

Here's What Investors Want From Boards This Year

| Board Diversity | 53% |
|-----------------|------|
| | 3370 |
| Environmental | 49% |
| Human Capital | |
| | 39% |

The EY Center for Board Matters has released its 2019 Proxy Season Preview. Polling 60 institutional investors, with combined assets of \$32 trillion, here are the top three areas EY found investors are most focused on right now:

- 53% of investors polled say they believe board diversity—
 including race and gender—is important to improving boards and
 company returns. That's up from one-third three years ago.
- 49% say they want boards to focus on environmental and social factors, such as water management and plastic pollution or accessible and affordable options for health care companies.
 38% are specifically focused on how companies are responding to global warming, like greenhouse gas reduction plans, up from 15% three years ago.
- 39% of investors say human capital management and corporate culture should be a board's priority, including issues like pay equity and diversity. It's up from just 6% three years ago.

Takeaway:

These numbers match a changing corporate tide—perhaps felt no more than in BlackRock CEO Larry Fink's 2019 letter to CEOs—that a company's long-term health is dependent on responding to social and environmental change.

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