

Enhance Your Shareholder Communications During Proxy Season

For investor relations professionals and corporate secretaries, shareholder engagement before and during proxy season is critical. However, given the heavy volume of meetings during the season, engaging with your most important shareholders is not always possible. Fortunately, Glass Lewis offers powerful channels to help companies directly reach voting decision-makers: the Report Feedback Statement (RFS) and Proxy Talk services.

Together, these platforms give companies and shareholder proponents structured, high-visibility opportunities to communicate their perspectives directly to the institutional investors who influence voting outcomes. This article outlines how the RFS and Proxy Talks work and how they can strengthen shareholder communication during proxy season.

What is the RFS?

The RFS service enables companies and shareholder proponents to directly respond to Glass Lewis' analysis and voting recommendations in a structured and efficient manner. Glass Lewis then distributes the RFS to its more than 1,300 institutional investor clients within its Proxy Paper reports. The goal of the RFS is to enable investors to make more informed decisions ahead of executing their votes.

Why is the RFS Valuable for Shareholder Communications?

1 Reach Voting Decision-Makers

The RFS offers a direct channel for companies to convey their perspectives to investors who rely on Glass Lewis research to inform their voting decisions.

2 Provide a Timely and Structured Response

Companies can present their viewpoints in a consistent, formal format aligned with the proxy voting timeline.

3 Increase Transparency

Investors benefit from seeing the Glass Lewis analysis and company responses together in the same report, offering a more complete picture of key governance matters.

4 Support Informed Voting Decisions

Providing thoughtful feedback through the RFS can inform investor decisions, especially when nuanced or complex issues are involved.

5 Highlight Alignment and Best Practices

The RFS can also be utilized to emphasize areas of agreement with Glass Lewis and demonstrate a company's governance strengths to shareholders.

Case Study: Enel, SpA and Covalis Capital

The value of the RFS was demonstrated during the 2023 annual general meeting of Enel, SpA, a global electricity and gas operator headquartered in Italy. In this instance, three competing slates of director nominees were presented—a relatively uncommon scenario in Italian corporate governance. While it is typical for the Italian Ministry of Economy and Finance (MEF), Enel’s largest shareholder, and Assogestioni, an association of institutional investors, to each submit candidate slates, the dynamic shifted when Covalis Capital, another shareholder, introduced a full independent slate of its own.

Covalis contended that the company’s opaque nomination process had contributed to undervaluation and elevated capital costs, framing the election as a pivotal moment for governance reform. After Glass Lewis recommended support for the Assogestioni slate, Covalis leveraged the RFS to further advocate for its position. In its RFS, Covalis agreed with Glass Lewis’ emphasis on the importance of an independent chair but highlighted that its slate was the only one offering a fully independent leadership structure. In this case, the RFS added valuable context, helping institutional investors better understand the governance concerns and strategic reasoning behind Covalis’ proposal.

Spotlight: Glass Lewis’ Proxy Talks – Elevating the Dialogue

In addition to the RFS, companies can further amplify their reach by participating in Glass Lewis’ Proxy Talks. With shareholder activism rising, the Proxy Talk service helps companies involved in proxy contests or M&A transactions present their case directly to Glass Lewis’ 1,300+ institutional investor clients. This platform provides crucial context to support more informed voting decisions.

Proxy Talks feature company representatives or shareholder proponents, discussing the rationale behind their positions on contested or high-profile proposals. These sessions offer:

1 Real-Time Engagement

Unlike written materials, Proxy Talks provide a live forum with Q&A where companies can articulate their case in a dynamic conversation moderated by Glass Lewis.

2 Broader Audience Reach

Proxy Talks are accessible to a wide network of institutional investors, enhancing message visibility and investor education.

3 Complement to the RFS

When used alongside the RFS, Proxy Talks can reinforce the themes presented in written statements with narrative context and clarifications.

By participating in Proxy Talks, companies can further amplify their narrative, which can be especially impactful in contested situations.

Conclusion: Highlight Additional Considerations with the RFS

In a fast-paced and increasingly complex environment, the RFS and Proxy Talks together offer companies and proponents a robust toolkit to participate more actively in the corporate governance dialogue and meaningfully contribute to the decision-making process.

These services can provide deeper situational context, surface strategic insights, and clarify key governance considerations. For teams striving to make every shareholder touchpoint count, the RFS and Proxy Talks are not just communication tools—they are strategic platforms that can influence voting outcomes, support investor understanding, and strengthen governance narratives.