STRIVE

The Fiduciary Focus

Investment News From a Pro-Shareholder Perspective

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This Week: Bitcoin in, ESG out at the Department of Labor; AI shareholder proposals see significant support; An Eye on Energy examines President Trump's nuclear orders.

Bitcoin In, ESG Out as Department of Labor Moves to Protect Retirees

Last week, the Department of Labor made two moves that signal a return to fiduciary fundamentals—rescinding Biden-era guidance telling retirement advisors to act with "extreme care" when it came to crypto and announcing plans to scrap an ESG investing rule that allowed retirement advisors to chase "collateral benefits" beyond investment returns.

The crypto correction: First up, Department of Labor rescinded guidance that singled out cryptocurrency for "extreme care" warnings, CNBC reports.

- The old guidance was legally dubious from the start, as "extreme care" appears nowhere in the ERISA statute.
- And selectively targeting one asset class violated the department's traditional neutrality.
- The message now: treat crypto like any other investment, subject to normal fiduciary standards.

Not a crypto free-for-all: Critically, the rescission doesn't mean your 401(k) should suddenly offer Peanut the Squirrel Memecoin alongside target date funds. Fiduciary duties remain firmly intact. That means plan sponsors must act with prudence, care, and diligence with the "exclusive purpose" of maximizing risk-adjusted returns. Bitcoin—with its fixed supply, transparent blockchain, and 15-year track record—occupies a different universe than whatever digital asset is trending on social media. Anyone who makes a living by advising other people on how to invest their money—retirement advisors included—should understand the difference.

ESG gets the boot: Meanwhile, the Department of Labor separately announced that it's crafting new rules to replace Biden-era regulations that allowed retirement advisors to consider ESG in certain circumstances.

- That rule, which we've opposed since our founding, has been mired in litigation since its enactment, with the Department of Labor asking the court to pause proceedings after President Trump took office.
- In its most recent legal filing, the Department advised the court that it "will engage in a new rulemaking on the subject of the challenged rule" as "expeditiously as possible."

Performance speaks volumes: The Department of Labor's announcement comes as ESG investing has faced scrutiny for underperforming traditional investing strategies in financial terms. With more than half of Americans feeling behind on retirement savings, every dollar should be working toward securing their financial future, not advancing someone else's politics.

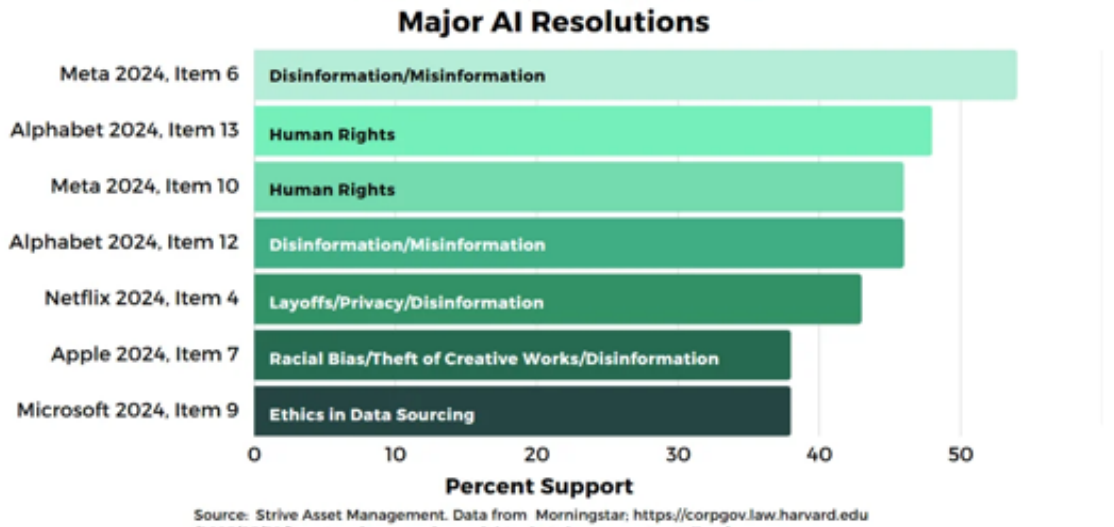
Fiduciary duty, simplified: At its core, both moves reflect the same principle we've championed since day one: fiduciaries should maximize financial returns, period. No political agendas, no virtue signaling, no "collateral benefits" that benefit only the money manager himself. Just old-fashioned capitalism working for American retirees.

AI Shareholder Proposals See Significant Support

Asset managers have shown significant support for shareholder proposals asking tech companies to change their AI efforts to address social issues, Morningstar reports.

The Race for AI: As companies race to develop AI, some ESG focused shareholders are trying to hold them back, asking them to adopt codes of ethics that address fears of mass layoffs due to automation and concerns that AI could one day be used for nefarious purposes. More importantly, many asset managers are endorsing these proposals, as reflected by their significant shareholder support.

Asset Manager Support for Major AI Resolutions



Source: Strive Asset Management. Data from Morningstar; https://corpgov.law.harvard.edu/2025/05/30/investor-views-on-ai-oversight-what-do-proxy-votes-tell-us/

ESG Supporters: These proposals earned significant support thanks to many U.S. asset managers, led by Fidelity, MFS, and Principal, which each supported 70% of these resolutions. Even BlackRock supported at least one recent AI proposal, despite its purported denouncement of ESG amid public backlash.

A Double Standard? Notably, the Morningstar piece makes no mention of whether any of these asset managers put similar pressure on the Chinese AI companies they invest in to adopt ethics codes, resist CCP censorship, or design their AI around social concerns, or whether their concerns are limited to U.S. companies alone.

Why It Matters: While just one proposal received majority support, the 35%+ support received by all of these AI proposals is significant. Proxy advisor Glass Lewis, for example, expects companies to make changes if a proposal receives more than 30 percent of votes cast, even if it does not receive majority support. And proposals that receive at least 25% support can be resubmitted year after year after year, causing headaches and expense for targeted companies.

Ikea, T-Mobile and Spotify Face Backlash Over LGBTQ+ Activism

European companies with a global footprint—including T-Mobile, Spotify, and Ikea—are facing backlash for their divisive, U.S-based LGBTQ+ efforts, the Daily Caller reports.

What They're Doing:

- **Ikea,** the Swedish furniture giant, is lobbying for the reintroduction of the Equality Act in the United States, which would create new legal avenues for LGBTQ+ workers to sue their employers;
- **T-Mobile** makes financial donations to The Human Rights Campaign to fund job training that's open only to "LGBTQ+, Black and Brown, and trans and non-binary young adults 18-30"; and
- **Spotify** publicizes its "equity campaigns" including "drag bingo."

A European PoV: While T-Mobile and Spotify are publicly traded on U.S. stock exchanges, all three companies are European at their core. That matters. Europe has long been the cradle of stakeholder capitalism and remains far more ideologically committed to ESG and DEI initiatives than the United States.

Risky Business: What may have started as brand-building or moral signaling has become a liability. In today’s polarized environment, DEI efforts increasingly spark public controversy and political pushback. For multinational firms, especially those with strong European ties, exporting progressive activism to the U.S. carries reputational and financial risk. Just ask Bud Light. Once a company dives into cultural politics, climbing back out can be far more difficult—and far more costly—than anticipated.

President Trump Takes Steps To Grow Nuclear Power

Late last month, President Trump signed executive orders aimed at quadrupling America's generation of nuclear power over the next 25 years.

The orders seek to fast-track new nuclear projects in several different ways. First, it requires the Nuclear Regulatory Commission (NRC) to approve new reactor licenses within 18 months, a steep reduction from current processes, which can take up to a decade. It also calls on the Department of Energy to rapidly test new reactor designs and launches a new program to build advanced reactors within two years. In addition, the order opens federal lands to allow the Department of Defense to build reactors on federal grounds, thereby sidestepping traditional permitting entirely, with an aim to have at least one reactor operational by September 30, 2028.

The order reflects that real innovation isn't in building bigger reactors—it's in building smaller ones. The hope is that small modular reactors can be built in a factory setting, like cars, rather than hand-crafted like their gargantuan, mid-century counterparts.

The timing couldn't be better. With AI demand exploding, tech giants need power sources that can run 24/7, unlike solar panels that take nights off. Already, Amazon and Google have inked deals to buy power from future nuclear projects; but they can only do so, of course, once these new sources come online.

There's also the China problem. China has been ramping up its nuclear capacity for years, far outstripping the rest of the world. And its influence reaches far beyond its borders. Since 2017, 92% of new reactor construction has used Chinese or Russian designs, making the world "heavily reliant" on those countries for nuclear capabilities. America, the country that invented nuclear power, isn't even on the list of major builders. The new orders could change that.

The orders also cite defense concerns. Small reactors on military bases could give U.S. forces energy independence anywhere in the world, eliminating vulnerable supply lines or dependence on local grids.

The orders have obvious implications for the U.S. nuclear industry. The CEO of Constellation Energy, the U.S.'s largest nuclear energy company, attended the signing ceremony at the White House and applauded the new orders.

But the new policies are likely to impact the uranium industry as well. The orders task the Secretary of Energy with developing a plan to expand U.S. uranium conversion and enrichment capabilities, and President Trump recently invoked emergency powers to authorize the reopening of a uranium mine in Utah via a 14-day approval process that would typically take months or years for the Bureau of Land Management to approve. Additional uranium companies have expressed interest in following suit.

After decades of regulatory paralysis, nuclear power may finally get the jolt it finally needs. For investors in energy-focused strategies, this could mark the beginning of America's nuclear comeback.

Strive CEO Calls on Meta to Adopt Bitcoin Treasury

Strive made headlines last week after Strive CEO Matt Cole called on it to adopt a Bitcoin treasury strategy from The Bitcoin Conference stage. "You’ve already taken step one. You’ve named your goat Bitcoin," Cole said, referencing Meta CEO Mark Zuckerberg's famed pet goat. "My ask is that you take step two and adopt a bold corporate Bitcoin treasury approach and vote yes on proposal number 13." When the livestock's ahead of the leadership, it's time to act.

Voting Spotlight: General Motors

Each week during proxy voting season, Strive will highlight one interesting vote from a recent company's annual meeting.

Last week, Strive voted against a proposal asking General Motors to use net-zero steel and aluminum to manufacture its cars. The proponent cited the Paris Agreement's claim that "greenhouse gas emissions must be halved by 2030 and reach net zero by 2050 to limit global warming to 1.5C" and urged GM to create "a plan to reduce supply chain emissions" in line with this goal. The proponent made no mention of the fact that net-zero metals currently cost almost double their conventional counterparts, nor that much of this green premium is expected to persist even if technology improves.

The company opposed the proposal, emphasizing its commitment to "sustainable operations" and "zero emissions." It noted that it is already part of multiple sustainability organizations, including the First Movers Coalition, through which it has made purchasing commitments promising to buy green steel, and the Suppliers Partnership for the Environment, which "advance[s] projects with positive environmental, economic and community impact." GM therefore argued that further action was unnecessary.

Strive voted against the proposal, but for a different reason: we believe that companies perform best when they focus on business goals alone, and set aside expensive, environmentally-driven climate goals.

The Best of The Rest

Additional stories about ESG investing, company happenings, and more.

- ESG proponents use satellites to spy on energy companies from outer space to determine if they are emitting more methane than their climate disclosures state; urge governments to do the same.
- BlackRock takes controlling stake in carbon capture business, positioning itself to profit off of its multi-year push to convince companies to purchase carbon offsets.
- New Civil Rights Fraud Initiative incentivizes DEI whistleblowers; "The Justice Department has given employees at all levels of universities and the corporate world an incentive to come forward and expose unlawful discrimination,” equal rights activist explains.
- Hundreds of ESG funds change their names as new EU rule kicks in; nearly 700 funds have rebranded themselves to avoid running afoul of new sustainability guidelines.
- $65B Dutch pension fund pressuring U.S. asset managers over ESG; threatens to pull $5B in funds from BlackRock for not doing enough to push net zero and other ESG goals.
- Trade court strikes most of Trump's global tariffs, but advisors are already pivoting to Plan B.

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Who Are We?
Strive is one of the fastest growing asset management firms. Our mission is to maximize value for our clients by leading companies to focus on excellence. **Click here** to learn more.

What Makes Strive Different?
While many asset managers push companies to focus on other stakeholders such as employees, suppliers, the environment and society at large, we live by a strict commitment to shareholder primacy — the belief that **the purpose of a for-profit corporation is to maximize long-run value for investors. Click here** to learn why shareholder primacy is so important.

How Does Strive Maximize Value?
Our corporate governance team engages with the companies in which our clients are invested to advocate for the pursuit of excellence in corporate America. We are aggressively apolitical when it comes to utilizing our corporate governance tools and demand that companies focus exclusively on delivering long-term financial value for investors. The corporate governance team also determines how to cast our shareholder votes at annual meetings and special elections, evaluating each proposal through the lens of maximizing financial return.

Our research team conducts deep analysis of macro economic trends, market developments, and industry- and company-specific metrics to identify potential risks and opportunities for our clients. We then incorporate the results of this research into our engagement and voting strategy, and share it with our clients in the form of white papers and market research reports so they can make the most educated investment decisions possible.

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