

ISS Issues Mid-Year Reminder about Updating Compensation Peer Group

Institutional Shareholder Services (“ISS”) has issued its mid-year reminder inviting companies to update their self-constructed compensation peer groups for consideration, as part of its review of their executive compensation program in connection with Annual Meetings of Shareholders to be held during the remainder of 2017. ISS considers a company’s self-selected compensation peer group to be one of the key inputs in developing the peer group that it uses to evaluate the alignment of the company’s compensation package for its Chief Executive Officer and financial performance on both relative and absolute bases.

If you believe that it may be helpful to provide ISS with the compensation peer group that was used in your current fiscal year executive compensation deliberations, you can use this process to ensure that ISS has an up-to-date list of your peer group companies in advance of the filing of your 2017 proxy statement. For more information on the ISS peer selection methodology, including links to the most recent ISS peer selection methodology for U.S. companies, visit the ISS [company peer group page](#).

Reminders

In considering whether to take advantage of this updating opportunity, you should note the following:

- Updating may be desirable if the compensation peer group that you used in making your fiscal 2017 pay decisions differs significantly from the peer group disclosed in your last filed proxy statement.
- Only companies in the Russell 3000 or Russell Micro-Cap Index with an Annual Meeting of Shareholders scheduled between September 16, 2017 and January 31, 2018 should consider updating their compensation peer group at this time. A separate submission process for companies with Annual Meetings of Shareholders scheduled on or after February 1, 2018 will be announced in late 2017.

If you have made no changes to your compensation peer group as disclosed in your last definitive proxy statement, did not use a compensation peer group to determine executive compensation for your most recently-ended fiscal year, or if you would prefer not to provide this information in advance, you do not need to participate in the ISS process. For companies that do not submit changes, the compensation peer group companies disclosed in your last definitive proxy statement filing will automatically be factored into ISS’ peer group construction process.

Updating Deadline and Procedure

To update your compensation peer group, you must submit your information to ISS beginning at 9:00 a.m. (EDT) on Monday, July 10, 2017 and ending at 8:00 p.m. (EDT) on Friday, July 21, 2017. To simplify updating, peer submissions flow through ISS Corporate Solutions’ (“ICS”). The peer submission form is available at login.isscorporatesolutions.com. As in past years, only companies may complete the submission process, not their outside advisors.

Contact Your Compensia Engagement Manager If You Have Questions

Please contact your Compensia engagement manager with any questions on the suitability of conducting this update for your company and for further assistance. ■

ISS New Pay-for-Performance Methodology – A Closer Look at the Gathering Storm (continued)

About Compensia

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