The Role of Non-Governmental Organisations in Corporate Governance[1]

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Abstract

I examine the governance outcomes induced by NGO campaigns targeting firms. Using a unique dataset on NGO activism that raises Environmental, Social, and Governance (ESG) issues, I establish an association between NGO campaigns and several governance outcomes, including forced CEO turnover, executive pay, and the implementation of ESG-linked compensation. I also find that NGO campaigns garner support from shareholders through a higher number of submitted shareholder resolutions and a percentage of dissent votes cast against management-sponsored proposals. I further establish causality by implementing the staggered adoption of Anti-SLAPP laws in the U.S. as an exogenous source of variation in the intensity of NGO activism targeting firms.

JEL Classification: L31, L38, G32, G34, G38,

Keywords: NGO, ESG, CEO Turnover, Executive Pay, Shareholder Proposal, Proxy Voting

[1] I am thankful to SIGWATCH and Robert Blood, founder and chairman, for making available the invaluable data on NGO campaigns, without which this enquiry would not have been possible.

1. Introduction

In recent decades, confrontations between Non-Governmental Organisations (NGOs) and businesses have escalated considerably. The prevalence of confrontations stems from the shift in NGOs' strategy, as well as their increasing integration into the global political and business systems and growth in number and influence (Doh & Guay, 2006; Doh & Zachar, 2012; Peta, 2019; Teegen et al., 2004; Yaziji & Doh, 2009). Notably, after legal changes in the 2000s that diluted NGOs' influence in the sphere of public politics (Lyon, 2012), NGOs steered their efforts and resources to private politics, where they engage directly with corporations to influence their decision-making and policies (Baron, 2001, 2003, 2016; Daubanes & Rochet, 2019; Egorov & Harstad, 2017; Fioretti et al., 2024). For instance, in 2016, local tribes and environmental activists started protesting Energy Transfer's $3.8 billion Dakota Access Pipeline project over the fear that the pipeline endangered their drinking water resources (Chu & Smyth, 2025). Moreover, in August 2024, hundreds of activists gathered in front of Citigroup's New York headquarters to protest the bank for funding fossil fuel projects (Gopal, 2024; Hashemi, 2025). Similarly, People for the Ethical Treatment of Animals (PETA) organised protests against Pfizer, calling for the company to ban the "forced swim test" on mice (Peta, 2019). NGOs also initiate thousands of campaigns each year, spotlighting controversial practices by corporations.

Despite abundant anecdotal evidence of NGOs targeting firms over key issues such as pollution, climate change and corporate CO2 emissions, greenwashing, animal rights, labour and human rights, and consumer rights, there is a paucity of empirical research on the outcomes of NGO activism in corporate finance and governance. Thus far, activism targeting firms initiated and led by non-shareholder stakeholder groups is largely ignored, and only recently have a couple of studies in the field looked at the financial and reputational ramifications of NGO campaigns. In this regard, Brendel et al. (2024) show a decline in stock returns and a significant reduction in carbon emissions of the firms targeted by the NGOs over E&S-washing allegations. Also, focusing on the timing and juxtaposition of AGM with non-AGM campaigns, Fioretti et al. (2024) document that NGOs are more likely to target firms on the AGM dates and that the targeted firms receive a higher number of shareholder resolutions in the following AGM.[2] Nonetheless, we still do not know whether NGO campaigns engender broader governance outcomes such as CEO turnover, executive compensation, shareholder engagement, and voting patterns in targeted firms. For instance, do NGO campaigns translate into a higher likelihood of CEO dismissal or adjustments to their compensation when an NGO targets the firms they are at the helm of? Do shareholders respond to NGO campaigns by filing resolutions and casting dissent votes?

To the best of my knowledge, this is the first study to provide empirical evidence on how pressure from advocacy groups influences governance mechanisms. There are several interrelated rationales from directors' and shareholders' perspectives to expect NGO activism to induce such governance outcomes. Firstly, NGO campaigns engender real or potential adverse reputational and financial consequences and mirror the concerns and values of

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[2] HERE====The footnote regarding submission of shareholders by NGOs as some of them already invest in firms to engage with them

broader stakeholder groups, such as consumers and creditors, about firms' externalities and misconduct (e.g., emissions and labour rights). Hence, by dismissing the CEOs at the company's helm or penalising them with reduced compensation, the board of directors could seek to protect shareholder value and firm image and appeal to broader stakeholders to communicate recognition and alignment with their values *(i.e., the disciplining and alignment rationale)*. Second, since ignoring the concerns raised by NGOs could increase the likelihood of more severe and disruptive actions, e.g., boycotts and protests, in the future, firms may seek to alleviate such threats by signalling a commitment to self-regulation and care concerning E&S issues *(i.e., the signalling and commitment rationale)*. Third, from the shareholders' point of view, NGO activism can prompt shareholder discontent with managerial performance and decision-making. It can also precipitate or exacerbate conflicts between shareholders and corporate leadership. They can also tilt shareholder attention towards ESG issues previously unknown or overlooked. In such a scenario, whereas some shareholders may choose to "exit", others could "voice" their dissatisfaction and engage with firms to change corporate policies. Such engagement could be observed in a higher number of shareholder proposals and dissent shareholder votes for the targeted firms *(i.e., the attention and action rationale)*.

I use a unique dataset on NGO activism provided by *SIGWATCH*. *SIGWATCH* is the world's only data provider that monitors and reports campaigning by NGOs, activists and advocacy groups. They track the social media and open-source web platforms of over 12,500 NGOs worldwide and record new actions, public awareness initiatives, new publications or reports, filing of lawsuits, or direct actions and street protests undertaken by the NGOs since 2011 (Sigwatch, 2025). Examining over 30,000 campaigns targeting U.S. firms between 2011 and 2023, I find that NGO campaigns have economically (mention the magnitude) and statistically significant effects. Specifically, being targeted by NGOs negatively affects CEO tenure and executive pay by increasing the likelihood of forced turnover in targeted firms and lower executive compensation.(Add the economic significance while discussing the results here). They also result in an increased director turnover. Furthermore, NGO activism finds voice among shareholders. As observed in a higher number of shareholder proposals submitted to the targeted firms and the higher percentage of votes cast against management recommendations in management-sponsored proposals, NGOs significantly weigh on shareholder activism. The results are also robust to a battery of additional tests, such as alternative specifications, firm-fixed effects, and different measures of outcome variables. ... EDIT THIS PARAGRAPH.

Additionally, I address endogeneity concerns using two different identification strategies to establish the causality of the observed links. First, while firms have often resorted to Strategic Lawsuits Against Public Participation (SLAPP) laws to deter NGO activism (Pring & Canan, 1996), the current trend of enacting Anti-SLAPP laws in some state legislatures insulates activists (Griffin et al., 2023), including NGOs, from costly threats intended to silence them. DISCUSS THE RESULTS HERE

Second, I use a record of natural disasters hitting different states as an exogenous shock to the environmental risk perception of activists. CITE WORKS USING SHELDUS AND DISCUSS RESULTS

Further, I test for two potential mechanisms that may explain the association between NGO activism and observed outcomes: shareholder activism and performance (decline in sales). However, the documented association between shareholder activism, performance, and governance outcomes must be interpreted cautiously. NGO activism may induce forced CEO turnover and lower compensation (may replace this with ESG-based metrics) not just through shareholder activism or financial performance alone but by triggering a bundle of events that make the friction between CEO and shareholders unamendable. NOTE: MAYBE I CAN OMIT THIS ONE ALTOGETHER.

Overall, the findings provide novel insights into the governance consequences of social activism, especially campaigns by NGOs and a more nuanced picture of the factors in play for observed governance outcomes. By identifying a causal relationship between NGO campaigns, forced turnover, executive compensation (may replace this with ESG-based metrics) , and shareholder activism, I show that coordinated and targeted activism by external stakeholders comes at a direct price for corporate leadership and trigger shareholder discontent. Additionally, I contribute to multiple research strands and ongoing debates in the literature.

Firstly, I add to the rich corporate finance and governance literature that examines CEO turnover by presenting a novel antecedent of CEO forced turnover. Previous research shows that an array of factors, such as performance, board characteristics, and compensation, are associated with CEO dismissals (Hermalin, 2005; Hirshleifer & Thakor, 1998; Huson et al., 2001; Jenter & Kanaan, 2015; Jenter & Lewellen, 2020; Kaplan & Minton, 2012; Peters & Wagner, 2014; Weisbach, 1988). A recent strand also looks at the ESG antecedents of CEO turnover (Burke, 2022; Colak et al., 2024). I document that pressure group campaigns targeting firms increase the likelihood of observing a dismissal in targeted firms.

The paper also informs the debate on executive compensation. Recently, given that executive pay for incorporating ESG metrics into executive pay has become a common practice, an emerging literature studies the compensation tied to corporate E&S performance and its consequences. However, the empirical evidence is inconclusive (Cohen et al., 2023b; Flammer et al., 2019; Gantchev et al., 2024; Homroy et al., 2023). This paper looks at the association between E&S performance and executive pay from a different angle. The results indicate that E&S NGO campaigns that reflect stakeholder concern directly impact executive pay. That is, being targeted by the NGOs over environmental, social, and governance issues tends to diminish executive pay, suggesting that executives incur a significant direct cost through decreased pay when faced with NGO activism. (May need to amend this bit if results do not change or you use ESG-based metrics)

I also add to the literature on shareholder activism on ESG issues through resolutions and voting and how such activism shapes corporate outcomes. Earlier studies in this stream argue that investors and shareholders actively monitor the ESG performance of their investee companies and engage with them to shape their governance, change their practices, and mitigate negative externalities that expose them to various risks (e.g., Azar et al., 2021; Chen et al., 2020; Cohen et al., 2023a; Dimson et al., 2015; Flammer et al., 2021; He et al., 2023; Ilhan et al., 2023; Krüger, 2015). Moreover, similar to shareholder proposals, voting is shown to be a critical governance mechanism and a channel for shareholders to voice their views and steer the direction of their companies worldwide (Ertimur et al., 2013; Hirschman, 1970; Iliev et al., 2015; Krueger et al., 2020a; McCahery et al., 2016). Whereas thus far the focal point of these studies has been the activism by shareholders, I provide empirical evidence that shareholder activism partially stems from the concerns put forward by other, previously disregarded, stakeholder groups (i.e., the NGOs). In particular, I show that NGO campaigns reflecting stakeholder concerns trigger shareholder activism by submitting a higher number of resolutions and a higher percentage of votes against management recommendations. This finding is particularly relevant as it suggests that shareholder votes could mirror the concerns and dissatisfaction of a broader community of stakeholders.

2. Institutional Background and Hypothesis Development

2.1. NGOs and Their Campaigns

-A paragraph on the history of NGOs and the change in their strategy—maybe a couple of examples here.

-One paragraph about the consequences of boycotts and protests

2.2. Hypotheses

2.2.1. Disciplining and Alignment (rationale 1)

From a traditional agency theory perspective, directors' fiduciary duty is to protect shareholder value and ensure that managerial objectives are aligned with shareholder interests. In this regard, retaining or firing CEOs and setting managerial incentives are critical responsibilities conferred to the board of directors and are two of the various disciplinary mechanisms that could reduce agency conflicts and align principal-agent interests. Empirically, earlier studies provide evidence that CEOs are dismissed for firm underperformance or even performance factors beyond their control (e.g., Eisfeldt & Kuhnen, 2013; Huson et al., 2001; Jenter & Kanaan, 2015; Jenter & Lewellen, 2020; Peters & Wagner, 2014). Particularly motivated by anecdotal evidence, such as the Volkswagen or BP scandals, several studies have also shown that negative media coverage of ESG-related incidents increases the likelihood of CEO turnover (Burke, 2022; Colak et al., 2024). While there may be a non-pecuniary component in these turnovers, such as reputational considerations for board members (Bereskin et al., 2020; Colak et al., 2024), a significant component of shareholder value remains present. Put differently, ESG issues have an adverse economic and, thus, shareholder value impact, for example, analyst downgrade (Derrien et al., 2022), firm valuation (Berg et al., 2024), and sales and revenue (Meier et al., 2023). Thus, even if solely for pecuniary reasons, directors are compelled and pressured to take corrective actions by attributing the adverse consequences of the NGO campaigns to the CEOs and penalising them through dismissals.

Similarly, with the incorporation of ESG metrics into managerial incentive contracts gaining prevalence, traditional principal-agent arguments have expanded to consider whether such practices mitigate or exacerbate agency conflicts. A particularly related debate is that ESG metrics serve as leading indicators of future performance and risk exposure, for example, regulatory risks associated with climate change (Cohen et al., 2023b; Krueger et al., 2020a). As a result, considering ESG factors in executive pay-setting processes is considered similar to the inclusion of non-financial factors, such as customer satisfaction or product quality, and has significant contractual value (Dikolli, 2001; Dutta & Reichelstein, 2003; Sliwka, 2002).[3] Relatedly, a fledgling literature provides empirical but inconclusive evidence on the compensation tied to corporate ESG performance and its consequences. For instance, Cohen et al. (2023b) and Flammer et al. (2019) document that adopting ESG pay is significantly associated with improved key ESG outcomes, increased firm value, long-term orientation, corporate innovation, and reduced emissions. Yet, Homroy et al. (2023) show that it improves the likelihood of the executive meeting ESG targets but negatively correlates with the probability of meeting financial targets. Overall, prior research suggests that from the shareholder value standpoint alone, NGO activism on ESG issues could urge directors to take remedial actions by adjusting managerial compensation or tying it to ESG criteria.

2.2.2. Signalling and Commitment (rationale 2)

Contrary to the glorification of the shareholder value maximisation (SVM) idea by Friedman (1970), Hart and Zingales (2022) have recently argued for a governance model that maximises stakeholder welfare. The imposition of a penalty on executives through dismissal or compensation packages in response to the NGO activism could also be seen as a step toward stakeholder governance and commitment to the inclusion of stakeholder interests in corporate decision making.

A unique characteristic of NGO campaigns, particularly over E&S issues, is that they reflect coordinated and targeted efforts of various stakeholder groups to voice their concerns about corporate activities and externalities not fully internalised due to putting more emphasis on the firm's financial performance by corporate leadership. A prominent example is the environmental pollution engendered by firms' operations or waste. Additionally, by ignoring the concerns raised by pressure groups, firms risk provoking stronger activism, such as boycotts and protests that could disrupt operations and trigger litigations. Therefore, taking deliberate action would be warranted. By penalising the CEOs, the most visible figures leading the firm, the firm can signal to its stakeholders (e.g., employees, creditors, regulators, suppliers, and customers) that it recognises their concerns and values, and is committed to guarding their interests. Firms could also mitigate the threat of future and potentially more severe activism by demonstrating their awareness of their stakeholder environment and their willingness to take corrective actions. In doing so, firms also anticipate accruing future rewards from stakeholders through bond purchases or increased customer and employee loyalty (e.g., Krueger et al., 2020b; Servaes & Tamayo, 2013).

Confirming these observations, extant literature argues that firms often self-regulate to avoid future activism and decrease their vulnerability to social pressure and reputational costs associated with them (Baron, 2016; York et al., 2018). They additionally respond to activism by strategically increasing their prosocial claims (Hiatt et al., 2015; McDonnell & King, 2013) and reducing their carbon footprint (Brendel et al., 2024). Hence, to the extent that NGO campaigns

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[3] However, Bebchuk and Tallarita (2022) argue that ESG-based compensation is likely to serve the interests of executives rather than stakeholders, enabling additional rent extraction by the executives. Thus, it is driven by and exacerbates agency problems (Gosling et al., 2021). Nevertheless, it is essential to reckon that both positive and negative views of the ESG-based compensation anchor on an agency model and argue for or against such practices from a shareholder value point of view.

batter firms' value and tarnish their reputation and legitimacy by publicising corporate ES & G misconduct(s) (Brendel et al., 2024; Fioretti et al., 2024), directors will be pressured to take corrective actions to discipline, align principal-agent interests, and protect corporate owners' wealth. They would also be incentivised to communicate their commitment to internalising the costs generated by firm activities and taking remedial measures. Such measures could take the form of outright dismissal or be invoked by penalising through managerial incentives, even when the CEO cannot possibly oversee all the actions that led to the misconduct. An alternative to financial penalties could be incorporating ESG metrics into executive pay.

2.2.3. Attention and Action (rationale 3)

Earlier studies on social activism maintain that NGOs (particularly watchdog NGOs) play an important informational role by mitigating informational asymmetry and market failure (Baron, 2001, 2003) and constituting a news source for the media (Fenton, 2009). NGOs also collaborate with and call upon investors to vote in support of proposals concerning various socio-environmental issues and pressure companies to adopt policy changes (Hoepner & Li, 2021). One example is CERES (a network of NGOs, labour unions, public interest, and religious groups), which has mobilised institutional investors to pressure firms to improve their ESG practices (Lee & Lounsbury, 2011). Given the initiatives by such pressure groups, economic actors, i.e., shareholders, investors, and managers, continually monitor the stakeholder environment (Wijk et al., 2013) and interpret campaigns as informational cues about latent market forces and conditions (Ingram et al., 2010; King & Soule, 2007), such as potential constraints on the future cash flows (Eesley et al., 2016; King & Soule, 2007).

Taking stock of prior research, it would be reasonable to argue that NGO campaigns targeting a firm will shift shareholder attention to the E&S or G issues previously unknown to or ignored by them. They can also trigger shareholder discontent with managerial decision-making and precipitate or widen the principal-agent rifts. In such scenarios, shareholders would be inclined to engage with their investee firms through various means. Two of the most well-documented instruments at their disposal are submitting shareholder resolutions and voting in AGMs. Therefore, shareholders could be expected to voice their concerns about the discovery or increased perception of ESG issues by submitting a higher number of proposals to the targeted firms. They can further express their discontent by withdrawing support for management-backed proposals or casting dissenting votes, particularly on agendas material to the management, such as director elections or pay-related votes.

Findings from a rich body of literature on shareholder activism suggest that this may indeed be the case. Recent studies argue that there's an ever-increasing emphasis by practitioners, regulators, and investors on ESG issues (Dimson et al., 2015; Flammer et al., 2021; Ilhan et al., 2023; Krueger et al., 2020a; Stroebel & Wurgler, 2021). For example, shareholders actively engage with firms by submitting resolutions concerning E&S or G issues despite their low probability of receiving a passing vote and non-binding nature (Cuñat et al., 2012; He et al., 2023; Levit & Malenko, 2011; O'Rourke, 2003; Reid & Toffel, 2009). Additionally, several studies highlight that shareholder votes have essential implications and influence corporate governance (Ertimur et al., 2013), e.g., they express dissatisfaction by withdrawing their support in director elections and pay-related items such as say-on-pay. These channels (i.e., resolutions and votes) are often utilised to convey shareholder concerns and discontent concerning a wide array of issues rather than aiming for mere implementation of proposals or voting directors onto or off the boards (Aggarwal et al., 2024; Ertimur et al., 2018). For instance, in a recent related paper, Aggarwal et al. (2024) provide evidence that negative public sentiment leads to a higher number of shareholder proposals and dissent votes in director elections. Also, Aggarwal et al. (2023) found that weaker ESG performance, measured by composite MSCI score, is associated with lower support for management-sponsored proposals. Furthermore, it is documented that firms explicitly address the concerns of shareholders that lead to dissent votes (Ertimur et al., 2018), and the directors who face dissent votes are more likely to leave or move to less prominent positions (Aggarwal et al., 2019).

3. Data and Descriptive Statistics

3.1. NGO Data

I obtain data on NGO campaigns from SIGWATCH, a European consultancy and data analytics firm specialised in tracking and analysing NGO activism campaigns worldwide. SIGWATCH data encompasses over 12,000 activist groups, with more than 90,000 campaigns targeting 29,000 firms since 2011. SIGWATCH also provides additional information for each campaign, including a summary of the campaign, sentiment, prominence, NGO power, the targeted firm’s country, the NGOs’ country, and two generic topic tags (e.g., pollution, labour rights, etc.) indicating the most relevant issues highlighted in each campaign.[4]

I focus on NGO campaigns targeting public U.S. firms between 2011 and 2023. The sample constitutes 28,602 campaigns targeting 5,171 firms. I further categorise NGO campaigns into four broader Environmental (E), Social (S), Governance (G), and Cross-Cutting (C) issues based on the generic topic tags of the reports.[5] Figures (1) and (2) plot the number of campaigns over time and the percentage of NGO campaigns addressing each issue. As shown in Figure 1, the number of NGO campaigns targeting firms has increased consistently since 2011. The increase is particularly related to activism surrounding environmental issues. This is particularly the case after 2016, which may reflect the increased salience of such issues after the Paris Agreement. In Figure 2, we observe that environmental campaigns account for over 54% of the total activism undertaken by NGOs during the entire sample period. Social issues account for roughly 20% of NGO activism. Interestingly, the lowest percentage is associated with governance issues, with 9.8% of the activities and being relatively flat over time. This could reflect the fact that governance issues are less relevant to and observable by external stakeholders such as NGOs.

[Insert Figures 1 and 2 about here]

Table 1, Panel A, ranks firms based on the total number of campaigns targeting them. It is worth noting that 20 firms are responsible for almost half of the campaigns. Among these firms, NGO activism targeting the first five (i.e., Exxon Mobil Corp. (4.3%), The Coca-Cola Co. (3.7%),

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[4] Koenig (2017) provides an explanatory note and contextual information on the NGO campaigns dataset.

[5] For this categorisation, I use fuzzy matching and match the generic topic tags with 28 issue tags from RepRisk. Then, I subsume issue tags into four broad categories of E, S, G, and Cross-cutting, following RepRisk classification. In my analysis, I mainly focus on E & S, and consider G as a measure of establishing robustness.

Walmart Inc. (3.4%), Chevron Corp. (3.1%), Amazon Inc. (3.0%)) constitutes approximately18% of the entire sample, with 4,976 campaigns. Additionally, as illustrated in Panel B, the Retail, Petroleum and Natural Gas, and Restaurants, Hotels, and Motels industries are the primary target industries for over 30% of the NGO campaigns.

[Insert Table 1 about here]

3.2. Forced Turnover, Executive Compensation, and Shareholder Activism

Forced turnover data is obtained from Peters and Wagner (2014). The publicly available dataset on CEO turnovers covers 1993 to 2020. I obtain the list and classification of the turnovers for the sample period (i.e., 2011-2020) and complement the data for the remaining three years using an age-based classification. For this purpose, I use different age thresholds of 60, 58, and 56 years as the algorithm to identify forced turnovers.

The executive compensation data, comprising two measures of total compensation and equity-based compensation, is collected from Execucomp and aggregated at the firm level. For the ESG-based compensation measure, I utilise the "Sustainability Compensation Incentive" indicator from LSEG Workspace, which indicates whether a senior executive's compensation is linked to CSR, H&S, and sustainability targets.

The data on shareholder proposals and voting records are from ISS ESG Voting Analytics. The dataset covers Russell 3000 index firms. The data obtained from ISS provides an initial categorisation of the resolutions into SRI (socially responsible investing) and G (governance). However, I further separate the SRI proposals into E and S manually based on the resolution description. Finally, for each subcategory (E, S, and G), I calculate the number of shareholder proposals per firm in a given year.

The voting records include meeting date, the description of the agenda voted on, the identity of the sponsor (management or shareholders), and the voting recommendations of the firm's management. For each proposal, the data also provides the number of shares outstanding, the number of votes cast "for" or "against" the proposal, and the number of "abstain" votes. I focus on director election and pay-related proposals sponsored by management. Specifically, I focus on the percentage of votes cast against management's recommendation (i.e., dissent vote) for each proposal.

3.3. Other Datasets and Samples

I collect data on and control for firm-specific characteristics, using several other databases: CRSP, Boardex, Thomson Reuters Institutional Holding (13F), and Execucomp.[6] To obtain the final sample for analysis, I merge the turnover, compensation, and shareholder datasets with firm-level characteristics from the above sources. Further, I compile the datasets with the NGO campaigns based on firms' International Securities Identification Numbers (ISINs). The procedure yields an unbalanced panel of 25,305 firm-year observations, comprising 2,557 unique firms and spanning 13 years (2011-2023), which are used for testing the impact of NGO campaigns on forced CEO turnover and executive pay outcomes. Additionally, the sample used

[6] Table AI in Appendix lists all variables, definitions, and data sources utilised throughout the study. – CREATE THIS TABLE AND ADD.

to test the relationship between NGO campaigns and shareholder resolutions comprises 956 firms and 4,548 firm-year observations. Finally, the voting data includes 4,585 and 302,856 firm-ballot-year observations.

In Table 2, I provide summary statistics at the firm-year level for the samples. Focusing on NGO activism, the binary variable of a firm is targeted by NGOs, equal to 1 for slightly more than 20% of observations (mean of 0.207). Looking at the number of NGO campaigns, the average is 1.3. However, the 75th percentile is 0, which shows that NGOs do not target the majority of firms in my sample. On average, campaigns have a negative sentiment. Still, the average could be misleading, as the sentiment takes a value of zero when a firm is not targeted in a given year, thereby driving the average sentiment to a much smaller value than it is. As shown in the table, there are 827 or 3.3% of firm-years with at least one forced CEO turnover (mean of 0.033), which is similar to prior studies examining CEO turnovers (e.g., Jenter & Kanaan, 2015). The statistics of other variables are also similar to previous studies in the literature.

4. NGO Campaigns and Governance Outcomes

To gauge the empirical validity of the rationales regarding the potential consequences of NGO activism on corporate governance mechanisms, I examine forced CEO turnover, total executive compensation, equity-based compensation, adoption of ESG-linked compensation, the number of shareholder proposals, and the percentage of shareholder support for management-sponsored proposals.

4.1. Research Design

The first set of analyses sheds light on the association between NGO activism, forced CEO turnover, and executive compensation. I estimate the following model at the firm-year level:

$$GOV\_Outcomes_{i,t} = \beta_0 + \beta_1.Activism_{i,t} + \beta_2.Controls_{i.t} + \mu_i + \theta_t + \varepsilon_{i,t} \quad (1)$$

Where *i* indexes the firm and *t* indexes the year. *GOV_Outcomes* represent dependent variables, i.e., forced CEO turnover and executive pay variables. *Forced Turnover* is a binary variable that takes a value of 1 for the firm-years in which the CEO is dismissed. The primary independent variable, *Activism* is initially a binary variable that equals 1 if NGOs target a firm in a given year and zero otherwise (*Activism Dummy*). I also re-run the regression using the natural logarithm of 1 plus the number of campaigns (*Log. Activism*). Additionally, I use the number of campaigns as the independent variable in robustness checks.

Following prior literature, equation (1) includes a vector of controls for firm-specific characteristics. First, I include a set of variables pertaining to fndamentals and key financial characteristics. *Firm Size* is the natural logarithm of total assets. To control for firm growth opportunities, *Tobin's Q* is calculated as the ratio of the market value of assets to the book value of assets. *Firm Leverage* is computed as total debt scaled by total assets. *Industry-adjusted ROA is the firm's ROA minus the median industry ROA in a given year, using the* Fama-French 48 industry classification (Fama & French, 1997). *Cash* is the firm's cash holdings scaled by total assets. *CAPEX* is the capital expenditure to total assets; *Excess Return* is defined as the firm's annual stock return minus the value-weighted stock market return. Finally, *Inst. Ownership* refers to the fraction of a firm's equity held by institutional shareholders.

Additionally, based on previous studies on CEO turnover and compensation (e.g., Peters & Wagner, 2014) (ADD TWO OTHER WORKS YOU USED), I include a group of variables to control for CEO power and entrenchment that could effect these governance outcomes. I construct a dummy variable denoting whether the CEO received *Equity-Based Pay*. Additionally, *Outsider* is defined as equal to 1 if the individual joined the firm no earlier than one year before being appointed CEO, intended to capture whether the CEO was hired from within or outside the firm. This follows the classification proposed by Weisbach (1988) and utilised in Peters and Wagner (2014). Finally, a set of board characteristics is included in the regressions: *Board Size*, measured as the natural logarithm of the number of board members; *Board Independence*, measured as the percentage of independent directors to the total number of directors; and *CEO-Chair*, a dummy that identifies if the CEO serves as the chairperson of the board.

Primarily, I estimate the coefficients using a fixed-effects panel regression model. To mitigate concerns that the results may be driven by a range of unobserved time-invariant firm-level factors, I include firm fixed effects. As the relationship between NGO activism and governance outcomes is likely to be shaped by heterogeneous business cycles, equation (1) includes year fixed effects. The variables μ_i and θ_t refer to the firm and year fixed effects, respectively. In the Appendix, Table A3, I re-estimate the CEO turnover results using a Logit model. I also use alternative fixed effects structure. All control variables are winsorised at the 1st and 99th percentiles to diminish the effect of outliers. The standard errors are corrected for clustering of observations at the firm level.

4.2. Forced CEO Turnover Results

Rationale 1 and 2, discussed in the previous section, predict that coordinated and targeted activism by pressure groups, such as NGOs, is likely to incentivise to protect shareholder value from their adverse consequences. Additionally, given the embeddedness of stakeholder value and concerns in NGO campaigns, directors would also be compelled to exhibit commitment and attention to those values. One such action could be penalising the CEOs of the targeted firms through dismissals.

The evidence presented in Table 3 provides support for rationales 1 and 2, indicating that CEO dismissal is a mechanism employed by directors to address ESG concerns raised by NGOs. After restricting analysis to within-group variations in activism, all variables associated with NGO activism are positive and statistically significant. *Activism Dummy* is significant at a 1% level with a magnitude of 0.109. This is also economically significant as it suggests that the forced CEO turnover rate is 10.9 percentage points higher in targeted firms compared to the non-targeted firms. Similarly, the coefficient of the *Log. Activism* is significantly positive (0.114, *P*<0.01). The magnitude of the coefficient on *Log. Activism* implies that a 1% increase in the number of NGO campaigns is associated with an 11 percentage point higher likelihood of CEO dismissal.

Further, in columns (3) and (4), I disentangle NGO activism into E, S, and G categories. All categories have positive and significant coefficients. In particular, it is shown that campaigns over social issues have the largest impact on forced CEO turnover (0.121-0.190), followed by governance (0.034-0.038) and environmental issues (0.014). These results indicated that being targeted (1% increase in the number of campaigns) by NGOs over social issues increases the likelihood of a forced CEO turnover by 19% (12%). In contrast, governance issues are associated with 4% (3%) and environmental campaigns with a 1% higher dismissal rate.

The results of the robustness checks presented in Table A3 of the Appendix, which employ a logit model to account for the binary outcome variable of forced CEO turnover, are consistent with those in Table 3. All variables are statistically significant regardless of the fixed effect structure. Importantly, the coefficients in columns (1) to (4) are also economically significant. In particular, the average marginal effect of *Log. Activism* in column 2 is 2%. The marginal impact of the log of the ESG categories related to campaigns ranges between 0.5% for environmental activism to 2% for the social campaigns.

[Insert Table 3 about here]

Overall, these results suggest that NGO campaigns have a significant impact on CEO tenure. Due to the negative reputational and economic impact of NGO activism against firms, directors are given the impetus to sack the most visible individual in the firm to both protect shareholder value and signal conformity to stakeholder values.

A brief paragrah about controls (Size, ROA, BOD independence, CEO/Chair)

4.3. Executive Compensation Results

A second governnace outcome, posited in rationales 1 and 2, is executive compensation. Executive compensation contracts provide directors with a lever to penalise the CEOs and signal a shift in corporate strategies towards stakeholder values. By adjusting managerial incentives financially and reducing equity-based compensation, while incorporating ESG metrics into executive pay contracts, directors can impose a penalty on CEOs and communicate the importance of stakeholder concerns.

Table 4 below presents the regression results of NGO activism on compensation outcomes by substituting forced turnover with pay-related variables of the study in equation (1), including *Ln(total compensation)*, defined as the natural logarithm of total executive compensation; *Equity-Based Compensation,* is total equity-based pay awarded in a firm-year; *ESG-linked Comp.(dummy),* an indicator variable that equals 1 if executive compensation is linked to ESG metrics; and *ESG-linked Comp.(score),* a continuous variable representing Refinitive ESG-based compensation score.

Columns (1) and (2) show that while both measures of NGO campaigns are negatively associated with *Ln(Total Compensation)*, only *Log. Activism* is statistically significant (at the 1% level). Given that both the dependent and independent variables are log-transformed, the magnitude of the coefficient (-0.031) implies a 3.1% decrease in total executive pay in response to a 1% increase in the number of campaigns targeting the firm. This further corroborates earlier observations in support of the disciplining and alignment rationale from forced turnover.

Moreover, as presented in columns (3) and (4), NGO activism is also negatively correlated with *Equity-Based Compensation*. The effect is both statistically and economically significant. Depending on the measure used, NGO activism is associated with a 12-14% decline in equity-based compensation. In line with this, in columns (5)-(8), NGO activism is shown to be positively and significantly associated with the adoption of ESG-based compensation (dummy) and the adoption score (continuous). Given the relatively persistent nature of ESG-based compensation variables, columns (5) to (8) employ industry by year fixed effects rather than firm fixed effects.

[Insert Table 4 about here]

These results suggest that, in response to pressure from NGOs, directors are shifting from a shareholder-centric approach in setting the executive pay to the inclusion of ESG metrics. In other words, while executive compensation is less tied to the value of the equity, it is increasingly linked to the ESG criteria and the firm's performance. Adopting and incorporating ESG measures in managerial incentives signals further commitment to resolve the ESG issues raised by the NGOs and conformity to stakeholder values.

A brief paragrah about controls (Size, ROA, BOD independence, CEO/Chair)

4.4. Number of Shareholder Proposals Results

4.5. Shareholder Support Results

TABLE V and TABLE VI

4.6. Testing for Causality

TABLE X

4.7. Further Analysis

Why say on pay and director elections.??

Their findings imply that say-on-pay is also an essential disciplining mechanism that could address agency issues (Bebchuk, 2007). Supporting this argument, Cai and Walkling (2011) document that say-on-pay is value-enhancing for companies with inefficient compensation, whereas exemption from say-on-pay, however, has been found to garner adverse market reactions (Iliev & Vitanova, 2019). It has also been shown that UK firms respond to adverse votes on say-on-pay by dismissing controversial pay practices and increasing pay-to-performance sensitivity (Ferri & Maber, 2012). These findings align with other studies showing that dissenting vote percentages result in changes to the board, management, compensation and other firm policies (Cai et al., 2009; Fischer et al., 2009; Iliev et al., 2015).

Similarly, Correa and Lel (2016) observed a decline in CEO pay growth and improvement in pay-performance sensitivity following the adoption of say-on-pay laws.

5. Conclusion

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Figure 1.NGO campaigns targeting firms over time

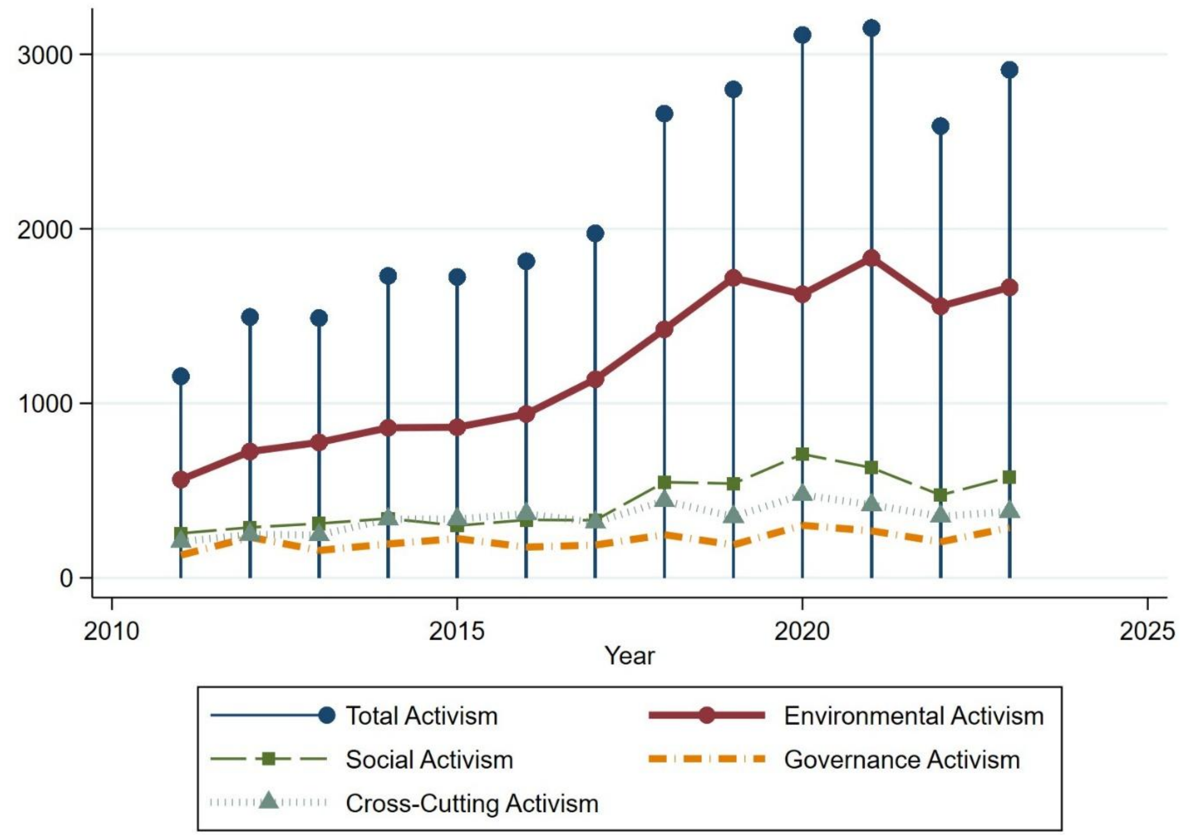

Figure 2. Percentage of Environmental, Social, Governance, and Cross-Cutting campaign categories comprising the total number of campaigns

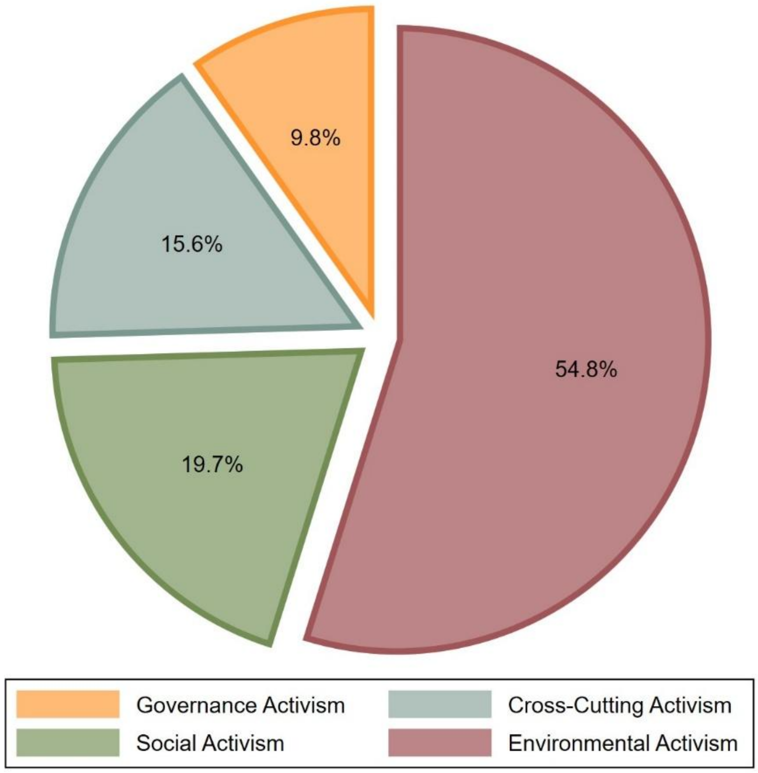

Table 1. Top 20 Target Firms and Industries by NGOs

Panel A: Top 20 Target Firms by Number and Percentage of Campaigns

Rank	Firm	#	%	Rank	Firm	#	%
1	Exxon Mobil Corp	1220	4.3%	11	JPMorgan Chase & Co	525	1.8%
2	Coca-Cola Co (The)	1051	3.7%	12	Apple Inc	509	1.8%
3	Walmart Inc	967	3.4%	13	YUM Brands Inc	484	1.7%
4	Chevron Corp	881	3.1%	14	Kinder Morgan Inc.	447	1.6%
5	Amazon.com Inc	857	3.0%	15	Citigroup Inc	400	1.4%
6	McDonald's Corp	764	2.7%	16	General Mills Inc.	384	1.3%
7	PepsiCo Inc	748	2.6%	17	Kellanova	380	1.3%
8	Meta Platforms Inc	684	2.4%	18	Bank of America Corp	370	1.3%
9	Alphabet Inc	658	2.3%	19	Conocophillips	324	1.1%
10	Procter & Gamble Co (The)	545	1.9%	20	Microsoft Corp	321	1.1%
Total:							**43.8%**

Panel B: Top 20 Target Inustries by Number and Percentage of Campaigns

Rank	Fama French 48 Ind. Classification	#	%	Rank	Fama French 48 Ind. Classification	#	%
1	Retail	3980	13.9%	11	Consumer Goods	920	3.2%
2	Petroleum and Natural Gas	3172	11.1%	12	Beer & Liquor	848	3.0%
3	Restaraunts, Hotels, Motels	2315	8.1%	13	Trading	712	2.5%
4	Utilities	2187	7.6%	14	Electronic Equipment	708	2.5%
5	Business Services	2079	7.3%	15	Transportation	624	2.2%
6	Banking	1950	6.8%	16	Chemicals	538	1.9%
7	Food Products	1854	6.5%	17	Communication	536	1.9%
8	Pharmaceutical Products	1204	4.2%	18	Automobiles and Trucks	497	1.7%
9	Candy & Soda	1076	3.8%	19	Insurance	363	1.3%
10	Apparel	1000	3.5%	20	Computers	248	0.9%
Total:							**93.7%**

Figure 3. NGO Activism by Industry

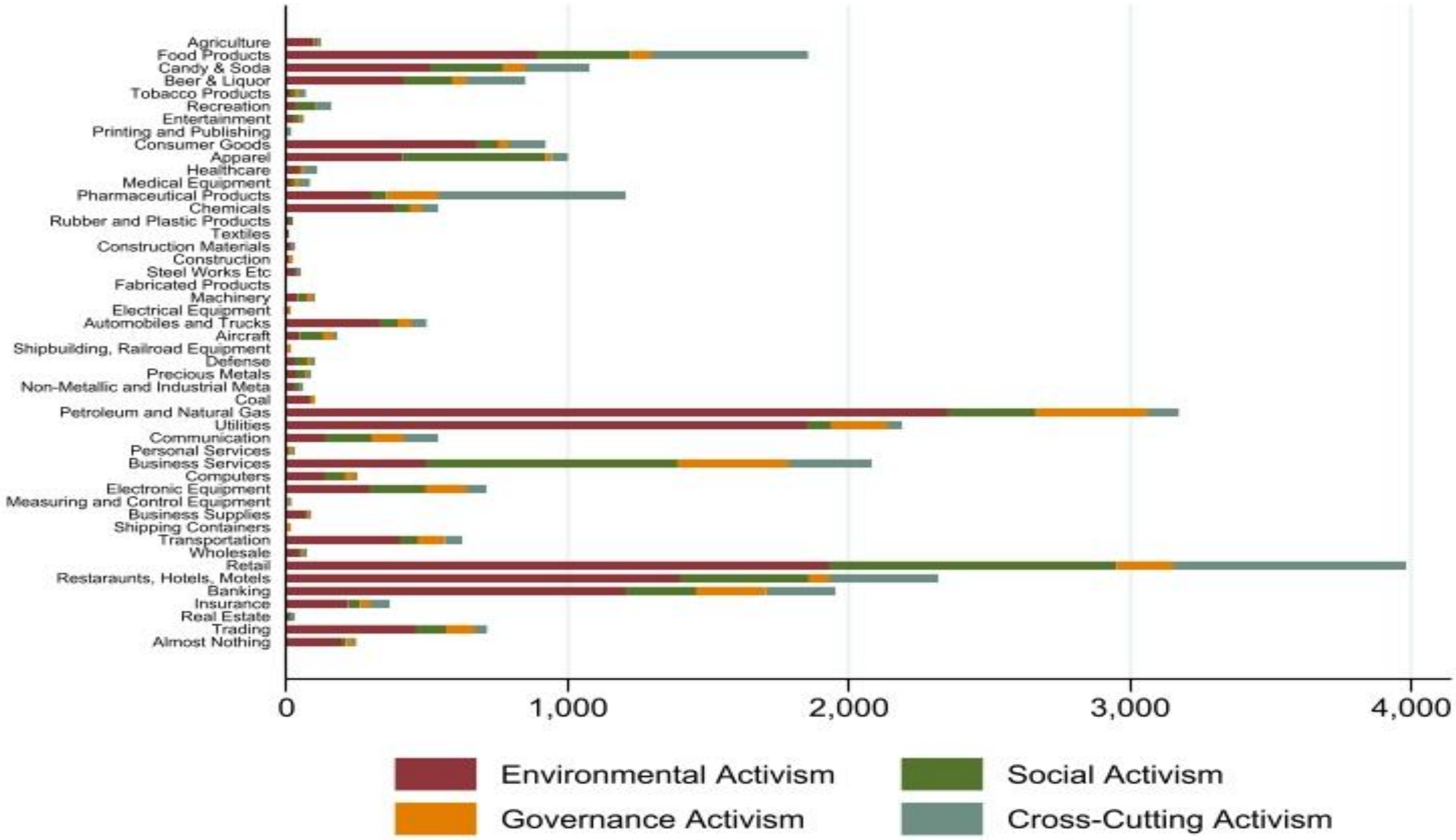

Table 2. Summary Statistics

Variables	Mean	SD	P25	Median	P75
Forced Turnover(60)	0.033	[0.178]	0	0	0
Forced Turnover(58)	0.025	[0.158]	0	0	0
Forced Turnover(56)	0.024	[0.153]	0	0	0
Ln(total compensation)	7.621	[0.839]	7.089	7.65	8.176
Equity-Based Compensation	5.853	[2.235]	5.269	6.456	7.277
ESG-Linked Comp.(dummy)	0.224	[0.417]	0	0	0
ESG-Linked Comp.(score)	25.108	[39.553]	0	0	80.44
E&S Proposals	1.029	[1.538]	0	1	1
E Proposals	0.334	[0.792]	0	0	0
S Proposals	0.649	[1.137]	0	0	1
G Proposals	1.086	[1.141]	0	1	1
% Support Overall	0.944	[0.093]	0.940	0.978	0.992
% Support Director Election	0.950	[0.080]	0.946	0.979	0.992
% Support Say-on-Pay	0.823	[0.206]	0.785	0.898	0.964
Activism Dummy	0.207	[0.405]	0	0	0
Log. Activism	0.018	[0.199]	0	0	0
Number of Campaigns	1.133	[6.403]	0	0	0
Environmental Activism	0.407	[2.126]	0	0	0
Social Activism	0.025	[0.487]	0	0	0
Governance Activism	0.116	[0.806]	0	0	0
Cross-Cutting Activism	0.177	[1.331]	0	0	0
Activism Sentiment	-0.120	[0.449]	0	0	0
Activism Prominence	2.230	[0.735]	1.889	2	2.667
NGO Power	0.213	[0.558]	0	0	0
Firm Size	8.177	[1.727]	6.989	8.099	9.302
Tobin's Q	2.055	[1.758]	1.133	1.512	2.275
Firm Leverage	0.283	[0.237]	0.095	0.257	0.413
Industry-Adj ROA	0.000	[0.111]	-0.03	0.000	0.037
Cash	0.140	[0.160]	0.029	0.082	0.188
CAPEX	0.036	[0.049]	0.007	0.023	0.047
Excess Return	2.106	[12.190]	0.127	0.151	0.314
Inst. Ownership	0.498	[0.311]	0.288	0.359	1
Equity-Based Pay	0.924	[0.266]	1	1	1
Outsider	0.060	[0.237]	0	0	0
Board Size	2.225	[0.254]	2.079	2.197	2.398
Board Independence	0.857	[0.146]	0.827	0.886	0.927
CEO-Chair(dummy)	0.405	[0.491]	0	0	1

Table 3. NGO Activism and Forced CEO Turnover

This table presents the regression results for NGO activism and the ESG categories of NGO reports targeting firms on forced CEO turnover. The regression model is a panel with fixed effects. The independent variables in columns 1 and 3 are binary variables indicating whether NGO campaigns target a firm in a given year and the ESG issues raised by the NGOs. Columns 2 and 4 use the natural logarithm of the number of campaigns and the respective activism categories. All columns present the regression results of the analysis with firm- and year-fixed effects. In all regression models, a set of control variables, including firm characteristics from CRSP, CEO-related controls from Execucomp, and board characteristics from Boardex, is included. The list and definitions of the variables used are provided in the Appendix. Additionally, the t-statistics reported in brackets are calculated using robust standard errors clustered at the firm level. *, **, and *** denote significance levels at the 10%, 5%, and 1% respectively.

Dependent Variable	Forced Turnover			
Independent Variables	(1)	(2)	(3)	(4)
Activism Dummy	0.109***			
	[14.161]			
Log. Activism		0.114***		
		[7.784]		
Environmental Activism Dummy			0.014**	
			[2.102]	
Social Activism Dummy			0.190***	
			[16.218]	
Governance Activism Dummy			0.038***	
			[3.645]	
Log. Environmental Activism				0.014***
				[2.598]
Log. Social Activism				0.121***
				[5.385]
Log. Governance Activism				0.034***
				[3.468]
Firm Size	0.004	0.005	0.004	0.004
	[1.121]	[1.456]	[1.173]	[1.334]
Tobin's Q	-0.004***	-0.002**	-0.003***	-0.002**
	[-2.966]	[-2.051]	[-2.879]	[-2.154]
Firm Leverage	0.029**	0.016	0.029**	0.019
	[1.981]	[1.232]	[2.003]	[1.429]
Industry-Adj ROA	-0.088***	-0.055***	-0.071***	-0.054***
	[-3.518]	[-2.873]	[-3.004]	[-2.810]
CAPEX	-0.044	0.012	-0.029	0.007
	[-0.807]	[0.308]	[-0.544]	[0.193]
Cash	-0.011	-0.005	-0.013	-0.003
	[-0.584]	[-0.311]	[-0.715]	[-0.217]
Excess Return	0.000*	0.000*	0.001**	0.000**
	[1.820]	[1.924]	[2.138]	[2.298]
Inst. Ownership	0.000	0.006	0.000	0.006
	[0.039]	[0.807]	[-0.008]	[0.803]

Equity-Based Pay	0.008	-0.002	0.005	-0.002
	[1.366]	[-0.456]	[0.932]	[-0.354]
Outsider	0.019	0.019	0.014	0.019
	[1.319]	[1.618]	[0.995]	[1.561]
Board Size	0.009	0.023**	0.016	0.022**
	[0.673]	[2.225]	[1.181]	[2.105]
Board Independence	0.060*	0.025	0.049*	0.029
	[1.938]	[0.975]	[1.650]	[1.161]
CEO-Chair(dummy)	-0.016***	-0.007*	-0.004	-0.009**
	[-3.318]	[-1.751]	[-0.872]	[-2.355]
Constant	-0.106***	-0.098***	-0.107***	-0.101***
	[-2.590]	[-3.054]	[-2.711]	[-3.116]
Observations	18,591	17,468	18,591	17,468
R-squared	0.166	0.171	0.204	0.154
Firm Fixed	YES	YES	YES	YES
Year Fixed	YES	YES	YES	YES

Table 4. NGO Activism and Executive Compensation Outcomes

This table presents the regression results for NGO campaigns targeting firms on executive compensation outcomes. The regression model is a panel with fixed effects. The dependent variable in columns (1)-(2) is the natural logarithm of total executive pay, whereas columns (3)-(4) present the regression results for equity-based compensation. Columns (5) and (6) represent the regression results of NGO campaigns on a binary variable indicating implementation of ESG-linked compensation, whereas columns (7) and (8) represent the score of ESG-linked compensation obtained from LSEG workspace. All models in columns (1)-(4) employ firm- and year- fixed effects. Columns (5) to (8) use industry by year fixed effects. In all regression models, a set of control variables including firm characteristics from CRSP, CEO-related controls from Execucomp, and board characteristics from Boardex is included. The definition of the used variables can be found in the Appendix. Additionally, the t-statistics reported in brackets are calculated using robust standard errors clustered at the firm level. *, **, and *** denote significance levels at the 10%, 5%, and 1% respectively.

Dependent Variable	Ln(Total Compensation)		Equity-Based Compensation		ESG-Linked Comp. (dummy)		ESG-Linked Comp. (score)	
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Activism Dummy	-0.008		-0.146***		0.058***		5.010***	
	[-0.818]		[-4.370]		[4.734]		[4.654]	
Log. Activism		-0.031**		-0.122***		0.045***		3.924***
		[-2.003]		[-3.194]		[2.806]		[2.738]
Firm Size	0.366***	0.365***	0.717***	0.720***	0.067***	0.073***	5.760***	6.283***
	[23.433]	[22.824]	[12.402]	[12.043]	[13.863]	[14.662]	[13.618]	[14.387]
Tobin's Q	0.047***	0.047***	0.040**	0.039**	0.001	0.000	0.047	0.002
	[8.079]	[9.896]	[2.434]	[2.214]	[0.289]	[0.136]	[0.168]	[0.008]
Firm Leverage	-0.120***	-0.108**	0.091	0.119	0.001	-0.002	0.272	-0.001
	[-2.641]	[-2.413]	[0.454]	[0.580]	[0.033]	[-0.098]	[0.123]	[-0.000]
Industry-Adj ROA	0.172***	0.187***	0.197	0.2	0.03	0.039	2.751	3.471
	[2.667]	[2.655]	[0.901]	[0.847]	[0.891]	[1.078]	[0.919]	[1.088]
CAPEX	0.330*	0.390**	1.149	0.923	-0.052	-0.038	-2.554	-1.299

	[1.863]	[2.197]	[1.620]	[1.282]	[-0.354]	[-0.248]	[-0.200]	[-0.098]
Cash	0.033	0.036	-0.239	-0.232	0.044	0.056	3.832	4.95
	[0.499]	[0.534]	[-0.964]	[-0.926]	[1.055]	[1.306]	[1.046]	[1.303]
Excess Return	-0.001*	-0.001*	-0.006**	-0.007**	0.001*	0.001**	0.098**	0.112**
	[-1.721]	[-1.876]	[-2.539]	[-2.523]	[1.951]	[2.198]	[2.040]	[2.281]
Inst. Ownership	0.016	-0.007	0.273**	0.234**	-0.026	-0.038*	-2.284	-3.324*
	[0.532]	[-0.225]	[2.511]	[2.033]	[-1.139]	[-1.696]	[-1.156]	[-1.683]
Board Size	0.065*	0.061*	-0.053	-0.055	0.043*	0.044*	3.710*	3.832*
	[1.882]	[1.708]	[-0.340]	[-0.348]	[1.684]	[1.686]	[1.664]	[1.675]
Board Independence	0.197**	0.182**	1.924***	1.964***	0.093**	0.094**	8.229**	8.359**
	[2.367]	[2.109]	[4.571]	[4.387]	[2.361]	[2.388]	[2.399]	[2.429]
CEO-Chair(dummy)	0.031***	0.038***	-0.03	-0.028	0.019*	0.016	1.647*	1.459
	[2.804]	[3.155]	[-0.582]	[-0.498]	[1.765]	[1.515]	[1.783]	[1.539]
Constant	4.218***	4.251***	-1.747***	-1.813***	-0.525***	-0.560***	-45.280***	-48.469***
	[29.796]	[29.368]	[-2.923]	[-2.944]	[-9.802]	[-10.147]	[-9.651]	[-10.002]
Observations	18,570	17,448	18,591	17,468	18,401	17,295	18,405	17,298
R-squared	0.838	0.842	0.694	0.701	0.255	0.256	0.248	0.249
Firm Fixed	YES	YES	YES	YES	NO	NO	NO	NO
Year Fixed	YES	YES	YES	YES	YES	YES	YES	YES
Industry X Year Fixed	NO	NO	NO	NO	YES	YES	YES	YES

Table 5(a). NGO Activism and Shareholder Proposals

This table presents the regression results for NGO activism and the ESG categories of NGO reports targeting firms on shareholder proposals. The coefficients are estimated using a Poisson model with fixed effects. The independent variables in all columns are dummy variables indicating whether NGO campaigns target a firm in a given year and the ESG issues raised by the campaigns. All regressions are run using firm- and year-fixed effects. In all regression models, a set of control variables is included. The definition of the used variables can be found in the Appendix. Additionally, the t-statistics reported in brackets are calculated using robust standard errors clustered at the firm level. *, **, and *** denote significance levels at the 10%, 5%, and 1% respectively.

Dependent Variable	E proposals	S proposals	G proposals	E proposals	S proposals	G proposals
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Activism Dummy	0.241**	0.021	-0.034			
	[1.989]	[0.260]	[-0.694]			
Environmental Activism Dummy				0.202**		
				[2.012]		
Social Activism Dummy					0.066	
					[1.081]	
Governance Activism Dummy						-0.015
						[-0.377]
Firm Size	0.135	0.613***	0.197**	0.132	0.612***	0.196**
	[0.965]	[6.049]	[2.205]	[0.940]	[6.019]	[2.204]
Tobin's Q	-0.007	0.042	-0.009	-0.009	0.04	-0.009
	[-0.137]	[1.166]	[-0.352]	[-0.160]	[1.105]	[-0.347]
Firm Leverage	0.151	0.481*	-0.168	0.146	0.480*	-0.165
	[0.568]	[1.905]	[-0.808]	[0.549]	[1.913]	[-0.793]
Industry-Adj ROA	0.005	0.174	0.186	-0.002	0.176	0.184
	[0.008]	[0.402]	[0.774]	[-0.004]	[0.409]	[0.766]
CAPEX	2.094	2.576*	1.628	2.16	2.629*	1.619
	[1.439]	[1.863]	[1.611]	[1.489]	[1.926]	[1.597]
Cash	-0.114	-0.534	0.242	-0.072	-0.531	0.241
	[-0.162]	[-1.210]	[0.906]	[-0.102]	[-1.194]	[0.903]
Excess Return	-0.002*	-0.001	-0.001	-0.002*	-0.001	-0.001
	[-1.862]	[-1.435]	[-0.600]	[-1.860]	[-1.369]	[-0.603]
Inst. Ownership	-0.436	0.12	0.361	-0.465	0.122	0.359
	[-0.844]	[0.369]	[1.499]	[-0.894]	[0.377]	[1.489]
Constant	-1.703	-6.779***	-1.783*	-1.628	-6.784***	-1.784*
	[-1.097]	[-5.802]	[-1.891]	[-1.043]	[-5.806]	[-1.892]
Observations	2,151	2,694	3,306	2,151	2,694	3,306
Firm Fixed	YES	YES	YES	YES	YES	YES
Year Fixed	YES	YES	YES	YES	YES	YES

Table 5(b). NGO Activism and Shareholder Proposals

This table presents the regression results for NGO activism targeting firms on shareholder proposals. The coefficients are estimated using a Poisson model with fixed effects. The independent variables in all columns are the natural logarithm of NGO campaigns targeting firms in a given year and the ESG issues raised in these campaigns. All regressions are run using firm- and year-fixed effects. In all regression models, a set of control variables is included. The definition of the used variables can be found in the Appendix. Additionally, the t-statistics reported in brackets are calculated using robust standard errors clustered at the firm level. *, **, and *** denote significance levels at the 10%, 5%, and 1% respectively.

Dependent Variable	E proposals	S proposals	G proposals	E proposals	S proposals	G proposals
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Log. Activism	0.254***	0.018	0.037			
	[3.626]	[0.405]	[1.062]			
Log. Environmental Activism				0.283***		
				[3.742]		
Log. Social Activism					0.078*	
					[1.871]	
Log. Governance Activism						0.024
						[0.600]
Firm Size	0.088	0.609***	0.187**	0.091	0.588***	0.191**
	[0.608]	[6.059]	[2.158]	[0.640]	[5.849]	[2.188]
Tobin's Q	-0.012	0.042	-0.008	-0.014	0.043	-0.009
	[-0.212]	[1.175]	[-0.340]	[-0.248]	[1.216]	[-0.353]
Firm leverage	0.130	0.481*	-0.170	0.029	0.505**	-0.165
	[0.490]	[1.908]	[-0.813]	[0.108]	[2.009]	[-0.798]
Industry-adj ROA	0.152	0.161	0.163	0.103	0.155	0.180
	[0.256]	[0.376]	[0.684]	[0.172]	[0.357]	[0.752]
CAPEX	2.359*	2.589*	1.628	2.216	2.636*	1.631
	[1.730]	[1.885]	[1.616]	[1.619]	[1.943]	[1.616]
Cash	-0.114	-0.527	0.231	0.037	-0.498	0.232
	[-0.167]	[-1.198]	[0.867]	[0.055]	[-1.131]	[0.861]
Excess return	-0.001	-0.001	-0.001	-0.001	-0.001	-0.001
	[-1.393]	[-1.415]	[-0.595]	[-1.016]	[-1.299]	[-0.625]
Inst. ownership	-0.472	0.116	0.357	-0.511	0.119	0.361
	[-0.907]	[0.356]	[1.483]	[-0.961]	[0.368]	[1.505]
Constant	-1.532	-6.747***	-1.743*	-1.464	-6.590***	-1.748*
	[-0.979]	[-5.825]	[-1.869]	[-0.947]	[-5.690]	[-1.877]
Observations	2,151	2,694	3,306	2,151	2,694	3,306
Firm Fixed	YES	YES	YES	YES	YES	YES
Year Fixed	YES	YES	YES	YES	YES	YES

Table 5(c). NGO Activism and Shareholder Proposals

This table presents the regression results for NGO activism targeting firms on shareholder proposals. The coefficients are estimated using a Poisson model with fixed effects. The independent variables in all columns are the number of NGO campaigns targeting firms in a given year and the number of campaigns in each ESG category. All regressions are run using firm- and year-fixed effects. In all regression models, a set of control variables is included. The definition of the used variables can be found in the Appendix. Additionally, the t-statistics reported in brackets are calculated using robust standard errors clustered at the firm level. *, **, and *** denote significance levels at the 10%, 5%, and 1% respectively.

Dependent Variable	E proposals	S proposals	G proposals	E proposals	S proposals	G proposals
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Number of Campaigns	0.005**	0.002	0.004*			
	[2.370]	[0.778]	[1.723]			
Environmental Activism				0.013***		
				[3.247]		
Social Activism					0.004	
					[0.999]	
Governance Activism						0.008
						[1.278]
Firm Size	0.122	0.596***	0.183**	0.147	0.584***	0.188**
	[0.840]	[5.905]	[2.337]	[1.022]	[5.648]	[2.219]
Tobin's Q	0.000	0.045	-0.004	-0.008	0.046	-0.008
	[-0.007]	[1.256]	[-0.186]	[-0.140]	[1.281]	[-0.322]
Firm Leverage	0.147	0.481*	-0.169	0.076	0.477*	-0.164
	[0.530]	[1.891]	[-0.792]	[0.269]	[1.892]	[-0.791]
Industry-Adj ROA	0.253	0.169	0.176	0.423	0.159	0.194
	[0.384]	[0.385]	[0.741]	[0.620]	[0.364]	[0.805]
CAPEX	2.303	2.577*	1.537	2.186	2.542*	1.617
	[1.590]	[1.884]	[1.577]	[1.521]	[1.854]	[1.623]
Cash	-0.202	-0.49	0.26	-0.202	-0.443	0.221
	[-0.283]	[-1.083]	[0.996]	[-0.275]	[-0.962]	[0.818]
Excess Return	-0.002*	-0.001	-0.001	-0.001	-0.001	-0.001
	[-1.648]	[-1.394]	[-0.550]	[-1.406]	[-1.408]	[-0.614]
Inst. Ownership	-0.459	0.096	0.344	-0.506	0.092	0.356
	[-0.863]	[0.287]	[1.492]	[-0.935]	[0.272]	[1.503]
Constant	-1.50	-6.609***	-1.693**	-1.761	-6.473***	-1.718*
	[-0.942]	[-5.693]	[-2.001]	[-1.124]	[-5.451]	[-1.898]
Observations	2,151	2,694	3,306	2,151	2,694	3,306
Firm Fixed	YES	YES	YES	YES	YES	YES
Year Fixed	YES	YES	YES	YES	YES	YES

Table 6(a). NGO Activism and % Shareholder Support

This table presents the regression results for NGO activism and the ESG categories of NGO reports targeting firms on the percentage of shareholder support for the management-sponsored proposals. The coefficients are estimated using a panel model with fixed effects. The independent variables in all columns are binary variables indicating whether NGOs target a firm in a given year and the ESG categories of the campaigns. All regressions include firm and year fixed effects. In all regression models, a set of control variables is included. The definitions of the variables used are provided in the Appendix. Additionally, the t-statistics reported in brackets are calculated using robust standard errors clustered at the ballot level. * **and *** denote significance levels at the 10% 5% and 1% respectively.

Dependent Variable	% Support Overall	% Support Director Election	% Support Say-on-Pay	% Support Overall	% Support Director Election	% Support Say-on-Pay
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Activism Dummy	-0.001	-0.001	-0.017			
	[-0.949]	[-0.919]	[-1.472]			
Environmental Activism Dummy				0.001	0.001**	-0.012
				[1.246]	[1.965]	[-0.904]
Social Activism Dummy				-0.001	-0.001	0
				[-0.847]	[-1.066]	[0.006]
Governance Activism Dummy				-0.002**	-0.001*	-0.005
				[-2.065]	[-1.782]	[-0.397]
Firm Size	-0.003***	-0.004***	0.022**	-0.003***	-0.004***	0.023**
	[-3.808]	[-5.342]	[2.291]	[-3.803]	[-5.340]	[2.299]
Tobin's Q	0.001***	0.001***	0.002	0.001***	0.001***	0.002
	[5.522]	[3.890]	[0.433]	[5.509]	[3.878]	[0.422]
Firm Leverage	-0.001	0.000	0.000	-0.001	0.000	0.001
	[-0.763]	[0.142]	[-0.006]	[-0.752]	[0.147]	[0.029]
Industry-Adj ROA	0.005***	0.006***	-0.039	0.005***	0.006***	-0.039
	[2.978]	[2.718]	[-1.345]	[2.973]	[2.714]	[-1.348]
CAPEX	0.056***	0.046***	0.07	0.056***	0.046***	0.066

	[7.159]	[5.712]	[0.488]	[7.155]	[5.706]	[0.458]
Cash	0.002	0.004	0.017	0.002	0.004	0.018
	[0.763]	[1.409]	[0.420]	[0.774]	[1.423]	[0.444]
Excess Return	0.000	0.000	0.000	0.000	0.000	0.000
	[-0.691]	[0.635]	[-0.273]	[-0.705]	[0.577]	[-0.278]
Inst. Ownership	0	-0.008**	0.105**	0.000	-0.008**	0.104**
	[0.046]	[-2.405]	[2.458]	[0.030]	[-2.427]	[2.431]
Board Independence	0.025***	0.040***	-0.105*	0.025***	0.040***	-0.105*
	[5.028]	[8.106]	[-1.691]	[5.021]	[8.094]	[-1.694]
CEO-Chair(dummy)	-0.002***	-0.004***	0.014	-0.002***	-0.004***	0.014
	[-2.847]	[-5.781]	[1.592]	[-2.815]	[-5.743]	[1.586]
Constant	0.943***	0.946***	0.735***	0.943***	0.946***	0.734***
	[141.985]	[142.030]	[8.190]	[141.925]	[141.978]	[8.170]
Observations	219,374	156,796	3,369	219,374	156,796	3,369
R-squared	0.195	0.325	0.757	0.195	0.325	0.757
Firm Fixed	YES	YES	YES	YES	YES	YES
Year Fixed	YES	YES	YES	YES	YES	YES

Table 6(b). NGO Activism and % Shareholder Support

This table presents the regression results for NGO activism and the ESG categories of NGO reports targeting firms on the percentage of shareholder support for the management-sponsored proposals. The coefficients are estimated using a panel model with fixed effects. The independent variables are the natural logarithm of NGO campaigns targeting firms in a given year and the ESG issues raised in these campaigns. All regressions include firm and year fixed effects. In all regression models, a set of control variables is included. The definitions of the variables used can be found in the Appendix. Additionally, the t-statistics reported in brackets are calculated using robust standard errors clustered at the ballot level. * **and *** denote significance levels at the 10% 5% and 1% respectively.

Dependent Variable Independent Variables	% Support Overall (1)	% Support Director Election (2)	% Support Say-on-Pay (3)	% Support Overall (4)	% Support Director Election (5)	% Support Say-on-Pay (6)
Log. Activism	-0.001	0.000	-0.005			
	[-1.607]	[-0.797]	[-0.598]			
Log. Environmental Activism				0.001*	0.002***	0.000
				[1.726]	[2.962]	[0.009]
Log. Social Activism				-0.001*	-0.001	-0.001
				[-1.933]	[-1.610]	[-0.117]
Log. Governance Activism				-0.001	-0.001*	-0.01
				[-1.632]	[-1.672]	[-1.108]
Firm Size	-0.003***	-0.004***	0.022**	-0.003***	-0.003***	0.023**
	[-3.820]	[-5.351]	[2.285]	[-3.782]	[-5.289]	[2.308]
Tobin's Q	0.001***	0.001***	0.002	0.001***	0.001***	0.002
	[5.516]	[3.886]	[0.424]	[5.515]	[3.889]	[0.426]
Firm Leverage	-0.001	0.000	0.001	-0.001	0.000	0.000
	[-0.740]	[0.156]	[0.026]	[-0.814]	[0.052]	[0.015]
Industry-Adj ROA	0.005***	0.006***	-0.038	0.005***	0.006***	-0.039
	[2.979]	[2.718]	[-1.336]	[2.956]	[2.694]	[-1.346]
CAPEX	0.056***	0.046***	0.068	0.056***	0.046***	0.066
	[7.145]	[5.702]	[0.477]	[7.142]	[5.705]	[0.458]

Cash	0.002	0.004	0.018	0.002	0.004	0.018
	[0.758]	[1.409]	[0.436]	[0.780]	[1.443]	[0.446]
Excess Return	0.000	0.000	0.000	0.000	0.000	0.000
	[-0.678]	[0.621]	[-0.334]	[-0.679]	[0.618]	[-0.331]
Inst. Ownership	0.000	-0.008**	0.104**	0.000	-0.008**	0.103**
	[0.052]	[-2.404]	[2.430]	[0.024]	[-2.439]	[2.409]
Board Independence	0.025***	0.040***	-0.106*	0.025***	0.040***	-0.107*
	[5.021]	[8.100]	[-1.707]	[5.000]	[8.080]	[-1.702]
CEO-Chair(dummy)	-0.002***	-0.004***	0.014	-0.002***	-0.004***	0.014
	[-2.837]	[-5.771]	[1.620]	[-2.810]	[-5.744]	[1.621]
Constant	0.943***	0.946***	0.736***	0.943***	0.946***	0.733***
	[141.892]	[141.899]	[8.178]	[141.797]	[141.767]	[8.136]
Observations	219,374	156,796	3,369	219,374	156,796	3,369
R-squared	0.195	0.325	0.757	0.195	0.325	0.757
Firm Fixed	YES	YES	YES	YES	YES	YES
Year Fixed	YES	YES	YES	YES	YES	YES

Table 6(c). NGO Activism and % Shareholder Support

This table presents the regression results for NGO activism and the ESG categories of NGO reports targeting firms on the percentage of shareholder support for the management-sponsored proposals. The coefficients are estimated using a panel model with fixed effects. The independent variables are the number of NGO campaigns targeting firms in a given year and the ESG issues raised in these campaigns. All regressions include firm and year fixed effects. In all regression models, a set of control variables is included. The definitions of the variables used are provided in the Appendix. Additionally, the t-statistics reported in brackets are calculated using robust standard errors clustered at the ballot level. * **and *** denote significance levels at the 10% 5% and 1% respectively.

Dependent Variable	% Support Overall	% Support Director Election	% Support Say-on-Pay	% Support Overall	% Support Director Election	% Support Say-on-Pay
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Total Activism	0.000	0.000*	0.000			
	[0.538]	[1.866]	[0.227]			
Environmental Activism				0.000	0.000***	0.000
				[1.493]	[3.017]	[1.493]
Social Activism				0.000	0.000	0.000
				[-0.235]	[-0.225]	[-0.235]
Governance Activism				0.000	0.000	0.000
				[-0.385]	[-0.354]	[-0.385]
Firm Size	-0.003***	-0.004***	0.022**	-0.003***	-0.003***	-0.003***
	[-3.810]	[-5.332]	[2.292]	[-3.761]	[-5.250]	[-3.761]
Tobin's Q	0.001***	0.001***	0.002	0.001***	0.001***	0.001***
	[5.524]	[3.901]	[0.415]	[5.523]	[3.896]	[5.523]
Firm Leverage	-0.001	0	0.001	-0.001	0	-0.001
	[-0.768]	[0.120]	[0.037]	[-0.814]	[0.043]	[-0.814]
Industry-Adj ROA	0.005***	0.006***	-0.038	0.005***	0.006***	0.005***
	[2.978]	[2.718]	[-1.332]	[2.962]	[2.699]	[2.962]
CAPEX	0.056***	0.046***	0.071	0.056***	0.046***	0.056***
	[7.159]	[5.720]	[0.497]	[7.152]	[5.710]	[7.152]

Cash	0.002	0.004	0.018	0.002	0.004	0.002
	[0.776]	[1.435]	[0.446]	[0.775]	[1.430]	[0.775]
Excess Return	0.000	0.000	0.000	0.000	0.000	0.000
	[-0.729]	[0.589]	[-0.355]	[-0.708]	[0.621]	[-0.708]
Inst. Ownership	0	-0.008**	0.103**	0.000	-0.008**	0.000
	[0.037]	[-2.423]	[2.405]	[0.022]	[-2.445]	[0.022]
Board Independence	0.025***	0.040***	-0.107*	0.025***	0.040***	0.025***
	[5.028]	[8.114]	[-1.708]	[5.034]	[8.124]	[5.034]
CEO-Chair(dummy)	-0.002***	-0.004***	0.014	-0.002***	-0.004***	-0.002***
	[-2.840]	[-5.775]	[1.624]	[-2.838]	[-5.772]	[-2.838]
Constant	0.943***	0.946***	0.734***	0.943***	0.945***	0.943***
	[141.915]	[141.924]	[8.162]	[141.733]	[141.677]	[141.733]
Observations	219,374	156,796	3,369	219,374	156,796	219,374
R-squared	0.195	0.325	0.757	0.195	0.325	0.195
Firm Fixed	YES	YES	YES	YES	YES	YES
Year Fixed	YES	YES	YES	YES	YES	YES

Appendix

Table A3. NGO Activism and Forced CEO Turnover

This table presents the regression results for NGO activism and the ESG categories of NGO reports targeting firms on forced CEO turnover. The regression model is a logit with fixed effects to account for the binary outcome variable. The independent variables in columns 1 and 3 are dummy variables indicating whether NGO campaigns target a firm in a given year and the ESG issues addressed by the campaigns. Columns 2 and 4 use the natural logarithm of the number of campaigns and the respective activism categories. Columns present the regression results of the analysis with industry and year fixed effects, whereas columns 5-8 employ firm and year fixed effects. In columns (1)-(4), the standard errors are calculated using robust standard errors clustered at the firm level. In all regression models, a set of control variables including firm characteristics from CRS, CEO-related controls from Execucomp, and board characteristics from Boardex is included. The definitions of the variables used can be found in the Appendix. *, **, and *** denote significance levels at the 10%, 5%, and 1% respectively.

Dependent Variable	**Forced Turnover**							
Independent Variable	**(1)**	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**
Activism Dummy	2.590***				2.477***			
	[20.880]				[17.410]			
Log. Activism		1.285***				1.190***		
		[9.997]				[6.919]		
Environmental Activism Dummy			0.750***				0.753**	
			[3.982]				[2.138]	
Social Activism Dummy			2.962***				2.589***	
			[25.510]				[17.612]	
Governance Activism Dummy			0.711***				1.015***	
			[3.001]				[3.477]	
Log. Environmental Activism				0.378***				0.619***
				[2.713]				[3.551]
Log. Social Activism				1.062***				0.926***
				[5.315]				[4.265]
Log. Governance Activism				0.460**				1.000***
				[2.029]				[3.086]

Firm Size	-0.280***	-0.018	-0.138***	-0.09	0.484***	0.715**	0.450**	0.724**
	[-6.580]	[-0.294]	[-2.795]	[-1.291]	[3.452]	[2.558]	[2.413]	[2.458]
Tobin's Q	-0.302***	-0.309***	-0.273***	-0.333***	-0.269**	-0.233	-0.200*	-0.232
	[-4.504]	[-3.581]	[-4.352]	[-3.703]	[-2.189]	[-1.148]	[-1.705]	[-1.229]
Firm Leverage	0.770***	0.867***	0.810***	1.017***	0.634	0.614	0.494	0.722
	[4.207]	[2.895]	[4.128]	[3.530]	[1.283]	[0.950]	[1.019]	[1.053]
Industry-Adj ROA	-1.148***	-1.430**	-1.072**	-1.249**	-1.320*	-2.359**	-1.203**	-2.356**
	[-2.759]	[-2.554]	[-2.545]	[-2.163]	[-1.930]	[-2.294]	[-2.258]	[-2.384]
CAPEX	-1.204	2.432	-0.129	2.318	1.253	3.762	1.475	2.459
	[-0.745]	[1.414]	[-0.092]	[1.311]	[0.437]	[1.050]	[0.612]	[0.591]
Cash	0.438	1.435**	0.644	1.254**	-0.462	0.518	-0.61	0.125
	[1.097]	[2.332]	[1.605]	[2.031]	[-0.732]	[0.365]	[-0.820]	[0.095]
Excess Return	0.006	0.011**	0.008	0.010*	0.027	0.031	0.034	0.033
	[1.484]	[2.023]	[1.506]	[1.873]	[0.628]	[0.184]	[0.417]	[0.387]
Inst. Ownership	0.760***	0.715**	0.652***	0.750**	-0.068	-0.034	-0.015	-0.154
	[3.432]	[2.173]	[2.895]	[2.300]	[-0.194]	[-0.057]	[-0.038]	[-0.297]
Equity-Based Pay	0.279	0.141	0.181	0.202	0.108	-0.066	0.043	-0.015
	[1.126]	[0.418]	[0.709]	[0.595]	[0.287]	[-0.123]	[0.127]	[-0.036]
Outsider	0.179	0.14	0.171	0.065	0.723*	1.373**	0.737	1.139
	[0.743]	[0.423]	[0.723]	[0.182]	[1.745]	[2.356]	[1.636]	[1.521]
Board Size	0.491	1.266***	0.553*	1.293***	0.970**	2.034**	1.105**	1.753**
	[1.546]	[3.148]	[1.764]	[3.187]	[2.118]	[2.228]	[2.253]	[2.215]
Board Independence	0.78	0.692	0.677	0.858	1.307	1.613	1.123	2.098
	[1.441]	[0.800]	[1.325]	[0.940]	[1.137]	[0.871]	[0.951]	[1.226]
CEO-Chair(dummy)	-1.034***	-0.907***	-0.705***	-0.978***	-0.696***	-0.734**	-0.470**	-0.754**
	[-7.672]	[-5.072]	[-5.055]	[-5.486]	[-4.233]	[-2.456]	[-2.022]	[-2.544]
Constant	-4.478***	-7.322***	-5.439***	-7.094***				
	[-5.187]	[-6.755]	[-7.212]	[-6.447]				
Observations	18,402	16,356	18,402	16,356	4,911	2,562	4,911	2,562

Firm Fixed	NO	NO	NO	NO	YES	YES	YES	YES
Year Fixed	YES	YES	YES	YES	YES	YES	YES	YES
Industry Fixed	YES	YES	YES	YES	NO	NO	NO	NO

A5(a)

Dependent Variable	E proposals	S proposals	G proposals	E proposals	S proposals	G proposals
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Activism Dummy	0.276**	0.375***	-0.005			
	[2.446]	[4.090]	[-0.104]			
Environmental Activism Dummy				0.286***		
				[2.767]		
Social Activism Dummy					0.475***	
					[6.591]	
Governance Activism Dummy						0.247***
						[5.461]
Firm Size	0.340***	0.511***	0.249***	0.336***	0.482***	0.204***
	[6.254]	[12.670]	[10.547]	[6.258]	[12.856]	[9.452]
Tobin's Q	0.062**	0.075***	0.004	0.060*	0.071***	0.001
	[2.007]	[3.672]	[0.213]	[1.897]	[3.623]	[0.088]
Firm Leverage	0.137	-0.300*	-0.263**	0.137	-0.262	-0.264**
	[0.934]	[-1.853]	[-2.093]	[0.929]	[-1.625]	[-2.145]
Industry-Adj ROA	0.338	1.015**	-0.007	0.363	0.970**	0.026
	[0.509]	[2.290]	[-0.023]	[0.550]	[2.290]	[0.082]
CAPEX	1.847	3.079***	-0.293	1.848	3.029***	-0.524
	[1.492]	[2.753]	[-0.325]	[1.497]	[2.855]	[-0.590]
Cash	-0.566	0.686*	0.754***	-0.548	0.670*	0.653***
	[-1.044]	[1.918]	[3.222]	[-1.019]	[1.936]	[2.873]
Excess Return	0.000	0.000	0.001**	0.000	0.001	0.001**
	[-0.146]	[0.572]	[2.157]	[-0.165]	[0.908]	[1.975]
Inst. Ownership	-0.836*	-0.389	-0.554**	-0.818*	-0.349	-0.481*
	[-1.829]	[-1.416]	[-2.088]	[-1.764]	[-1.331]	[-1.880]
Constant	-4.164***	-6.012***	-2.217***	-4.110***	-5.695***	-1.838***
	[-6.979]	[-13.006]	[-8.507]	[-6.932]	[-12.815]	[-7.421]
Observations	2,963	3,566	3,710	2,963	3,566	3,710
Firm Fixed	NO	NO	NO	NO	NO	NO
Industry X Year Fixed	YES	YES	YES	YES	YES	YES

A5(b)

Dependent Variable	E proposals	S proposals	G proposals	E proposals	S proposals	G proposals
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Log. Activism	0.317***	0.273***	0.186***			
	[6.556]	[7.315]	[6.583]			
Log. Environmental Activism				0.339***		
				[6.783]		
Log. Social Activism					0.316***	
					[7.983]	
Log. Governance Activism						0.348***
						[9.344]
Firm Size	0.148***	0.371***	0.142***	0.177***	0.412***	0.142***
	[3.158]	[9.159]	[6.519]	[3.924]	[11.586]	[6.997]
Tobin's Q	0.042	0.075***	-0.001	0.035	0.076***	0.001
	[1.339]	[4.076]	[-0.077]	[1.125]	[4.017]	[0.092]
Firm Leverage	0.103	-0.25	-0.233*	0.117	-0.165	-0.205*
	[0.753]	[-1.560]	[-1.957]	[0.843]	[-1.008]	[-1.779]
Industry-Adj ROA	0.303	0.761*	-0.039	0.38	0.874**	0.039
	[0.507]	[1.883]	[-0.128]	[0.626]	[2.154]	[0.127]
CAPEX	1.791	1.973**	-0.991	2.046*	1.548	-1.135
	[1.584]	[2.054]	[-1.154]	[1.785]	[1.629]	[-1.387]
Cash	-0.874*	0.3	0.512**	-0.679	0.305	0.414**
	[-1.685]	[0.940]	[2.332]	[-1.333]	[0.979]	[1.969]
Excess Return	0	0	0.001*	0	0.001	0.001*
	[-0.058]	[0.604]	[1.933]	[0.081]	[1.031]	[1.788]
Inst. Ownership	-0.512	-0.242	-0.352	-0.489	-0.24	-0.409*
	[-1.151]	[-0.904]	[-1.392]	[-1.119]	[-0.898]	[-1.664]
Constant	-2.526***	-4.653***	-1.342***	-2.774***	-4.935***	-1.264***
	[-4.906]	[-10.745]	[-5.622]	[-5.402]	[-12.164]	[-5.490]
Observations	2,963	3,566	3,710	2,963	3,566	3,710
Firm Fixed	NO	NO	NO	NO	NO	NO
Industry X Year Fixed	YES	YES	YES	YES	YES	YES

A5(c)

Dependent Variable	E proposals	S proposals	G proposals	E proposals	S proposals	G proposals
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Number of Campaigns	0.011***	0.009***	0.011***			
	[8.113]	[7.163]	[8.777]			
Environmental Activism				0.019***		
				[8.070]		
Social Activism					0.017***	
					[4.404]	
Governance Activism						0.059***
						[8.224]
Firm Size	0.247***	0.470***	0.180***	0.264***	0.506***	0.183***
	[6.059]	[14.148]	[9.217]	[6.530]	[15.422]	[9.452]
Tobin's Q	0.043	0.077***	0.001	0.037	0.082***	0.004
	[1.363]	[3.713]	[0.066]	[1.213]	[3.891]	[0.227]
Firm Leverage	0.213	-0.19	-0.175	0.217	-0.183	-0.183
	[1.589]	[-1.193]	[-1.457]	[1.621]	[-1.118]	[-1.562]
Industry-Adj ROA	0.415	0.895**	-0.023	0.347	0.814**	0.026
	[0.682]	[2.224]	[-0.077]	[0.564]	[1.976]	[0.085]
CAPEX	2.131*	2.250**	-0.994	2.744**	1.700*	-1.122
	[1.934]	[2.296]	[-1.245]	[2.369]	[1.652]	[-1.390]
Cash	-0.614	0.48	0.562***	-0.421	0.510*	0.484**
	[-1.332]	[1.594]	[2.595]	[-0.876]	[1.660]	[2.266]
Excess Return	0	0	0.001**	0	0	0.001**
	[0.317]	[0.797]	[2.163]	[0.309]	[0.782]	[2.062]
Inst. Ownership	-0.464	-0.35	-0.411	-0.437	-0.429	-0.504**
	[-1.075]	[-1.286]	[-1.585]	[-1.040]	[-1.519]	[-1.981]
Constant	-3.290***	-5.429***	-1.615***	-3.508***	-5.736***	-1.587***
	[-6.885]	[-13.664]	[-7.162]	[-7.223]	[-14.101]	[-7.097]
Observations	2,963	3,566	3,710	2,963	3,566	3,710
Firm Fixed	NO	NO	NO	NO	NO	NO
Industry X Year Fixed	YES	YES	YES	YES	YES	YES

A6(a)

Dependent Variable Independent Variables	% Support Overall (1)	% Support Director Election (2)	% Support Say-on-Pay (3)	% Support Overall (4)	% Support Director Election (5)	% Support Say-on-Pay (6)
Activism Dummy	-0.004***	-0.004***	-0.007			
	[-6.933]	[-6.777]	[-0.935]			
Environmental Activism Dummy				0.001	0.002**	-0.005
				[1.345]	[2.241]	[-0.490]
Social Activism Dummy				-0.002***	-0.003***	0.002
				-0.002***	[-3.864]	[0.226]
Governance Activism Dummy				-0.007***	-0.007***	-0.022**
				[-9.662]	[-10.050]	[-2.177]
Firm Size	0.005***	0.005***	0.023***	0.005***	0.006***	0.024***
	[36.044]	[40.000]	[12.884]	[36.551]	[40.245]	[13.300]
Tobin's Q	0.001***	0.001***	0.002	0.001***	0.001***	0.002
	[10.787]	[9.494]	[1.580]	[10.808]	[9.511]	[1.613]
Firm Leverage	-0.003***	-0.002**	0.025**	-0.003***	-0.002**	0.025**
	[-2.874]	[-2.170]	[2.422]	[-3.091]	[-2.392]	[2.447]
Industry-Adj ROA	0.004***	0.003*	-0.014	0.004***	0.003*	-0.014
	[3.359]	[1.753]	[-0.868]	[3.271]	[1.680]	[-0.883]
CAPEX	0.012**	0.016***	0.041	0.011**	0.016***	0.04
	[2.285]	[3.055]	[0.571]	[2.205]	[2.987]	[0.557]
Cash	-0.009***	-0.011***	0.035*	-0.009***	-0.010***	0.036*

	[-6.158]	[-6.458]	[1.810]	[-5.897]	[-6.170]	[1.886]
Excess Return	-0.000*	0.000	0.000	-0.000*	0.000	0.000
	[-1.668]	[-1.230]	[0.344]	[-1.670]	[-1.302]	[0.441]
Inst. Ownership	0.002	-0.008***	0.126***	0.001	-0.009***	0.121***
	[1.488]	[-4.266]	[5.691]	[0.709]	[-5.009]	[5.441]
Board Independence	0.026***	0.036***	0.003	0.026***	0.036***	0.003
	[15.420]	[19.081]	[0.131]	[15.381]	[19.046]	[0.152]
CEO-Chair(dummy)	-0.006***	-0.007***	-0.017***	-0.006***	-0.007***	-0.017***
	[-14.599]	[-15.829]	[-3.259]	[-14.444]	[-15.664]	[-3.249]
Constant	0.888***	0.881***	0.642***	0.887***	0.879***	0.637***
	[552.323]	[507.345]	[31.652]	[548.080]	[502.745]	[31.024]
Observations	219,382	156,811	4,367	219,382	156,811	4,367
R-squared	0.043	0.069	0.257	0.043	0.069	0.258
Firm Fixed	NO	NO	NO	NO	NO	NO
Industry X Year Fixed	YES	YES	YES	YES	YES	YES

A6(b)

Dependent Variable	% Support Overall	% Support Director Election	% Support Say-on-Pay	% Support Overall	% Support Director Election	% Support Say-on-Pay
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Log. Activism	-0.003***	-0.002***	-0.008**			
	[-9.711]	[-9.519]	[-2.139]			
Log. Environmental Activism				0.001**	0.001***	0.002
				[2.556]	[3.137]	[0.262]
Log. Social Activism				-0.002**	-0.001**	-0.004
				[-2.553]	[-2.207]	[-0.478]
Log. Governance Activism				-0.007***	-0.008***	-0.026***
				[-10.372]	[-11.604]	[-2.757]
Firm Size	0.005***	0.006***	0.024***	0.005***	0.006***	0.025***
	[36.446]	[39.995]	[13.264]	[37.694]	[41.408]	[13.916]
Tobin's Q	0.001***	0.001***	0.002*	0.001***	0.001***	0.002
	[10.926]	[9.617]	[1.649]	[10.762]	[9.433]	[1.645]
Firm Leverage	-0.003***	-0.002**	0.025**	-0.003***	-0.002***	0.024**
	[-2.923]	[-2.210]	[2.414]	[-3.326]	[-2.651]	[2.361]
Industry-Adj ROA	0.004***	0.003*	-0.014	0.004***	0.002	-0.015
	[3.318]	[1.720]	[-0.899]	[3.194]	[1.611]	[-0.927]
CAPEX	0.011**	0.016***	0.039	0.011**	0.016***	0.038
	[2.117]	[2.886]	[0.537]	[2.166]	[2.952]	[0.529]

Cash	-0.009***	-0.011***	0.036*	-0.009***	-0.010***	0.037*
	[-5.972]	[-6.288]	[1.866]	[-5.772]	[-6.058]	[1.926]
Excess Return	0.000	0.000	0.000	-0.000*	0.000	0.000
	[-1.597]	[-1.187]	[0.412]	[-1.860]	[-1.430]	[0.444]
Inst. Ownership	0.001	-0.009***	0.121***	0.001	-0.009***	0.118***
	[0.690]	[-4.918]	[5.416]	[0.510]	[-5.154]	[5.298]
Board Independence	0.026***	0.036***	0.003	0.026***	0.036***	0.003
	[15.434]	[19.093]	[0.152]	[15.251]	[18.913]	[0.135]
CEO-Chair(dummy)	-0.006***	-0.007***	-0.017***	-0.006***	-0.007***	-0.017***
	[-14.493]	[-15.728]	[-3.235]	[-14.440]	[-15.683]	[-3.200]
Constant	0.887***	0.880***	0.637***	0.887***	0.880***	0.634***
	[549.775]	[504.664]	[31.312]	[554.148]	[508.070]	[31.459]
Observations	219,382	156,811	4,367	219,382	156,811	4,367
R-squared	0.043	0.069	0.258	0.043	0.069	0.259
Firm Fixed	NO	NO	NO	NO	NO	NO
Industry X Year Fixed	YES	YES	YES	YES	YES	YES

A6(c)

Dependent Variable	% Support Overall	% Support Director Election	% Support Say-on-Pay	% Support Overall	% Support Director Election	% Support Say-on-Pay
Independent Variables	(1)	(2)	(3)	(4)	(5)	(6)
Total Activism	-0.000***	-0.000***	-0.001***			
	[-9.828]	[-10.714]	[-2.799]			
Environmental Activism				0.000	0.000	0.000
				[1.147]	[1.214]	[1.147]
Social Activism				-0.000*	0.000	-0.000*
				[-1.890]	[-1.373]	[-1.890]
Governance Activism				-0.001***	-0.001***	-0.001***
				[-7.963]	[-9.105]	[-7.963]
Firm Size	0.005***	0.005***	0.024***	0.005***	0.005***	0.005***
	[38.006]	[42.110]	[14.370]	[38.583]	[42.649]	[38.583]
Tobin's Q	0.001***	0.001***	0.002*	0.001***	0.001***	0.001***
	[10.759]	[9.467]	[1.658]	[10.697]	[9.403]	[10.697]
Firm Leverage	-0.003***	-0.002**	0.024**	-0.003***	-0.002**	-0.003***
	[-2.950]	[-2.257]	[2.377]	[-3.252]	[-2.565]	[-3.252]
IIndustry-Adj ROA	0.004***	0.003*	-0.015	0.004***	0.002	0.004***
	[3.349]	[1.736]	[-0.920]	[3.229]	[1.626]	[3.229]
CAPEX	0.010**	0.015***	0.035	0.011**	0.015***	0.011**
	[2.030]	[2.783]	[0.489]	[2.099]	[2.843]	[2.099]
Cash	-0.009***	-0.011***	0.036*	-0.009***	-0.011***	-0.009***
	[-6.238]	[-6.544]	[1.864]	[-6.065]	[-6.357]	[-6.065]
Excess Return	-0.000**	-0.000*	0.000	-0.000**	-0.000*	-0.000**

	[-2.172]	[-1.755]	[0.361]	[-2.101]	[-1.646]	[-2.101]
Inst. Ownership	0.002	-0.008***	0.120***	0.002	-0.008***	0.002
	[1.337]	[-4.412]	[5.429]	[1.237]	[-4.535]	[1.237]
Board Independence	0.026***	0.036***	0.002	0.026***	0.036***	0.026***
	[15.285]	[18.962]	[0.119]	[15.174]	[18.856]	[15.174]
CEO-Chair(dummy)	-0.006***	-0.007***	-0.017***	-0.006***	-0.007***	-0.006***
	[-14.673]	[-15.911]	[-3.251]	[-14.619]	[-15.852]	[-14.619]
Constant	0.889***	0.881***	0.638***	0.889***	0.881***	0.889***
	[568.635]	[520.858]	[32.620]	[567.961]	[520.083]	[567.961]
Observations	219,382	156,811	4,367	219,382	156,811	219,382
R-squared	0.043	0.069	0.259	0.043	0.069	0.043
Firm Fixed	NO	NO	NO	NO	NO	NO
Industry X Year Fixed	YES	YES	YES	YES	YES	YES