



COMPENSATION ADVISORY PARTNERS

Independence. Client-Focus. Expertise.

1133 Avenue of the Americas | New York, NY 10036

Phone: (212) 921-9350 | Fax: (212) 921-9227 | capartners.com

MAKING THE MOST OF INTERACTIONS WITH THE COMPENSATION COMMITTEE

JUNE 8, 2016

Peter T. Chingos
Sr. Founding Partner

(212) 921-9351

Peter.chingos@capartners.com

AGENDA:

- ☑ Mind Set
- ☑ Build Partnership
- ☑ Charter
- ☑ Process
- ☑ Evaluation
- ☑ Education/ Trends
- ☑ Shareholder/ Investor Outreach
- ☑ Talent/ Succession



COMPENSATION COMMITTEE (CC) – MIND SET

- ◆ Communicate Early and Often
- ◆ Business Case
- ◆ Shareholder Alignment
- ◆ Holistic Perspective



BUILD PARTNERSHIP RELATIONSHIP WITH CC CHAIR

- ◆ Chief Human Resources Officer
- ◆ Tone and Flow
- ◆ Manage Agenda
- ◆ Liaison
- ◆ Facilitator



COMPENSATION COMMITTEE CHARTER

- ◆ Legal Document – NYSE
- ◆ Role, Responsibility, Membership, etc...
- ◆ Review Annually



COMPENSATION COMMITTEE PROCESS

- ◆ Annual Calendar
- ◆ Meeting Agenda/ Timelines
- ◆ Human Resources and Advisor Roles
- ◆ Pre-Meeting Process
- ◆ Executive Session
- ◆ CC Chair-Board Read Out



COMPENSATION COMMITTEE EVALUATION

- ◆ Human Resources and Advisor Effectiveness
- ◆ Content and Interaction
- ◆ Areas for Improvement



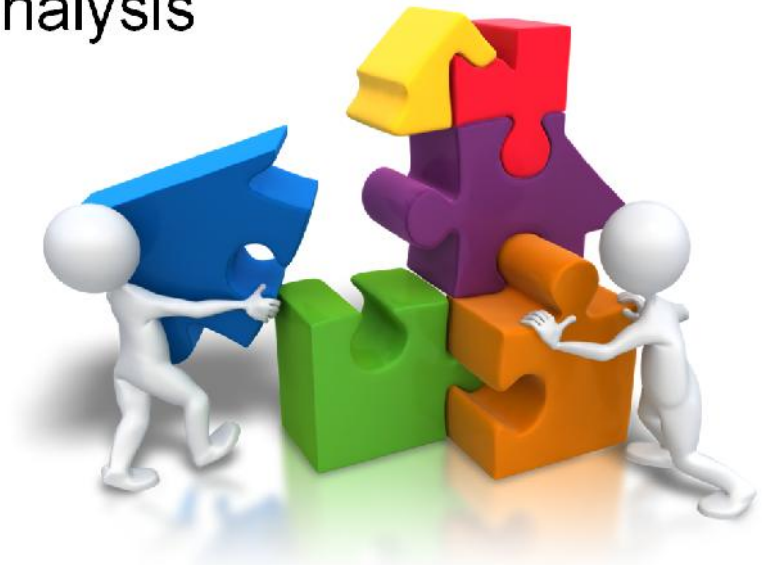
ANNUAL EDUCATION SESSION – TRENDS

- ◆ Executive Compensation Strategy
- ◆ Overall Program Design
- ◆ Incentive Design
- ◆ Performance Measures
- ◆ Peer Group Selection
- ◆ SEC/ Tax/ Accounting



SHAREHOLDER/ INVESTOR RELATIONS – OUTREACH

- ◆ Time Frames
- ◆ Coordination with HR/ IR/ Legal
- ◆ Chair/ CC Member/ Management Involvement
- ◆ ISS/ GL – Evaluation/ Feedback
- ◆ Compensation Discussion and Analysis



TALENT/ SUCCESSION PLANNING

- ◆ Chief Executive Officer
- ◆ Leadership/ Bench Strength
- ◆ Strengths/ Weaknesses
- ◆ Career Path
- ◆ Diversity
- ◆ Annual/ Ongoing





CAP COMPENSATION ADVISORY PARTNERS

Independence. Client-Focus. Expertise.