

INTRODUCTION



CORPGRO
Growth that doesn't cost the earth





Investors challenge Boards to deliver high quality earnings and strong growth within a sustainable framework.

CORPGRO helps companies achieve these aims through integrated Executive pay arrangements.

This means framing an irrefutable top pay proposition with sharp embedded incentives.

INVESTOR EXPECTATIONS



- Earnings delivered from efficiency help meet investors' return on capital aims. However, competitors and new technology crank down the ability to deliver those returns constantly.
- Growth is vital. It replaces earnings attrition and delivers enhanced total shareholder return.
- Growth comes from well recognised sources, but breakthrough growth is often attained as a result of new ventures and other initiatives. All involve risk and embracing the new.
- This entails igniting the imagination and engagement of top talent, and that means reframing thoughts on executive pay to meet the aspiration. At the same time, pay must be both effective and sensitive to the wider scene, particularly the views of investors.
- New challenges need new thinking, with solutions delivered in a concise and compelling way.
- This must be achieved within the ambit of a sound climate and ESG agenda so that the business will thrive sustainably.

**All this is easy to say, but
hard to do...**

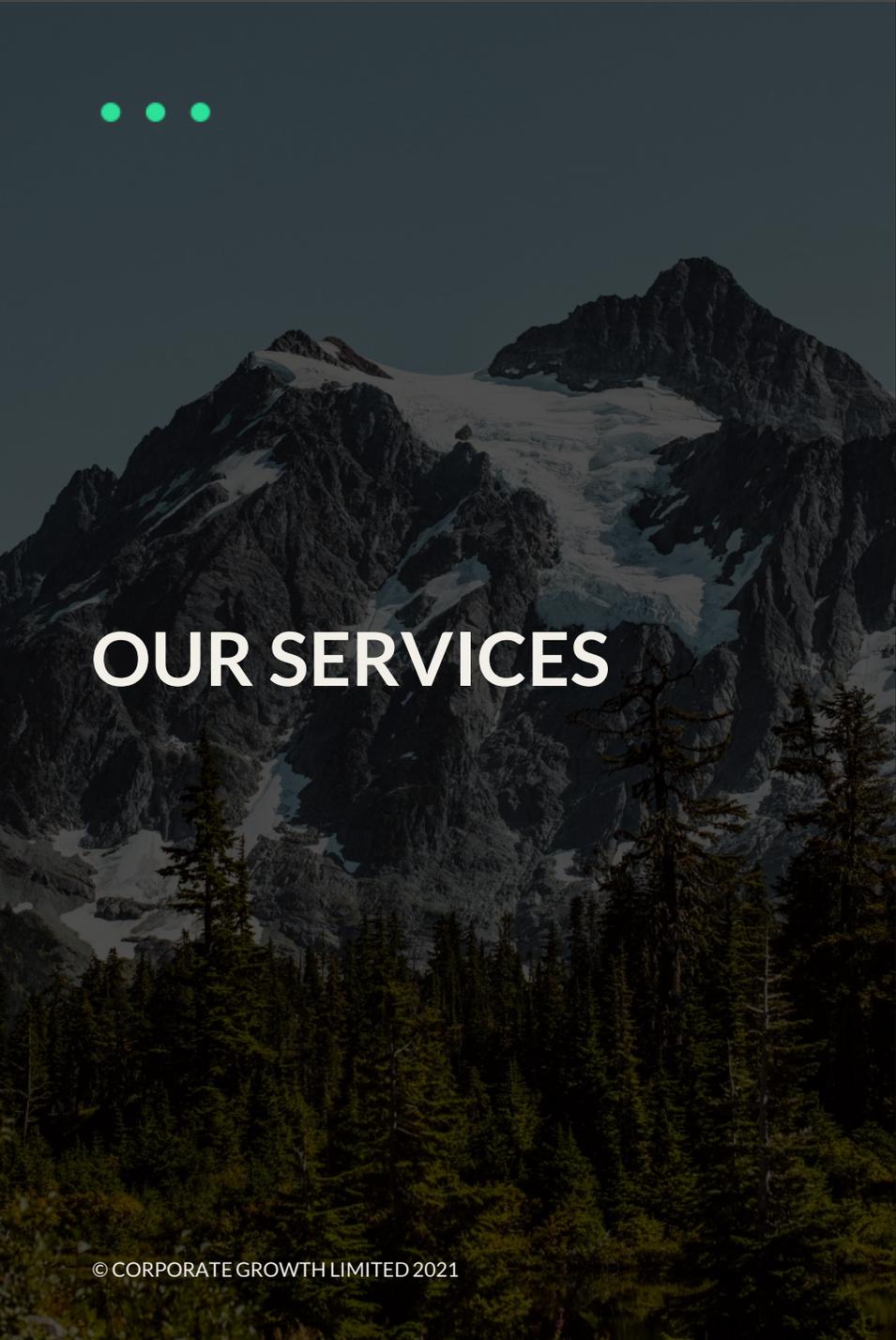
CORPGRO works with Boards, non-executive directors, executive management, and advisors to help move the business forward seamlessly on growth, climate and ESG.

Our team of reward experts apply both hands on and consulting experience to solve complex problems. We are brought together by a shared passion to use this expertise to help businesses deliver sustainable growth.

We achieve effective, investor-friendly results by thinking beyond compliance.

When explanation is needed, we step firmly into that mode, and frame policies and disclosures which are strong and clear to investors and other stakeholders.





OUR SERVICES

Remuneration committee

- Remuneration policy
- Quantum
- Incentive design
- Special situations
- Investor views
- Remuneration disclosure and voting

Climate, ESG and executive pay

- Role of climate and ESG in the business model
- Investor views on top pay, climate and ESG
- Linking climate, ESG, and executive pay
- TCFD disclosures and climate pay
- Climate clawback and SOGs
- Climate capex and DCF trap
- 'Say on Climate' vote

Growth pay

- Growth metrics, targets, weighting
- Mergers and acquisitions
- Venture pay and incentives
- CVUs pay and incentives

Reward services

- Reward strategy
- Job levelling and grading
- Wellbeing
- Pay and incentive management
- Total reward
- Reward communications
- Benefits
- Employee share plans

CLIMATE AND EXECUTIVE PAY



Don't let your company become climate road kill.

Mark Carney

UN Special Envoy for Climate Action and Finance
Former Governor of the Bank of England

Climate as a business issue

- Is climate a material issue for us?
- What are our shareholders saying/expecting?
- What is TCFD and its implications?
- Will impairment charges apply?
- What steps are best right now?
- Who is managing all this?

TCFD compliance and investors

- Detailed TCFD requirements are what?
- Explain choices, are they credible?
- Are our resources adequate for this?
- Shepherd's warning! Investment Association amber top?

Climate pay

- What is the expectation right now?
- Will inserting a green metric into STI or LTIP meet the need?
- If so, how do we select the metric, targets, and weighting?
- But should this drive pay, or is it better as an underpin?
- How do we define our transition plan and our net zero business model?
- How do we frame climate pay to support our 'Say on Climate' vote?

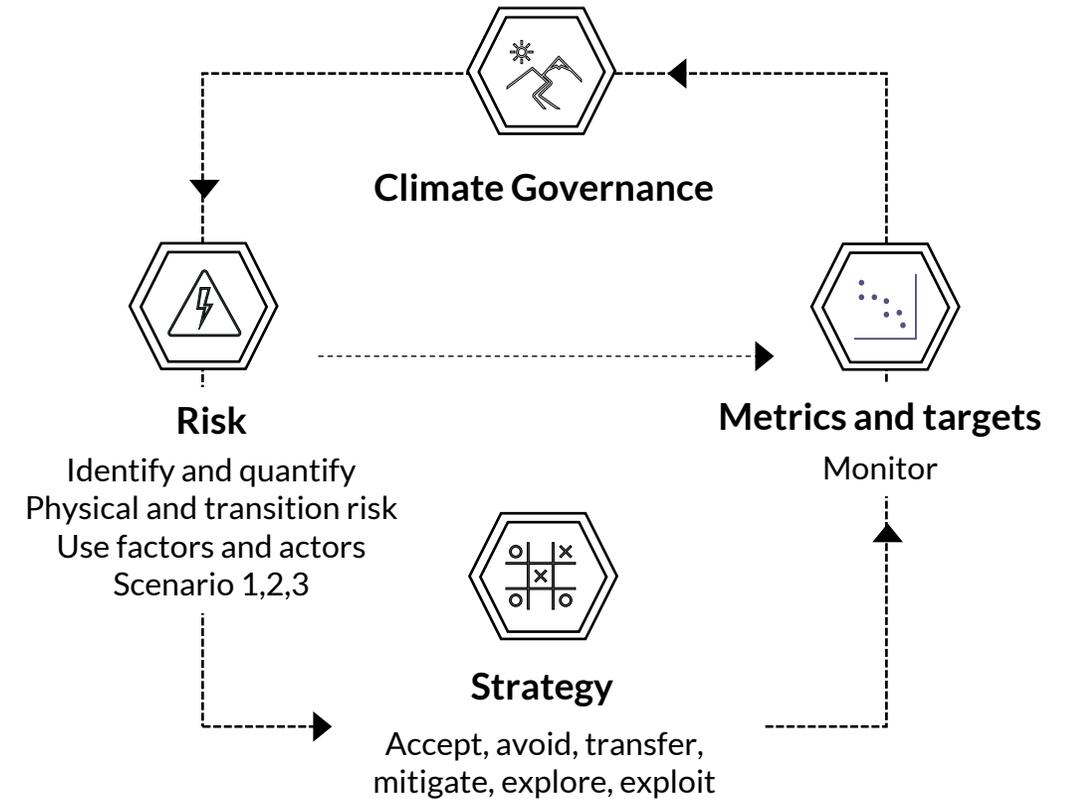
COMPLY OR EXPLAIN TCFD

- The framework of your TCFD disclosures will help you see the size and shape of the challenge ahead, but it will not tell you what to do. Your investors and other stakeholders will want to know what business plans are now proposed to deliver both growth and a climate friendly outcome.
- The Disclosures are designed to improve the ability of investors' and other stakeholders to assess and price climate-related risk and opportunities.
- Assessment of the performance of executives in delivering against key milestones and rewarding appropriately will be critical.



Increasing transparency makes markets more efficient, and economies more stable and resilient.

Michael R. Bloomberg
TCFD Chair
Founder, Bloomberg LP and Bloomberg Philanthropies





A more creative approach to growth pay is often needed



Great business models can reshape industries and drive spectacular growth. Yet many companies find business-model innovation difficult.

Cleyton M. Christensen
Kim B. Clark Professor of Business Administration
Harvard Business School

Regular executive pay

Pay policy covers top team on common basis

Quantum survey benchmarked against market

Balanced mix of fixed and incentive pay

Incentives offered each year

LTIP mainly performance shares

LTIP vest after 3 years

Vesting metrics apply (return and growth measures)

Growth pay

Strong differentials. Big focus on founders and executive management teams

Pay set from absolute delivered value. On success, much ahead of market

Pay mix skewed strongly towards incentives, particularly for top team and LTIP

LTIP offered on a block grant basis upfront (with pool holdback)

LTIP mainly Founder shares and options

LTIPs vest on exit event (or long stop date)

Vesting is exit-centric; but sometimes mixed with other metrics.

CLIENT EXPERIENCE



UK listed

- BAEs
- National Grid
- Vistry Group

International

- Allied Irish Banks
- Patrizia
- Sofina

Demerger

- CDC Group/ACTIS
- Cookson/Vesuvius, Alent
- VW/LeasePlan

Ventures

- Globeleq/CDC
- Nico Ventures/BAT
- IptiQ/Swiss RE

CVUs

- Bayer LEAPS
- Next 47 (Siemens)
- Shell Ventures

Mergers and acquisitions

- Kuwait Telecom/Celtel
- Nippon Sheet Glass/Pilkington
- Takeda/Shire

Joint ventures

- Best Buy/CPW
- Liberty Global/Telefonica
- VocaLink x 14

Unlisted

- CPPIB
- Mars
- Selfridges

IPO

- Amadeus
- NXP
- Wizz Air

THE CORPGRO TEAM

Our team of reward experts apply both hands on and advisory skills to solve complex problems; always with our purpose in mind: to use our expertise to help businesses deliver sustainable growth.

-  Executive Compensation and RemCo
-  Reward, benefits and share plans
-  Growth and growth pay
-  Climate, ESG, and top pay links



Damian Carnell
Founder



Jane Allen
Associate



Robert Head
Associate



Chris Charman
Associate



Mark Duke
Associate



Emelia Gobbe
Operations



Glyn Davies
IT and continuity

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