

Deadline Approaching for Equilar Peer Submission Process and Enrollment for Glass Lewis Issuer Data Reports

December 22, 2016

Glass Lewis uses Equilar Market Peers to analyze companies' executive pay and relative company performance when formulating say-on-pay vote recommendations for its institutional investor clients. When developing Market Peers, Equilar takes into account each company's self-selected and disclosed peer group. Equilar is currently giving companies that plan to file proxy statements between January 15, 2017 and July 14, 2017 the opportunity to report changes to their peer groups. The deadline to participate is December 31, 2016.

In addition, Glass Lewis is currently allowing companies to enroll to receive free copies of issuer data reports for the 2017 proxy season. Issuer data reports allow companies to review and confirm or correct the key data points used by Glass Lewis in its analysis prior to the full Proxy Paper being published for Glass Lewis' institutional investor clients. While the issuer data report does not contain Glass Lewis' analysis or voting recommendations, the data points included are critical inputs for Glass Lewis' analysis. The deadline to enroll is January 6, 2017.

What are Equilar Market Peers?

Equilar uses analytics and algorithms to generate an interconnected peer group for each subject company consisting of "who you know" and "who knows you." The process starts with looking at each company's most recently disclosed peer group. Equilar then establishes a network consisting of four distinct categories: direct peers, second degree peers ("I list you as my peer and you list him"), incoming peers ("you list me as your peer") and peers of incoming peers. It defines and quantifies the interrelationships within peer networks, identifying companies with the strongest connection to a specific company. Equilar then evaluates the strength of these relationships and creates a list of the strongest connections.

How does Glass Lewis use the Equilar Market Peers?

Glass Lewis will use the Equilar Market Peers constructed in December 2016 to analyze companies' 2016 executive pay decisions and relative company performance for certain 2017 annual meetings. Although Glass Lewis bases its peer groups on Equilar Market Peers, the actual peer groups used by Glass Lewis could differ based on exclusion of companies as a result of fiscal year end changes or M&A activity, due to the fact that Glass Lewis only includes companies in the Russell 3000 index or the TSX Composite list, and because Glass Lewis limits the peer group size to no more than 15 companies.

What is the Equilar peer submission process?

Equilar Market Peers are calculated two times a year, in January and July. Equilar is currently constructing peer groups for companies that plan to file proxy statements between January 15, 2017 and July 14, 2017.

To enter your peer group information, go to https://insight.equilar.com/app/peer_update/. There is no charge for the peer

submission process. After the updated peer group companies are submitted, Equilar will send a confirmation email to the submitter with a copy to the issuer's corporate secretary to verify receipt of the update.

Should we participate in the Equilar peer submission process?

Yes. We generally encourage companies to participate in the Equilar peer submission process because doing so may result in greater overlap between the company's self-selected peer group and the Equilar Market Peers that are used by Glass Lewis. Compensation committees take great care in selecting appropriate peer groups and we think it is appropriate for Glass Lewis to analyze pay decisions and company performance compared to that carefully-chosen peer group. Participating in the peer submission process increases the likelihood that Glass Lewis will do so.

Companies that have already disclosed the peer groups used for making 2016 executive compensation decisions or companies that made no changes to their most recent proxy-disclosed peer groups do not need to participate. However, we encourage these companies to participate even if only to make sure that Equilar accurately captures their self-selected peer groups.

Which peer group do we submit?

The relevant peer group is the one used when making executive pay decisions for the fiscal year ending prior to the filing of proxy statements between January 15, 2017 and July 14, 2017.

What about emerging growth companies?

An emerging growth company that is subject to scaled proxy disclosure rules may participate in the peer submission process but should be prepared to voluntarily disclose the same peer group in its next proxy filing.

What are Glass Lewis issuer data reports?

Issuer data reports are data-only versions of Glass Lewis' Proxy Papers that are prepared and distributed before Glass Lewis finalizes its Proxy Paper analysis and vote recommendations for its institutional investor clients. Issuer data reports include the key data points used by Glass Lewis without the analysis or vote recommendations.

Issuer data reports are generally distributed to a company by email approximately three to four weeks before the company's annual meeting. The company is then given 48 hours to review the report and provide any corrections to Glass Lewis, together with publicly available documentation supporting the corrections. Glass Lewis then reviews the company's responses and will make appropriate corrections before publishing its Proxy Paper. Full versions of Proxy Papers are available for purchase prior to each company's annual meeting.

How do we get a Glass Lewis issuer data report?

Glass Lewis will provide a free issuer data report to most companies that enroll by January 6, 2017. However, availability is limited and Glass Lewis expects the allocation of free reports to fill up quickly. Companies can sign up to receive a copy at <http://www.glasslewis.com/issuer-data-report/>. Upon signing up, Glass Lewis will send an email response to the company confirming participation. Issuer data reports will only be available for companies that release their proxy materials at least 30 days before their annual meeting dates.

Only representatives of the company may sign up to receive an issuer data report. Consultants and other advisors may not sign up

on behalf of the company.

Should we sign up to receive a Glass Lewis issuer data report

Yes. Access to the issuer data report allows companies to confirm that the data used by Glass Lewis is accurate and reflects the information publicly available to shareholders.

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