VALUES-ALIGNED INVESTING

Advocacy & Impact *Quarterly Update.*





Q3 2026 · PREPARED BY

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PROTECTING SHAREHOLDER VOICE

Our Response to Proposed Changes to Rule 14a-8

During the third quarter, the SEC proposed rescinding Rule 14a-8, the longstanding rule that allows eligible investors to submit shareholder proposals for inclusion in companies' proxy materials, subject to certain requirements. The SEC's position is that the rule exceeds its statutory authority and that shareholder proposal rights should be governed by state law and company governing documents. The change remains a proposal, but, if adopted, it could significantly limit investors' ability to bring issues before fellow shareholders for a vote.

THIRD QUARTER	SEPTEMBER 22	OCTOBER	NEXT STEPS
The SEC proposes rescinding Rule 14a-8.	Formative asks the SEC to extend the public comment period to 120 days.	Harvard Law School Forum on Corporate Governance publishes Paul Rissman and Sanford Lewis on why shareholder proposals matter.	A formal comment to the SEC, and letters urging companies to preserve shareholders' ability to submit proposals.

For Formative, protecting this process is an advocacy priority. Shareholder proposals provide an important avenue for raising concerns about corporate governance, environmental and social risks, and long-term shareholder value. Losing a consistent federal framework could make this work more difficult and leave investors' access dependent on where a company is incorporated and the rules it chooses to adopt.

On September 22, Formative asked the SEC to extend the public comment period to 120 days, giving investors and other stakeholders more time to evaluate the proposal's implications and prepare substantive responses. Our request was also mentioned in Responsible Investor's coverage of investors calling for an extended comment period, highlighting our participation in this broader effort to ensure investors have sufficient time to respond.

Our advocacy has also included contributing to the public discussion about why shareholder proposals matter to both investors and companies. In an October article published by the Harvard Law School Forum on Corporate Governance, Formative's Senior Engagement Strategist Paul Rissman and Sanford Lewis of the Shareholder Rights Group argued that eliminating Rule 14a-8 could shift investor concerns into more costly and contentious channels, including litigation and votes against directors. They encouraged companies to support preserving the shareholder proposal framework as a valuable tool for dialogue and accountability.

Our next steps will focus on defending shareholder rights through both regulatory engagement and direct company advocacy. We plan to submit a formal comment to the SEC explaining the value of the shareholder proposal process and our concerns about its potential elimination. We will also write to companies urging them to preserve shareholders' ability to submit proposals for inclusion in proxy materials and to formalize those protections in their corporate bylaws, consistent with applicable state law.

Alongside these efforts, we intend to file as many substantive shareholder proposals as possible this season—and your participation is essential to making that happen. Please be on the lookout for emails about opportunities to support these filings. As many of you know, we sometimes face tight turnaround times, and your timely responses can make the difference in meeting a filing deadline. I deeply appreciate your support and partnership. This work depends on our advisor community, and together we can help preserve shareholder voice and advance meaningful corporate accountability.

AI SAFETY

Leading Investor Action on AI Safety

Formative is leading an investor sign-on initiative on AI safety governance and a Global AI Safety Accord, developed by Paul Rissman, calling on leading AI companies to strengthen safety governance and publicly support a binding international AI Safety Accord. The letter urges companies to uphold safety commitments regardless of competitors' actions, support shared and enforceable safety standards, improve transparency around safety evaluations and incidents, and engage with investors on how they manage systemic AI risks. Through this effort, we are bringing investors together to advocate for stronger corporate accountability and safeguards that protect people, communities, and long-term shareholder value.

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INVESTOR SIGN-ONS

Supporting Worker Protections and Responsible AI

This quarter, we joined an investor sign-on addressing pregnancy-related workplace protections at Amazon, reinforcing our support for safe and fair working conditions for pregnant employees.

We also continued our support for the World Benchmarking Alliance's Ethical AI Coalition, which revised its investor statement this quarter. The updated statement provides an opportunity to reaffirm our commitment to responsible AI development and use, with attention to corporate accountability and the impacts of these technologies on people and communities.

GROWTH FOR IMPACT

Join Us at Growth for Impact

Join us November 8–11, 2026, at the Sheraton Grand at Wild Horse Pass in Phoenix, Arizona, for the Growth for Impact Conference—a chance to exchange ideas, strengthen connections, and explore how we can advance meaningful impact together.

November 8–11, 2026	Sheraton Grand at Wild Horse Pass	Art & Advocacy
Growth for Impact Conference	Phoenix, Arizona	Community Connection Time

Join me for "**Advancing Investor Advocacy on AI: Governance, Privacy, and the Environment,**" where I'll moderate a discussion on how investors can address AI's expanding risks and impacts, including corporate oversight, privacy and digital rights, and the environmental demands of data centers.

Other Advocacy & Impact panels will explore:

The SEC versus Shareholder Advocacy

The changing regulatory landscape and what it means for investors seeking to hold companies accountable.

Community Impact Investing is a Global Imperative: Transitioning People to Global Sustainability

How community-focused investments can support economic opportunity and a more sustainable future.

Catalytic Capital in Action: How Credit Unions and CDFIs Partner with Impact Investors to Expand Economic Opportunity

How investor partnerships with community lenders can help direct capital to underserved communities.

We also invite you to Art & Advocacy: Community Connection Time, which I'll be hosting alongside Paul Rissman. Come connect with others in the advocacy community, talk about shareholder impact and the issues on your mind, and create a small art project to take home. Supplies will be provided—just bring your curiosity and creativity!

Explore the agenda and register for Growth for Impact.

ABOUT & DISCLOSURES

Let’s keep the engagement going.

To align our advocacy with the specific interests of you or your clients, connect with Kaitlyn directly. Joining the priority list helps us proactively identify and pursue engagement opportunities tailored to your concerns.



Kaitlyn Mitchell, MBA

Shareholder Engagement Coordinator

Kaitlyn leads Formative’s shareholder engagement work — co-filing proposals, joining collaborative investor initiatives, and translating proxy-season outcomes into what they mean for values-aligned portfolios.

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