



# Top Proxy Themes for 2026

**As is typically the case, in preparing for the 2026 Proxy Season, companies are considering a number of perennial issues, with some new twists.**

**Drafting a proxy that meets both regulatory requirements, and the additional informational needs of a wide range of investors.** Here, we suggest focusing on the needs of the large indexed investors that strive to vote thoughtfully, yet don't have the same level of understanding of your company, its board and executive leadership and major strategies as do "actively managed" investors. This can involve including some "IR 101" or other repurposed "About the company" language in the proxy, updating these investors about the business, its strategies and performance.

**Ongoing need to benchmark your practices and disclosures against the ever-rising levels of peer and other governance-leading companies** while clearly conveying your practices and their link to the business strategy and to long term shareholder value.

*As company proxy drafting teams become larger and more cross-functional, the efficiencies and cost-savings of using secure collaborative content management systems become more apparent. Here, we are seeing a significant uptake in companies – including those with highly designed proxies -- utilizing our easy to use, design-friendly ActiveDisclosure software to benefit their process and results.*

**Companies being sensitive to "anti-ESG" pressure from the current administration, while major investors remain committed to the views that "climate risk is investment risk" and that diversity – in the board room, executive ranks and general workforce – contribute to livelier debate and better outcomes, are causing companies to walk a finer line in how and where they discuss their sustainability programs and their diversity initiatives.** Here, we suggest that, in the proxy, focus on sustainability and human capital activities that you have operationalized and that have a clear through-line to company success and thus long term shareholder value. NOTE - at whatever level you choose to describe your programs, the proxy is where you need to discuss effective board oversight of these activities, as well as the board's competencies to do so effectively.

**In the case of sub-par votes (increasingly viewed as under 80 or 75% support for management's vote recommendations), which lead to "greater scrutiny" of the next proxy, demonstrating "responsiveness to the vote"** which often involves ramped up post-meeting engagement, and in the subsequent proxy, discussing not just the scope and participants in engagement, but also what you heard, and most important, what you did with this input.

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**Scan for further information:**



Recent actions affecting investor and proxy advisor policies and engagement, which while "desired" may provide less clarity in the coming year include:

- Major proxy advisors ISS and Glass-Lewis adding more "bespoke" or thematic sets of voting recommendations which while it adds more desired "choice" it does create a more complex vote recommendation landscape,
- The SEC's updated guidance on "passive investor" status for filing on schedule 13-G rather than 13-D is contributing to less "vote certainty" from company engagement efforts with these major investors as they are now more circumspect about conditioning specific vote outcomes on companies adhering to particular policy recommendations.

## 2026 Proxy Executive Checklist: Key Themes

**1. Modern Proxy Design & Visual Storytelling** - Include charts, infographics, tables, and concise summaries to clarify complex proposals and support compliance. Graphics, photography and other visual elements can both break up dense text and make content such a key "board processes" more inviting to the eye, digestible and impactful. These can

include bullets or montages of key performance or program highlights, checklists of governance or compensation practices, timelines of evolution of these programs (including board refreshment timelines), traditional bar, line and pie / doughnut graphs, shading for emphasis, callouts and other features.

These are often most on display in “proxy summaries” at the start of the document, and/or CD&A executive summaries at the start of that important section.

This should be done judiciously, and not overdone, as investors have found some extremely highly designed proxies distracting, commenting that “when you highlight everything, are you really highlighting anything?”

**Williams Companies**



**Commercial Metals**



**Performance Food Group**



**2. Contested Meetings & Activism** – Plan proactively for activist campaigns. Communicate transparently about board composition, succession, and governance.

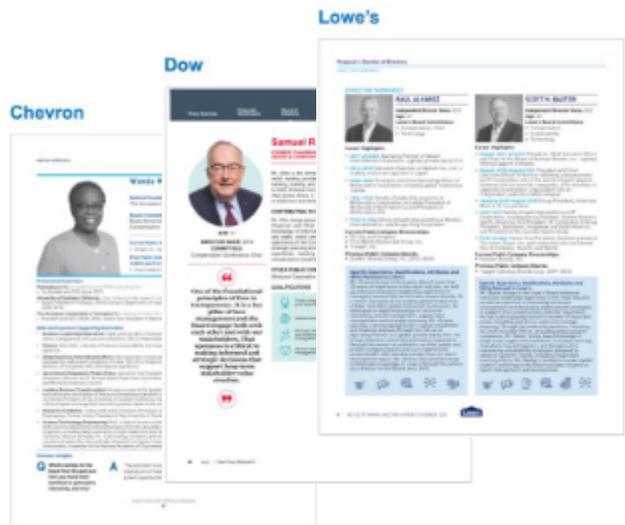
Almost any company can, and many will, confront one or more activist situations in their lifetime. While great performance can forestall this, such performance eventually may wane. Many such situations can be resolved or defused by engaging with the activist, understanding their concerns and objectives and perhaps implementing certain of their ideas. Others may bubble into threatened or actual director election challenges.

Two things that companies almost always do when confronted with these challenges are:

- Initiate, or enhance, their level of engagement with a broad range of investors
- Improve their proxy messaging, to tell their best strategy and performance, board and governance, executive compensation, and sustainability stories.

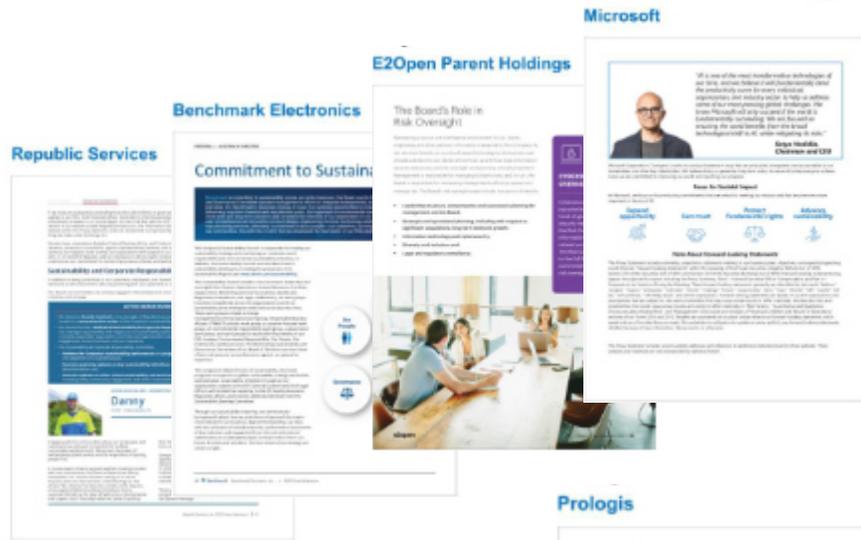
Given that, we have to ask “why wait”? Many forward-looking companies have not waited, and have been presenting investors with proxies containing clear, credible information on these topics for years. These contribute to investor understanding and confidence in their strategies, board and executive teams, which can help companies prevail in board election contests.

Tactically, activism fueled by new Universal Proxy rules is causing some companies to re-think their approach to board bios, focusing on the unique competencies each nominee brings to the board that are relevant to the company's strategies.



**3. Board Oversight Transparency** – Highlight board oversight, sustainability initiatives, and long-term strategy.

Traditionally, most companies provided large, catchall “enterprise risk” discussions that covered a range of risks boards must oversee. Starting about five years ago, companies began breaking out both “ESG program highlights” and the related board oversight in standalone focused discussions, and more recently are expanding this technique to focused Cybersecurity program and oversight sections. We believe that similar discussions of AI will become prevalent within the next three years.



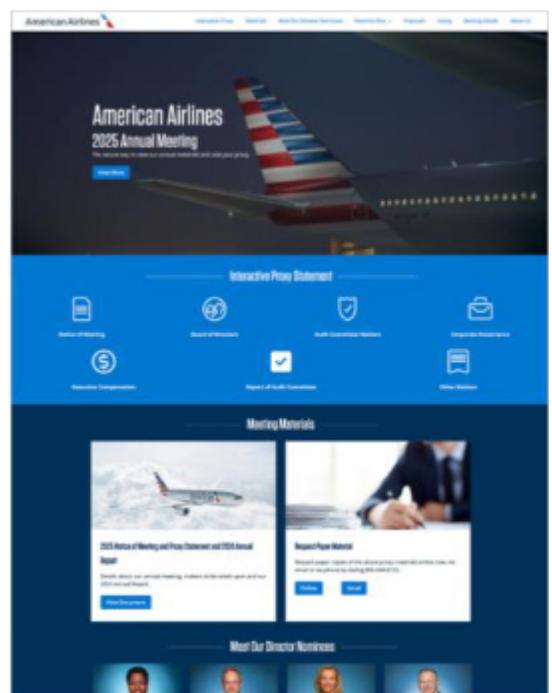
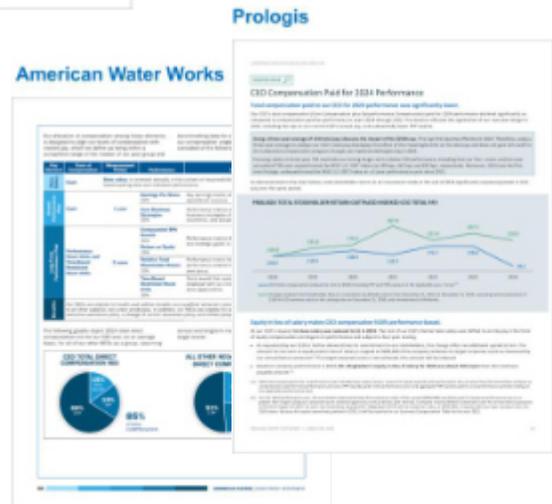
**4. Executive Compensation & Pay-for-Performance** – The most fundamental pay-related question investors have been asking for decades isn’t about pay quantum, but about its alignment with a) the business strategy and b) with company and shareholder performance. Companies that address these investor questions head-on tend to retain more support when receiving negative proxy advisor Say on Pay recommendations, than companies that do not.

**5. Multi-Channel Delivery & Accessibility** – Provide proxy materials in print, digital, and interactive formats. Ensure accessibility for all shareholder groups.

While the traditional printed and mailed version of the proxy remains a key element of maximizing retail voter participation (irrespective of their professed “material receipt preferences”), the SEC-filed and web-hosted digital version of the proxy has taken on increasing importance for the majority of institutional investors, for retail investors responding to Notice & Access procedures, and others.

While it’s the “same proxy”, many companies add additional features to their digital proxy including:

- Additional color (digital color being relatively cost-free compared to in the printing process)
- Enhanced navigation, including word search, hyperlinked Tables of Contents, “hot buttons” to key topics, and other means
- Links to company, board or CEO videos
- Company-branded digital hosting sites including convenient voting buttons and companion documents such as the Annual Report and Sustainability Report.



**California ESG Disclosure** - Address SB 253 (GHG emissions) and SB 261 (climate risk). Integrate disclosures into proxy and annual reports.

California passed two climate laws (SB 253 and SB 261) to increase ESG transparency from companies: (1) SB 253 requires companies with over \$1B in annual revenue to report greenhouse gas emissions annually starting in 2026; and, (2) SB 261, which is more immediate (due by Jan 1, 2026), requires companies with over \$500M in revenue to report on how climate risks like extreme weather (called a "physical assessment") and new regulations calling for a low-carbon economy (called a "transitional assessment") could impact the organization.

While recent litigation has created uncertainty about the applicability and timing of these regulations, we anticipate that some companies will comply on a voluntary basis. Such "early adopters" may gain added credit from investors who are eager for this information.

DFIN continues to leverage our proven five-step reporting process, our experienced sustainability team in collaboration with our environmental partner - the Governance & Accountability (G&A) Institute - and our cloud-based platform, ActiveDisclosure (AD), to manage the initiative. Specifically, our efforts will include:

- **Risk Assessments:** We evaluate both physical risks (e.g., extreme weather) and transitional risks (e.g., policy changes), as required by SB 261.
- **Task Force on Climate-Related Financial Disclosures (TCFD) Mapping:** We structure the data to follow the global TCFD framework for climate-related disclosures.
- **ESG Factsheet Creation:** We draft a clear, concise report with data, analysis, and narrative, all professionally designed.
- **Streamlined Collaboration:** Everything is managed in AD, allowing the client team to easily track progress and contribute. Future updates (required biannually) will be seamless, saving time and money since AD will house the Factsheet.

In short, we offer a streamlined ESG solution - think of it as an "ESG easy button" that simplifies reporting.

As with the earlier "ESG and Governance Transparency" section, companies can decide the level at which to discuss the program in the proxy, but the board oversight portion of the story is a "must have".

**Overall Takeaway** - Show how the company communicates, engages, and adapts to 2026 trends. Ensure shareholders are confident, informed, and empowered to vote.

Smaller, younger and controlled companies, including Emerging Growth Companies, can legitimately follow a traditional "compliance" approach to this document, until, whether due to growth, expanding investor base and level of visibility, they should transition (often over several years) to a more "communications" approach, as described above.

*A proxy that doesn't just "disclose" but also "explains" can go a long way toward ensuring investors understand and are comfortable with your programs, procedures, performance and oversight, and will provide you with more forbearance if you come under greater scrutiny due to a negative proxy advisor recommendation, investor activism or other reasons.*

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Engaging with your investors, learning first-hand their informational needs and preferences, and then addressing those in the next proxy, ARE what you will do if faced with an activist challenge. As we stated earlier, "why wait"? Many leading companies have not waited, and all companies should regularly benchmark their programs and disclosures against those of their peers and of other governance-leader companies.

For more examples of effective proxy disclosures, SCAN to view DFIN's Guide to Effective Proxies, 13th edition

