

Arytza's top salaries branded excessive by shareholder advisers

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A LEADING shareholder advisory firm has labelled the salary of Owen Killian, chief executive of Irish-Swiss food company Arytza, “excessive”.

In a report issued before the company’s annual meeting on December 8, Manifest, a London-based firm, also criticised the group’s long-term incentive plan, and gave its remuneration policy an “E” grade, its second-lowest ranking. Arytza disputes how Manifest calculates the value of the scheme.

Other leading shareholder and proxy advisers have also raised concerns about the company’s practices. Glass Lewis recommended that shareholders vote in favour of all but one motion at the annual meeting.

It criticised the company, however, for failing to address the fact that almost 15% of shareholders did not support Arytza’s remuneration report last year, while others abstained.

“This demonstrates a fair

level of shareholder protest,” Glass Lewis said. An Arytza spokesman said the advisory vote on director pay was approved by 82% at last year’s annual meeting. This was in line with prior years, he added, and “compares well with peer company annual meeting votes”.

Swiss proxy adviser SWIPRA recommended shareholders vote against four motions in the areas of compensation and the election of directors. It queried why base salaries had risen 10% in the past financial year.

Proxy adviser ISS was supportive of Arytza but highlighted concerns about the board decision to raise the cap on its short-term incentive scheme.

Since publishing its annual report, Arytza has revealed its plans to seek a new chairman to replace Denis Lucey, who will stand for re-election for the last time next week. It is also to establish a new governance and nomination committee to advise on matters “including board independence and structure”.