

ISS Issues Mid-Year Reminder about Updating Compensation Peer Group

Institutional Shareholder Services (“ISS”) has issued its annual 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 2018. ISS considers a company’s self-constructed 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 2018 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, see [here](#).

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 2018 pay decisions differs significantly from the peer group disclosed in your last filed proxy statement.
- Only companies in the Russell 3000 or Russell MicroCap Index with an Annual Meeting of Shareholders scheduled between September 16, 2018 and January 31, 2019 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, 2019 will be announced in late 2018.

If you 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 9, 2018 and ending at 8:00 p.m. (EDT) on Friday, July 20, 2018. To simplify updating, peer submissions flow through ISS Corporate Solutions’ (“ICS”) Governance Analytics Platform. The peer submission form is available at [ISS Governance Analytics](#). 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 Issues Mid-Year Reminder about Updating Compensation Peer Group (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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