

BellTel Retirees Influence Golden Parachutes Policy Change at Verizon

Retirees Achieve 13th Change to Corporate Policy

UNITED STATES, May 17, 2023
/EINPresswire.com/ -- Members of the non-profit [Association of BellTel Retirees, Inc.](#) presented two shareholder proposals at the 2023 Verizon (NYSE:VZ) shareowner meeting on May 11, 2023 in Salt Lake City, and came away with a victory when Verizon's Board of Directors agreed to modify their policy on golden parachute payouts for senior executives.



In the non-profit organization's 20-plus years engaging in shareholder activism, BellTel and its retiree leaders are proud to have favorably impacted policy change an astounding 13 times at Verizon.

For 2023, the retiree group put forth a nearly identical proposal - Item #8 - to its 2022 Golden Parachutes proposal, which achieved 44% support last year.

The proposal recommended that the company seek shareholder approval for any new or renewed senior executive severance or termination package – including the accelerated vesting of unearned long-term equity grants – that exceeds 2.99 times base salary plus target short-term bonus. Previously the company did not include the accelerated vesting of performance stock or restricted stock in its calculation of the threshold that triggered shareholder scrutiny, even though this has become by far the largest portion of golden parachute payouts to senior executives.

BellTel Retirees chairman Tommy Steed said, "In an era when CEO pay has ballooned to a ridiculous 399-to-1 ratio over the average worker's pay, there must be greater input and control from shareowners who own the corporation, and this includes tens-of-thousands of retirees and

their families.”

In advance of the proxy ballots being disseminated in late March, the Verizon Board of Directors voluntarily [agreed to adopt the primary recommendation called for by the retirees](#) with respect to shareholder approval of large Golden Parachutes. In reaction to the BellTel proposal the Board changed the company's policy to include “payments in connection with the termination of the executive's employment” in the value of the severance package that triggers the need to seek shareholder ratification. The accelerated vesting of unearned equity awards has been one of those payments.

Steed continued, “I was delighted to congratulate Verizon Deputy General Counsel Bill Horton at the annual meeting in Salt Lake City, for the company proactively implementing measures that our proposal sought to address. While the policy does not fully comply with all aspects sought, including severance limit calculations, the policy does appear to meaningfully mitigate the risk of severance payments that are excessive.”

The Association's second proposal, which called for strengthening Verizon's Senior Executive Clawback policy - Item #7 - receiving the endorsement of Institutional Shareholder Services (ISS) - achieved 37.9% of the shareowner vote.

The BellTel Retirees have a long and [successful history of shareowner advocacy at Verizon](#), acting as an integral check for better governance practices. Since 2003, they have achieved 13 changes to corporate governance, including three by majority vote (2013, 2007, 2003).

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