

# RBC Global Asset Management Proxy Voting Guidelines

March 2026 vs. March 2025: what changed, and what it means for your  
ballot

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RBC Global Asset Management  
Proxy Voting Guidelines  
Updated March 2025 compared with Updated March 2026

*RBC GAM tightened the rules on boards that strip shareholder rights - and quietly  
deleted every hard number it used to apply to executive pay.*

Source: the two published guideline documents, read in full. Every quotation below is taken verbatim from them.  
[proxyvotesnow.com](http://proxyvotesnow.com)

## The short version

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**This is a narrow, deliberate edit rather than a rewrite. Roughly 95% of the document is identical to 2025 - the board section, proxy access, dual-class, overboarding, attendance, climate, human rights, say-on-climate and the shareholder proposal framework all carry over word for word. Four areas changed, and they do not all point the same way.**

- Shareholder rights got a real enforcement mechanism. The old section on US no-action requests was replaced by a much broader one: RBC GAM will now generally vote against the chair of the corporate governance committee where a board amends its bylaws to diminish shareholder rights - including restricting derivative lawsuits. That is a new, named consequence for a much wider set of board conduct.
- Executive pay lost its arithmetic. Two quantitative tests - the \$20 million disclosure trigger and the 'twice the peer median' excess-pay flag - were deleted outright, along with the catch-all 'poor executive pay practices' factor. Nothing numeric replaced them.
- Special meetings got more permissive. RBC GAM previously supported the right to call a special meeting, full stop. It now supports it only 'where the right to do so does not currently exist,' and reviews any request to lower an existing threshold case-by-case against the company's market cap and ownership structure.
- DEI survived. Where most large managers stripped the term out of their 2026 policies, RBC GAM kept the whole employee-rights section, the DEI acronym and the board diversity section intact - with one new carve-out on unadjusted pay-gap proposals.

### Direction of travel

Mixed, and unusually so for a 2026 edition. Tougher on boards that erode shareholder rights; looser on how much executives can be paid before RBC GAM objects; slightly looser on special meetings; broadly unchanged on environmental and social proposals. There is no wholesale softening of language here, no removal of 'diversity' or 'DEI,' and no retreat from the 30% responsiveness threshold.

## 1. Executive pay: the numbers came out

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The clearest substantive change in the document. Section 2.8 was retitled from 'Excessive executive compensation' to simply 'Executive compensation,' and every bright-line quantum test underneath it was removed.

### Two hard tests deleted

Neither of these appears anywhere in the 2026 document, in any form. They were removed, not relocated or softened.

#### 2025, deleted:

*"The highest paid executive earns greater than \$20-million(USD) and the company provides no disclosure on thresholds and targets of performance metrics in both the Short-Term Incentive Plan (STIP) and Long-Term Incentive Plan (LTIP)."*

#### 2025, deleted:

*"whether overall amounts of executive compensation are reasonable relative to company peers, other employees and the value added by the executive. For instance, overall amounts may be flagged as excessive where the highest paid executive's total compensation is twice as high the previous year's median pay at the company's market cap and revenue-based peers"*

The first was the only dollar figure in the guidelines. The second was the only stated multiple, and the only place the policy compared executive pay to what other employees earn. Both are gone. With them goes the 'poor executive pay practices' factor, which in 2025 was a standalone bullet in the say-on-pay assessment and now has no equivalent.

### The excess test became an alignment test

#### When RBC GAM will generally not support a say-on-pay resolution

##### 2025:

*"The amount of the total compensation paid to the CEO or senior management is excessive in light of all relevant circumstances."*

##### 2026:

*"The amount of the total compensation paid to the executive is misaligned with the value created by the executive."*

This is not a wording tidy-up. 'Excessive in light of all relevant circumstances' is an absolute judgement about quantum: pay can be too much even where performance was strong. 'Misaligned with the value created' is a relative judgement: a very large number is defensible if the company did very well. Combined with the deletion of the peer-multiple and \$20 million tests, RBC GAM has removed its entire basis for objecting to the size of a pay package as opposed to its shape.

### Two more triggers narrowed

#### Underperformance payouts

##### 2025:

*"Substantial payouts are triggered for performance that falls below the relevant comparator group median or average."*

##### 2026:

*"Substantial payouts are triggered for share price performance that falls meaningfully below the relevant comparator group median or average."*

Two qualifiers inserted into one sentence. 'Performance' - which would have covered operational and financial metrics - became 'share price performance.' And 'below' became 'meaningfully below.' A company paying out on below-median operating results is no longer within the stated trigger at all.

## Excluding legal costs from bonus maths

### 2025:

*"There were significant legal expenses incurred and/or settlements paid arising from the company's products, services, or business operations excluded from performance metric calculations."*

### 2026:

*"There were significant legal expenses incurred and/or settlements paid arising from the company's products, services, or business operations excluded from performance metric calculations without an appropriate rationale."*

A flat prohibition became a rebuttable one. The same pattern appears on clawbacks, where 2025 looked for policies covering 'accounting restatement or wrongdoing' and 2026 looks for 'accounting restatement or wrongdoing detrimental to shareholder value' - wrongdoing that harms someone other than shareholders no longer qualifies.

## And one place the pay section got tougher

The metric-manipulation test was broadened. 2025 flagged 'materially-altered non-GAAP performance metrics without a reasonable rationale'; 2026 flags 'materially altered performance metrics without a reasonable rationale.' Dropping 'non-GAAP' extends the test to any performance metric a compensation committee changes mid-flight, which is a wider net.

A standalone voting guideline was also removed from the executive compensation section: 2025's 'We will generally support executive compensation plans that are fair and oppose those that misalign pay and performance, or are structured in a way that may risk doing so in the future.' The say-on-pay guideline in section 2.8a now carries the whole load.

### Why this matters

Say-on-pay is the single most common contested item on a US or Canadian ballot. What survives is a long, detailed, unchanged list of structural objections - inadequate 5x CEO equity retention, discretionary increases, front-loaded mega grants, guaranteed minimums, pay rises alongside layoffs. What has gone is every test that turned on how big the number is. If your concern is CEO pay quantum rather than pay design, RBC GAM's 2026 guidelines no longer give you a stated threshold to point at.

## 2. Shareholder rights: a narrow provision became a broad one

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Section 4.20 was rewritten from the ground up and renamed. In 2025 it was called 'No-action and exemption requests' and addressed one specific US practice. In 2026 it is called 'Implementing and maintaining shareholder rights' and addresses board conduct generally.

### The voting consequence

#### When RBC GAM votes against a governance committee

**2025:**

*"We may vote against members of the governance committee if we determine that the company has excluded a shareholder proposal and introduced a management proposal on substantially the same issue that may be contrary to shareholders' best interests, as compared to the original shareholder proposal."*

**2026:**

*"We will generally not support the chair of the corporate governance committee if the board amends governing documents, company bylaws, or equivalent materials to diminish or eliminate shareholder rights that we believe can enhance the long-term, risk-adjusted performance of the company. Where boards seek to make changes that would impact shareholder rights, they should seek shareholder approval to do so."*

Two things moved in opposite directions. The trigger widened enormously - from a single fact pattern (proposal excluded, competing management proposal substituted) to any bylaw or charter amendment that diminishes shareholder rights, plus a new expectation that such changes go to a shareholder vote. And the commitment firmed up, from 'may vote against' to 'will generally not support.' Against that, the target narrowed from 'members of the governance committee' to 'the chair' of it - one director rather than several.

Three examples are now spelled out. The third is new territory for a proxy voting policy:

**2026, new:**

*"Unreasonably restricting the ability of shareholders to file derivative lawsuits in a manner that we believe creates undue risk for shareholders"*

Derivative-suit restrictions - fee-shifting bylaws, jury-trial waivers, mandatory arbitration provisions - have not previously been a named voting trigger for RBC GAM. Alongside them sit 'unreasonably limiting the ability of shareholders to submit shareholder proposals on material issues' and excluding proposals 'in a manner that we believe infringes upon shareholder rights.'

### But companies got a concession too

**2026, new:**

*"However, we also believe that a company's ability to omit certain shareholder proposals - after appropriate proponent engagement, based on specific criteria, and where applicable - from the voting ballot is an important corporate governance mechanism."*

Nothing like this appeared in 2025. The 2025 text went the other way: it warned that companies 'may use this avenue to limit shareholder rights' and closed with a sentence that has now been deleted - 'However, we are generally not supportive of the exemption practice where it impedes improvements to shareholder rights.' So the same rewrite that created a new voting trigger also recognised, for the first time, that excluding proposals can be legitimate governance.

### Special meetings: support became conditional

## Proposals on the right to call a special meeting

### 2025:

*"We will generally support proposals allowing shareholders the right to call a special meeting. We will review shareholder proposals requesting that a company install or change the percentage of shares required to call a special meeting on a case-by-case basis."*

### 2026:

*"We will generally support proposals allowing shareholders the right to call a special meeting where the right to do so does not currently exist. We will review shareholder proposals requesting that a company adopt special meeting provisions or change the percentage of shares or the holding period required to call a special meeting on a case-by-case basis. We may consider the market capitalization of the company, the company's ownership structure, existing shareholder rights (including conditions regarding existing rights to call a special meeting), and other factors as appropriate."*

This is the one change in the shareholder rights section that clearly favours management. Most US special-meeting proposals on modern ballots are not about creating the right - it usually exists already - but about lowering an unusable threshold, typically from 25% to 10%. Those proposals now sit squarely in the case-by-case bucket, and the listed factors (market cap, ownership structure, the existence of some right however impractical) are all arguments a company makes for keeping its threshold where it is. The holding-period requirement is also newly acknowledged.

### Why this matters

Net, RBC GAM is a harder vote for a board that unilaterally narrows shareholder rights, and an easier vote for a board defending a high special-meeting threshold. The new derivative-lawsuit trigger is worth watching: it puts a mainstream Canadian manager on record against a class of bylaw that has spread quietly through US charters.

### 3. Environmental and social proposals: almost nothing moved

**This is the finding most readers will not expect. Section 5 runs to eleven sub-sections covering lobbying, cyber security, climate, environment, human rights, community, Indigenous rights, employee rights, nature, board-related and artificial intelligence proposals - and the 2026 text is character-for-character identical to 2025 in all but two of them.**

Unchanged in full: the section 5 introduction, including the statement that RBC GAM will 'generally support' proposals requesting enhanced disclosure on material risks and the 30% support threshold at which it expects a board to respond. Unchanged: climate change, environmental issues, human rights, community issues, nature-related risks, board-related proposals, artificial intelligence, and the say-on-climate guideline in section 6. Also unchanged, and notable: section 1.20 on board diversity, which still asks boards to monitor diversity 'attained through characteristics including, but not limited to, gender, race, and ethnicity' and still permits a vote against the nominating committee where composition can be improved.

#### Indigenous rights: reframed from rights to risk

##### The opening of section 5.7

###### 2025:

*"Indigenous Peoples have inherent rights to self-determination in accordance with international and domestic law. They also have specific rights, such as those set out in the United Nations Declaration on the Rights of Indigenous Peoples (UN DRIP), which includes Free, Prior and Informed Consent (FPIC)."*

###### 2026:

*"Actual or potential Indigenous rights issues may lead to material financial, legal, regulatory, operational, and/or reputational risks to companies."*

The rights-based premise was replaced with a risk-based one. UNDRIP and FPIC both survive, but they now appear as things that support 'a stable, resilient business operating environment, as well as well-functioning global capital markets' rather than as entitlements. This is the same financial-materiality reframing other managers applied across their whole 2026 documents; RBC GAM applied it to one section.

The voting list underneath it, however, got longer rather than shorter. A fourth bullet was added:

###### 2026, new:

*"disclosure of actions taken to meet local or regional laws and regulations related to the rights of Indigenous peoples"*

#### Employee rights: DEI kept, pay-gap proposals carved out

The 2026 employee rights section still opens with diversity, equity and inclusion as 'an important consideration for employee rights,' still supports proposals to enhance DEI disclosure, and still supports proposals on collective bargaining rights. Three small edits: 'DEI-related programs, goals, and demographic metrics' lost the word 'goals'; 'DEI, diversity, dignity and safety in the workplace' lost the word 'diversity'; and one new sentence was added.

###### 2026, new:

*"We are less likely to support proposals requesting the disclosure of unadjusted pay gaps where we determine a company's existing disclosures in the area are sufficient."*

Unadjusted (or 'median') pay-gap proposals are a distinct and growing category from adjusted equal-pay-for-equal-work disclosure, and they are the ones proponents have pressed hardest at large US financial and technology companies. This carve-out is aimed squarely at them. It is conditional - it applies only where existing disclosure is judged sufficient - but it is the only place in the whole document where RBC GAM added a reason not to support a social proposal.

### **Why this matters**

For an investor screening managers on whether they have retreated from environmental and social voting in 2026, RBC GAM is a genuine outlier: it kept its DEI language, its board diversity test, its human rights framework and its climate and say-on-climate guidelines untouched. The retreat, such as it is, is two sentences wide.

## 4. Scope, framing and one new disclaimer

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**The introduction was retitled from 'Proxy voting approach' to 'Investment stewardship' and gained a footnote that limits how far the document's language should be read.**

2026, new footnote:

*"RBC GAM's approach to active stewardship, proxy voting and engagement may encompass a range of subjects, which may or may not include ESG-related matters."*

The rest of the footnote carves out strategies where the guidelines effectively do not operate: 'there is no engagement with issuers in quantitative investment, passive and certain third-party sub-advised strategies, and RBC GAM does not manage proxy voting for model portfolios or certain third-party sub-advised strategies.' Nothing equivalent appeared in 2025. It is a scope disclaimer of the same family as those appearing across the 2026 US manager policies, though considerably milder - it clarifies where the policy applies rather than disclaiming what the manager is trying to achieve.

- BlueBay Asset Management LLP was added to the list of RBC GAM affiliates the guidelines cover.
- The stewardship paragraph now names engagement as well as voting - 'exercising the voting rights ... and engaging directly with issuers' - and adds that RBC GAM 'may also participate in responsible investing industry initiatives, where applicable.'
- A new sentence in section 3.3 hands contested elections to the investment team: 'Proxy contests are generally referred to portfolio managers and evaluated on a case-by-case basis.' That is a shift of decision rights from the stewardship guidelines to the people who own the stock.
- 'Securities lending' and 'Acting by written consent' were dropped from the table of contents but both sections are still present, unchanged, in the body of the 2026 document. That is a typesetting slip, not a policy change - the written consent guideline still says RBC GAM 'will generally oppose attempts to limit and/or eliminate shareholders' ability act by written consent.'

## 5. What did not change

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**Worth stating explicitly, because the two rewritten sections can make the document look more different than it is. Every threshold and every board-related test is identical to 2025.**

- Director attendance, overboarding, board independence, independence of the chair, majority voting, cumulative voting, staggered boards, director tenure, in camera meetings and the audit process: all word for word unchanged.
- Board diversity (section 1.20): entirely unchanged, including the reference to gender, race and ethnicity and the possibility of voting against the nominating committee.
- Proxy access, dual-class stock and unequal voting rights, supermajority approval, advance notice provisions, exclusive forum, pre-IPO bylaw amendments and implementing shareholder views: all unchanged.
- Shareholder proposals framework (section 5 introduction): unchanged, including the 30% 'meaningful support' threshold for board responsiveness and the commitment to generally support proposals seeking enhanced disclosure of material risks.
- Say-on-pay mechanics other than those described above: the 60% failed-vote engagement expectation, the 5x base salary CEO equity retention requirement, and the full list of structural objections including front-loaded mega grants and pay rises alongside workforce cuts.
- Climate change, say-on-climate, nature-related risk, human rights, cyber security and artificial intelligence proposal guidance: unchanged.

### **A note on how to read this**

RBC GAM publishes these guidelines annually and edits them surgically. That makes the deletions unusually informative: when a manager who leaves 95% of a document untouched removes its only dollar threshold and its only peer-multiple, it is a decision, not housekeeping.

## The bottom line

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### **Two real changes, pointing in opposite directions, and a third that is quietly permissive.**

On shareholder rights, RBC GAM became a more demanding vote. A board that amends its bylaws to narrow shareholder rights - including by restricting derivative suits - now faces a stated presumption against the corporate governance committee chair, and is told those changes should go to a shareholder vote. That is a wider trigger and a firmer commitment than anything in the 2025 text.

On executive pay, RBC GAM became a more forgiving one. The \$20 million disclosure trigger, the twice-peer-median excess flag, the 'poor pay practices' catch-all and the absolute test of whether total compensation is 'excessive in light of all relevant circumstances' were all removed, and the underperformance-payout trigger was narrowed to share price and qualified with 'meaningfully.' The remaining objections are all about how pay is structured, not how much of it there is.

On special meetings, the general presumption of support now only attaches where the right does not yet exist - which, at most large US companies, it does. Proposals to lower an unusable threshold have been moved into a case-by-case test weighted with company-side considerations.

Everything else - board composition, diversity, climate, human rights, the shareholder proposal framework and the 30% responsiveness threshold - is unchanged. For 2026 that is itself the headline: RBC GAM did not participate in the broad retreat from environmental, social and diversity language that ran through the other major managers' rewrites this year. It made a small number of targeted edits instead, and the one that will show up most often in voting outcomes is the disappearance of any stated limit on how large a pay package can be.