

Shareholder Engagement ? A Study

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You can't talk about governance these days without someone bringing up "shareholder engagement," so it's not surprising that there is now a study on the subject. This ISS and IRRRC study claims to be first ever benchmarking about engagement, polling 335 issuers and 161 investors, divided between asset owners and asset managers. Highlights from the study:

- 50% of issuers, 53% of asset owners and 64% of asset manager report doing more on engagement than they have in the past
- 87% of issuers, 62% of asset owners and 70% of asset managers report that they've had at least one shareholder engagement in the past year
- In what the study dubs a "barbell effect", investors either talk to a lot of companies or no one. 28% of asset owners and 34% of asset managers report talking to ten or more companies, but at the same time 45% of asset owners and 43% of asset managers report talking to none.

No surprise that all sides claim that the biggest impediments to engagement is the lack of resources and staffing.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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