

ISS Issues Reminder about Updating Peer Group Ahead of 2017 Proxy Season

Institutional Shareholder Services (“ISS”) is inviting companies to update their self-constructed compensation peer groups in connection with its review of their executive compensation program during the 2017 proxy season. ISS uses a company’s self-selected compensation peer group as a key input in developing the peer group that it uses to evaluate the alignment of the company’s CEO pay 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.

Should You Update?

In deciding 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 current fiscal year pay decisions differs significantly from the peer group disclosed in your last filed proxy statement.
- At this time, updating is only relevant for companies in the Russell 3000 or Russell MicroCap Index with an Annual Meeting of Shareholders scheduled between February 1 and September 15, 2017. A separate submission process for companies with Annual Meetings of Shareholders scheduled after September 15th will be held later this year.

Only companies that have made changes to their compensation peer groups need to consider submitting their new peers.

Updating Deadline and Procedure

To update your compensation peer group, you may submit your information beginning on Monday, November 28, 2016. You must submit your information to ISS by Friday, December 11, 2016. To simplify updating, peer submis-

sions will flow through ISS Corporate Solutions’ (“ICS”) [Governance Analytics platform](#) »

This is the same location companies may use to download their complimentary ISS proxy research analysis and to verify data underlying their equity plans and ISS QualityScore. Additional instructions for companies on the peer submission window are expected to be released in the coming days.

If you have questions about the suitability of conducting this update for your company or on the updating process itself, please contact your Compensia engagement manager. ■

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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

Pacific Northwest

Jason Borrevik
jborrevik@compensia.com
408.876.4035