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# More JLL pay woe

■ Influential shareholder adviser ISS backs calls for cross-the-board rejection of JLL executive pay package

BY DAVID PARSLEY

One of the world's most influential investor bodies has backed calls to vote against the pay deals of all executive directors at JLL, including former chief executive Colin Dyer's \$11.3m (£8.7m) package.

Institutional Shareholder Services (ISS), a leading independent proxy advisory firm, has supported calls from former US vice-president Al Gore's Generation Investment Management for shareholders to block Dyer's pay deal, as well as the remuneration packages of all executive directors, including new chief executive Christian Ulbrich.

In a note to investors, ISS described Dyer's pay deal as having "the appearance of a pay-for-failure outcome", echoing allegations made earlier this month by Generation IM, JLL's third-largest shareholder with 7.5% of the firm's stock.

"ISS's quantitative screen indicates a high concern with respect to the alignment of CEO pay and company performance, relative to a group

of companies of similar industry and size," the note said. "Specifically, CEO pay has outranked company total shareholder return performance over the past three years, relative to reasonably comparable peers."

ISS claimed Dyer's pay deal "shielded him from the impact of recent poor company performance". It added that a vote at JLL's annual meeting of shareholders next Wednesday against the second item on the agenda - to ratify named executive officers' remuneration - was warranted.

ISS also agreed with Generation IM's assessment that a significant portion of both short-term and long-term incentives for executives was based on subjective performance measures and that the 2016 long-term incentive plan lacked a long-term focus.

In conclusion, ISS told JLL shareholders: "Significant concerns are raised by both the payments made to the retiring CEO and the structure of the short- and long-term incentive programmes.

"Shareholders may question why the outgoing

CEO, unlike other top executives, should be shielded from the effects of the poor financial stock price performance."

However, ISS is not backing Generation IM to reject the re-appointment of JLL's chair Sir Penrose and recommends a vote to re-appoint board members. The investor advisory group also advocating shareholders back the resolution on items including the group's stock plan and ratification of KPMG as the firm's auditor.

The call for a vote against executive pay came when Generation IM launched a fierce attack on Dyer's pay deal, as well as the packages for the executive management team, earlier this month.

Since then, shares in the firm have plunged around 9% on the New York Stock Exchange, roughly \$462m off the company's value.

"JLL's board of directors stands firmly behind the compensation actions taken in connection with the planned retirement of Colin Dyer and the governance process that was followed," JLL said.

## Cabbie on the move

Europe's largest private hire minicab operator Addison Lee has launched a search for a new London headquarters.

The firm has instructed James Andrew International to find 20,000 sq ft of HQ space in a search area that takes in Paddington in the west and Clerkenwell in the east.

The search has been prompted by the pending expiry of the

lease on its current head office at 35-37 William Road in Euston next year.

Addison Lee is in the middle of an expansion drive that has seen it rebrand, expand across UK regional cities and grow its reach in the US, Europe and Asia-Pacific.

It manages more than 10,000 accounts and has a fleet of 2,500 vehicles in London.

