Key ISS and Glass Lewis Updates for 2026 Proxy Season

February 17, 2026

PRACTICES Employee Benefits and Executive Compensation

ISS and Glass Lewis's 2026 updates to their U.S. proxy voting guidelines apply to shareholder meetings held on or after February 1, 2026. The complete list of ISS's Benchmark Policy updates can be found here and Glass Lewis's can be found here.

ISS BENCHMARK POLICY UPDATE

- **CEO Pay Now Measured Over Five Years.** Pay-for-performance assessment between CEO pay and company performance is extended from three to five years.
- **Time-Based Equity Reassessed.** ISS is more open to equity programs focused on time-based awards, particularly with long vesting or retention periods, and it will consider realized pay in its analysis.
- **More Flexibility on Say-on-Pay Engagement.** ISS has softened its view of board responsiveness after low say-on-pay votes and may credit meaningful engagement efforts, even without direct investor feedback.
- **Stricter Scrutiny of Director Pay.** ISS may now recommend against directors for excessive non-employee compensation after just one egregious year, particularly when pay is high or disclosure is weak.
- **Higher Bar for Equity Plans.** Equity plans will be scored more strictly, especially if they lack cash-denominated limits for non-employee directors and may still face "against" recommendations despite passing overall.

GLASS LEWIS BENCHMARK POLICY UPDATE

Glass Lewis has replaced its A–F pay-for-performance grades with a scorecard using up to six weighted tests, producing an overall score from 0 (severe concern) to 100 (minimal concern). Key changes include a longer five-year assessment period and a new qualitative design test that can only lower a company's score. The full revised methodology is available here.