

# ISS Issues Mid-Year Reminder about Updating Compensation Peer Group

Institutional Shareholder Services (“ISS”) once again 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 during the remainder of 2016. ISS considers a company’s self-selected compensation peer group as 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 are interested in providing ISS with the compensation peer group that was used by your board compensation committee in its deliberations on executive compensation that will be disclosed in the definitive proxy statement that you file before the end of 2016, you should use this process to ensure that ISS has an up-to-date list of your peer companies in advance of the filing of this proxy statement. For more information on the ISS peer selection methodology, see ISS’ U.S. 2016 Peer Group Methodology “[Frequently Asked Questions](#).”

## Reminders

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

- Updating is necessary only if your company has updated the compensation peer group as reflected in your last proxy statement filing (which updated peer group was used in connection with your fiscal 2015 compensation actions and decisions)
- Only companies with Annual Meetings of Shareholders scheduled between September 16, 2016 and January 31, 2017 should consider updating their compensation peer group at this time. As in prior years, a separate submission process for companies with Annual Meetings of Shareholders scheduled on or after February 1, 2017 will be announced in late 2016.

## Updating Procedure

If you want to provide updated compensation peer group information, you must submit this information to ISS using a form that identifies the constituent-companies in the self-constructed compensation peer group that you used in setting the compensation of your Chief Executive Officer for the fiscal year that will be the subject of your next proxy statement filing. You can find the detailed information on this form and the submission process on the [ISS web site](#). Instructions on completing the form are contained therein.

If you made no changes to your compensation peer group as disclosed in your last definitive proxy statement, 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

To update your compensation peer group, you must submit your information to ISS beginning at 9:00 a.m. (EDT) on Tuesday, July 5, 2016 and ending at 8:00 p.m. (EDT) on Friday, July 15, 2016. Following submission, you will need to provide a PDF copy of the full peer group that you submitted online on your company’s letterhead. Without this verification, your updated compensation peer group will not be factored into your new ISS peer group. You may submit your verification letter to [peerfeedback@issgovernance.com](mailto:peerfeedback@issgovernance.com). Note that to confirm that the submission was made by an authorized party the confirmation email must be from the email domain of the company contact. Detailed instructions for this confirmation step are provided online as part of the submission process.

If you did not use a compensation peer group to determine executive compensation for your most recent fiscal year, you will have the opportunity to disclose this through the web form.

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**ISS Issues Mid-Year Reminder about Updating Compensation Peer Group (continued)****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. ■

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**About Compensia**

Compensia, Inc. is a management consulting firm that provides executive compensation advisory services to Compensation Committees and senior management.

**Silicon Valley**

125 S. Market Street  
Suite 1000  
San Jose, California 95113  
408.876.4025

**Timothy J. Sparks, President**  
tsparks@compensia.com  
408.876.4024

**Thomas G. Brown**  
tbrown@compensia.com  
408.876.4023

**Susan Gellen**  
sgellen@compensia.com  
408.907.4302

**Tom LaWer**  
tlawer@compensia.com  
408.907.4309

**Greg Loehmann**  
gloehmann@compensia.com  
408.907.4319

**San Francisco**

1550 Bryant Street  
Suite 740  
San Francisco, California 94103  
415.462.2990

**Mark H. Edwards, Chairman**  
medwards@compensia.com  
415.462.2985

**Mark A. Borges**  
mborges@compensia.com  
415.462.2995

**Erik Beucler**  
ebeucler@compensia.com  
408.907.4314

**Amanda Feyerabend**  
afeyerabend@compensia.com  
415.462.2988

**Southern California**

**Ralph Barry**  
rbarry@compensia.com  
858.603.2288

**Mathew T. Quarles**  
mqarles@compensia.com  
323.919.7338

**Pacific Northwest**

**Jason Borrevik**  
jborrevik@compensia.com  
408.876.4035