



NEWS RELEASE

# DFIN Publishes its 11th Annual Guide to Effective Proxies

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Pay Versus Performance Rules, Board Diversity, and ESG Lead Focus Areas

CHICAGO, Sept. 27, 2023 /PRNewswire/ -- DFIN, a leading risk and compliance company, today released its annual **Guide to Effective Proxies**. The 11th edition of the comprehensive and widely used guide aims to help companies evolve their proxy statements into more effective communications tools for modern-day investors while complying with U.S. Securities and Exchange Commission (SEC) regulations.

This year's guide features proxy statements from DFIN clients who have raised the bar with their disclosures and created new and heightened investor expectations in the proxy arena. The guide offers insights and best practices for companies looking to better showcase their Board diversity, the new pay versus performance rule, ESG initiatives, and more.

To demonstrate how to navigate and utilize the guide, DFIN will host a webcast on October 4, 2023, at 1:00 p.m. ET. **Register** for the webcast.

"Each year, DFIN assists more than one-third of all U.S. companies with their proxy statements, resulting in enhanced disclosures that showcase companies in their best light and appeal to a wide range of stakeholders," said Craig Clay, President of Global Capital Markets at DFIN. "We are proud that our annual guides have become a trusted resource for all our stakeholders, and we look forward to continuing to support our existing and future clients."

Notable disclosure trends highlighted in the guide include:

- Pay versus Performance (PvP): Companies have been telling their Pay for Performance (PfP) story in their Compensation Discussion and Analysis statements for years. New regulations regarding PvP call for



quantitative disclosure on executive pay relative to certain financial metrics in order to best illustrate trends. This guide shows how organizations differentiated PVP while finding new ways to tell their PVP story and better illustrate the relationship between executive compensation paid and financial performance.

- Universal Proxy rules: The recent requirement of Universal Proxies in contested board elections increases the need to explain each director's unique contributions, not just overall board strength. This guide highlights companies that respond proactively, many of which revamped their traditional approach to the director bio.
- Board diversity and qualifications: Investors consider director age, tenure, and diversity when evaluating a board's quality and competency. Each year, more companies use expertly designed charts, graphs, and photographs to highlight board diversity metrics and accompany relevant facts delivered in traditional narrative. Such efforts increase transparency and humanize boards for investors.
- ESG and corporate climate impact: Investors broadly believe global warming creates human, environmental, and economic costs. Ahead of pending SEC climate-related disclosure mandates, investors are demanding portfolio companies disclose this information so they may accurately evaluate risk. Within the guide, companies share various ways they discuss their impact on the environment, related risks and opportunities, transition plans and commitments, metrics, and targets.

"DFIN reviewed over 1,000 proxies when creating this year's guide and compiled best-in-class, practical examples intended to help companies comply with new and forthcoming regulations and impress increasingly demanding investors," said Ron Schneider, Director of Corporate Governance Services at DFIN. "Whether it is metrics surrounding ESG, PVP, Board oversight, or risk management, our guide features innovative and shareholder-friendly approaches to proxy disclosures that will help companies stay compliant and stand out."

## About DFIN

DFIN is a leading global risk and compliance solutions company. We provide domain expertise, enterprise software, and data analytics for every stage of our clients' business and investment lifecycles. Markets fluctuate, regulations evolve, technology advances, and through it all, DFIN delivers confidence with the right solutions in moments that matter. Learn about DFIN's end-to-end risk and compliance solutions online at [DFINsolutions.com](https://www.dfinsolutions.com), or you can also follow us on Twitter @DFINSolutions or LinkedIn.

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