

LENS ON:

ISS 2026 Benchmark Voting Policy update

November 2025

ISS Governance has released its Benchmark Voting Policy updates for 2026, following a public consultation which closed on 12 November 2025. The updated policies will apply to shareholder meetings held on or after 1 February 2026.

Compared with the more substantial changes introduced last year, the revisions to the 2026 UK & Ireland Proxy Voting Guidelines are limited. The main update strengthens transparency around director exit arrangements, with companies now expected to provide rationale and justification for the classification of leaver status and the treatment of remuneration for leavers.

For Irish-incorporated companies with a primary listing on Euronext Dublin, the 'significant dissent' threshold has been aligned with the 2024 Irish Corporate Governance Code, at 25% (vs 20% in the UK). There are also minor clarifications to other areas of the ISS Policy, to reflect provisions set out in the 2024 version of the UK Listing Rules and 2024 UK Corporate Governance Code.

Ellason commentary

Recent conversations with ISS indicate no significant changes to their approach on remuneration for the 2026 reporting season. Echoing recent guidance from the Investment Association, ISS continues to encourage companies to provide clear, company-specific rationale for any pay proposals, including demonstrating how these help to reinforce delivery of business strategy. Where market data is used to support proposals, the rationale for selecting benchmarking peers should be explained and clear disclosure of maximum pay opportunities is encouraged.

Please do not hesitate to contact any of the Ellason team should you wish to discuss this further.