SERVICE 10

ESG Shareholder Activism Advisory

■ Illustrative Scenario

CLIENT PROFILE

Client Type	Mid-Cap Public Company — Consumer Products Sector
Market Cap	~$2.1 billion
Situation	Activist investor filed 13D with stated intent to run ESG-focused board campaign; management team had no ESG governance framework or investor relations strategy to respond
Timeline	Proxy filing deadline 8 weeks from engagement start
Engagement	ESG Shareholder Activism Advisory | $60,000 engagement + $10,000/month ongoing

THE CHALLENGE

A $2.1 billion mid-cap consumer products company received notice that an ESG-focused activist investor had filed a Schedule 13D and publicly stated its intention to nominate two directors on an ESG platform — citing the company's inadequate carbon disclosure, supply chain labor practices, and lack of board-level ESG governance.

The company's management team had no existing ESG governance framework, no published sustainability report, and no coherent ESG narrative to present to institutional shareholders. The board had 8 weeks before the proxy filing deadline to develop a credible ESG response, engage key institutional shareholders, and present a compelling alternative to the activist's platform.

VERDE ADVISORS APPROACH

Verde Advisors was engaged to provide strategic intelligence, rapid ESG framework development, and stakeholder engagement support to help the company respond credibly to the activist campaign.

In the first two weeks, Verde conducted a rapid ESG materiality assessment and gap analysis to identify the company's most credible ESG strengths and most significant vulnerabilities — providing management with an honest map of where the activist's criticisms were justified and where they were overstated.

Verde then developed a proactive ESG response strategy: a board-adopted ESG governance framework, a carbon disclosure commitment aligned to TCFD, a supply chain labor standards improvement plan with measurable milestones, and a shareholder engagement narrative that acknowledged gaps while demonstrating a credible, time-bound improvement roadmap. The company presented this framework to its top 15 institutional shareholders before the proxy deadline — converting several who had been considering supporting the activist.

KEY DELIVERABLES

- Rapid ESG gap analysis — honest assessment of activist criticisms vs. company's defensible strengths
- Board ESG governance framework — adopted ahead of proxy deadline
- Carbon disclosure commitment and TCFD alignment roadmap
- Supply chain labor standards policy with measurable improvement milestones
- Institutional shareholder engagement narrative and presentation materials
- Proxy season ongoing monitoring and response support

OUTCOMES & RESULTS

8 Weeks	15	Proxy
Framework Built & Board Adopted	Institutional Shareholders Engaged	Contest Successfully Defended

This is an illustrative scenario based on the types of engagements Verde Advisors is equipped to deliver. Client details are hypothetical.