

STONERIDGE INC
Form 4
March 08, 2017

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
BEAVER THOMAS A

(Last) (First) (Middle)

C/O STONERIDGE, INC., 39675
MACKENZIE DR. SUITE 400

(Street)

NOVI, MI 48377

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
STONERIDGE INC [SRI]

3. Date of Earliest Transaction
(Month/Day/Year)

03/06/2017

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)

Vice President - Global Sales

6. Individual or Joint/Group Filing(Check Applicable Line)

X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
Common Shares, without par value				(A) or (D)	78,667	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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PROXY STATEMENT

2017 Annual Meeting of Stockholders of Rayonier Advanced Materials Inc.
Monday, May 22, 2017

The 2017 Annual Meeting of Stockholders of Rayonier Advanced Materials Inc. (the “Annual Meeting”) will be held on May 22, 2017, for the purposes set forth in the accompanying Notice of 2017 Annual Meeting. This Proxy Statement and the accompanying proxy card are furnished in connection with the solicitation by the Board of Directors of proxies to be used at the meeting and at any adjournment of the meeting. We may refer to Rayonier Advanced Materials Inc. in this Proxy Statement as “we”, “us”, “our”, the “Company” or “Rayonier Advanced Materials”.

GENERAL INFORMATION ABOUT THIS PROXY STATEMENT AND THE ANNUAL MEETING

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting

We are utilizing Securities and Exchange Commission (the “SEC”) rules that allow companies to furnish proxy materials to stockholders via the Internet. If you received a Notice of Internet Availability of Proxy Materials (the “Internet Notice”) by mail, you will not receive a printed copy of the proxy materials unless you specifically request one. The Internet Notice tells you how to access and review the Proxy Statement and our 2017 Annual Report to Stockholders (the “Annual Report”), which includes our 2016 Annual Report on Form 10-K, as well as instructions how to submit your proxy over the Internet. If you received the Internet Notice and would still like to receive a printed copy of our proxy materials, simply follow the instructions for requesting printed materials included in the Internet Notice.

The Internet Notice, these proxy solicitation materials and our Annual Report were first made available on the Internet and mailed to certain stockholders on or about April 7, 2017.

The Notice of 2017 Annual Meeting, this Proxy Statement and our Annual Report are available at www.ProxyVote.com.

QUESTIONS AND ANSWERS

Q: WHAT AM I VOTING ON?

A: You are being asked by the Company to vote on four matters: (1) the election of three Class III directors: DeLyle W. Bloomquist, Paul G. Boynton and Mark E. Gaumond (information about each nominee is included in the “Information as to Nominees for Election to the Board of Directors” section); (2) the approval, in a non-binding vote, of the compensation of our named executive officers as disclosed in this Proxy Statement (referred to herein as “Say on Pay”, information can be found in the “Advisory Vote on Say on Pay” section); (3) approval of the Rayonier Advanced Materials Inc. 2017 Incentive Stock Plan (more information can be found in “Item 3”); and (4) ratification of Grant Thornton LLP as the Company’s independent registered public accounting firm for 2017 (more information can be found in the “Ratification of Independent Registered Public Accounting Firm” section). The Board of Directors recommends that you vote “FOR” each of the director nominees listed above and “FOR” each of the other proposals.

Q: WHO IS ENTITLED TO VOTE?

A: The record holder of each of the 43,222,750 shares of Rayonier Advanced Materials common stock (“Common Stock”) outstanding at the close of business on March 24, 2017 is entitled to one vote for each share of stock owned.

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Q: HOW DO I VOTE?

A: You can vote in any one of the following ways:

You can vote on the Internet by following the “Vote by Internet” instructions on your Internet Notice or proxy card. You can vote by telephone by following the “Vote by Phone” instructions on the www.ProxyVote.com website referred to in the Internet Notice, or, if you receive hard copies of the proxy solicitation materials, by following the “Vote by Phone” instructions referred to in your proxy card.

If you receive hard copies of the proxy solicitation materials, you can vote by mail by signing and dating your proxy card and mailing it in the provided prepaid envelope. If you mark your voting instructions on the proxy card, your stock will be voted as you instruct. If you return a signed and dated card but do not provide voting instructions, your stock will be voted in accordance with the recommendations of the Board of Directors.

You can vote in person at the Annual Meeting by delivering a completed proxy card or by completing a ballot available upon request at the meeting. However, if you hold your stock in a bank or brokerage account rather than in your own name, you must obtain a legal proxy from your stockbroker in order to vote at the meeting.

Regardless of how you choose to vote, your vote is important and we encourage you to vote promptly.

Q: HOW DO I VOTE STOCK THAT I HOLD THROUGH AN EMPLOYEE BENEFIT PLAN SPONSORED BY THE COMPANY?

A: If you hold Common Stock of the Company through any of the following employee benefit plans, you can vote them by following the instructions above:

Rayonier Advanced Materials Inc. Investment and Savings Plan for Salaried Employees

Rayonier Advanced Materials Inc. Jesup Plant Savings Plan for Hourly Employees

Rayonier Advanced Materials Inc. Fernandina Plant Savings Plan for Hourly Employees

Note that if you do not vote your stock held in any of these Company employee benefit plans or do not specify your voting instructions on your proxy card, the trustee of the employee benefit plans will vote your plan stock in the same proportion as the stock for which voting instructions have been received. To allow sufficient time for voting by the trustee, your voting instructions for stock held in the above employee benefit plans must be received by May 18, 2017.

Q: WHAT DO I NEED TO DO TO ATTEND THE ANNUAL MEETING?

A: To attend the Annual Meeting, you will need to bring (1) proof of ownership of Common Stock as of the record date, which is the close of business on March 24, 2017 and (2) a valid government-issued photo identification. If you are a stockholder of record, proof of ownership can include your proxy card or the Internet Notice. If your stock is held in the name of a broker, bank or other holder of record, you must present proof of your beneficial ownership, such as a proxy obtained from your street name nominee (particularly if you want to vote your stock at the Annual Meeting) or a bank or brokerage account statement (in which case you will not be able to vote your stock at the Annual Meeting), reflecting your ownership of Common Stock as of the record date. If you do not have proof of ownership together with a valid picture identification, you will not be admitted to the meeting.

Admission to the Annual Meeting is limited to stockholders as of the record date and one immediate family member; one individual properly designated as a stockholder’s authorized proxy holder; or one qualified representative authorized to present a stockholder proposal properly before the meeting.

No cameras, recording equipment, large bags, briefcases, or packages will be permitted in the Annual Meeting. The Company may implement additional security procedures to ensure the safety of the meeting attendees.

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Q: IS MY VOTE CONFIDENTIAL?

Proxy cards, ballots and reports of Internet and telephone voting results that identify individual stockholders are mailed or returned directly to Broadridge Financial Services, Inc. ("Broadridge"), our vote tabulator, and handled in a manner that protects your privacy. Your vote will not be disclosed except:

- as needed to permit Broadridge and our inspector of elections to tabulate and certify the vote;
- as required by law;
- if we determine that a genuine dispute exists as to the accuracy or authenticity of a proxy, ballot or vote; or
- in the event of a proxy contest where all parties to the contest do not agree to follow our confidentiality policy.

Q: WHAT STOCK IS COVERED BY MY INTERNET NOTICE OR PROXY CARD?

You should have been provided an Internet Notice or proxy card for each account in which you own Common Stock either:

- directly in your name as the stockholder of record, which includes stock purchased through any of our employee benefit plans; or
- indirectly through a broker, bank or other holder of record.

Q: WHAT DOES IT MEAN IF I RECEIVE MORE THAN ONE INTERNET NOTICE OR PROXY CARD?

It means that you have multiple accounts in which you own Common Stock. Please vote all stock in each account for which you receive an Internet Notice or proxy card to ensure that all your stock is voted. However, for your convenience we recommend that you contact your broker, bank or our transfer agent to consolidate as many accounts as possible under a single name and address. Our transfer agent is Computershare. All communications concerning stock you hold in your name, including address changes, name changes, requests to transfer stock and similar issues, can be handled by making a toll-free call to Computershare at 1-866-246-0322. From outside the U.S. you may call Computershare at 201-680-6578.

Q: HOW CAN I CHANGE MY VOTE?

You can revoke your proxy and change your vote by:

- voting on the Internet or by telephone before 11:59 p.m. Eastern Daylight Time on the day before the Annual Meeting or, for employee benefit plan stock, the cut off date noted above (only your most recent Internet or telephone proxy is counted);
- signing and submitting another proxy card with a later date at any time before the polls close at the Annual Meeting;
- giving timely written notice of revocation of your proxy to our Corporate Secretary at 1301 Riverplace Boulevard, Suite 2300, Jacksonville, Florida 32207; or
- voting again in person before the polls close at the Annual Meeting.

Q: HOW MANY VOTES ARE NEEDED TO HOLD THE MEETING?

In order to conduct the Annual Meeting, a majority of the Common Stock outstanding as of the close of business on March 24, 2017 must be present, either in person or represented by proxy. All stock voted pursuant to properly submitted proxies and ballots, as well as abstentions and stock voted on a discretionary basis by banks or brokers in the absence of voting instructions from their customers, will be counted as present and entitled to vote for purposes of satisfying this requirement.

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Q: HOW MANY VOTES ARE NEEDED TO ELECT THE NOMINEES FOR DIRECTOR?

A: The affirmative vote of a majority of the votes cast with respect to each nominee at the Annual Meeting is required to elect that nominee as a director. For this proposal, a majority of the votes cast means that the number of votes "FOR" a nominee must exceed the number of votes "AGAINST" a nominee. Abstentions will therefore not affect the outcome of director elections.

Please note that under New York Stock Exchange ("NYSE") rules, banks and brokers are not permitted to vote the uninstructed stock of their customers on a discretionary basis (referred to as "broker non-votes") in the election of directors. As a result, if you hold your stock through an account with a bank or broker and you do not instruct your bank or broker how to vote your stock in the election of directors, no votes will be cast on your behalf in the election of directors. Because broker non-votes will have no effect on the outcome of the vote, it is critical that you instruct your bank or broker if you want your vote to be counted in the election of directors.

Q: HOW MANY VOTES ARE NEEDED TO APPROVE THE "SAY ON PAY" PROPOSAL?

A: The affirmative vote of a majority of shares of Common Stock represented in person or by proxy at the Annual Meeting and entitled to vote is required for approval, on an advisory basis, of the Say on Pay proposal. Abstentions will have the same effect as a vote "AGAINST" this proposal. Broker non-votes will not affect the outcome of the proposal.

Banks and brokers are not permitted to vote uninstructed stock for any Company proposals relating to executive compensation. As a result, if you hold your stock through an account with a bank or broker and you do not instruct your bank or broker how to vote your stock on this proposal, no votes will be cast on your behalf with regard to approval of the proposal. Because broker non-votes will have no effect on the outcome of the vote, it is critical that you instruct your bank or broker if you want your vote to be counted in the approval of the proposal.

Q: HOW MANY VOTES ARE NEEDED TO APPROVE THE RAYONIER ADVANCED MATERIALS INC. 2017 INCENTIVE STOCK PLAN?

A: The proposal to approve the Rayonier Advanced Materials Inc. 2017 Incentive Stock Plan will be approved if the number of votes cast "FOR" the Plan exceeds the number of votes cast "AGAINST" it plus abstentions. As a result, abstentions will have the same effect as a vote "AGAINST" the proposal, and broker non-votes will not affect the outcome of the vote.

Banks and brokers are not permitted to vote uninstructed stock for any Company proposals relating to executive compensation. As a result, if you hold your stock through an account with a bank or broker and you do not instruct your bank or broker how to vote your stock on this proposal, no votes will be cast on your behalf with regard to approval of the proposal. Because broker non-votes will have no effect on the outcome of the vote, it is critical that you instruct your bank or broker if you want your vote to be counted in the approval of the proposal.

Q: HOW MANY VOTES ARE NEEDED TO APPROVE THE RATIFICATION OF THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM?

A: The affirmative vote of a majority of shares of Common Stock represented in person or by proxy at the Annual Meeting and entitled to vote is required to ratify the appointment of the Company's independent registered public accounting firm. Abstentions will have the same effect as a vote "AGAINST" this proposal. We do not anticipate that there will be any broker non-votes with regard to the proposal.

Q: WILL ANY OTHER MATTERS BE VOTED ON?

A: We do not expect any other matters to be considered at the Annual Meeting. However, if a matter not listed on the Internet Notice or proxy card is legally and properly brought before the Annual Meeting, the proxies will vote on the matter in accordance with their judgment of what they believe to be in the best interest of our stockholders.

Under the Company's bylaws, all stockholder proposals must have been received by December 9, 2016 to be

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considered for inclusion in this Proxy Statement, and all other stockholder proposals and director nominations must have been received between January 23, 2017 and February 22, 2017 to be otherwise properly brought before the Annual Meeting. We have not received any stockholder proposals or director nominations from stockholders to be acted upon at the Annual Meeting.

Q: WHO WILL COUNT THE VOTES?

A: Representatives of Broadridge will count the votes, however submitted. A Company representative will act as inspector of elections.

Q: HOW WILL I LEARN THE RESULTS OF THE VOTING?

A: We will announce the voting results of the proposals at the Annual Meeting and in a Form 8-K to be filed with the SEC no later than four business days following the Annual Meeting.

Q: WHO PAYS THE COST OF THIS PROXY SOLICITATION?

A: The Company pays the costs of soliciting proxies and has retained The Proxy Advisory Group, LLC to assist in the solicitation of proxies and provide related advice and informational support. For these services, the Company will pay The Proxy Advisory Group, LLC a services fee and reimbursement of customary expenses, which are not expected to exceed \$30,000 in the aggregate. The Company will also reimburse brokers, dealers, banks and trustees, or their nominees, for reasonable expenses incurred by them in forwarding proxy materials to beneficial owners of the Common Stock. Additionally, directors, officers and employees may solicit proxies on behalf of the Company by mail, telephone, facsimile, email and personal solicitation. Directors, officers and employees will not be paid additional compensation for such services.

Q: WHEN ARE STOCKHOLDER PROPOSALS FOR THE 2018 ANNUAL MEETING OF STOCKHOLDERS DUE?

A: For a stockholder proposal (other than a director nomination) to be considered for inclusion in the Company's Proxy Statement for the 2018 Annual Meeting of Stockholders (the "2018 Annual Meeting"), the Company's Corporate Secretary must receive the written proposal at our principal executive offices no later than the close of business on December 8, 2017. Such proposals also must comply with SEC regulations under Rule 14a-8 regarding the inclusion of stockholder proposals in company-sponsored proxy materials. The submission of a proposal in accordance with these requirements does not guarantee we will include the proposal in our Proxy Statement or on our proxy card. Proposals should be addressed to:

Corporate Secretary
Rayonier Advanced Materials Inc.
1301 Riverplace Boulevard, Suite 2300
Jacksonville, Florida 32207

For a stockholder proposal (including a director nomination) to be properly brought before the stockholders at the 2018 Annual Meeting outside of the Company's Proxy Statement, the stockholder must comply with the requirements of the Company's bylaws and give timely notice in accordance with such bylaws, which, in general, require the notice be received by the Corporate Secretary: (i) no earlier than the close of business on January 22, 2018; and (ii) no later than the close of business on February 21, 2018.

If the date of the 2018 Annual Meeting is moved more than 30 days before or more than 60 days after May 22, 2018, then notice of a stockholder proposal that is not intended to be included in the Company's Proxy Statement must be received no earlier than the close of business 120 days prior to the meeting and not later than the close of business on the later of: (a) 90 days prior to the meeting; or (b) if the first public announcement of the date of the 2018 Annual Meeting is less than 100 days prior to the date of such meeting, 10 days after public announcement of the meeting date.

We strongly encourage any stockholder interested in submitting a proposal for the 2018 Annual Meeting to contact our Corporate Secretary at (904) 357-4600 prior to submission in order to discuss the proposal.

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NOTE ABOUT FORWARD-LOOKING STATEMENTS

Certain statements in this Proxy Statement, including statements in the Compensation Discussion and Analysis, regarding anticipated financial, business, legal or other outcomes, including business and market conditions, outlook and other similar statements regarding the Company, and the assumptions on which those statements are based, are “forward-looking statements” made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements are identified by the use of words such as “may,” “will,” “should,” “expect,” “estimate,” “believe,” “intend,” “anticipate,” “forecast” and other similar language. The absence of these or similar words or expressions does not mean a statement is not forward-looking. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties that may cause actual events, results, or performance to differ materially from those indicated by the forward-looking statements. A detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in Item 1A - Risk Factors in our Annual Report on Form 10-K. Forward-looking statements are only as of the date they are made, and the Company undertakes no duty to update its forward-looking statements except as required by law.

NOTE ABOUT NON-GAAP FINANCIAL MEASURES

This document contains and discusses certain non-GAAP (as defined below) financial measures, including Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”) and adjusted free cash flows. These non-GAAP measures are discussed in the Compensation Discussion and Analysis section and in the Advisory Vote on “Say on Pay” section and are reconciled to each of their respective most directly comparable GAAP financial measures as described therein.

We believe these non-GAAP measures provide useful information to our Board of Directors, management and investors, and our management uses these non-GAAP measures to compare our performance to that of prior periods for trend analyses, for purposes of determining management incentive compensation and budgeting, forecasting and planning purposes.

We do not consider these non-GAAP measures an alternative to financial measures determined in accordance with U.S. Generally Accepted Accounting Principles (“GAAP”). The principal limitations of these non-GAAP financial measures are that they may exclude significant expenses and income items that are required by GAAP to be recognized in our consolidated financial statements. In addition, they reflect the exercise of management’s judgment about which expenses and income items are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management provides reconciliations of the non-GAAP financial measures we use to their most directly comparable GAAP measures. Non-GAAP financial measures should not be relied upon, in whole or part, in evaluating the financial condition, results of operations or future prospects of the Company.

**SEPARATION
OF THE
COMPANY
FROM
RAYONIER
INC.**

On June 27, 2014, the Company became an independent, publicly-traded company as a result of the distribution by Rayonier Inc. (“Rayonier”) of 100% of the outstanding Common Stock of the Company to Rayonier’s shareholders, which we refer to as the “Separation”. The Company was incorporated in Delaware as a wholly owned subsidiary of Rayonier on January 16, 2014 and is comprised of Rayonier’s former performance fibers business. The Company’s Registration Statement on Form 10 was declared effective by the SEC on June 13, 2014. For additional information,

please see our Information Statement, which is attached as Exhibit 99.1 to the Company's Report on Form 8-K filed with the SEC on June 18, 2014.

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CORPORATE
GOVERNANCE
HIGHLIGHTS

Our Board of Directors recognizes our need for effective corporate governance that allows our Board and management, while focused primarily on the creation of long term value for our stockholders, to also consider the interests of our employees and the communities in which we do business. Supporting that philosophy, we have adopted many leading corporate governance practices, including:

Practice	Description
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BOARD COMPOSITION AND ACCOUNTABILITY

Independence	Our Corporate Governance Principles (CGPs) require that not less than 75% of our directors must be independent. Currently 89% (8 of 9) of our directors are independent and each of our Board committees consists entirely of independent directors. See “Director Independence” section.
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Experience and Qualifications	The composition of our Board represents a diverse and broad mix of skills, experience, knowledge and perspectives relevant to our business. A summary of relevant director experience can be found in the “Director Qualifications” section.
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Independent Lead Director	Our CGPs require an Independent Lead Director with specific responsibilities to ensure independent oversight of management whenever our CEO is also the Chair of the Board. See “Independent Lead Director” section.
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Annual Management Succession Planning Review	Our Board conducts an annual review of management development and succession planning for the CEO and Company senior leadership. See “Management Succession Planning” section.
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Director Tenure	Our CGPs provide that no director may be nominated for election following the director’s 74 th birthday. In addition, a director is required to submit an offer of resignation for consideration by the Board upon any significant change in the director’s principal employment or personal circumstance that could adversely impact his or her reputation or the reputation of the Company. See “Director Qualifications” section.
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Director Overboarding Limits	Our CGP’s contain provisions to ensure that each of our directors is able to dedicate the meaningful amount of time and attention necessary to be a highly effective member of the Board. A director who is not serving as CEO of a public company may serve on no more than three public company boards (in addition to our Board) and a director serving as the CEO of a public company (including our CEO) may serve on no more than one other public company board (in addition to our Board). Also, no director serving on the Company’s Audit Committee may also serve on the Audit Committee of more than two other companies.
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Mandatory Stock Ownership	Each of our directors is required to own Company stock totaling not less than the number of shares constituting the equity portion of his or her annual retainer for the previous four years. See “Mandatory Stock Ownership” section.
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Limit on Equity Awards	Our Equity Incentive Plan limits annual director equity awards. See “Limit on Annual Equity Awards” section.
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SHAREHOLDER RIGHTS

Single Voting Class	All holders of Rayonier Advanced Materials common stock have the same voting rights -- one vote per share of stock.
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Majority Voting Standard for Director Elections	Our by-laws mandate that directors be elected under a “majority voting” standard in uncontested elections. Each director must receive more votes “For” his or her election than votes “Against” in order to be elected.
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Director Resignation	Any incumbent nominee for director who does not receive the affirmative vote of a majority of the votes cast in any uncontested election must promptly offer to resign. The Nominating and
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Explanation of Responses:

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Corporate Governance Committee will make a recommendation on the offer and the Board must accept or reject the offer and publicly disclose its decision and rationale.

No Poison Pill

We do not have a shareholder rights plan, also known as a “poison pill” in place.

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ITEM 1 -
ELECTION
OF
DIRECTORS

Our Board of Directors is responsible for establishing overall corporate policy and for overseeing management and the ultimate performance of the Company. The Board reviews strategy and significant developments affecting the Company and acts on matters requiring Board approval. The Board held 11 meetings during fiscal year 2016 and all directors attended at least 75% of the combined total of all (i) Board meetings and (ii) meetings of committees of the Board of which the director was a member during his or her tenure as a Board member.

The Board consists of three classes, each comprised of three directors. Directors for each class will be voted on at the annual meeting of stockholders held in the year in which the term for that class expires, and after election, will serve for a term of three years. The terms of the Class III directors expire at the 2017 Annual Meeting and such directors are presented for election. The terms of the Class I directors will expire at the 2018 Annual Meeting, and the terms of the Class II directors are set to expire at the 2019 Annual Meeting.

Accordingly, stockholders are being asked to vote on the election of the three Class III directors, each to serve until the 2020 Annual Meeting of Stockholders (and their successors are duly elected and qualified). The Board has no reason to believe any nominee will be unable to serve as a director. If, however, a nominee should be unable to serve at the time of the Annual Meeting, Common Stock properly represented by valid proxies will be voted in connection with the election of a substitute nominee nominated by the Board. Alternatively, the Board may either allow the vacancy to remain unfilled until an appropriate candidate is located or may reduce the authorized number of directors to eliminate the unfilled seat.

If any incumbent nominee for director should fail to receive the required affirmative vote of a majority of the votes cast with regard to his or her election, under Delaware law (the Company's state of incorporation) the director would remain in office as a "holdover" director until a successor is elected or the director resigns, retires or is otherwise removed. In such a situation, our CGPs require the director to tender his or her resignation to the Board. The Nominating and Corporate Governance Committee (the "Nominating Committee") would then consider such resignation and make a recommendation to the Board as to whether to accept or decline the resignation. The Board would then make a determination and publicly disclose its decision and rationale within 90 days after receipt of the tendered resignation.

Director Qualifications

We believe the members of our Board of Directors have an optimal mix of relevant and diverse experience, skills, knowledge and expertise given the Company's business, together with demonstrated integrity, judgment, leadership and collegiality, to effectively advise and oversee management in executing our strategy. There are no specific minimum qualifications for director nominees other than, as required by our CGPs, no director nominee may stand for election after he or she has reached the age of 74. In identifying and evaluating potential nominees, our Nominating Committee seeks individuals who have the experience, skills, knowledge, expertise and personal and professional integrity to be effective, in conjunction with the other Board members, in collectively serving the long-term interest of our stockholders. Criteria for Board membership are periodically evaluated by the Nominating Committee taking into account the Company's strategy, objectives, markets, operations, regulatory environment and other relevant factors, as well as changes, if any, in applicable laws and NYSE listing standards.

The Nominating Committee believes that each of our directors has an established record of accomplishment in areas relevant to our business and objectives and possesses the characteristics identified in our CGPs as essential to a well-functioning and deliberative governing body, including integrity, independence and commitment.

Each of the directors listed below, including the three nominees for election, has experience as a senior executive and also is serving or has served as a director of one or more private or public companies and on a variety of board

Explanation of Responses:

committees. As such, each has executive experience, as either or both of a director or senior executive, in most, if not all, of the following areas which are critical to the conduct of the Company's business; strategy development and implementation, global operations, risk assessment and management, accounting and financial reporting, internal controls, corporate finance, the evaluation, compensation, motivation and retention of senior executive talent, public

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policy as it impacts global industrial companies, compliance program oversight and corporate governance. Many of the directors also bring particular insights into specific end-markets and geographic markets that are important to the Company. Our directors collectively provide a range of perspectives, experiences and competencies well-suited to providing advice and counsel to management and to overseeing the Company’s business and operations. In addition to these qualifications, which are shared by the three nominees for election, more specific information about each of our directors’ individual experience and qualifications is included below.

The graph below shows the number of directors who have certain of the skills, qualifications and experience in key areas that are important for the Board’s management and oversight of the Company’s business.

DIRECTOR EXPERIENCE

(number of directors with relevant experience)

Public Company Governance/Board Experience (other than the Company)	7
Finance Expertise/Accounting	5
International Business	5
Manufacturing/Distribution	5
Industry Experience (Forest Products and/or Chemical)	4
Public Company CEO	3
Legal/Compliance	3
Consulting/Academic	2

A biography of each member of the Company’s Board of Directors, including the three nominees for election, is set forth below. Also included is a statement regarding each nominee’s individual qualifications for Board service, as well as a statement of individual qualifications for each of the other directors.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE “FOR” EACH OF THE THREE NOMINEES NAMED BELOW FOR ELECTION TO THE BOARD OF DIRECTORS.

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Information as to the Three Nominees for Election to the Board of Directors

Class III, Terms Expiring in 2017

DE LYLE W. BLOOMQUIST, Age 57 Director Since 2014

Mr. Bloomquist retired in March 2015 as the President, Global Chemical Business of Tata Chemicals Limited (an international inorganic chemical and fertilizer manufacturing company), a position he held since 2009. Previously, he served as President and Chief Executive Officer (“CEO”) of General Chemical Industrial Products (which was acquired by Tata Chemicals in 2008) from 2004 to 2009. Prior to that, Mr. Bloomquist served at General Chemical Group Inc. in positions of increasing responsibility from 1991 to 2004, including Division Vice President and General Manager, Industrial Chemicals and Vice President and Chief Operating Officer. Mr. Bloomquist serves on the Board of Directors of Crystal Peak Minerals Inc. f/k/a EPM Mining Ventures Inc., Huber Engineered Materials, Costa Farms, Inc. and PDS Biotechnology Corporation. He also serves on the Board of Business Advisors for the Tepper School of Business at Carnegie Mellon University. Mr. Bloomquist is a graduate of Brigham Young University and holds an MBA from Carnegie Mellon University.

Mr. Bloomquist has over 25 years of domestic and international experience in the chemicals industry, including in the areas of finance, sales, logistics, operations, IT, strategy and business development, as well as CEO and other senior leadership experience. We believe Mr. Bloomquist’s depth and breadth of experience and expertise in the chemicals industry makes him particularly well suited to assist the Board with operational and strategic decisions about the Company’s business.

PAUL G. BOYNTON, Age 52 Director Since 2014

Mr. Boynton is Chairman, President and CEO of the Company, a position he has held since June 2014. Previously he held a number of positions of increasing responsibility with Rayonier, including Senior Vice President, Performance Fibers from 2002 to 2008, Senior Vice President, Performance Fibers and Wood Products from 2008 to 2009, Executive Vice President, Forest Resources and Real Estate from 2009 to 2010, President and Chief Operating Officer from 2010 to 2011, President and CEO from January 2012 to May 2012 and Chairman, President and CEO from May 2012 to June 2014. Mr. Boynton joined Rayonier as Director, Specialty Pulp Marketing and Sales in 1999. Prior to joining Rayonier, he held positions with 3M Corporation from 1990 to 1999, including as Global Brand Manager, 3M Home Care Division. Mr. Boynton serves on the Board of Directors of The Brink’s Company, is also a member of the Board of Governors and its Executive Committee of the National Council for Air and Stream Improvement, a member of the Board of Directors of the National Association of Manufacturers and a member of the Board of Directors of the Federal Reserve Bank of Atlanta’s Jacksonville Branch. From 2012 until 2014 Mr. Boynton also served as a director of Rayonier. He holds a bachelor’s degree in Mechanical Engineering from Iowa State University, an MBA from the University of Iowa and graduated from the Harvard University Graduate School of Business Advanced Management Program.

As a result of Mr. Boynton’s previous service as Rayonier’s President and CEO from January 2012 to June 2014 and as its Chairman from May 2012 to June 2014, and his previous service as Senior Vice President, Performance Fibers and Senior Vice President, Performance Fibers and Wood Products, Mr. Boynton has developed valuable business, management and leadership experience, as well as extensive knowledge of the Company and long-standing relationships with its major customers. We believe this experience, together with his marketing and engineering background, make Mr. Boynton uniquely well suited to help lead the Board’s considerations of strategic and operational decisions and manage the Company’s business.

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MARK E. GAUMOND, Age 66 Director Since 2014

Mr. Gaumont is the former Americas Senior Vice Chair - Markets of Ernst & Young (a global leader in assurance, tax, transaction and advisory services), a position he held from 2006 to 2010. Previously he served as Ernst & Young's Managing Partner, San Francisco from 2003 to 2006 and as an audit partner on several major clients. Prior to joining Ernst & Young, Mr. Gaumont was a Managing Partner with Arthur Andersen from 1994 to 2002 and a partner in the firm's audit practice from 1986 to 1994. Mr. Gaumont serves on the Boards of Directors of Booz Allen Hamilton Holding Corporation, First American Funds, the Fishers Island Development Corporation and the Walsh Park Benevolent Corporation. He formerly served as a director of Cliffs Natural Resources, Inc. from July 2013 to September 2014, Rayonier from November 2010 to June 2014, and is a former trustee of the California Academy of Sciences. Mr. Gaumont holds a bachelor's degree from Georgetown University, College of Arts and Sciences and an MBA from the Leonard N. Stern School of Business, New York University. In addition, Mr. Gaumont is a member of The American Institute of Certified Public Accountants.

Mr. Gaumont has 35 years of managerial, financial and accounting experience working extensively with senior management, audit committees and boards of directors of public companies. We believe Mr. Gaumont's experience and financial expertise allow him to significantly contribute to our Board's oversight of the Company's overall financial performance, auditing and its external auditors, and controls over financial reporting.

Information as to Other Directors

Class I, Terms to Expire in 2018

CHARLES E. ADAIR, Age 69 Director Since