



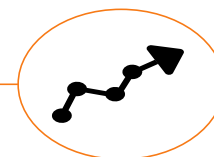
10 Intriguing Things You Need to Know

1. E&S Shareholder Proposals: Early Results Show Support Way Up

As noted by Steve Pantina of Proxy Analytics, the 2021 proxy season has already produced some surprising results. In the first week of May alone, he and his team tracked 12 shareholder resolutions that received majority support, including eight proposals that had support levels exceeding 75% of votes cast in favor.

He notes that, although votes exceeding 75% of votes cast on shareholder proposals are not entirely unheard of, such instances are usually reserved for more traditional governance issues, like proposals seeking the redemption of poison pills or the removal of classified board structures and supermajority provisions. In this case, however, five of the eight proposals that reached the 75% support level related to E&S issues. Wow!

One of the more dramatic results from the season thus far is a proposal at DuPont about reporting on plastic pollution that went from 6% of votes cast in 2019 to 81% this year. The “resolved” language between the resolutions is nearly identical. However, this latest version of the resolution cited a few examples of other large companies that have agreed to report on “pellet spills” recently. That is astonishing!



2. Human Capital Management: Form 10-K Disclosure

Stats

In [this memo](#), PwC surveys what the human capital management disclosures looked like in the recently-filed Form 10-Ks. The findings on page 6 included:

- 89% included both qualitative and quantitative metrics.
- 75% included disclosures related to COVID-19 and the impact to human capital, the majority of which were qualitative.
- 66% disclosed mostly qualitative DEI information. Quantitative metrics consisted primarily of the total number of employees and gender percentages.
- 99% included employee demographics.
- 73% addressed employee lifecycles.
- 62% addresses safety.
- 61% addressed general employee base compensation.
- 47% addressed labor relations.
- 32% addressed employee feedback.



3. Nasdaq Listings, Transfers & Uplistings

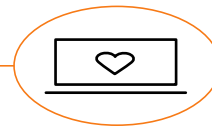
In this [Vid-Guide](#), Thompson Hines' Jurgita Ashley – explains initial listing on Nasdaq, transferring a listing from the NYSE to Nasdaq and uplisting from the OTC to Nasdaq.

Available on-demand right now, learn the practice pointers you need to know about all the latest for M&A, for capital market transactions. Here is the "[Doing Deals: Hot Takes](#)" [conference page where you can access all these panels immediately](#).

4. How to Provide ESG Updates During Quarterly Earnings Calls

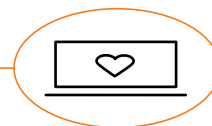
The first companies are starting to provide some sustainability information, some ESG metrics, during quarterly earnings calls. What will it take for that to become a trend?

This [Vid-Guide](#) parses a [paper](#) by Kevin Eckerle and Tensie Whelan of the NYU Stern Business School and Brian Tomlinson of “Chief Executives for Corporate Purpose” – the paper is quite practical. It really provides a roadmap for companies contemplating broadening their quarterly earnings calls to include ESG information.



5. How to File Form 8-Ks for Voting Results for the Annual Meeting

As noted in this [Vid-Guide](#), after your company holds a shareholders meeting, you need to file a Form 8-K with the SEC within 4 business days to disclose, for each matter voted on at the meeting, the number of votes cast for, against, or withheld, as well as the number of abstentions and broker non-votes.

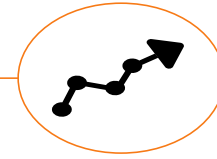


6. The Definitive Guide to Proxy Fights

In this [Vid-Guide](#), Carl Hagberg, a renowned inspector of elections, who also publishes the “Shareholder Service Optimizer.” Carl discusses:

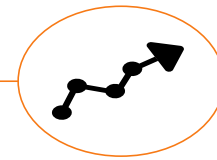
1. The 5 top things you need to know about proxy fights
2. Circumstances that might cause a proxy fight to break out

3. What are the mechanics of a proxy fight?



7. The Posting of Annual Meeting Transcripts

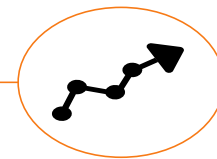
As noted in this [Vid-Guide](#), many companies have their annual meetings transcribed. It's so easy to do today. It can be done in a jiffy by a dictation bot. But whether to make that transcript publicly available is a whole other question.



8. How to Improve Gender Pay Equity

In this [Vid-Guide](#), Vinson & Elkins' Sarah Fortt joins us to discuss efforts that might be considered to improve a company's gender pay equity, including:

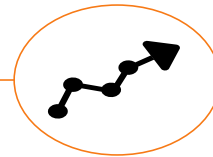
1. Which members of management typically are involved in improving their company's gender pay efforts?
2. Which board committee typically is responsible for oversight here?
3. What types of board presentations should the board be receiving on this?
4. What type of action plan might the board develop to better assess the company's circumstances? Or to improve them?



9. Broadridge’s Virtual Meeting Platform With the Q4 Touch

In this [Vid-Guide](#), Q4’s Darrell Heaps talks about Q4’s recent partnership with Broadridge for virtual annual shareholders meetings, including:

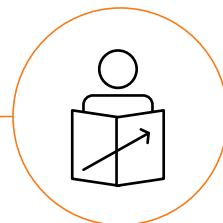
1. How has the IR / corporate issuer community responded to the shift to virtual?
2. How does this new platform differ from what Broadridge has used in the past for virtual meetings?
3. What questions are VSM clients asking about the new partnership?
4. What is Q4 working on next?



10. How to Obtain a Rule 12b-25 Filing Extension for Your Form 10-K or 10-Q

You don’t see this often. A few weeks ago, the SEC [announced](#) enforcement proceedings against eight companies for disclosure deficiencies in Form 12b-25 filings.

As noted in this [Vid-Guide](#), the SEC has a process – using its Rule 12b-25 – and Form 12b-25 – to enable you to get an extension for filing your 10-Q or 10-K and still be considered “timely.” Although you still need to file a Form 12b-25 even if you don’t expect to be able to file your 10-Q or 10-K with the luxury of an extended deadline.



Hard Conversations...

First “Say-on-Climate” Management Proposal Gets Wide Shareholder Support

Moody's Corporation became the first company in the US to include a management-sponsored "Say-on-Decarbonization" proposal on its annual meeting ballot. The proposal was voluntary even though it was a management proposal – and Moody's placed it on the ballot partly to negotiate out a shareholder proposal.

Here's what Moody's proposal looks like on its [proxy card](#) – and here's what that looks like in its [proxy statement](#) (pages 72-73). The proxy provides commentary on the key initiatives of the Company's 2020 Decarbonization Plan, such as outlining the “current science-based targets and strategy for reducing our GHG emissions” as well as goals disclosing some of its forward-looking goals such as to “Achieve Carbon Neutrality” and “Engage with External Stakeholders.” The proxy includes two appendices: Appendix A on 2020 Decarbonization Plan and Appendix B on 2019 Estimated Greenhouse Gas (GHG) Emissions.

As noted by Steve Pantina of Proxy Analytics, Moody's already was making SASB and TCFD-aligned disclosures, so it wasn't surprising to see strong levels of shareholder support (98% of votes cast in favor, excluding abstentions and 90.5% of votes cast, including abstentions) and investors like Blackrock issuing [Vote Bulletins](#) in support of management's proposal.

Glass Lewis Concerned About “Say-on-Climate” Votes

Steve Pantina also notes that Glass Lewis issued this [memo](#) that expresses some of the concerns it has around climate-related advisory votes. Specifically, Glass Lewis expresses some concerns around the potential down-stream impacts of such votes – here is an excerpt:

We are concerned that it could lead to scenarios where some investors, who may not have the capacity or technical ability to analyze these plans, provide a rubber stamp for climate strategies that are out of alignment with broader climate goals. Further, in certain markets, there could also be potential legal concerns.

For example, as Michael Garland of the New York City Pension Funds noted on Glass Lewis' recent webinar, support for a corporate climate plan “might jeopardize our right

to take legal action in the future, if those disclosures were ever revealed to be fraudulent in some way and we had somehow given them our seal of approval.

Considering the high percentage of abstention votes at Moody’s meeting, it appears that Glass Lewis investors with similar concerns opted to abstain from the resolution.

Broc views it similarly to say-on-pay – that only the outliers would get a “vote against” and the bulk of decarbonization plans would get shareholder support without sufficient scrutiny.

Celebrations...

My 19th Year Blogging Anniversary. Whoa...

May 4th marked my 19th anniversary of blogging – 19 years! When I started blogging, I had never heard of a blog. I read about it in a marketing magazine and the idea seemed silly. Who would want to read my diary?

So I tasked an intern that worked for me – a tech savvy college kid – to install blogging software for me. That wasn’t an easy task. Now it takes a few minutes. Back then, it took a week.

And then for the formatting, the writing style, the content, I had no examples to draw from. When I say I was one of the first lawyers to blog, I really mean it. A few blogged about how lawyers should market their wares on the Internet – but those “early days” bloggers didn’t deal with the law itself. I may well have been the first to blog about legal substance.

Funny enough, Jim McRitchie began posting content on his “[CorpGov.net](#)” site starting in 1995 that was akin to blogging because Jim listed his content chronologically (but Jim didn’t use blogging software until later). Jim was truly ahead of his time.

Anyway, here is [my first blog](#). No title. And a “tongue in cheek” reference to “hype” about blogging. No one had heard of a blog back then. It seemed like a made-up word – and it was! Any word is “made-up” when it’s first coined...

The Random...

Zippy Point is Free? Um, What's the Hitch?

One of my favorite moments in talking to folks about my plans to launch Zippy Point was when one friend abruptly stopped me when I explained the platform would be populated with instructional videos, available for free. He blurted out, “Free? What’s the hitch?”

I’d been so used to the notion that all the content was complimentary – dutifully plowing ahead for several months – that I hadn’t considered an answer to the question in some time. Frankly, I was at a loss for words, other than to softly say “there is no hitch.”

That’s because there is no hitch. My motivation for launching Zippy Point was to give back to the community. To educate the next generation. To keep our community united in tough times. To not price out those that can’t afford the alternatives that have become way too expensive in my humble opinion.

So maybe I’m a little bit crazy. That’s who I am. So I’m putting my talents to use in what I love best, what I know best. I’m passionate about this stuff. I love our community. And I’m too young to hang it up quite yet.

Of course, having said all that, I am relying on the generosity of the community to donate to the cause if they find my content of value. So I can buy health care for my family, so I can recoup my operational costs.

You’ll see my recommended levels of support on my [“Pay-What-You-Can” page](#) are a fraction of what other providers are charging. On Zippy Point, you should get all your programming needs met, you should be kept abreast of all the latest, you should get training in all those areas where you need some education.

And if you don’t see what you need, please do drop me a line: broc@zippypoint.com. Thank you for being a part of the community – and here’s [my 2-minute video](#) explaining this same concept...

And since all the content on ZippyPoint.com is complimentary, please “[Pay-What-You-Can](#)” to help keep this fine platform alive & well...

How to Best Use Zippy Point

Here’s a [short video](#) explaining how to best use “Zippy Point.” There are more than 560 Vid-Guides dealing with corporate & securities law, corporate governance, E&S issues and more – see the list of Vid-Guides spread throughout these categories:

- [Corporate Governance](#)
- [Proxy Season](#)
- [Executive Pay](#)
- [’34 Act/Other](#)
- [’33 Act/Deals](#)
- [Sustainability/E&S](#)
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