Preparing for a changing disclosure landscape—what the 2026 proxy season can tell us

September 2026

The regulatory currents that have been building around public company disclosures are beginning to crest. The Securities and Exchange Commission (SEC) is beginning to put into practice a regulatory philosophy that gives companies more room to exercise judgment over disclosure. SEC Chair Paul S. Atkins has **described the goal** as finding the “minimum effective dose of regulation” needed for investor protection, while allowing materiality and market demand to shape disclosure beyond that baseline. Consistent with that approach, the SEC has proposed **allowing a company to report semiannually** rather than quarterly, and separately, **broadening eligibility for reduced disclosure requirements**. If adopted, those proposals could reduce the frequency or volume of some standardized mandatory reporting and give a company greater flexibility to determine what additional information its investors need.

One significant shift is no longer just a proposal or signal: the SEC has announced that it will **stop responding to Rule 14a-8 no-action requests altogether**. Companies have traditionally used that process to seek assurance that they may exclude certain shareholder proposals from their proxy materials. The announcement formalizes and expands the approach tested during the 2026 proxy season, shifting more responsibility for exclusions to companies, proponents, and in a handful of cases, the courts.

For directors, there is an important signal in how quickly that shift occurred. Just last month, Chair Atkins **described the staff’s absence from the no-action process** as a “turning point” and questioned the need to return to the prior model. He has also emphasized that principles-based disclosure requires companies to reassess what is material and useful rather than defaulting to historical or peer practices. Speeches do not make policy, but the direction of travel is clear: companies may be asked to exercise more judgment over what they disclose and how they navigate shareholder demands.

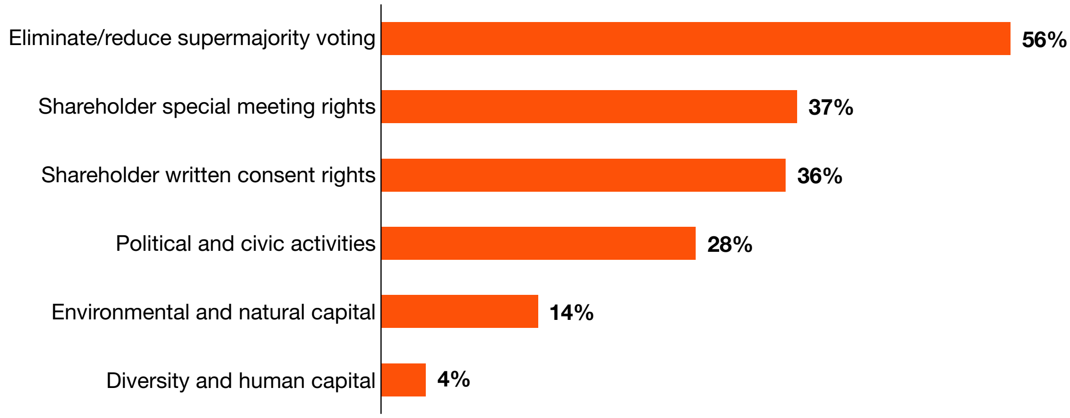
The core tension for boards—the information environment may change faster than investor expectations

The 2026 proxy season offers a preview. Governance issues still generated meaningful support, proponents found other ways to escalate environmental and social concerns, and hedge fund activism remained elevated even as relatively little reached a contested vote. For boards, the question is not only how SEC requirements may change, but also what investors expect.

Governance expectations remain resilient

Governance proposals dominated the shareholder proposal ballot items and continued to attract meaningful support. Proposals addressing written consent, special meeting rights, and simple majority voting often received support well above environmental and social topics, and several passed.

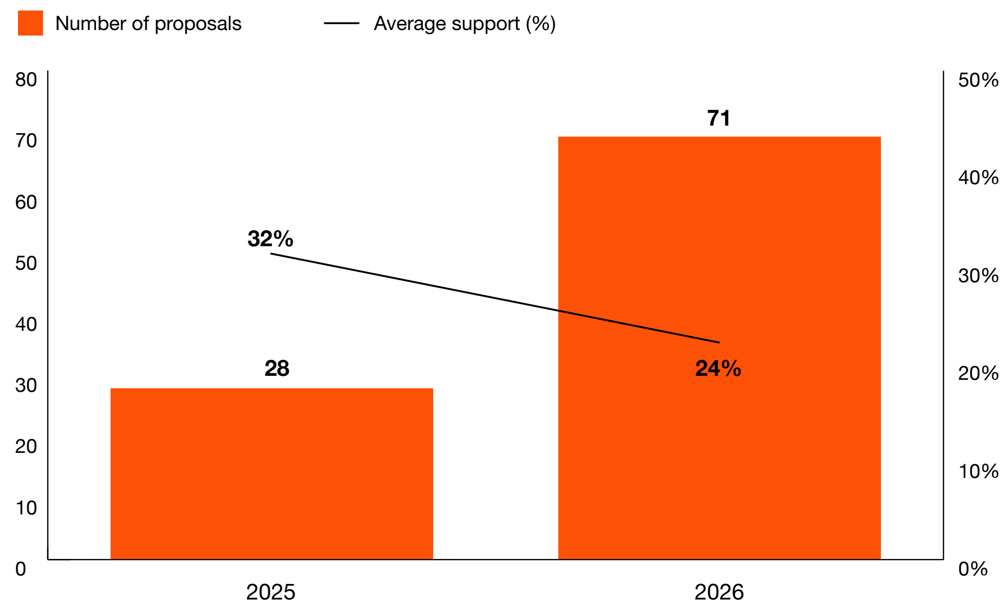
Average support for select shareholder proposals in 2026



Source: Proxy Analytics, through June 30, 2026.

Independent chair proposals more than doubled in 2026, rising from 28 in 2025 to 71.[1] Yet average support fell from 32% to 24%, reinforcing that many investors remain focused on board leadership but are not adopting a one-size-fits-all standard and instead considering each company's situation.

Independent chair proposals more than doubled but support declined



Source: Proxy Analytics, through June 30, 2026.

Management resolutions seeking to change the state of incorporation from Delaware to Texas or Nevada provided another test of investor expectations. Companies increasingly cited litigation risk, cost, and the legal environment when seeking shareholder support for the move. Among 13 reincorporation proposals put to a vote in 2026, median reported support was 69%, and 11 were approved. The results suggest that investors are evaluating these decisions company by company, including the potential implications for shareholder rights and governance protections.

Why it matters for boards: Governance remains an area where investors can still coalesce, even as views on other topics become more fragmented. Changes affecting shareholder rights, board leadership, or accountability can therefore attract outsized scrutiny, even when investors take a company-specific approach to the underlying governance structure. Absent clear disclosure on the topic, a company may risk its shareholders making a negative inference.

[1] Unless otherwise noted, data from Proxy Analytics as of June 30, 2026.

How companies can adapt: A board considering significant governance changes should understand both how investors view a governance change and what it will take to secure the necessary shareholder support before acting. The company should be prepared to explain the company-specific rationale, the tradeoffs considered, and how the chosen approach supports effective oversight and long-term value creation, informed by **ongoing board evaluation and effectiveness efforts**.

Litigation emerges as a pressure point

The SEC staff's posture on no-action requests did not eliminate conflict over shareholder proposals; it changed where that conflict occurred. Proponents challenged exclusions through litigation, organized vote-no campaigns against directors, and experimented with proxy contests that advanced shareholder proposals without nominating directors.

Litigation in particular became a more tangible pressure point, albeit selectively. Six proponents sued over environmental and social proposals excluded from the ballot, and all six challenged exclusions under the ordinary business exception,[2] which generally permits exclusion of proposals focused on day-to-day business matters. The cases to date point to continued uncertainty, as some disputes have settled while judicial decisions have reached differing conclusions.

That all six lawsuits involved environmental and social issues suggests that lower voting support on ballot items did not necessarily diminish the salience of those topics. Proponents remained willing to commit resources and pursue other avenues to keep these issues in focus.

Why it matters for boards: Shifting responsibility away from SEC staff can move disputes elsewhere rather than make them disappear. The same dynamic may apply to disclosure: if mandatory reporting requirements are reduced, scrutiny could shift to other channels without reducing the underlying demand for accountability.

[2] Proxy Analytics Client Memo, July 12, 2026.

How companies can adapt: Treat proposal exclusion and other high-stakes governance choices as strategic decisions, not routine procedural ones. The board should understand the legal basis, likely investor and proponent response, and potential escalation paths, and it needs to incorporate those scenarios into broader shareholder engagement planning.

Engagement matters more as disclosure practices evolve

If standardized information becomes less frequent or less consistent, direct insight into investor views becomes more valuable. Boards already appear to be moving in that direction: 57% of directors say their board's approach to shareholder engagement changed over the past year.[3]

Boards are recalibrating how they engage with shareholders

36%	22%	20%	15%
Engaging investors more frequently	Incorporating a wider range of investor perspectives	Paying greater attention to voting policies and priorities	Relying less on proxy advisors to shape engagement

Source: PwC, *2026 Annual Corporate Directors Survey*, September 2026.

[3] PwC, *2026 Annual Corporate Directors Survey*, September 2026.

That closer connection matters even when outright voting failures remain relatively rare. In 2026, 32 uncontested directors in the Russell 3000 failed to receive majority support, compared with 43 in 2025 and 45 in 2024. Eighteen say-on-pay proposals failed, compared with 32 in 2025 and 28 in 2024.

Failed director and say-on-pay votes remain uncommon

Russell 3000	2024	2025	2026
Uncontested directors failing to receive majority support	45	43	32
Failed say-on-pay votes	28	32	18

Source: Proxy Analytics, through June 30, 2026.

Why it matters for boards: A failed vote is often the culmination of investor concerns, not the first sign of them. If reporting becomes less standardized, investors may need to rely on a different mix of information, which could make voting and engagement outcomes harder to predict.

How companies can adapt: Treat engagement as an early-warning system, not a proxy-season exercise. Track shifts in voting support and recurring themes across the investor base, ask which disclosures investors rely on to apply their policies, and bring significant concerns to the board early enough to determine whether they call for action or clearer communication. That makes year-round shareholder engagement a practical way to understand investor conviction before changes in disclosure practices create new pressure points.

Hedge fund activism remains active

Activist pressure remained high even as relatively little of it reached the ballot. US activist campaigns **rose 13% year over year** to 68 in the first half of 2026, yet only three proxy fights and major withhold campaigns went to a vote, down from eight in the first half of 2025 and marking a new post-COVID low. Nearly all of the activity was resolved through negotiation: 57 of 58 board seats gained by activists in the US resulted from settlements. M&A remained a dominant theme, with activists pressing companies on transactions, portfolio changes, and other strategic alternatives.

Campaigns rose, but nearly every activist seat gained came through settlement

68	3	57 of 58
US activist campaigns Up from 60 in H1 2025	**Proxy fights/major withhold campaigns,** down from 8 in H1 2025	**Board seats gained by activists came through settlements**

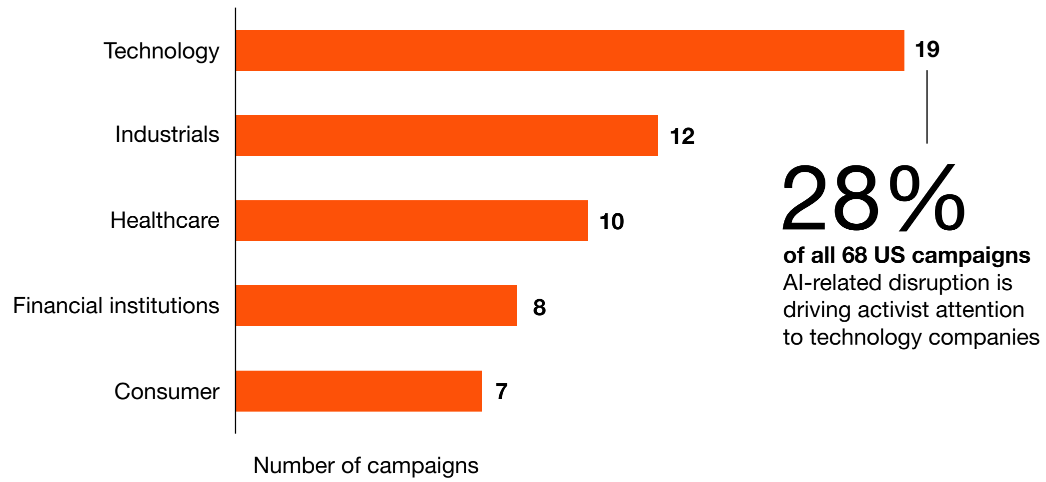
Source: Barclays Shareholder Advisory Group, *H1 2026 Review of Shareholder Activism*, July 2026.

Technology companies drew the most activist attention of any sector, accounting for 19 US campaigns as investors scrutinized which companies were best positioned to translate AI investment into value. More broadly, AI increasingly became part of the strategic debate, with activists scrutinizing not only how companies manage AI-related risks, but whether their investments, capital allocation, and broader strategies position them to create value from the technology. Yet many boards may not have the information needed to fully assess those questions. Eighty-two percent of directors rate the information they receive linking AI outcomes, risks, and business performance as fair, poor, or not provided at all; 75% say the same about AI investment and ROI, and 69% about workforce readiness.[4]

[4] PwC, *2026 Annual Corporate Directors Survey*, September 2026.

Technology leads activist campaigns in H1 2026

US activist campaigns by sector (H1 2026)



Source: Barclays Shareholder Advisory Group, *H1 2026 Review of Shareholder Activism*, July 2026.

Why it matters for boards: A quieter ballot can coexist with significant pressure behind the scenes. As disclosure practices evolve, any disconnect between a company's strategy, performance narrative, and investor expectations can create openings for activist scrutiny. It also creates space for activists to introduce perspectives that differ from management about the company's prospects and operating environment.

How companies can adapt: Use **activism preparedness** as a regular stress test: understand the shareholder base, pressure-test strategy and performance narratives, review capital allocation and governance vulnerabilities, and establish engagement and response protocols before a campaign emerges. For a company making significant AI investments or positioning AI as a strategic growth driver, the **board should challenge management's strategy**, the assumptions behind major investments, and the metrics used to demonstrate value creation. Management should support that oversight with decision-useful information that connects AI investment and outcomes to business performance.

Looking ahead—more choice will require more judgment

For boards, reduced mandatory reporting should not be mistaken for a lower bar from investors. If standardized disclosures become less frequent, shareholders may rely on other information to apply their voting and engagement policies consistently, and depending on those policies, could be more likely to vote against management when information they rely on is unavailable. Their demand for insight into company performance, risk, and governance is unlikely to disappear.

Regulatory relief may give a company more choice, and shareholders will judge how they use it. Before removing or scaling back disclosure, a company should understand what its investors rely on and whether changes could make that information less available or comparable, potentially inviting greater scrutiny. The 2026 proxy season suggests that pressure does not disappear when formal mechanisms narrow; it migrates. A board that pairs deliberate disclosure choices with year-round engagement, ongoing board assessment, and activism preparedness will be better positioned as the information environment evolves.

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