

## ISS Launches 2023 Annual Benchmark Policy Survey

On August 29, 2023, ISS released its [annual benchmark policy survey](#) in connection with its voting policy development process for 2024. Institutional investors, public companies, corporate directors, and other interested parties are invited to respond until the survey closes on September 21, 2023. The survey often indicates items ISS is considering as updates to its voting policies in the next year.

Provided below is a summary of the US-related survey topics:

- **US Compensation-Related Topic:** Should companies disclose a line-item reconciliation of non-GAAP adjustments in the proxy statement if the company uses non-GAAP metrics in incentive plans?
- **Non-Compensation US-Related Topics:**
  - **ESG:** ISS includes 16 questions (9 specifically for investors) regarding ESG and business strategy/disclosures more broadly, including:
    - Should ISS apply a broad ESG voting policy or differentiate by country?
    - If there is evidence of an environmental/social risk that may be material to a company, what kinds of company actions/disclosures would be appropriate?
    - Questions related to how ISS should assess management-proposed Say on Climate plans
    - Opinion on whether a reduction in a company's transparency on ESG-related items (due to backlash surrounding ESG) is acceptable
  - **Director Independence:** The survey covers the independence classification of directors involved in professional service relationships with the company.
  - **FPI Policy:** ISS also asks about its policy application approach for foreign private issuers (FPI) that list in multiple markets (i.e., dual primary listing on a non-US exchange).

## Contact Us

This report was authored by Ken Foulks and Julia Willick. To discuss this topic and any additional issues, please visit our website or call us at 212-886-1022.