Glass Lewis Invites Comment on Proposed ‘Four Perspectives’ Proxy Voting Research Model

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Beginning in September 2027, Glass Lewis plans to replace its single benchmark voting policy with four distinct proxy voting perspectives reflecting different investor philosophies and stewardship priorities. Its Benchmark Voting Policy Guidelines and Proxy Paper research reports will remain available for the 2027 proxy season, with updated guidelines to be published early next month

As part of a fundamental shift in how it delivers proxy research, Glass Lewis announced last October that it planned to move away from a single “house view” and toward multiple research perspectives, while helping clients develop customized voting frameworks aligned with their individual investment philosophies and stewardship priorities. Underlying that shift is the firm’s view that no single approach fully reflects the range of investor perspectives on stewardship and proxy voting. A majority of the firm’s clients already use their own custom policy guidelines or a specific thematic policy.

On September 15, Glass Lewis provided details of its proposed model, under which, beginning in September 2027, it plans to offer four distinct research perspectives through which investors can access analysis aligned with their voting policies and use those insights to inform their engagement and voting decisions. Glass Lewis also opened a comment period, running through **October 16, 2026**, inviting institutional investors, corporate issuers, governance professionals and other market participants to help validate and refine the perspectives so that, collectively, they reflect the range of ways investors approach stewardship globally.

According to Glass Lewis, the transition to a multi-perspective research model reflects two forces reshaping the proxy advisory industry: (i) growing divergence—particularly between the United States and Europe—in how investors approach fiduciary duty, engagement strategies and sustainability commitments; and (ii) rapid technological advances, especially in AI, that enable greater customization of proxy voting policies.

Four Distinct Research Perspectives

Under the proposed model, beginning in September 2027, Glass Lewis clients would be able to select research providing in-depth analysis and policy outcomes across one or more of four perspectives "designed to reflect a wide spectrum of investor views across corporate governance and sustainability topics." According to Glass Lewis, each perspective represents a voting philosophy already observable in the market, distilled from its review of publicly disclosed voting policies and stewardship disclosures from a broad sample of institutional investors and subsequently confirmed against the voting records of more than 2,000 registered funds.

Read from top to bottom, the perspectives form a continuum, ranging from the greatest weight on demonstrated financial performance to the greatest weight on portfolio-wide sustainability outcomes:

- **Business Fundamentals**. Takes a flexible view of governance standards when boards and management teams have demonstrated a strong record of generating shareholder returns.
- **Foundational Governance**. Treats core governance standards as essential to safeguarding long-term shareholder value.
- **Global Stewardship**. Pairs core governance standards with rigorous oversight of financially material sustainability risks to protect long-term shareholder value.
- **Sustainability Focused**. Pairs core governance standards with rigorous oversight of sustainability risks that are or could become financially material over extended time horizons and across portfolios. It also recognizes that asset owners have a fiduciary interest in the stability and integrity of the markets in which they invest.

The proxy voting guidelines underlying the four perspectives are indicative, non-market-specific and subject to refinement through the consultation process. Glass Lewis is developing market-specific guidelines that will incorporate feedback received during the comment period.

Where the Perspectives Diverge

Glass Lewis explains that the perspectives differ principally on issues where investor views diverge most, including the role of sustainability considerations in voting decisions, approaches to board diversity and the weight given to demonstrated financial performance. It identifies six specific "fault lines" that account for most of the divergence—four of which are highlighted below—reflecting targeted judgments about how expectations should be applied rather than competing definitions of good governance.

Financial performance. Business Fundamentals is the only perspective that formally incorporates a company's relative financial performance into its policy guidelines, including for director elections and executive compensation. Unique to this perspective is a "High-Performing" designation, under which a company that ranks in the top quartile of its peer group based on relative total shareholder return may receive additional latitude on certain governance matters—such as an exemption from a particular governance best-practice expectation or greater tolerance for higher executive compensation.

Board diversity. Business Fundamentals and Foundational Governance emphasize the diversity of skills, experience and perspectives represented on a board, irrespective of demographic characteristics, and do not apply quantitative minimum diversity expectations. Global Stewardship and Sustainability Focused retain quantitative expectations—including, for example, an expectation that at least 30% of directors at companies included in blue-chip or mid-cap indices in Europe and North America be gender diverse—and expect clear disclosure of ethnicity-related diversity performance by large companies in markets where required by law or recognized as best practice.

Environmental and social materiality. The four perspectives apply one of three progressively broader materiality lenses:

- **Business Fundamentals** and **Foundational Governance** treat an environmental or social matter as financially material only when harm to the company is demonstrable through regulatory costs, penalties or comparable sanctions, regardless of industry.

- **Global Stewardship** applies an industry-by-industry materiality analysis informed by sustainability disclosure standards such as the SASB Standards, setting higher expectations in sectors where an issue is more likely to be financially material (including mining, oil and gas, utilities, apparel, agriculture and food).
- **Sustainability Focused** applies the same industry-specific lens and adds a second inquiry: whether a matter has a material impact on the environment or society. Together, these two lenses reflect a "double materiality" approach.

Shareholder proposals. Business Fundamentals and Foundational Governance presume that environmental, social, human-capital and human-rights proposals are not financially material unless demonstrable harm can be shown. Neither perspective treats environmentally or socially motivated dissent as a basis for holding directors accountable, and a majority-supported proposal involving a matter considered non-material does not trigger a board-responsiveness concern. Global Stewardship considers industry risk exposure and practices and assesses whether a company's disclosure, targets and practices leave a material gap. Sustainability Focused is the most receptive to shareholder proposals: at companies with material industry exposure, a well-crafted proposal designed to mitigate risk is generally supported, depending on whether the company has already taken sufficient steps to address that risk.

Differences at a Glance

The Four Perspectives — Differences at a Glance

Source: Glass Lewis (September 2026)

Perspective	Core Orientation	Stance on Company Performance	Stance on Sustainability Topics
Business Fundamentals	Governance judged in the context of demonstrated returns.	Strong relative shareholder returns can earn added latitude on governance expectations (the "High-Performing" designation).	High bar for proposals related to environmental and social topics: demonstrated financial harm required.
Foundational Governance	Performance-agnostic, governance-first view.	May inform analyst judgment, but never formalized into the Tests.	Same high, harm-based bar as Business Fundamentals.
Global Stewardship	Governance plus oversight of financially material sustainability risk.	Not formalized; case-by-case only.	Industry-based materiality lens; oversight and disclosure expected where exposure is material.
Sustainability Focused	Governance plus the broadest stewardship and stakeholder view.	Not used; financial performance is not a mitigating factor to non-financial issues.	Industry lens plus Impact Materiality (Double Materiality); widest stakeholder duty of care; tax-transparency expectations.

The table illustrates the model's progression from a performance-sensitive governance approach to one incorporating industry-based financial materiality and, ultimately, double materiality and broader stakeholder considerations.

Glass Lewis describes the multi-perspective model as part of a broader transformation underway at the firm that also includes helping all clients move to custom voting policies. Investors could use the perspective that most closely reflects their approach as a starting point for developing their own customized voting policy.

Request for Comment

As part of the comment period, Glass Lewis is providing a comparison paper presenting the four perspectives at the proposal-category level, a consultation paper and related summary, and an online survey questionnaire. All four resources are also available through Glass Lewis's consultation landing page. Survey responses may be submitted anonymously, and Glass Lewis states that no individual or organization will be identified in the published findings.

Glass Lewis encourages respondents to review the consultation paper summary before providing feedback. The survey contains 22 substantive questions with predefined answer categories and optional space for narrative comments. Among other matters, it seeks input on three central questions:

- Are the distinctions between the perspectives clear and recognizable?
- Is the Four Perspectives Model workable in practice?
- Does the model reflect how institutional investors approach stewardship today?

The survey begins with overarching questions and then addresses each of the four proposed perspectives and special situations (including mergers, acquisitions and contested meetings). It concludes with an opportunity to provide any additional feedback on the four perspectives or related developments.

Glass Lewis emphasizes that the proposed Four Perspectives Model remains subject to refinement based on feedback regarding its conceptual clarity, differentiation, practical usability and alignment with observable stewardship approaches. The firm also welcomes general observations, dissenting views and issues not specifically addressed in the survey, and states that every response will be considered before the model is finalized.

After the comment period closes on October 16, Glass Lewis expects to publish the survey findings on its website in early November and, shortly thereafter, make publicly available the market-specific guidelines for each of the four perspectives.

Benchmark Guidelines to Continue for the 2027 Proxy Season

To give stakeholders ample time to understand and evaluate the new perspectives, Glass Lewis will continue to offer its Benchmark Voting Policy Guidelines and Proxy Paper research reports for the 2027 proxy season. Changes to the guidelines will be limited to significant 2026 regulatory and corporate governance developments, and Glass Lewis will begin publishing guidelines for major markets in early October 2026.

What This Means for Issuers

If implemented as proposed, the transition means that Glass Lewis research will no longer reflect a single “house view” and may increasingly produce different policy outcomes for the same voting matter. As they prepare for the 2028 proxy season, companies should place greater emphasis on understanding which Glass Lewis perspectives or customized voting frameworks their key investors are likely to use and consider the implications for shareholder engagement, proxy disclosure, vote projections and responses to Glass Lewis research.

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