

ISS Issues Reminder about Updating Peer Group Ahead of 2015 Proxy Season

Institutional Shareholder Services is inviting companies to update their self-constructed compensation peer groups in connection with its review of their executive compensation program during the 2015 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 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 2014 executive compensation deliberations, you can submit this information to ensure that ISS has an up-to-date list of your peer group companies in advance of the filing of your 2015 proxy statement. For more information on the ISS peer selection methodology, see ISS' [U.S. 2015 Peer Group Methodology](#) "Frequently Asked Questions."

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 2014 pay decisions differs significantly from the peer group disclosed in your last filed proxy statement.
- At this time, updating is only relevant for companies with an Annual Meeting of Shareholders scheduled between February 1 and September 15, 2015. A separate submission process for companies with Annual Meetings of Shareholders scheduled after September 15th will be held later this year.

Updating Procedure

If you conclude that it may be helpful to provide ISS with updated compensation peer group information, you must submit this information to ISS using a form that identifies the constituent companies in the 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. Detailed instructions about this form and the submission process can be found at www.issgovernance.com.

Updating Deadline

To update your compensation peer group, you must submit your information to ISS by 8:00 p.m. (EST) on Thursday, December 11, 2014. 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.

Glass Lewis Has Similar Updating Process

Glass Lewis is also accepting peer group updates to be included in its 2015 Equilar Market peers calculations. U.S. companies in the Russell 3000 and Canadian companies in the S&P/TSX Composite Index that plan on filing updated peer groups can submit their new compensation peer groups on Equilar's [web site](#). Companies have until December 31, 2014 to update their compensation peer groups.

Need Assistance?

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. ■

ISS Issues Reminder about Updating Peer Group Ahead of 2015 Proxy Season (continued)

About Compensia

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

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