Track ESG outcome indicators (below) to evidence



change over 12–36 months.

EVIDENCE-BASED BEST PRACTICE

- Precision over prose: ≤500 words, one clean ask, verifiable milestone(s).
- Pre-engage before filing; share a draft to allow negotiated withdrawal only for superior commitments with timelines.
- Document the signal (press note, rationale) to widen visibility beyond the proxy.
- Coordinate across holders to avoid duplication and increase salience; stagger filings if helpful.

PITFALLS TO AVOID

- Overbroad or multi-ask proposals invite exclusion and can dilute the signal.
- Accepting vague withdrawals (no dates, no metrics).
- Treating a high vote as the goal: the research shows that filing, response and follow-through matter more than the vote tally alone.

WHAT TO MEASURE (OUTCOME SIGNALS)

- ESG performance deltas: overall ESG score; E and G pillar improvements (12–24 months).
- Carbon efficiency: Scope 1+2 intensity (tCO₂e / revenue) — where evidence shows improvement; monitor but don't over claim on total emissions.
- Process indicators: disclosure depth/assurance, target adoption, pay links, lobbying alignment, capex alignment.
- Engagement cadence: number of proposals filed over time (cumulative pressure effect).

Evidence

In their 2025 article, Busch et al. examine over 7,000 ESG- and carbon-related shareholder proposals and find that simply filing a proposal—even if withdrawn, voted down, or never brought to vote—leads to improvements in firms' ESG performance and reductions in carbon intensity in subsequent years.



Pattern 16: Link Engagement Outcomes to Votes and Acknowledge Progress*

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

In too many stewardship strategies, voting and engagement operate in silos: handled by different teams, guided by different timelines, and disconnected in substance. As a result, investors send mixed signals to companies—and lose credibility with clients, civil society, and policymakers alike.

Engagement is a tool for influence.

Voting is a tool for accountability.

And both are tools for reinforcement.

When change-oriented engagement stalls, voting should escalate pressure. But when a company improves meaningfully, voting can acknowledge that progress. Without this conditioning—both positive and negative—stewardship risks becoming incoherent, reactive, or performative.

Companies notice. In interviews and feedback to investors, many have voiced frustration at what feels like a “moving target”—with no clear link between effort and outcome. Without a visible mechanism to reward progress, firms may disengage. Without a consequence for stagnation, they may not act at all.

A stewardship strategy without feedback loops (either escalation or recognition) could be seen as advocacy without teeth.

Solution

1. LINK VOTING TO ENGAGEMENT

OUTCOMES

Use voting as a follow-through mechanism when change-oriented engagement fails.

Define clear internal thresholds for escalation, and track when they're crossed.

Conversely, commit to adjusting voting posture when companies respond constructively.

2. BUILD STRUCTURED FEEDBACK LOOPS

If you escalate through a vote or public statement, follow up after engagement milestones to assess whether de-escalation is warranted.

Examples include supporting a director you previously opposed, or removing a company from a watchlist.

3. COMMUNICATE RATIONALE—IN BOTH DIRECTIONS

Explain vote decisions in the context of engagement history, not just policy screens.

When acknowledging progress, be explicit: what changed, why it matters, and how it aligns with your stewardship goals.

4. RECOGNIZE WITHOUT OVERCOMMITTING

Avoid binary framing: acknowledge directional improvement without implying full alignment.

Tie recognition to meaningful change—not just disclosure or PR shifts.

5. MAKE RECOGNITION VISIBLE

Share positive examples in public reports, collaborative scorecards, or commentary.

Highlight cases where stewardship worked.



Evidence

ShareAction Voting Matters (2023) finds a widespread failure among investors to link voting choices with unfulfilled engagement demands—and vice versa—describing this gap as the “missing spine” of stewardship.

Responsible Investor (2023) coverage of the Generali case highlights how public acknowledgment of company progress can build momentum and legitimacy in ongoing engagements.

rezonanz (2024–2025) interviews confirm that both escalation and recognition are essential for engagement credibility, yet most investors still lack structured processes for either.



Part IV: System

Part IV zooms out from the portfolio level to the system level. Stewardship also means shaping the field: using your voice to build infrastructure, align norms, and advocate for public policy that supports long-term value creation.

Systemic stewardship requires public signaling, shared tools, and engagement with policy makers. These efforts amplify investor impact beyond individual issuers.

Pattern	Key Decision	Why It Matters
17: Use Public Signaling to Shift Field Norms*	Decide when and how to go public: with votes, rationales, open letters, or benchmark participation.	Visibility shifts norms. Public actions signal seriousness, can shape peer behavior, and build accountability.
18: Build and Fund Stewardship Infrastructure**	Contribute to field-building efforts (tools, data, scorecards, registries) that raise the baseline for all.	Stewardship is a shared enterprise. Infrastructure reduces free-riding and supports scalable, transparent practice.
19: Engage Policymakers to Advance Systemic Stewardship*	Treat policy engagement as part of your theory of change. Align it with your thematic priorities and public-interest goals.	Policy shapes markets. Without investor input, regulatory gaps persist and externalities go unchecked.



Pattern 17: Use Public Signaling to Shift Field Norms*

Relevant for: ▲ *Active Managers* | ● *In-House Owners*

Context

Influencing individual companies is a key part of stewardship, but changing corporate norms, investor expectations, or regulatory environments requires public signaling. Without visible positioning, even strong stewardship actions remain isolated. Silence cedes narrative ground to actors with less credible intent or lower ambition.

- Public signaling turns stewardship from a series of private transactions into a form of field-level influence.
- It shifts norms not just through pressure, but through visibility: showing what's possible, what's expected, and what credible stewardship looks like.
- Silence protects relationships, but can perpetuate harmful market expectations or allow poor practices to continue unchallenged.

Types of signaling:

- Pre-disclosed votes (Pattern 12)
- Public rationales
- Voting red lines or guardrails (automatic votes against directors or reports when minimum standards are not met)
- Policy statements
- Participation in public benchmarks, registers, or campaigns

- Shareholder proposals and co-filings
- Exit statements or public escalation
- Media engagement or direct-to-company open letters

But signaling comes with tradeoffs:

- Strategic risk: Can close off access or trigger retaliation.
- Peer pressure: Can raise expectations for follow-through.
- Reputational exposure: Increases scrutiny.

Still, no investor ever shaped the field from the shadows.

Solution

IDENTIFY ISSUES WHERE SIGNALING IS WARRANTED

Systemic risks, repeat offenders, norm-shaping opportunities

PRE-COMMIT TO PUBLIC ACTIONS WHERE ESCALATION MAY BE NEEDED

Helps build pressure before votes, not just explain them afterward

USE SIGNALING TO AMPLIFY CHANGE-ORIENTED ENGAGEMENTS

Escalate responsibly to show companies, peers, and the public that serious stewardship comes with visible expectations



COLLABORATE ON PUBLIC CAMPAIGNS WHEN SOLO SIGNALING LACKS LEVER- AGE

Align with peers on open letters, thematic expectations,
or policy calls

Example Tools

- UK Public Register (20% dissent threshold)
- rezonanz Voting Benchmarking & Pre-Declaration Feeds
- Open letter templates coordinated through investor coalitions
- Thematic scorecards (e.g., lobbying alignment, transition plans, deforestation)

Evidence

Marti et al. (2023) define field-building as a distinct mode of investor impact, alongside engagement and divestment.



Pattern 18: Build and Fund Stewardship Infrastructure**

Relevant for: ▲ *Active Managers* | △ *Delegated Managers* | ● *In-House Owners* | ○ *Outsourced Owners*

Context

Stewardship practice operates within systems (proxy plumbing, disclosure rules, stewardship codes) that often fail to reward credibility or penalize weak practice. If investors don't help shape the system, minimum standards risk becoming entrenched, opacity persists, and stewardship effectiveness is weakened. Stewardship depends on shared infrastructure. Data, analysis, and norms are public goods: someone has to fund them. Free-riding is a recurring stewardship challenge: costs are concentrated while benefits are dispersed. Practical ways to mitigate this include cost-sharing pools, collaborative platforms, and technology-enabled engagement tracking that lower per-investor costs.

Stewardship infrastructure includes both regulatory mechanisms (like stewardship codes or disclosure mandates) and non-regulatory innovations: investor-driven tools that redefine norms without changing the law. Yet too often these structures are:

- Fragmented across jurisdictions
- Focused on policy, not performance
- Blind to escalation or company-level accountability

That's why credible investors must act as co-architects of the system.

Not All Infrastructure Comes from Law: The UK Public Register

Created by the Investment Association in 2017, the Public Register requires disclosure when 20% or more of shareholders oppose a resolution. It's not regulatory, but it's one of the most effective field-shaping tools in modern governance:

- Creates visibility into high-dissent votes
- Normalizes escalation
- Enables peer benchmarking
- Incentivizes companies to respond

Because it's non-regulatory, it's also more agile and investor-led. The UK Public Register demonstrates that credible infrastructure doesn't always require law: it requires leadership. Investors can reshape stewardship expectations without waiting for regulators. Infrastructure is what people rely on to act and you can build it.

Solution

ENGAGE WITH REGULATORS AND STANDARD-SETTERS

- Shape stewardship codes, proxy voting rules, and disclosure requirements based on credible practice, not just policy intent.

SUPPORT AND BUILD NON-REGULATORY TOOLS

Use and promote mechanisms like:

- The UK Public Register



- rezonanz's vote disclosure and benchmarking platforms
- Public escalation registries or thematic signaling coalitions

CONTRIBUTE FIELD-BASED INSIGHT

Offer anonymized examples, aggregated data, or case studies to raise the bar for future infrastructure

PUSH FOR HARMONIZATION AND ACCOUNTABILITY

Support convergence of definitions and escalation expectations across frameworks (ICGN, PRI, FRC, EU)

Evidence

The UK Public Register (2017–present) has significantly increased visibility into shareholder dissent and escalation, strengthening accountability across listed companies.

FCLTGlobal (2024) identifies flaws in proxy plumbing and fragmented stewardship definitions as material barriers to coherent field development and investor influence.

The European Securities and Markets Authority (ESMA, 2023, 2024) acknowledges that stewardship remains a blind spot within the EU's Sustainable Finance Disclosure Regulation (SFDR) framework and proposes that this gap be addressed in the forthcoming 2026 review of the Shareholder Rights Directive II (SRD II).



Pattern 19: Engage Policymakers to Advance Systemic Stewardship*

Relevant for: ▲ *Active Managers* | △ *Delegated Managers* | ● *In-House Owners* | ○ *Outsourced Owners*

Context

Policy shapes markets. From climate transition rules to labor protections, from disclosure regimes to corporate governance codes, public policy defines the baseline expectations companies must meet and the constraints investors operate within.

Yet, most stewardship frameworks are built around issuer-level engagement, leaving policy on the margins. The result is a critical blind spot: investors claim to steward for long-term value, but remain silent on the systemic rules that govern how value is created, distributed, and disclosed.

A growing group of investors now recognize that systemic stewardship demands engagement with policymakers. Why?

1. Investors see across the whole system.

With broad, long-horizon exposure across sectors and regions, investors (especially large, diversified ones) are uniquely positioned to see how fragmented policy, unchecked externalities, and regulatory arbitrage create long-term risk. Where individual companies are bound by self-interest, responsible investors can take the externalities perspective advocating for rules that internalize costs and protect the system as a whole (building a “better beta”).

2. It’s a classic stewardship dilemma: collective good, concentrated cost.

Policy engagement is slow, technical, and often invisible. Success benefits all investors, but costs time, capital, and reputation. Without shared infrastructure or

accountability mechanisms, few investors step forward, and those who do often ask:

Without shared infrastructure or accountability mechanisms, few investors step forward, and those who do often ask: “How can we get credit for doing this important work?”

Policy engagement is the clearest expression of stewardship as a collective good with concentrated costs and dispersed benefits. Those who lead shape the system for everyone, but often without recognition, benchmarking, or client understanding. This disincentivizes action although its urgently needed.

3. There is clear and growing demand, but no real infrastructure yet.

As the Head of RI at a prominent UK pension fund stated in late 2024:

“We’re a resource-constrained fund deeply interested in system-level stewardship. We’d pay good money for a service that could credibly and impactfully engage policymakers on our behalf. The need is clear.”

This reflects a broader insight: policy engagement is a responsibility *and* a missing market. Many investors would act if they had scalable, credible ways to do so.

Solution

To operationalize policy engagement as part of systemic stewardship, investors must move from intention to design:

1. TREAT POLICY ENGAGEMENT AS A CORE STEWARDSHIP CHANNEL

Include policymakers, regulators, and industry norm-setters (such as industry associations) in your theory of change



Name this explicitly in stewardship frameworks, rather than placing it with public affairs or compliance

Distinguish between public-interest engagement and lobbying for narrow commercial gain

2. CONFRONT AND MANAGE CONFLICTS TRANSPARENTLY

Acknowledge where investor interests may diverge from the public good (e.g., tax, capital requirements, short-term disclosure exemptions)

Set public principles that separate stewardship advocacy from self-serving influence

3. BUILD OR SUPPORT SHARED INFRA-STRUCTURE

Support pooled or outsourced models (e.g., service providers, coalitions, collaboratives) that can conduct high-quality, transparent engagement with policymakers on behalf of multiple investors

Recognize this as an emerging ecosystem: leadership now can shape future norms and visibility

4. TIE POLICY WORK TO THEMATIC STEWARDSHIP GOALS

Align your regulatory positioning with your thematic priorities: if you're engaging companies on just transition, you could be contributing to labor policy consultations as well

Build consistency across the tools of voice, field-building, and now, policy engagement

5. SCRUTINIZE CORPORATE LOBBYING FOR ALIGNMENT

Ensure that investee companies' lobbying and policy advocacy are not undermining responsible business goals.

Request transparency on lobbying positions and consistency between corporate advocacy and stated sustainability commitments.

Where misalignment is evident, engage directly with companies and escalate if necessary.

Evidence

The International Corporate Governance Network (ICGN, 2024) Global Stewardship Principles encourage investors to engage proactively with regulators and policy institutions to improve the operating environment for responsible investment.

The Principles for Responsible Investment (UNPRI, 2022) Sustainable Finance Policy Engagement Handbook provides practical guidance for investors on shaping public policy to advance sustainable finance objectives (UNPRI Policy Handbook).

rezonanz (2024–2025) interviews and the Stewardship Policy Roundtable we moderated reveal that while many investors recognize policy engagement as a necessary next step, it remains an emergent and challenging area to operationalize and report.



Glossary

[stewardship-focused terms adopted from <https://svvk-asir.ch/en/glossary>]

Active ownership or stewardship refers to responsible investments where the shareholder exercises their voting rights and purposefully aims to enter into a dialogue with companies when sustainability principles are at risk. They do this in the interest of their investor or beneficiary as part of their fiduciary duties.

Asset Owner: Asset owners are those that own assets. The largest asset owners include sovereign funds, pension funds, charitable foundations and insurance companies. Asset owners may be commercially focused or operate on a non-profit basis. Members of SVVK-ASIR – pension institutions and insurance companies – are some of the largest asset owners in Switzerland.

Decarbonisation (of financial assets): Decarbonisation refers to the drastic reduction of the amount of CO₂ in the atmosphere. Decarbonising all economic activities is essential to limiting global warming to 1.5°C. The decarbonisation of financial assets means a reduction in the CO₂ emissions per Swiss franc invested. This is achieved through the (partial) sale of participations in companies in the portfolio with a high carbon intensity. However, this kind of decarbonisation is not the same as actual decarbonisation in the real economy as participation in these companies will move to different owners but the CO₂ emissions will remain the same. A change can only come about if enough investors do the same and the negative consequences of this are so considerable that it is worthwhile for the company to reform its business model. This mode of action is, however, subject to collaboration issues on the one hand and, on the other, these reforms also require the votes and support of the investors – and they can only offer these if they continue to be involved with the company.

(Double) materiality: Materiality is the accounting concept that relates to a matter that is financially relevant, so is important (material), and that a company

must not withhold from its investors. In the past couple of decades, this term has also been expanded to cover sustainability matters. Double materiality takes a dual perspective that looks at the impact of sustainability matters on a company's financial performance and the impact of the business model on the environment and people.

Both the EU and Switzerland insist on the double materiality concept in sustainability reporting – this ensures that a comprehensive picture of the situation can be obtained. See, for example, the Corporate Sustainability Reporting Directive (CSRD) or the Swiss ordinance on mandatory climate disclosures for large companies.

Engagement: the dialogue between an investor (whether shareholder or creditor) and the issuer of a security (typically, but not exclusively, a company), involving direct discussions and written communication to clarify expectations and address material issues.

We distinguish between two forms of engagement:

- Exchange-oriented engagement, focused on relationship-building and mutual understanding; and
- Change-oriented engagement, which seeks concrete improvements in disclosure, governance, or behavior — often supported by escalation strategies.

ESG: ESG stands for environmental, social and governance – the three overarching aspects of sustainability. Today, ESG is synonymous with sustainable investment. The term first appeared in 2004 in a UNEP report drawn up with Swiss support. E, S and G were presented as new “factors” that considerably influence the performance of stocks but had, thus far, not been considered to a sufficient extent. The term soon found broad appeal and gradually superseded the old abbreviation of “SRI” (socially responsible investing) as it presented a comprehensive concept and was – supposedly – free from the subjective assessment of what



made an investment ethical. The emergence of ESG ratings meant that it became possible to easily generate investment products.

ESG integration: Taking ESG aspects into account when conducting analyses and making investment decisions, with the aim of reducing risk and improving returns. On the one hand, it represents an ideal state of affairs. On the other hand, it does not set out how earnestly these considerations must be made. This makes it susceptible to misuse, or “greenwashing”, and requires a clear definition of what is meant by integration. At the time of its publication, the “Does ESG integration impact the real economy?” Report commissioned by the Swiss Federal Office for the Environment was unable to establish a clearly positive impact on the real economy.

Greenwashing and impact washing: Greenwashing refers to false claims about the sustainability of products and services in order to suggest to customers that their purchases will have a positive impact on sustainability. Following a comprehensive ruling by the EU, Switzerland (FINMA) is now also striving to take action against greenwashing in the financial sector. Where greenwashing targets environmental aspects, then this is referred to as impact-washing or SDG-washing, as this claims to have a positive impact on the achievement of the UN Sustainable Development Goals (SDGs). A frequent point of criticism is a lack of evidence of an additional impact that would not have otherwise occurred without the investment – also known as additivity. In practice, however, proving a positive impact is not an easy undertaking. There is no standardised method for measuring this, and it is mostly only identifiable over a longer period of time.

Net zero: Net zero emissions by 2050 is the target set by the Paris Agreement. It does not refer to zero emissions, but instead allows for residual greenhouse gases to be offset or compensated. Therefore, net zero presupposes negative emissions, as can be achieved through sustainable reforestation or carbon capture. While these technologies are necessary, they are still in the early stages and even serve as a pretext for

further postponing the necessary transition of production processes away from fossil fuel-based energy sources.

SBTi: The Science Based Targets initiative (SBTi) is a joint initiative organised by the UN Global Compact (UNGC), environmental protection organisations (WWF, WRI) and an investor initiative (CDP – the Carbon Disclosure Project). Working together, those involved developed methods and criteria for effective climate protection measures for companies and a procedure for auditing corporate targets; and whether or not these targets are validated by the SBTi is a key consideration for investors when determining the credibility of CO₂ targets.

Scope 1, 2 and 3: Scope refers to the extent to which greenhouse gas (GHG) emissions are attributed to a company. A distinction is made between Scope 1, Scope 2 and Scope 3 emissions, and these are defined in the internationally recognised Greenhouse Gas (GHG) Protocol:

- Scope 1 emissions are direct emissions that are caused by the company, e.g. by energy sources at the company’s headquarters.
- Scope 2 emissions are indirect emissions, e.g. caused by the production of purchased electricity.
- Scope 3 emissions are indirect emissions along the value chain, e.g. caused by suppliers. These often account for the largest proportion of CO₂ emissions and are more difficult to calculate than Scope 1 and Scope 2.

Stewardship: see “Active Ownership”

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