The Long-Term Consequences of Short-Term Incentives[*]

In compliance with the JAR Data Policy, we provide the following information regarding the empirical data used in the JAR publication entitled "The Long-Term Consequences of Short-Term Incentives."

1. A description of which author(s) handled the data and conducted the analyses.

Vivian Fang and Allen Huang handled the data and conducted the empirical analyses for the study.

2. A detailed description of how the raw data were obtained or generated, including data sources, the specific date(s) on which data were downloaded or obtained, and the instrument used to generate the data (e.g., for surveys or experiments). We recommend that more than one author is able to vouch for the stated source of the raw data.

We list the data sources and dates on which data were downloaded or obtained in the table below. This data description sheet complements variable definitions and sample construction information presented in the paper. All three coauthors, Edmans, Fang and Huang, vouch for the stated sources of the raw data.

Source	Date	Description
Equilar	Jun, 2017	Grant-by-grant information on executives' vested and unvested equity awards, executive salary and bonus for the Russell 3000.
SEC EDGAR	Feb-Aug, 2019	Monthly repurchase data, hand collected from 10-Qs and 10-Ks
Securities Data Company (SDC) Platinum	Jun-Aug, 2017	M&A announcements and descriptive data (including acquiror and target identifier, deal size, payment method) and repurchase announcements.
CRSP	Oct-Nov 2019	Monthly and daily stock returns data, retrieved via WRDS-SSH
S&P Compustat	Feb 2018-Apr 2021	Firm characteristics used to calculate control variables, goodwill impairment, and target firm characteristics, retrieved via WRDS-SSH
Thomson Reuters Insider Filing	Jun, 2017	Data on equity sales by executives.
ExecuComp	Jun, 2017	Executive characteristics including age and date they became CEO. For executives not in ExecuComp, we search for their names on Google to find their age (or birth year) and date they became CEO.
Ken French's website (https://mba.tuck.dart mouth.edu/pages/facu	Jul, 2017	Fama-French 49 industry portfolio returns.

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3. If the data are obtained from an organization on a proprietary basis, the authors should privately provide the editors with contact information for a representative of the organization who can confirm data were obtained by the authors. The editors would not make this information publicly available. The authors should also provide information to the editors about the data sharing agreement with the organization (e.g., non-disclosure agreements, any restrictions imposed by the organization on the authors, such as restrictions to publish certain results).

All of the source data for this paper came from sources and vendors referenced above.

4. A complete description of the steps necessary to collect and process the data used in the final analyses reported in the paper. For experimental and survey papers, we require information about the instructions and instruments used to generate the data, subject eligibility and/or selection, as well as any exclusion criteria. The full set of instructions and instruments can be provided in the online appendix.

We used SAS 9.4 to process and merge our datasets and STATA 16 to conduct the empirical tests. We detail the process to measure short-term incentives in Section 2.1 and Appendix A and B, the process to collect actual repurchase and M&A announcements and calculate buy-and-hold abnormal returns surrounding these events in Section 2.2, and how we calculate control variables in Section 2.3 of the paper. The steps necessary to process the data are described in the computer programs referred to in 5.

5. The computer programs or code used to convert the raw data into the final dataset used in the analysis plus a brief description that enables other researchers to use this program. The purpose of this requirement is to facilitate replication and to help other researchers understand in detail how the raw data were processed, the final sample was formed, variables were defined, outliers were treated, etc. This code or programming is in most circumstances not proprietary. However, we recognize that some parts of the code or data generation process may be proprietary, including from the authors' perspective. Therefore, instead of the code or program, researchers can provide a detailed step-by-step description of the code or the relevant parts of the code such that it enables other researchers to arrive at the same final dataset used in the analysis. In such cases, the authors should inform the editors upon initial submission, so that the editors can consider an exemption from the code sharing requirement. Whenever feasible, authors should also provide the identifiers (e.g., CIK, CUSIP) for their final sample. Authors should consult our FAQ Sheet on the JAR website for further details.

The SAS code used to create the final data set is attached. The final sample for our main test is reported in "*Final sample.csv*". For data collected or merged manually, we include notes in the "*EFH_SAS_Code.sas*" file describing how we obtained the data.

6. An assurance that the data and programs will be maintained by at least one author (usually the corresponding author) for at least six years, consistent with National Science Foundation guidelines.

Allen Huang will retain all data and programs for at least six years, consistent with National Science Foundation guidelines.