



# 2026 Proxy Season Preview

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Authors: Thomas Bolger, Jack Grogan-Fenn

Editors: Alex Whitebrook, Maria Barata

# 1 Executive Summary

The 2026 proxy season will be a significant one for shareholders and companies alike. In the US, the SEC appears to be favouring firms over investors and has introduced several changes that could have major implications this season. As a result, the overall number of shareholder proposals looks likely to decrease during the 2026 season, particularly given the SEC's shift in approach to 'no action' requests, which on paper makes it easier for companies to exclude resolutions.

However, the SEC has also created legal uncertainty that companies will need to navigate carefully. Investor lawsuits over exclusions have already begun, with the potential for more as the AGM season begins. Some companies have opted to include proposals they previously sought to exclude, preferring a straightforward vote over the risk of litigation. Given how few shareholder proposals typically pass, allowing them onto the ballot may be viewed as the lower-risk option for issuers.

Shareholder support on proposals is another important indicator to watch this year as support for proposals has declined in recent years, and it is unclear as to whether recent regulatory changes will impact voting approaches. Given the uncertain shareholder proposal environment, director elections remain a key stewardship lever for investors seeking to escalate issues and there could be more instances of high-profile director vote outcomes in 2026. In particular, with the potential decline in climate-related shareholder proposals, investors may increasingly rely on director elections and targeted resolutions to reinforce accountability for transition strategy and climate-risk oversight—especially in cases where companies have scaled back their climate ambitions.

Across the UK and Europe, different but equally important dynamics are emerging. The continued spread of virtual-only AGMs—particularly in Germany and Italy—remains a concern for investors, given the potential implications for scrutiny, transparency and accountability. At the same time, relaxed rules around dual-class share structures and other entrenchment mechanisms continue to place pressure on minority shareholder protections and will remain a key focus in 2026.

In the UK specifically, debates around executive remuneration and “market competitiveness” are set to continue. Following heightened scrutiny in 2025, investors are pushing companies to provide robust, company-specific justifications for any significant increases in pay or moves towards US-style remuneration models, rather than relying on broad appeals to global competition.

Other areas to watch include developments in stewardship expectations, particularly the ongoing alignment challenges between asset owners and asset managers, as well as UK changes following the updated Stewardship Code and broader governance issues across major markets.

*“The 2026 proxy season is unfolding amid heightened scrutiny of shareholder rights, shifting regulatory signals, and renewed focus on board accountability. This year, Minerva will be closely monitoring how the changing US shareholder-proposal environment affects both the volume and types of proposals that reach ballots, as well as the levels of support they ultimately receive. In the UK and Europe, we will also be tracking say-on-climate and sustainability-related votes, alongside key voting outcomes on management-proposed resolutions, to keep clients fully informed of emerging ESG, governance and voting trends. Minerva’s 2026 voting policy and guideline updates reflect this landscape—providing clients with enhanced options to escalate board accountability concerns and strengthened guidance on remuneration, capital governance, related-party transactions and shareholder proposals.*

*“Minerva’s approach continues to centre on Stewardship Sovereignty — ensuring investors maintain autonomy over their voting decisions despite political or market headwinds. As ESG debates intensify and governance expectations evolve, rigorous analysis and transparent stewardship remain essential to safeguarding long-term value,”* said **Thomas Bolger, Senior Stewardship Analyst, Minerva Analytics**

## 2 2025 Proxy Season Recap

Geopolitical and economic turbulence plagued the 2025 AGM season, with companies and investors forced to navigate a rapidly changing, increasingly volatile and complex environment. Voting activity and company policy and disclosure was impacted by the second Trump-led US administration's policy initiatives which have targeted climate change, diversity, equity and inclusion (DEI), trade relations and shareholder rights. In the UK and Europe, shareholder rights are being impacted by the rising use of virtual-only and closed meeting formats, relaxed regulations around dual-class share structures (DCSS) and votes on material transactions and debates on market competitiveness impacting executive remuneration design.

Key developments related to these trends in 2025 included:



Governance remained the dominant component of ESG as companies and investors seek effective boards to protect bottom lines against emerging risks in uncertain times.



Concerns for shareholder rights increase as regulators introduce new regulations, including the relaxation of DCSS rules to boost market competitiveness.



Average shareholder support for management across Europe, the UK and the US held strong at 96%.



Total shareholder proposals fell to 553 in 2025, down from 600 in 2024, driven entirely by a material fall in environmental and social-related shareholder resolutions filed in the US.



ESG is widely adopted but still debated, facing political pushback in the US and growing scepticism in Europe due to regulatory uncertainties and shifting priorities.



Despite decreased support from energy firms and financial institutions, plus increasing political and legal obstacles, climate change is still a key concern for investors.

You can read Minerva Analytics' 2025 Proxy Season Review in full [here](#).

## 3 Policy Impact on the 2026 Proxy Season

### 3.1 Implications of SEC Policy Shifts

The US Securities and Exchange Commission (SEC) adopted a stance which was widely seen as hostile towards shareholders and favourable towards companies following the start of Donald Trump's second term as President in January 2025. Several moves made by the Commission look set to impact shareholder engagement and the number of shareholder proposals voted on during the 2026 proxy season, though this has also created greater uncertainty for companies.

These changes have included:

- 1 Announcing that the Commission will not respond to 'no action' requests from companies, other than no action requests related to Rule 14a-8(i)(1) meaning firms can exclude most shareholder proposals without the long-standing precedent of gaining assent from the SEC.
- 2 Blocking shareholders holding under U\$5 million of a company from [filing exempt solicitation notices on its EDGAR platform](#), potentially inflicting serious damage on 'vote no' campaigns which have gained traction in recent years.
- 3 [Amending Rule 14a-8](#) to introduce more stringent requirements over the amount of investment and the length of time investment must be made in a company required to file shareholder proposals, as well as the level of support needed to resubmit resolutions.
- 4 Replacing Staff Legal Bulletin (SLB) 14L with SLB 14M - just before the peak of the 2025 proxy season - making it easier for companies to exclude shareholder proposals on 'economic relevance' and 'ordinary business' grounds.
- 5 Amended [SEC Guidance on 13D/13G](#) clarified that investors seeking to exert pressure on a company implementing specific measures, such as on ESG, may lose their "passive investor" status and be disqualified from filing a short-form Schedule 13G resulting in more caution from shareholders to avoid burdensome reporting.

The confusion has been triggered by the SEC's choice not to respond to 'no action' requests, which has already caused complications for both shareholders and companies. Many have publicly criticised this change, as well as others made by the Commission, suggesting that it risks [granting unprecedented discretion](#) to corporate management and threatens to sideline investor voices on key environmental and social issues.

Many companies have been cautious about excluding certain shareholder proposals in the face of rising potential litigations risks triggered by the SEC's shift. Costco Wholesale and Walt Disney are the most significant companies to so far have included shareholder proposals in their proxy materials against which they had previously filed 'no action' requests.

This could suggest that companies may end up erring on the side of caution given the lack of input from the SEC in the exclusion of resolutions – with the response from boards also impacted by the culture and governance at companies.

Given the shift in the SEC's stance towards shareholders, it is increasingly acknowledged that they may be forced pursue legal avenues to hold investee companies to account, as both the Interfaith Center on Corporate Responsibility and New York State Comptroller Thomas DiNapoli [warned](#). That risk has now materialised after four New York City public pension funds filed a lawsuit in February against AT&T Inc, alleging that the company improperly excluded a shareholder proposal requesting enhanced workforce diversity disclosure at AT&T's upcoming 2026 AGM. AT&T the following week decided to include the resolution in its 2026 proxy statement, with the rapid U-turn following the legal action underscoring the uncertainty created by the Commission. A similar example followed in the Nathan Cummings Foundation launching a lawsuit against Axon Enterprise for [excluding a shareholder proposal](#) which sought greater transparency around the company's political spending.

The SEC has indicated it intends to review Rule 14a-8 generally and will consider the impact of its recent policy changes on the 2026 proxy season. Notably in October 2025, SEC Chair Paul S. Atkins in his [Keynote Address](#) at the John L. Weinberg Center for Corporate Governance's 25<sup>th</sup> Anniversary Gala suggested that the SEC may be open to eliminating the ability of shareholders to submit precatory proposals to companies incorporated in Delaware.

Due to the increasing uncertainty around Rule 14a-8, Minerva's 2025 AGM review found an uptick in vote no campaigns in the US as an alternative engagement mechanism. A vote no campaign via an exempt solicitation provided a low-cost, publicly disclosed way for a shareholder to urge other shareholders to vote against a director or other agenda item. However, in January 2026 the SEC clarified that only shareholders who beneficially own more than U\$5 million of a class of securities may file notices of exempt solicitation, therefore removing this low-cost channel for small shareholders and making vote no campaigns potentially less effective overall.

### 3.2 Ongoing ESG 'Tug-of-War' in the US

The commencement of Trump's second term as President also acted as the starting pistol for a ramp-up in policymakers and regulators taking aim at ESG and associated concepts like diversity equity and inclusion (DEI). In January this year, the [US House of Representatives narrowly approved](#) a bill which would prohibit ESG factors being considered by pension fund managers and in pension plans. In a tight 213-205 vote, all 210 Republican and three Democrats voted for the bill, while all 205 votes against were from Democrats. The US Senate is expected to vote on the bill in the coming months.

The US Department of Labor's (DOL) approach to ESG has also significantly changed under the Trump administration. Previously under the Biden administration a new rule was introduced that allowed fiduciaries to consider ESG factors if they were financially relevant. However, in 2025, the DOL changed direction again. It announced it would no longer defend the 2022 rule and would develop a new, stricter framework that discourages the use of ESG in fiduciary decision making. As a result, fiduciaries may now encounter new legal and procedural obstacles when taking ESG factors into account, even if those factors are financially relevant.

In February 2026, the Trump Administration's Environmental Protection Agency (EPA) made the controversial choice to [repeal a 2009 finding](#) which deemed pollution to be harmful to public health and the environment. The so-called "endangerment finding" has been the legal underpinning for setting rules to reduce emissions from cars, power plants and other greenhouse gas sources.

The move will doubtless draw legal challenges over the course of this year from investors, policymakers and other stakeholders. Democrat senators have already [commenced an inquiry](#) into the EPA's repeal, branding the decision as "particularly troubling" and it "destroys that framework and results in a failure to faithfully execute EPA's statutory mandate to protect human health". The decision also suggests that there could be further attacks on long-standing centrepieces of ESG-related legislation, with the endangerment finding being in place for roughly 15 years.

However, there has been some seeming respite for ESG in early 2026. A Texas federal judge last month [struck down](#) one of the US' most prominent anti-ESG laws, [ruling that](#) prohibiting state investment in companies avoiding financing fossil fuels is unconstitutional under the First and Fourteenth Amendments. Given the onslaught ESG is likely to face in 2026 and with the US midterm elections still a long way off, victories like this will be vital.

Texas has also moved to restrict proxy advisors with the high-profile [Senate Bill \(SB\) 2337](#). The bill requires proxy advisors that "deviate" from acting in the "financial interest" of shareholders to provide special disclosure, such as where proxy research and voting recommendations consider "non-financial" factors including ESG, DEI, climate change and similar issues. Proxy advisors have fought back [launching lawsuits](#) against SB 2337 which saw an injunction granted stunting its full implementation. As Minerva Analytics covers North American companies covered by SB 2337 it will be impacted by the bill and [filed a Texas Public Information Act \(TPIA\) request](#) (freedom of Information request) with the Texas Attorney General in September 2025 to clarify whether coordination had occurred between the Attorney General's office, the Texas Stock Exchange and related parties concerning proxy advisory services and SB 2337 and to safeguard investors' right to independent analysis free from political interference.

Similarly to ESG, DEI continues to be in the crosshairs of Republicans in 2026 and will continue to face attacks on several fronts during the proxy season and beyond, possibly even more so given that Trump has turned it into a bogeyman for the right wing. Two anti-DEI executive orders introduced within a day of his January inauguration were last month permitted to proceed after a challenge was [rejected by an appeals court](#). In January, the US Department of Justice added further disincentive for companies to apply DEI policies, setting out plans to argue that companies considering diversity when hiring while under federal contracts are effectively committing fraud against the government. Trump also [bragged in his recent State of the Union address](#) that "we ended DEI in America".

Several recent rulings have challenged Trump's assertion about ending DEI, however. In addition to Texas' anti-ESG law being struck down, this year saw the Trump administration withdraw a challenge which looked to strip colleges and schools with DEI policies and programmes, while a federal judge [ordered](#) the government to reinstall a slavery exhibition in [Philadelphia](#) that it had dismantled complicating the legal situation.

Changes have also been undertaken impacting corporate disclosures and investor engagement on diversity. This includes corporate board diversity disclosures being scaled back, particularly following the striking down of the Nasdaq diversity rule by a US court in late-2024 and large US asset managers paring back positions on diversity in voting policies or removing it entirely. These shifts, among others, could result in less activity in the area in 2026 and beyond.

Proxy advisors and asset managers have been targeted by Trump, his administration and Republican-run states due to their perceived ESG-related activity. At the end of 2025, Trump [introduced an executive order](#) instructing the SEC to "review all rules, regulations, guidance, bulletins, and memoranda relating to proxy advisors" and the Federal Trade Commission to "review ongoing State antitrust investigations". The order alleges that "foreign-owned" proxy advisors had "regularly" used their power to advance and prioritise "radical politically-motivated agendas" such as ESG and DEI.

The impact of the order is likely to become clearer throughout 2026, especially as [SEC Chair Paul Atkins](#) continues his review of current proxy advisor-focused legislation and the potential revision or rescindment those that include DEI and ESG policies.

A [letter](#) sent in August 2025 by 26 finance officials from 21 Republican-run US states [demanded](#) that several major asset managers scale back their ESG-related investment activities to continue business with those states. At the same time, Blue States have taken the opposite approach and sent a letter saying fiduciaries managing pension funds should evaluate all factors that could materially impact long-term financial performance including risks related to “governance failures, workforce management, regulatory changes, and climate impacts.” It remains to be seen whether such efforts to curb such anti-ESG policies will be effective.

The anti-ESG political atmosphere of the US will certainly impact asset managers or proxy advisors during the 2026 proxy season, but the extent of that impact is anyone’s guess as the situation continues to evolve.



Minerva Analytics remains committed to providing investors with independent, objective, and choice-driven proxy voting solutions, something which we emphasised in a statement issued ahead of 2025 peak proxy season. At Minerva, we recognise that DEI considerations are important aspects of corporate governance for many investors, while others may prioritise different criteria when evaluating board effectiveness. Our approach remains client-centric, ensuring that our research and recommendations reflect the diverse needs and preferences of investors rather than imposing a one-size-fits-all framework. We continue to provide customisable proxy voting guidelines that enable investors to align their voting decisions with their own governance and sustainability policies.

### 3.3 The UK’s Stewardship Realignment

The UK has seen several stewardship-related developments at the start of 2026, potentially setting a prominent theme for the year.

The [latest version of the UK Stewardship Code](#) came into effect on 1 January 2026, redefining stewardship to focus on creating long-term sustainable value for clients and beneficiaries. The update removes explicit mention of environmental and societal benefits - a controversial move - and introduces a simpler two-part reporting system. It also clarifies principles for asset owners, managers, service providers, and adds specific principles for proxy advisors, investment consultants, and engagement service providers.

In February, the UK’s Investment Association (IA) [issued a report](#) in which investors [called for](#) a “realignment of stewardship to deliver sustainable value”. The report also featured ten recommendations aiming to revamp investment ecosystem-wide practices and encourage stakeholders - such as asset owners and policymakers - to support the “next phase” of stewardship.

The IA highlighted that there were “unrealistic expectations” of what stewardship can achieve and its “capacity to deliver systemic change”. One of the IA report’s recommendations was to embed stewardship into the relationship and mandate between investment managers and asset owners to “provide greater realism on what can be achieved through stewardship to deliver on client objectives and expectations”. The call for “greater realism” could be interpreted as asset managers scaling back ambitions on stewardship, even as asset owners call for more comprehensive action on systemic risks.

This misalignment between asset owners and asset managers has been a staple feature of the UK investment scene in recent years. As early as three years ago, the high-profile UK Asset Owner Stewardship Review found “considerable misalignment and misunderstanding” between asset owners and asset managers on stewardship issues, as [reported by Minerva Analytics](#). This issue could become even more pronounced during the 2026 proxy season.

The IA’s report additionally stated that there was too great a focus placed on voting as an indicator of good governance, adding that engagement and other stewardship tools require greater consideration. While the Association acknowledges that stewardship reporting creates burdens for investment managers as one of the central challenges facing stewardship, it is vital for asset owners to have good disclosures from managers on activities to understand these limitations. This is not to say voting is unimportant, as it remains a vital element of stewardship in 2026. Voting choice modules offered by asset managers allow underlying clients more say in how their shares are voted.

How voting choice modules operate varies from manager to manager, with some managers limiting clients to pick from a list of third-party voting policies rather than being able to apply their own voting policy. Nonetheless, with developments in voting choice, expression of wish and split voting, underlying asset owners are increasingly having more say in voting activities.

Whereas voting choice initiatives aim to expand flexibility for asset owners, a different dynamic is unfolding for retail shareholder voting. Last year, oil and gas giant ExxonMobil [introduced a controversial Retail Voting Program](#) which would allow retail investors to opt-in to automatically cast ballots in line with board recommendations during AGMs. [Concerns were raised](#) that the programme could be Exxon looking to capitalise on “laziness” from some non-activist and less engaged investors. This year could well see other companies introduce similar programmes to Exxon’s. [Shareholders sued the company](#) arguing that the programme breaches fiduciary duty by adopting a mechanism that purportedly tilts outcomes towards management, contains inadequate disclosures and creates vote dilution concerns for shareholders who do not opt in.

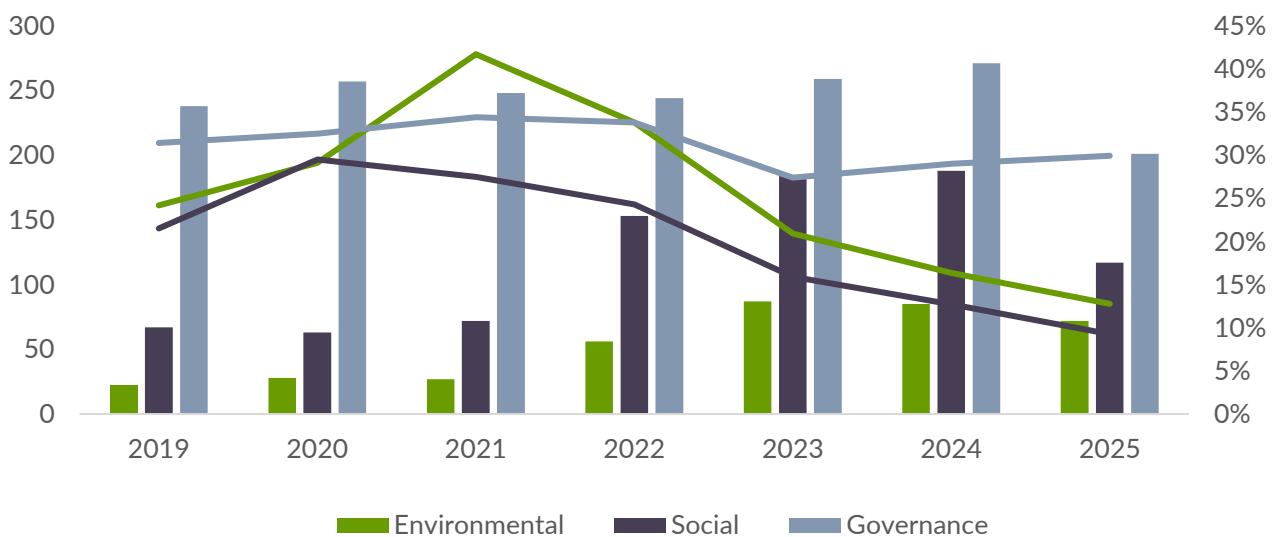
## 4 ESG & Shareholder Proposal Trends

### 4.1 ESG Proposal Number and Support Slip

Despite still significantly outperforming support for anti-ESG shareholder proposals, the total number of ESG resolutions has been on a downward trend during the past few proxy seasons, which could well continue in 2026. This trend has largely been driven by the US, which has seen a notable decline in both number of proposals filed and average support, as shown in *Figure 1* below, which has also had a knock-on impact on the worldwide averages for both metrics.

There were no successful environmental or social proposals in the US in either 2024 or 2025. Given the hostility towards ESG in the US, the number of proposals could well decrease further, as could shareholder support, with the chances of a successful resolution in either category being very slim.

*Figure 1: Number of shareholder proposals and average support in the US*



The number of companies voluntarily putting forward a say on climate vote declined in 2025, something which is likely to continue during the 2026 proxy season. This is being driven by various factors, including a loss of momentum for climate investor initiatives and political and economic pressures. The publication of sustainability reporting standards may also offset investor demands for a vote if they are content with the level of climate disclosures mandatorily provided by companies. While in Europe several markets now operate annual say on sustainability reporting thereby providing shareholders with an alternative agenda item to engage on related to climate.

### 4.2 Key Shareholder Proposals and Campaigns in 2026

#### *Climate Transition*

Follow This and a coalition of institutional investors have [filed shareholder proposals](#) requesting enhanced transparency of shareholder value creation under declining oil and gas demand at UK oil majors BP and Shell. The resolutions ask the companies to disclose their strategies for creating shareholder value under various scenarios of declining oil and gas demand. This includes transparency on capital expenditure, production forecasts and cash flow projections for oil and gas sources. They mark a strategic shift by Follow This. Rather than requesting Paris-aligned emissions reduction targets, the proposals are focused on financial performance and value creation.

Notably, both companies have weakened climate ambitions and renewed focus on oil and gas in recent years.

The scaling back of climate targets by energy companies and financial institutions was an emerging trend in 2025 with companies citing the need for increased investment in oil and gas to meet energy demands, driven by ongoing economic and energy instability concerns. The trend of companies cancelling climate commitments looks likely to continue during 2026, perhaps becoming more prevalent in the light of the “[endangerment finding](#)” being repealed.

### ***Anti-ESG Proposals***

‘Anti-ESG’ organisations have continued to file shareholder proposals in 2026 with much of the proposal activity so far this year coming from these organisations. The proposals tend to focus on asking for a roll-back of policies and targets, or for reporting on the costs of implementing policies on climate change and diversity, equity and inclusion (DEI) policies and initiatives. Examples in January 2026 have included a request for a report on financial risks and costs linked to climate commitments at Costco Wholesale (1.4% support) and a request for a report on the return on investment of DEI programmes at Intuit Inc (0.8% support) and Visa Inc (0.9% support).

Multiple large US companies are set to face anti-ESG shareholder proposals in the coming months, including Apple Inc, Deere & Co Inc, Qualcomm Inc, Walt Disney Company and Starbucks Corp. It will also be intriguing to see whether, and to what degree, the number of and support for anti-ESG proposals changes compared to pro-ESG resolutions.

### ***Social Factors***

Social-related shareholder proposals generally reflect broader societal trends, even if they tend to emerge with a natural time lag as these issues translate into investor expectations. For example, proposals requesting racial equity audits were first filed in 2021 following coverage of racial injustices in the United States in 2020 and proposals on reproductive rights-related risks were filed following the overturn of Roe vs Wade.

In 2026 proposals are being filed on immigration policy impact following changes to the US policy and enforcement in the area as well as intense scrutiny of federal enforcement operations following the high-profile fatal shootings in Minneapolis in January and ICE activities more broadly.

The SOC Investment Group has filed proposals at [Alphabet](#), [Amazon](#) and [Walmart](#) asking them to report on how the Trump administration’s immigration policies and enforcement are affecting their finances and operations. In September 2025, President Trump issued a [proclamation](#) raising the annual fee on skilled foreign workers from U\$215 (plus visa filing fees) to U\$100,000. SOC states that the impacts of this proclamation on the companies’ operations and future success could be material and shareholders need greater transparency on how the companies plan to move forward either without these skilled workers or how they will bear the economic strain from the new fees. The Sisters of St. Francis Charitable Trust and five co-filers filed a similar proposal at [Tyson Foods](#).

Additionally, the NYC Pension Fund has written to the boards of [Home Depot](#), [Lowe’s](#) and [Palantir](#) asking the companies to commission and oversee an independent third-party human rights risk assessment focused on the firms’ cooperation with the US government on immigration policies and enforcement – without filing a proposal.

However, whether these proposals make it onto meeting agendas also depend on how companies approach the new ‘no action’ process – with [Amazon](#) already having disclosed its intention to exclude the proposal from its AGM.

Other key social-related issues for investors to look out for in 2026 include:

- 1 The response of the boards of Next and M&S to [ShareAction's](#) proposals on employee pay practices. The proposals received more than 20% support at their respective 2025 AGMs meaning that the boards will be due to publish the actions it intends to take in response to the vote as per the recommendations of the UK Corporate Governance Code.
- 2 A [shareholder campaign at Starbucks Corp](#) on concerns with the board's oversight of labour relations and, in particular, the elimination of the standing Environmental, Partner and Community Impact Board Committee without a clear and timely explanation. The shareholders have urged Starbucks shareholders to vote against the re-election of directors Jørgen Vig Knudstorp and Beth Ford at the Company's 2026 AGM, due to sustained failures in Board oversight of labour relations.

### ***Traditional Governance Proposals***

During the 2025 season there was a rebound in support on shareholder proposals on governance factors, such as declassification of boards, the shareholder right to call special meetings and removal of supermajority voting provisions. Given the ongoing uncertainty about ESG in the US, governance proposals are likely to remain a key focus in 2026. Notably the first successful shareholder proposal of 2026 concerned a request at Zscaler Inc to declassify the board, which received 51.3% votes in favour. The majority vote in favour came despite large insider holdings – including CEO and Chair Jay Chaudry with 16.8% of the share capital – voting against, highlighting the strong support for declassified boards from institutional investors.

## 5 Governance Trends

### 5.1 Virtual AGM Growth

The structure of shareholder meetings remains a vital and evolving governance issue with a prevalent risk of negative changes. The growing use of virtual-only AGMs has prompted concerns about how these formats impact shareholder participation, transparency and board accountability.

While virtual meetings can provide increased accessibility and cost efficiencies for companies, many investors are concerned that they risk limiting meaningful engagement by reducing opportunities to ask questions and interact with directors face-to-face. [Concerns have also been raised](#) that virtual-only formats may enable companies to exercise greater control over the flow of information, potentially restricting shareholder scrutiny and screening out questions. As a result, many investors advocate for hybrid meeting models that preserve the benefits of virtual access while maintaining the accountability and openness associated with in-person attendance.

Virtual-only AGMs are prominent in the US, with 77% of meetings being virtual-only, and are expanding in Europe, particularly in Italy and Germany. During the 2025 season resolutions to amend the articles to hold meetings through a designated proxy in Italy and to authorise the holding of virtual-only meetings in Germany saw notable shareholder dissent resulting in companies such as TIM SpA and Siemens AG failing to obtain a sufficient majority to implement the amendment.

#### 2026 WATCHPOINT: Shareholder Dissent on Virtual-Only Meetings Requests

At Siemens AG's 2026 AGM, the board has put forward a resolution to authorise the use of virtual-only meetings for the second consecutive year, but this time the authorisation is for five years rather than the two-year authorisation sought in 2025. The board states that the longer five-year authority is appropriate given the considerable planning and preparation required for a shareholder meeting and that the management board plans to hold at least one meeting with physical attendance of shareholders during the period. The proposal may indicate a lack of reception to the 2025 AGM feedback although the proposal that Siemens will hold one AGM during the five-year period in person may mitigate some concerns. How the vote goes may provide an early indicator of how virtual-only meeting requests in Germany will fair this year, as well as offering a signpost for other jurisdictions.

Virtual-only meetings remain relatively rare in the UK. However, in December 2025 the GC100 issued new [guidance for virtual-only meetings of shareholders](#) to support UK companies wishing to use this format. The guidance is based on the government's proposed update to the Companies Act 2006, which clarifies that virtual-only meetings of shareholders are permitted. The government [announced in January 2026](#) that it intends to press ahead with plans to allow virtual-only AGMs.

### 5.2 Board Accountability

Board effectiveness and composition are core to sound governance because they determine whether a company has the right mix of independence, skills, experience and diversity to provide rigorous oversight and strategic direction. For shareholders, strong board accountability is essential; it ensures directors are answerable for performance, risk management and long-term value creation, as well as safeguarding investor rights and maintaining confidence in the company's stewardship.

Shareholders are expected to continue to hold directors accountable in 2026 via votes against directors where there are concerns about board composition and overall effectiveness, an area already driving voting activity in recent seasons.

### 2026 WATCHPOINT: Director Accountability Challenges

The effectiveness of director voting in the US has faced challenges via the continued presence of directors on boards that fail to receive majority shareholder support, which the Council of Institutional Investors have termed 'zombie directors'. This practice raises concerns regarding governance, accountability mechanisms and responsiveness to shareholders.

Companies with so-called 'zombie directors' may face shareholder scrutiny in 2026, including:

- **A O Smith Corp:** Michael Larsen received 40% shareholder support yet continues to serve on the board due to the use of the plurality vote standard.
- **Enphase Energy Inc:** Thurman John Rodgers received 39% shareholder support yet continues to serve on the board due to the use of the plurality vote standard.
- **Netflix Inc:** lead director Jay Hoag received 21% shareholder support yet continues to serve on the board after the board rejected Hoag's resignation.
- **Pure Storage Inc:** Scott Dietzen received 36% shareholder support yet continues to serve on the board due to the use of the plurality vote standard.
- **TripAdvisor Inc:** Gregory Maffei and Jeremy Philips received 31% and 43% shareholder support, respectively, yet both still serve on the board due to the use of the plurality vote standard.

Investors are also sharpening their focus on whether boards demonstrate credible oversight of material ESG-related risks such as climate change. In particular, the use of director voting is emerging as an important stewardship tactic for raising ESG factors, in part due to the uncertain shareholder proposal environment. Shareholder advocacy groups have recently published guidance in this area, including [Majority Action](#) and [ShareAction](#).

### 2026 WATCHPOINT: CEO Succession Planning

With CEO turnover increasing in recent years, one area gaining traction for shareholders in 2026 is disclosure of succession planning. This is critical for ensuring leadership continuity, reducing governance risk and providing shareholders with confidence that a company can navigate future strategic and operational challenges. Recent examples illustrate why: shareholders at LVMH have raised concerns about the lack of transparency around succession plans for the 76-year-old Bernard Arnault, warning that insufficient disclosure has become a governance risk and may even contribute to a fall in value. Similar concerns have emerged regarding key-man risk and unclear succession pathways at companies such as Tesla, while Walt Disney has a history of problematic CEO transitions.

In contrast, Berkshire Hathaway demonstrated transparency by naming Greg Abel as Warren Buffett's successor well in advance, first announcing it in 2021, and setting a clear transition timeline. BP also underwent a major leadership change, with Murray Auchincloss stepping down as CEO in December 2025 after less than two years in the role. Meg O'Neill, current CEO of Woodside Energy, will become CEO on 1 April 2026. BP wanted a CEO seen as better placed to lead a shift back to oil and gas.

### 5.3 Minority Shareholder Protections

Recent regulatory changes have heightened investor concerns about entrenchment mechanisms such as dual-class share structures (DCSS), which can restrict accountability and dilute minority shareholder influence. Listing rules around DCSS have been relaxed as regulators seek to promote market growth and attract new listings, alongside shifts in how companies approach votes on material transactions, contributing to a weakening of traditional shareholder protections.

These changes enable boards to consolidate control more easily, reduce minority shareholder ability to challenge decisions and limit meaningful oversight of governance risks. In a year already marked by geopolitical and regulatory uncertainty, investors are likely to be more vigilant where such entrenchment devices intersect with concerns about board accountability and transparency.

#### 2026 WATCHPOINT: Controlling Shareholder at Novo Nordisk Raises Governance Concerns

The recent case at Novo Nordisk highlights the governance risks of entrenchment devices for minority shareholders. The Company's controlling shareholder, the Novo Nordisk Foundation, which holds around 77% of the voting rights despite owning a much smaller percentage of the share capital initiated a restructuring of the board. The Chair and multiple independent directors resigned due to disagreements with the Foundation. The Foundation then installed its own board and chair resulting in pushback from minority shareholders at an EGM held in November 2025. Novo Nordisk is set to hold its 2026 AGM on 26th March, and investors will be watching closely to see whether the company responds to the concerns raised by minority shareholders. The AGM and associated reporting will provide an early indication of how the board intends to rebuild trust, reinforce independent oversight and address wider governance risks associated with concentrated voting control.

### 5.4 Executive Remuneration

Recent discussions on corporate governance and market competitiveness have intensified scrutiny of executive remuneration. In response, several companies have sought shareholder approval for alternative remuneration frameworks or increases in executive pay levels citing the need to compete in the global talent market.

Reflecting this, the UK IA in its November 2025 letter to remuneration committee chairs called for the provision of clear and substantive justifications for why proposed changes are necessary. In particular, the association recommends that explanations should be company-specific, explaining why they are right for the company's business model and strategy, as well as avoiding generic or boilerplate rationales such as "market competitiveness" or the need to "attract and retain talent". The letter also called for transparent disclosure on benchmarking practices which avoids simply trying to justify increases to match market percentiles. Investors are continuing to resist giving broad approval to US-style remuneration models without strong, well-explained reasoning.

In the US market, Minerva's 2025 AGM season review identified several instances of high dissent on remuneration resolutions due to shareholder concerns with the grant of material one-off awards to executives. This included remuneration defeats at Thermo Fisher Scientific, Otis Worldwide, Molina Healthcare, Conagra Brands and Viatrix. Institutional investors are generally opposed to one-off awards being granted in addition to regular remuneration. Granting such awards raises questions over the quality of succession plans and the usefulness of existing incentive plans.

This issue could raise its head in 2026 with several companies already announcing special one-off awards, including CrowdStrike and Warner Bros. Discovery.

At the same time, similar to debates over alternative structures in the UK market, there are ongoing disagreements over the use of time-based awards by US companies. Whilst some investors continue to believe that long-term incentive awards should be subject to performance targets measured over a three-year period, others consider the use of time-based awards as appropriate.

### 2026 WATCHPOINT: SEC to Review US Remuneration Disclosure Regime

Shareholders and companies will need to be on the lookout for the SEC Staff's review of the executive remuneration disclosure regime. The Commission is examining remuneration disclosure to ensure it still meets the goal of "clear, concise and understandable" information that is material to investors and what changes are needed to be made to disclosure rules. Key themes emerging at the [SEC's roundtable](#) have included overcomplexity and reporting burdens, although there remains difference in views between companies, advisors and investors. Any proposed changes are unlikely to be released until after the 2026 AGM season due to the complications that this could create.

## 6 Conclusion

The 2026 proxy season is set to unfold against a backdrop of regulatory uncertainty, geopolitical tension and shifting expectations across global markets, demanding heightened vigilance from investors and companies alike. In the US, profound changes to SEC processes, mounting political pressure on ESG and DEI, and an uptick in litigation risk are reshaping how shareholders engage with boards and assess corporate accountability. Meanwhile, UK and European markets face their own challenges, from stewardship realignment and debates over executive pay to the growing use of virtual-only AGMs and renewed concerns about minority shareholder protections.

Across all regions, investors will need to navigate evolving governance norms, declining support for ESG proposals and increasing reliance on director elections as a key escalation tool. As companies adapt to these pressures, strong stewardship, credible oversight and high-quality data will be essential to maintaining trust and delivering long-term value. In this environment, **Minerva can serve as a crucial stewardship partner**, providing independent research, transparent analysis and customisable voting frameworks that help clients uphold robust governance standards and respond confidently to emerging risks.

### How Minerva Provides Proxy Research and Advice

Minerva provides independent research, analysis and related voting recommendations to institutional investors to support them in meeting their own fiduciary and stewardship responsibilities.

Our services are tailored to each client's mandate, investment objectives and regulatory environment.

All of our clients instruct us to consider a combination of financial and other factors when formulating our analysis and recommendations. These may include, for example, risk, governance, environmental or social factors, compliance with law or regulation, beneficiaries' stated preferences, or other policy objectives chosen by the client.

Solely for the purposes of complying with certain United States state-law requirements (including the Texas Business Organizations Code, Chapter 6A), we notify users that some advisory services provided to some clients may be characterised under those laws as not being provided "solely in the financial interest of shareholders" where they reflect client-directed objectives that extend beyond short-term financial return. Any such characterisation is made only for the purposes of those laws and does not modify or detract from:

1. our clients' own fiduciary obligations
2. the terms of our engagement with each client; or
3. our assessment of which factors are financially material for long-term value.

# About Solactive



Solactive is a Germany-based index provider operating globally and growing at a fast pace. Since 2007, Solactive have been developing tailor-made and multi-asset class index solutions for global investors. Currently, Solactive is present in Frankfurt, Dresden, Berlin, Toronto and Hong Kong to provide 24/6 coverage.

## Solactive principles

“We take our cue from our clients when deciding what’s important to us. So, it will come as no surprise that security, technical infrastructure and regulatory compliance are high on the list. However, it’s just as important to us to ensure that we truly deliver the products and services that our clients are looking for.”

## Reliable and service-oriented

- **Security:** Highest standards for data protection and continuity. Solactive employs a number of industry-standard layers of technology to protect and secure data.
- **Regulation:** Compliance with the applicable regulations and regulatory developments.
- **Proactivity:** True partnership – developing products with clients that matter to them.

For more information about Solactive’s tailor-made and multi-asset class index solutions, please visit <https://www.solactive.com/indices/>.

# About Minerva



Minerva, helps investors and other stakeholders to overcome data disclosure complexity with robust, objective research and voting policy tools.

Users can quickly and easily identify departures from good practice based on their own individual preferences, local market requirements or apply a universal good practice standard across all markets.

## Minerva’s Core Services

- **Global vote agency:** core competence covering bespoke policy, data, research, execution, vote analytics and reporting.
- **ESG research:** covering >90% of the World’s listed companies by value.
- **Sustainability consulting:** TCFD reporting, RI policy creation, IS reporting, sustainability reporting, carbon footprinting, ‘Governance Watch’ and asset owner/manager ESG audits.
- **SDG mapping:** assessing potential alignment/impact of client investments on the delivery of the UN Sustainable Development Goals.
- **Screening:** ESG norms-based analysis that identifies controversial products and breaches of global standards.

For more information, please email [hello@minerva.info](mailto:hello@minerva.info) or call +44 (0)1376 503500.