



Labrador Transparency

2026 Proxy Trends with Insights for 2027

September 2026





Introduction

Once again, Labrador Transparency's lead advisors – with an average of 20+ years of career experience with corporate disclosures and proxy statements – will be sharing targeted insights to help you navigate the evolving proxy statement landscape. Delivered as a series throughout the fall, each piece will spotlight key trends, observations, and actionable elements to consider as you prepare your 2027 proxy statement.

While it may seem like there was nothing new in the proxy landscape this season, the proxy statement has become more important as a shareholder engagement tool, and changes may be more subtle, but impactful.

Below are our observations on the 2026 proxy season, key themes from the Society for Corporate Governance national conference in July, and a preview of our upcoming Thought Pieces. We'll keep this series updated with timely insights and analysis as the regulatory landscape continues to evolve.

2026 Proxy Season Takeaways

The 2026 season unfolded against a backdrop of **economic and geopolitical strain**, with ongoing trade tensions, tariff pressures, and broader **market uncertainty** shaping investor expectations. While **voting outcomes on core items**—such as executive compensation, director elections, and equity plans—remain **stable**, the mechanisms driving those outcomes are evolving in ways that **increase complexity for issuers**.

At the same time, the industry experienced a **recalibration of the proxy advisory and shareholder engagement landscape**. **Regulatory attention**, coupled with a more **active litigation environment around shareholder proposals** following [SEC interruption of the no-action letters process](#),¹ has weakened reliance on standardized proxy advisor recommendations and had a **"chilling" effect on shareholder engagement initiatives**. As a result, investors appear more willing to diverge from established guidance, leading to a more decentralized and less predictable voting environment, and [direct engagement from the company to its investors became even more important](#).

Environmental and social proposals continue to decline in both volume and support. At the same time, the volume of proposals challenging ESG-related practices remains slightly elevated, though these initiatives typically receive limited shareholder support. Broader regulatory signals—including rescission of climate disclosure rules and potential rescission of EEO-1 reporting—suggest a **continued pullback in prescriptive ESG requirements**, which may further influence disclosure practices on ESG and DEI.

¹ On August 14, 2026, the SEC announced it will no longer respond to Rule 14a-8 no-action requests entirely, effective immediately.



35% of the total shareholder proposals voted as of May 2026 were ESG-related, 38% of these being “anti-ESG.”

91.3% support for say-on-pay proposals among the S&P 500 as of May 2026, almost an all-time high.

789 shareholder proposal submissions in 2026, a decline from 951 in 2025.

3 activist shareholders were responsible for more than 60% of the anti-ESG proposals submitted in 2026.

Key Themes from 2026 Society Conference

The two most common terms heard at the Society conference were “AI” and “materiality.” For AI, the topics ranged from speed of change and impact on the business to Board oversight to use cases for drafting and analysis. See our **AI Legibility** thought piece [here](#). For materiality, there was a strong sense of companies, investors, and the SEC striving to get “back to the basics” of disclosure.

Public Companies Should Follow Governance First Principles

Over the past decade, public companies have been whipsawed by changes in the political and regulatory environment. But good governance and risk management are more important than those external inputs. If a company provides clear disclosure on material issues, it will withstand scrutiny no matter how the political winds are blowing.

Investors Want to Know:

- **Director Skills and Continuing Education Evolve with Company Strategy and Risks:** In other words, why are the current directors the right people at the right time to oversee the risks that matter? **A proxy statement should provide a roadmap** between the **strategy** a company has chosen, what **risks** that strategy creates, and how the Board is equipped to oversee and ensure the right management framework is in place to mitigate risk and create **long-term value**.

Labrador has long emphasized the need for fulsome and thoughtful disclosure on director skills. Our most recent Director Skills Thought Piece is available [here](#).

- **The Board is Focused on the Right Risks:** While AI is the topic du jour, investors emphasized that the external environment is so dynamic, companies need to ensure they are identifying and managing all key risks. Accordingly, **a static risk oversight section is a red flag for investors**.



We have been analyzing best-in-class risk oversight disclosures since the SEC issued dozens of comment letters on the topic several years ago. Our most recent Risk Oversight Thought Piece is available [here](#).

- **Executive Compensation = “Paying for Performance”:** A well-drafted CD&A should clearly show how a company’s **compensation program** and actual payments **align with its business strategy and performance** over both the short and long term.

We have a number of Thought Pieces on effective CD&As, many of which, like this [one](#), focus on specific circumstances, such as a low Say-on-Pay vote or material compensation changes.

SEC Regulatory Reform

At the conference, [SEC Chairman Atkins](#) and the Corporate Finance staff emphasized the need to simplify disclosure, moving away from prescriptive rules to a disclosure regime based on financial materiality. As explained in more detail below, the SEC has proposed rules that affect the requirement for CD&A for a wide swath of public companies. In addition, its [2026 Regulatory Agenda](#) includes further streamlining and modernization of Item 402 executive compensation rules and Regulation S-K.

In late August, the SEC submitted draft proposed rules for executive compensation disclosure reform (along with the now released proposed rules related to proxy solicitation modernization and discontinuation of the no-action letter process) to the White House’s Office of Information and Regulatory Affairs (“OIRA”) for review. OIRA review can take up to 90 days (and be extended beyond that), although reviews of SEC proposals have generally been completed more quickly.

SEC Proposed Rule: Should We Expect the CD&A to Disappear?

The SEC has [proposed revisions](#) to the filer status framework that would expand the pool of non-accelerated filers to companies with a public float below \$2 billion. These companies would benefit from **scaled disclosure requirements, including reduced executive compensation disclosures and exemption from mandatory Say-on-Pay votes**. If adopted, this shift raises the question of whether investors will still expect affected companies to retain some version of CD&A and voluntary Say-on-Pay votes.

Against this backdrop, the proxy statement is taking on an expanded role as a direct channel for investor engagement.



Companies should communicate their governance approach with **clarity and precision**, demonstrating how **the Board provides effective oversight and shareholder feedback informs decision making**. With the SEC's moves to simplify disclosure and stay out of the no-action letter business, companies should evaluate their current proxy statement to determine what and how to disclose key information to their investors and other stakeholders. **Ask yourself: is the information in my proxy decision-useful for my investors, and am I disclosing it transparently? What should I continue to disclose if no longer required**, seeking input from Legal, Investor Relations, External Communications, and Government Relations departments.

Structuring disclosures for **ease of navigation and targeted review** is also becoming essential, particularly as **investors adopt more selective and technology-assisted approaches** to analyzing filings. In a more fragmented governance environment, **effective communication is emerging as a key differentiator**.

Upcoming Thought Pieces

AI Governance: The End of the Honeymoon Period

As AI adoption accelerates, investors are seeking evidence of board-level oversight and organizational competence in managing AI-related risks and opportunities. This trend is emerging alongside regulatory developments and increased focus on responsible AI. Companies should disclose governance structures, expertise, and risk management frameworks related to AI to demonstrate preparedness and mitigate concerns around ethical and operational risks.

Board Oversight of Key Risks in a Dynamic Environment

U.S. proxy disclosures continue to expand board oversight discussions beyond traditional topics to include areas such as cybersecurity and AI. This reflects investor demand for greater transparency on how boards oversee emerging and specific enterprise-wide risks. Clear articulation of committee responsibilities, activities, and cross-functional oversight in emerging risk areas is increasingly important to demonstrate effective governance.

Ever-Curious and Future-Ready: Director Education in Today's Complex World

Now, more than ever, directors are expected to keep abreast of increasingly complex topics relevant to their companies. As you prepare for the 2027 proxy season, you may want to revisit your director orientation and education proxy disclosures to ensure they reflect all of the ways you keep your Board informed, whether through formal training, company site visits, bringing in opposite viewpoints to debate a complicated issue, or leveraging a particular director's expertise.



The Continued Importance of Clear Board Diversity Disclosure

U.S. board diversity disclosure continues to evolve in response to investor expectations and proxy advisor policies. Despite the current administration's anti-DEI initiatives, some major investors still express clear expectations for continued disclosure on board diversity. Companies are moving beyond standardized matrices to provide more tailored, skills- and strategy-linked narratives. Clear, consistent disclosure remains critical, particularly as investors assess diversity in the context of board effectiveness and long-term value creation.

Succession Planning as an Ongoing Process

Public companies no longer restrict their discussion of executive succession planning to a few sentences in the "board oversight" section of their proxies. Some recent proxies have disclosed that succession planning experience is a desired attribute for new directors, that investors want to discuss succession planning—even in years that aren't expected to feature executive turnover, and that the board has developed both long-term and "emergency" succession plans.

Navigating Disclosure of Leadership Transitions in Proxy Statements

Recent U.S. proxies are including more—and more robust—disclosure about CEO and senior leadership transitions. These disclosures, which may appear in several sections of the proxy, can satisfy investors and proxy advisors that want insight into how new leaders were chosen, why each particular individual was selected, and how new executives are compensated.

Reading the Signals: Pay, Performance, and Investor Trust

SEC rulemaking likely will considerably reduce the regulatory burden for Executive Compensation disclosures and particularly the CD&A. Yet, echoes from the market – refer to "Key Themes from 2026 Society Conference" above – suggest that investors and the broader stakeholders of companies are still expecting information on executive compensation with a focus on demonstrating effective Pay for Performance and responsiveness to shareholders' feedback.

Lightning Round: Proxy Trends to Monitor

This lightning round provides a fast, practical overview of the latest proxy statement changes across key governance topics, including committee rotation, refreshment timelines, ESG highlights, clawback recovery analysis, and director compensation. It also covers the broader evolution of board succession and nomination disclosures. The focus is on what has changed, what is being emphasized, and what companies should update to keep disclosures current, credible, and investor-ready.



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Labrador Transparency exists to offer the science of transparency to corporations wishing to communicate effectively with their readers.

Our experienced and passionate team is composed of attorneys, designers, project managers, thinkers, and web developers. We collaborate together around a process that encompasses drafting, editing, designing, and publishing across all digital and print channels.

We are thrilled that communications prepared by Labrador Transparency have contributed to trustful relationships between our clients and their readers, whether investors, employees, or other stakeholders.

In turn, our commitment to our clients has resulted in meaningful long-term relationships with some of the most respected public and private companies in the world.

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