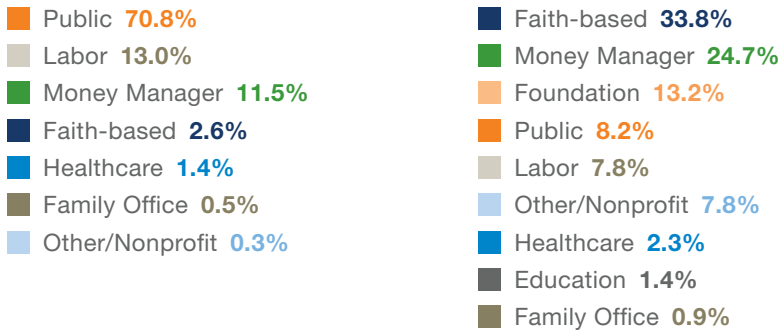
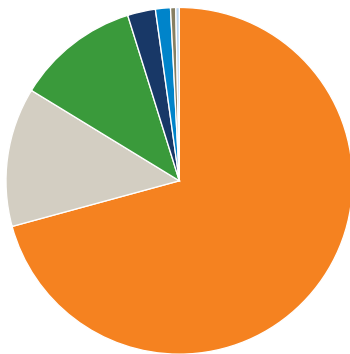


FIGURE I

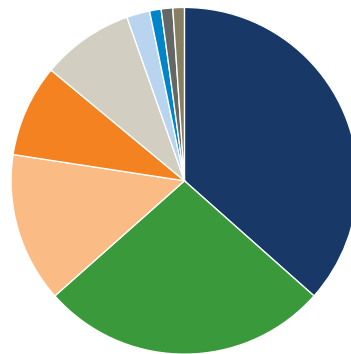
**Types of Investors Filing Shareholder Proposals 2016–2018**



**ESG Shareholder Proponents 2016–2018, by Assets**



**ESG Shareholder Proponents 2016–2018, by Number**



SOURCE: US SIF Foundation.

**Investor Advocacy**

From 2016 through the first half of 2018, 165 institutional investors and 54 investment managers collectively controlling nearly \$1.8 trillion in assets at the start of 2018 filed or co-filed shareholder resolutions on ESG issues. (See Figure B.)

- As shown in Figure I, the faith-based institutions and money managers constituted the majority of these shareholder proponents, while public funds represented the largest share of assets involved.
- As shown in Figure J, the leading issue raised in shareholder proposals from

2016 through 2018, based on the number of proposals filed, was “proxy access.” Investors filed 353 proposals at US companies during this period to facilitate shareholders’ ability to nominate directors to corporate boards. As a result of the strong investor support for these proposals, the share of S&P 500 companies with proxy access policies grew from 1 percent in 2013 to 65 percent in 2017.

- Disclosure and management of corporate political spending and lobbying were also top concerns. Shareholders filed 295 proposals on this subject from 2016 through 2018. Many of the targets were companies that have supported lobbying

organizations that oppose regulations to curb greenhouse gas emissions.

- A surge in shareholder proposals on climate change that began in 2014, when investors wrestled with the prospects of “stranded” carbon assets and US and global efforts to curb greenhouse gas emissions, has continued: 271 proposals were filed from 2016 through 2018.
- The proportion of shareholder proposals on social and environmental issues that receive high levels of support has been trending upward. During the proxy seasons of 2012-2015, only three shareholder proposals on environmental and social issues that were opposed by management received majority support, while 18 such proposals received majority support in 2016 through 2018.
- Investors are increasingly engaging in ways other than filing shareholder resolutions. A subset of survey respondents, including 49 institutional asset owners with more than \$1 trillion in total assets and 88 money managers with \$9.1 trillion in assets under management, reported that they engaged in dialogue with companies on ESG issues. The extent of engagement reported by money managers has increased notably since 2016, when only 61 managers with \$6.9 trillion in assets reported that they engaged companies on ESG issues.