Pearl Meyer

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Good, Bad, or Indifferent? An Objective Look at Proxy Advisors



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Recent research shows that due to the structure of the models and evaluation approaches used by proxy advisors to determine support of <u>say-on-pay proposals</u>, a surprising number of public companies will eventually receive an "Against" vote recommendation. While management and boards are loath to receive a negative outcome, this finding is a potentially important frame of reference to evaluate your own company's overall standing with and approach to ISS and Glass Lewis.

In this webcast with Pearl Meyer and the NACD, we held an in-depth discussion on ways in which proxy advisors have shaped the executive pay model, for better and for worse. Key discussion topics include:

- When it is best to follow their guidance and when it's best to go your own way;
- Strategies for engaging proxy advisors and key shareholders;
- What private companies can take away from proxy advisor guidance; and
- Predictions for the future.

About the Author

Terry Newth is a managing director at Pearl Meyer. He consults on the design, development, and assessment of executive compensation programs that support each organization's business objectives, long term business strategy, and organizational culture. His clients range from Fortune 500 organizations to pre-IPOs to private and family-owned companies in a wide range of industries. Terry's areas of expertise include pay strategy and philosophy development, market-based pay studies, incentive plan design, severance and CIC arrangements, outside director pay, transaction-related compensation, CD&A and supporting table disclosures, corporate governance, and share plan authorizations.

About Pearl Meyer

Pearl Meyer is the leading advisor to boards and senior management helping organizations build, develop, and reward great leadership teams that drive long-term success. Our strategy-driven compensation and leadership consulting services act as powerful catalysts for value creation and

competitive advantage by addressing the critical links between people and outcomes. Our clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private organizations to the Fortune 500.