

ICANN BOARD SUBMISSION NO. 2023.10.22.C1a

TITLE: **Officer Compensation (Sr. Advisor to President and SVP, Global Stakeholder Engagement)**

PROPOSED ACTION: **For Board Consideration and Approval**

Confidential Employment Matter

COMPENSATION COMMITTEE RECOMMENDATION:

The Compensation Committee recommends that the Board approve the proposed Board resolutions set out below.

PROPOSED RESOLUTION:

Whereas, it is essential to ICANN's operations that ICANN offer competitive compensation packages for its personnel.

Whereas, independent market data provided by outside expert compensation consultants indicates that current and proposed increases to compensation amounts for Sally Costerton as the Sr. Advisor to President & SVP, Global Stakeholder Engagement, is below or within ICANN's target of the 50th to 75th percentile for total cash compensation based on comparable market data for the respective positions.

Whereas, the Compensation Committee has recommended that that the Board approve the proposed Board resolutions set out below.

Whereas, each Board member has confirmed that they are not conflicted with respect to compensation packages for any of ICANN's Officers.

Resolved (2023.10.22.xx), Resolution Text Superseded
Resolution Text Superseded

PROPOSED RATIONALE:

The goal of the organization's compensation program is to provide a competitive compensation package. The organization's general compensation philosophy is to pay base salaries within a range of the 50th – 75th percentile of the market for a particular position.

Compensation survey data indicated that the general market 50th percentile of merit budget for 2023 is 3.9%. ICANN's FY24 (1 July 2023 to 30 June 2024) budget for all ICANN personnel Annual Compensation Merit Review was 3.5%. In addition, actual merit and salary increase results data shows that in general, companies and organizations have provided a 3.8% merit increase and overall 4.8% salary increase in 2022.

Based upon the above economic and compensation data, considering the quality performances of the Sr. Advisor to President and SVP, Global Stakeholder Engagement, and all of the activities and initiatives set out in the Five-Year Strategic and Operating plan calling for ,continued quality senior leadership, it is necessary for Sr. Advisor to President and SVP, Global Stakeholder Engagement's compensation to be reviewed and aligned with the market.

Rationale Text Superseded

The Board has considered increasing the Sr. Advisor to President and SVP, Global Stakeholder Engagement's base salary by the same 3.5% being considered for the rest of the organizations' Officers and personnel. And even with the 3.5% increase, the Sr. Advisor to President and SVP, Global Stakeholder Engagement's base salary will be below ICANN's target range for compensation. Accordingly, the Board has approved a 3.5% increase to the Sr. Advisor to President and SVP, Global Stakeholder Engagement's base salary.

The salary adjustments provided under this resolution will assist the organization in fulfilling its Mission and in ensuring ICANN acts in the public interest.

There will be some fiscal impact to the organization, but that impact has been anticipated within the FY24 budget. This resolution will not have any direct impact on the security, stability and resiliency of the domain name system.

This is an Organizational Administrative function that does not require public comment.

Submitted by:	Amy Stathos
Positions:	Deputy General Counsel
Date Noted:	11 September 2023
Emails:	Amy.Stathos@icann.org

Pages 4-6 Removed - Confidential Employment Matter

ICANN BOARD SUBMISSION NO. 2023.10.22.C1b

TITLE: **Officer Compensation**

PROPOSED ACTION: **For Board Consideration and Approval**
Confidential Employment Matter

COMPENSATION COMMITTEE RECOMMENDATION:

The Compensation Committee recommends that the Board approve the proposed Board resolutions set out below.

PROPOSED RESOLUTION:

Whereas, it is essential to ICANN's operations that ICANN offer competitive compensation packages for its personnel.

Resolution Text Superseded

Whereas, the Compensation Committee has recommended that the Board approve the proposed Board resolutions set out below.

Whereas, each Board member has confirmed that they are not conflicted with respect to compensation packages for any of ICANN's Officers.

Resolved (2023.10.22.xx), Resolution Text Superseded
Resolution Text Superseded

PROPOSED RATIONALE:

The goal of the organization's compensation program is to provide a competitive compensation package. The organization's general compensation philosophy is to pay base salaries within a range of the 50th – 75th percentile of the market for a particular position.

Each of the Officers at issue in this resolution resides in the United States, with three residing in the greater Los Angeles area and one in the District of Columbia. As of June 2023, the [U.S. inflation rate](#) was reported as 3%, while the Consumer Price Index (CPI), the commonly accepted metric for cost-of-living increases, increased in the [greater Los Angeles](#) area by 2.5% and increased in the [District of Columbia](#) by 3.1%.

Compensation survey data indicated that the general market 50th percentile of merit budget for 2023 is 3.9%. ICANN's FY24 (1 July 2023 to 30 June 2024) budget for all ICANN personnel Annual Compensation Merit Review is 3.5%. In addition, actual merit and salary increase results data shows that in general, companies and organizations have provided a 3.8% merit increase and overall 4.8% salary increase in 2022.

Based upon the above economic and compensation data, considering the quality performances of the Officers, and all of the activities and initiatives set out in the Five-Year Strategic and Operating plan calling for continued quality senior leadership, it is necessary for the Officers' compensation to be reviewed and aligned with the market.

Rationale Text Superseded

Rationale Text Superseded The Interim President and CEO has also informed the Board that she intends to also exercise the same discretion with respect to the other members of ICANN's Executive Team who are not Officers (which does not require Board approval). As set forth in the comparable information provided by ICANN's expert compensation consultants, the requested increases for each of the Officers listed here, fall slightly below or within or the established remuneration practices of the organization. The Board agrees with the Interim President and CEO's recommendations.

The salary adjustments provided under this resolution will assist these Officers and the organization in fulfilling its mission and in ensuring ICANN acts in the public interest.

There will be some fiscal impact to the organization, but that impact has been anticipated within the FY24 budget. This resolution will not have any direct impact on the security, stability and resiliency of the domain name system.

This is an Organizational Administrative function that does not require public comment.

Submitted by: Amy Stathos
Positions: Deputy General Counsel

Rationale Text Superseded

Dated Noted: 11 September 2023
Emails: amy.stahos@icann.org

Pages 11 - 16 Removed - Confidential Employment Matter