

The Fiduciary Focus

Investment News From a Pro-Shareholder Perspective

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This Week: Conservative shareholders punch back; carbon credits go deep; The Bitcoin Brief readies our tax code for an upgrade.



Red, White and Bitcoin

Last week, Strive's Chief Legal Officer Logan Beirne penned an essay for Real Clear Politics entitled "Red, White, and Bitcoin," tracing 2,600 years of monetary breakthroughs to explain why Bitcoin's star is rising now. Beirne shows that when rulers debase money, innovators create better systems—and today's code-based currency may be the most American solution yet.

Read the full piece by clicking below.

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Conservative Shareholders Punch Back



Conservative shareholder proposals surged 27% this proxy season as right-leaning groups challenge the progressive dominance that has shaped corporate governance for over a decade, [Bloomberg](#) reports.

What's Goin On: After years of one-sided ESG pressure campaigns, companies are finally hearing competing perspectives in boardrooms—creating what some observers call crucial "off-ramps" from politically-driven initiatives that may not maximize shareholder value.

- The Heritage Foundation filed its first shareholder proposals ever. They're targeting DEI practices, dispensing of abortion pills, and supporting Israeli companies.
- Oklahoma became the first red state to file shareholder resolutions, asking Amazon and five other companies to commit to "political neutrality." Blue states like New York and California, by contrast, have filed shareholder proposals for years.

By the numbers: The statistics reveal a significant trend:

- Conservative groups filed 15.3% of all shareholder proposals in 2025, up from 12% in 2024.
- Pro-ESG proposals dropped 19% year-over-year while still comprising 85% of total filings.
- Nearly half of all DEI-related proposals now opposed DEI, according to The Conference Board.

The Bigger Picture: While not every conservative proposal directly ask companies to focus on shareholder value (some mirror the ideological approach of the traditional ESG movement), this rebalancing gives management more leverage to set competing politics aside and focus on returns.

Carbon Credits Go Deep But Scientists Struggle to See the Light



A startup called Gigablu says it has pioneered a method for sequestering carbon in the ocean. Investors are already buying in, but scientists are warning not so fast, the [Associated Press](#) reports.

The headline deal: Gigablu claims it has already sold 200,000 carbon credits—the largest ocean-based sale on record—for deploying patented particles into the South Pacific that allegedly capture and sink atmospheric CO₂. The buyer is an aviation climate group called [Skies Fifty](#), an investment company that brokers carbon credits and sustainable aviation fuel for companies like Boeing that have announced net zero goals. Gigablu says it will eventually scale this process to sequester billions of tons of CO₂.

What are the particles? No one really knows: Gigablu has refused to disclose exactly what its carbon-sinking particles are made of, citing proprietary design. Permits reveal that they may include everything from vermiculite (a type of heated clay) to ground rock, manganese or organic waxes.

The idea is to encourage algae to grow on the particles and trap the carbon they sink. But outside experts say the science doesn't add up:

"To most phytoplankton ecologists, this would just be absurd," one ocean ecology professor told the AP.

No peer-reviewed science, but plenty of sales: Despite the lack of validation, Gigablu is actively selling credits during its "research" phase. New Zealand regulators have treated the company's work as experimental, thereby allowing the company to sidestep environmental reviews. Meanwhile, Gigablu is pushing forward with plans to scale operations and establish a full-time "sequestration field" in international waters.

Why it matters: In 2024, U.S. companies spent over a [billion](#) dollars on carbon credits, using these offsets to claim progress towards their own net zero goals. In our view, these voluntary environmental contributions—which are designed to fight climate change, not maximize shareholder value—are rarely a good use of company funds. That's doubly true when questionable scientific practices are in play. Already, companies from Etsy to Delta Airlines have been [sued](#) for making carbon neutrality claims predicated on shoddy carbon credits. Buying credits from Gigablu, or SkyFifties, for that matter, seems to be asking for trouble.

China Tightens Export Controls on EV Batteries



Earlier this month, China slapped additional export controls on EV battery technologies, following Chinese export controls on rare earth metals this spring, the [Wall Street Journal](#) reports.

What's Going On: China announced new restrictions on cathode production and nonferrous metal-processing technologies, tightening Beijing's grip on the global EV supply chain and escalating the techno-economic arms race between the U.S. and China.

Why It Matters: China dominates EV battery production and controls the majority of global lithium processing. That's bad news for U.S. EV carmakers dependent on China to supply these parts, particularly since U.S. and EU automakers are already reeling from China's earlier crackdown on rare earth metal exports.

China Risk Materializes: While the development is an unwelcome one, it's hardly a surprise. We've long warned about the risks posed by overreliance on China for critical inputs, particularly in sectors where geopolitical tensions and industrial policy intersect. We implored both automakers like GM and defense giants like Boeing to assess and mitigate their China risk years ago by considering "China plus one" and nearshoring strategies. Now, those risks are beginning to materialize.

A U.S. Opportunity: While China's move poses real challenges, it also creates long-term opportunities for domestic producers. The U.S. is nowhere near self-sufficiency on critical minerals, but a pathway is starting to form, with the Department of Defense committing over [\\$439 million](#) to rebuild the U.S. rare earths supply chain.

Bottom Line: China's weaponization of its EV technology and rare earth metals is a wake up call, not just for Washington, but for Wall Street. Strive has consistently called on American companies to mitigate China risk. This latest move by Beijing only reinforces this message: in 2025, *where* you source matters as much as *what* you sell.



Bitcoin May Finally Get a Tax Code Fit For Money

Last week, we covered the three marquee bills that came out of Congress's Crypto Week. Beyond those efforts, another small but significant shift in Bitcoin policy began to take shape. At a House Ways and Means Subcommittee hearing, Rep. Max Miller of Ohio announced [plans](#) to introduce a bill that would create a de minimis tax exemption for Bitcoin transactions by removing capital gains taxes on everyday purchases. It's the kind of fit that sounds boring until you realize it's one of the biggest legal barriers keeping Bitcoin from functioning as money in the United States.

Right now, the IRS treats Bitcoin as property, not currency. That means every time you use Bitcoin to buy something—pizza, tacos, a milkshake—you're supposed to track how much you paid for that Bitcoin, calculate the gain or loss, record it on Schedule D of Form 1040, and pay capital gains taxes. It's a bureaucratic nightmare that "discourages people from even considering spending cryptocurrency," the [Cato Institute](#) explains.

It's also unfair. Foreign currency [already enjoys](#) a \$200 de minimis exemption under current U.S. law. When you trade dollars for Euro in France, you don't record capital gains every time you buy a baguette. Why should Bitcoin be different?

Earlier versions were introduced by unlikely coalitions: Democrat Jared Polis joined Republican David Schweikert in 2017; Republicans Ted Budd and Cynthia Lummis teamed up with Democrat Kirsten Gillibrand and Independent Kyrsten Sinema more recently. Those efforts stalled. But with House Republicans now prioritizing a broader digital asset tax overhaul—and continued bipartisan support—this time may be different.

The impact could be significant. Removing the tax penalty would lower Bitcoin's psychological and logistical barriers to everyday use, helping to normalize a future where Bitcoin isn't just a store of value, but a practical way of doing business.

It's happened before: in the early days of the internet, e-commerce platforms weren't required to collect sales tax across state lines, clearing compliance burdens and creating a de facto tax holiday that helped the industry scale. The same could be true for Bitcoin.

And if the exemption passes, it could mark the beginning of something more profound than most lawmakers realize. As institutional adoption grows and Bitcoin's benefits become more apparent, Bitcoin may one day overcome the dollar as our primary unit of exchange. When that happens, the yardstick may change too: we'll stop talking about capital gains on Bitcoin, and start asking about whether we can write off capital losses on dollars instead.

Until then, the least we can ask for is for Bitcoin to be treated as any other currency. Einstein supposedly said the hardest thing in the world to understand is the income tax. But even he never had to explain to the IRS how much money he made from buying a sandwich.

The Best of The Rest

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

- [Banking climate alliances struggle to keep EU banks in line](#) as UBS and Barclays refuse to sign onto Net Zero Banking Alliance.
- [Companies should proactively manage DEI risks](#), particularly as whistleblower incentives become a reality.
- [SEC distances itself from Biden-era climate rules](#) in court filing, but stops short of saying they will not enforce the rules.
- [Oregon state treasurer talks about state's new climate investing law](#); praises New York's threat to pull money from pension fund managers unless they use that money to fight climate change.
- [Department of Labor rescinds letter on Citi racial equity program](#); warns that any DEI program that gives preference to members of certain races is in clear violation of the civil rights laws.

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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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