

Best practices for a more powerful proxy statement

Easy-to-implement design changes can create a more effective shareholder communication



In recent years, the proxy has evolved from a regulatory disclosure document to a vitally important shareholder communication. At the same time, proxies have become longer and more densely packed with information, in response to both SEC requirements and shareholder demand for transparency.



Many companies are taking a fresh look at their proxy statements: They're going above and beyond requirements to provide more detailed information about governance decisions. The need for clear and concise communication has never been greater.

The proxy statement may be one of the few shareholder communications that actually gets read and analyzed. Yet today's time-challenged proxy voters and shareholders have very little time to read and digest all the information. It's no longer enough to design with only SEC compliance in mind. In order to advance corporate goals, proxy statements must make detailed information more-accessible and easy to understand. For many companies, that means re-imagining the entire look and feel of their proxy statements to create a more user-friendly document. This transformation can be an incremental change, or a complete redesign. No matter which approach you take, you should take advantage of best practices to help your company get the most value from your proxy statement.

Good proxy design yields effective communication- it engages the reader, it's well organized and provides ease of readership. Through thoughtful use of page layout, charts, tables, infographics and imagery, your story will become more accessible, engaging, and memorable.

Here are seven easy-to-implement design refinements for you to consider to create a more effective shareholder communication.

1. MAKE YOUR STORY MORE ENGAGING

Provide a detailed table of contents, and use section headers to help readers navigate long documents. Lead off with a chairman's letter, or a communication from the entire board. Use bold fonts, color, shading and graphics to draw attention to important messaging.

Increasingly, proxy statements are borrowing proven design techniques from annual reports and other shareholder communications. Dull, all-text documents are giving way to a simpler, more visually appealing approach that incorporates company brand values, color and graphics that help readers understand complex issues quickly. No one wants to read a lot of legalese, or search for the information they need. Use plain English, and structure your proxy to encourage greater engagement.

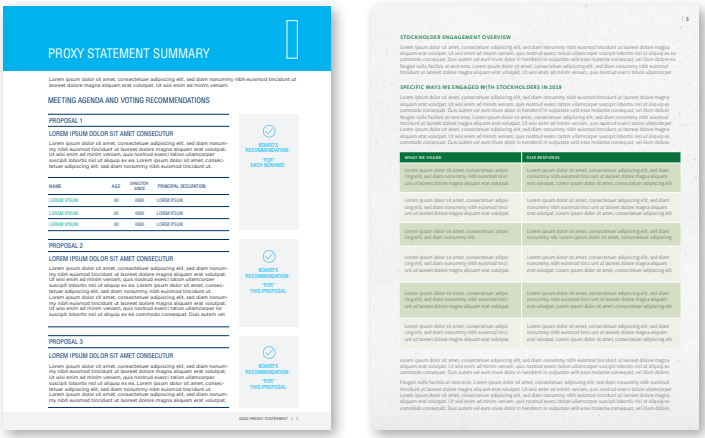
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2. SUMMARIZE KEY POINTS

A summary is a great way to balance the need to provide more in-depth data with investor’s demand for brevity and clarity. It’s also an opportunity to outline your company’s goals and strategy. Don’t hesitate to include visual elements to enhance understanding.

There’s a growing trend to include a brief summary (usually several pages) that encapsulates all of the highlights right up front. An effective proxy should be an extension of your brand. From clearly stated goals and objectives, to use of your brand identity- logos, colors, typefaces- all elements should work together to tell a compelling story.



3. AIM FOR A MODERN "LOOK AND FEEL"

For easy reading, keep paragraphs short and give each page enough white space to allow plenty of “breathing room” for your content. Make page layouts more varied and interesting with bullets, tables and checklists, and use color to draw the reader’s eye and emphasize key points that might otherwise be missed.

Select appropriate fonts. Whether you choose a serif or sans serif style, standard fonts such as Arial or Times Roman will render cleanly both in print and on the web. As a general rule, two font families (including various weights and styles, such as bold and italic fonts) are sufficient. Consider font size carefully, and limit the small print to footnotes. Allow at least two extra points of space between lines of text to enhance readability.

4. VISUALIZE INFORMATION WITH CHARTS AND GRAPHICS

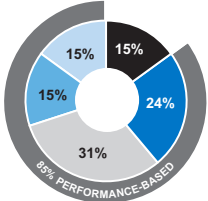
A well-designed chart or table highlights key data and makes your point instantly clear. Keep charts and graphs simple and straightforward, with legends that are easy to read. Clarity, logical organization and consistency are key.

Use graphics in your proxy statement to:

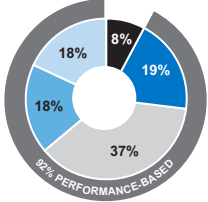
- **Explain executive compensation**
 - “Say on Pay” continues to be a hot button issue. Use graphs to show how your compensation packages compare with those of peer companies and competitors.
- **Reveal board composition**
 - A board matrix delivers key data about your directors in a single glance. Visualize board diversity, tenure, and the range of skills and experience that candidates bring to the table.
- **Clarify corporate policies**
 - Create a checklist that shows which governance practices your company follows, and which it does not.

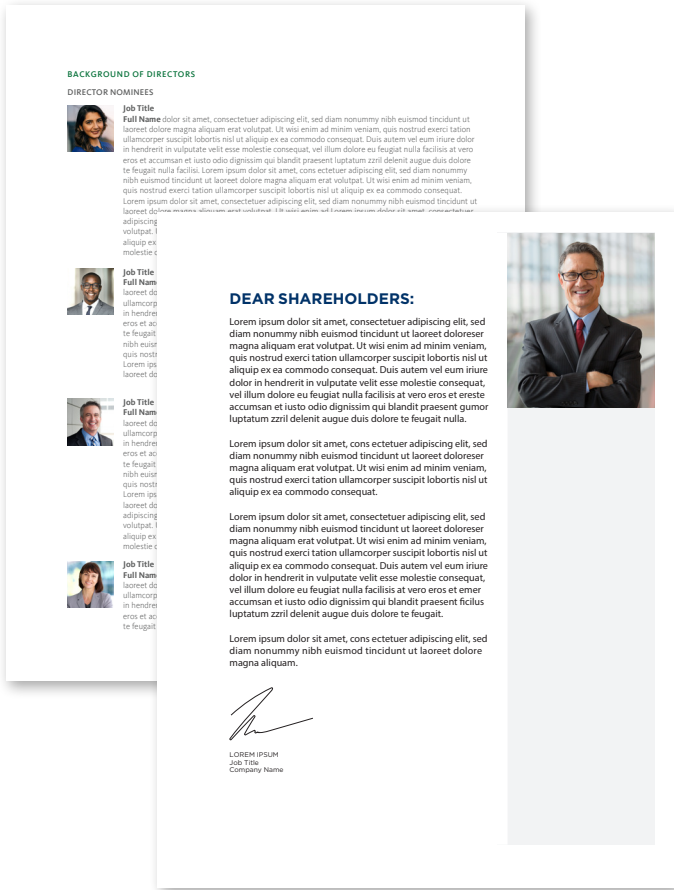
- Base Salary
- Annual Incentive
- SPS Award
- Stock Options
- Restricted Stock

Other NEO Average
Total Direct Pay Mix



CEO
Total Direct Pay Mix





5. HUMANIZE YOUR BOARD

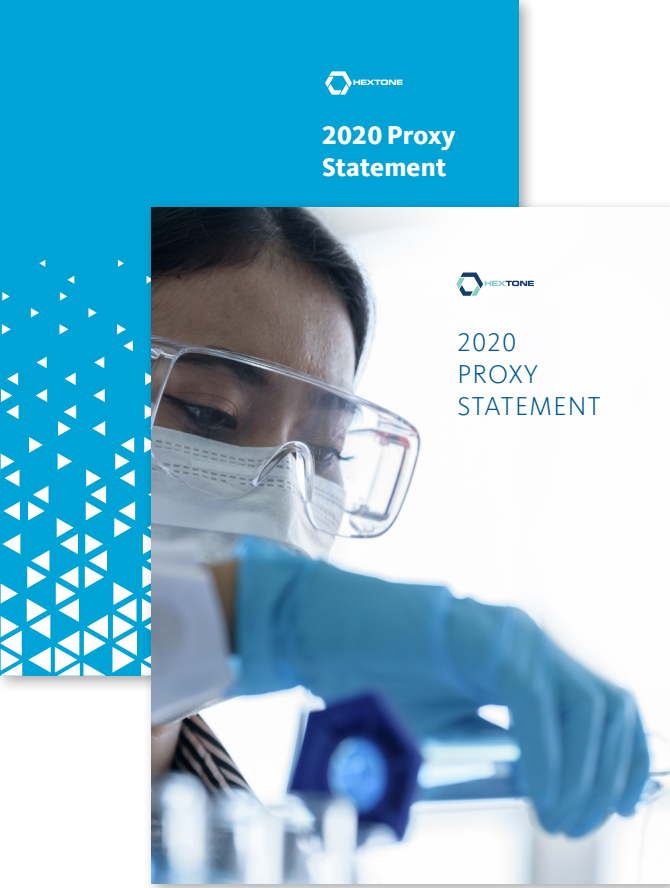
When shareholders can associate a face with a name, they are more likely to feel a connection to your board and to your company.

Add photos to enhance director profiles. Provide an overview of relevant experience and expertise, including education and any previous board participation. Use bullet points and small graphic icons to summarize the executive’s career including any particular industry or skill area. Make it easy to scan the board member’s competencies and roles, committee memberships, and other board memberships.

6. REINFORCE YOUR BRAND IDENTITY

Make a strong first impression with a branded cover design. Use your brand colors, tagline, and other brand elements throughout the document to remind shareholders of your brand values, and to help institutional proxy voters understand what your company does.

Your proxy should reflect the personality and vision of your brand. Utilize any photography or graphical elements- icons or illustration that portray your business and your industry. Good design delivers impact to help your proxy stand out, be more memorable, and effectively engage your stakeholders.





7. TELL YOUR ESG STORY

Consider the addition of ESG reporting. ESG criteria reflects a broad range of business behaviors and metrics to assist investors in identifying companies with values that match their own.

Manage investor relation communications from beginning to end, eliminate unnecessary printing and shipping overruns, and ensure timely delivery of your shareholder communications.

Streamline the production and printing of proxy communications and ensure a smooth transition from printing to distribution. Our single-source, full-service solution reduces shipping charges, expedites processing and helps ensure you print only the quantity required. Plus, every project is backed by the undisputed reliability and quality you've come to expect from Broadridge.

Last-minute changes, print overruns and mailing logistics can make it challenging to get investor and shareholder communications where they need to be on time and within budget. Our single-source solution streamlines the process — from document preparation through to printing and mailing — to ensure quality and speed and reduce costs.

Let Broadridge help.

No matter what design approach you choose, you'll want to have an intuitive, cost-efficient solution to help make your vision a reality. That's where Broadridge can help. Our Enhanced Proxy Design Service streamlines the proxy design process from start to finish.

We offer four comprehensive packages that include typesetting and design services, unlimited author's alterations, HTML conversion and fast turnaround—so you can save time and effort while keeping your budget under control. You'll also benefit from our unsurpassed knowledge of SEC requirements, shareholder communications and financial technology.

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Let the industry's only true single-source solution for all your document management, SEC compliance and shareholder communications needs show you how easy and cost-effective it can be to power up your proxy statement. Contact us today. +1 (844) 364-4966.

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More efficient content management

A single-source XML document simplifies authoring and version control, and can output for print or the web.



Cost reduction

We can help reduce the number of pages in your proxy to minimize printing and mailing expense.



Enhanced packaging

Get your proxy noticed in the mailbox and increase open rates. Clear back polywrap packaging shows your proxy cover before the envelope is opened.

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