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Governance Overtakes Environment as Top ESG Reputational Risk

In May 2026, advisory firm [GlobeScan](#) published findings from its [2026 Corporate Affairs Survey](#), drawn from 294 senior corporate affairs leaders across more than 50 markets surveyed between February and April 2026. For the first time, governance surpassed environmental concerns as the leading ESG reputational risk.

Around 45% of respondents now point to governance as the greatest threat to their reputation, a sharp rise from 29% in 2024. Worry about environmental risk eased over the same period, dropping from 39% to 27%, while social risk stayed at the lowest at roughly 26%. GlobeScan finds that the shift is due to "*rising concern*" over corporate ethics and accountability and the need to strengthen ethics, transparency and oversight as core elements of reputation management. Reflecting lower corporate concerns around climate, Brazil's securities regulator, the CVM, [dropped](#) its planned mandatory ISSB-aligned reporting for 2026 and replaced it with a voluntary, comply-or-explain regime from 2027 in which firms that choose to report must keep doing so for at least three consecutive years.

UK Investors Do Not Share the Same Understanding of Engagement

A [study](#) by sustainable finance fintech [WeeFin](#) of fund managers active in the UK found wide variation in how engagement is defined and in the figures managers disclose. There is little common ground on what should even count as an engagement action, for instance whether a conversation held purely to gather data ought to be logged as an engagement action at all. In addition, the level of transparency and engagement disclosure is mainly limited to manager level and is more minimal at the fund level.

SpaceX IPO's Corporate Governance Concerns Abound

Corporate governance specialists and watchdogs have identified a "*long list*" of weak investor protections and conflicts of interest in [SpaceX's planned NASDAQ IPO filing](#).

The planned structure of the near \$1.75 trillion offering leans on super-voting shares, tighter limits on shareholder proposals and Texas corporate law, to provide Elon Musk with dominance of the shareholder meeting on top of him holding the roles of chief executive officer, chief technology officer and board chair at once. US public pension funds pushed back and urged a move to one share, one vote, and Denmark's AkademikerPension went further by blacklisting the company over what it called a "*catastrophic*" governance structure and a grossly overvalued stock.

On top of these and other contested points, critics say the company is asking shareholders to give up rights and accept a board loyal to Musk rather than to shareholders.