Dear Sir or Madam,

The ISS 2015 Benchmark Policy consultation for "Equity Plan Scorecard" requests comments on two particular questions. Please find below a submission on behalf of Devon Energy Corporation addressing the second question, "Do you see unintended consequences from shifting to a scorecard approach?"

Thank you, in advance, for considering our submission prior to finalizing the policy.

Regards,

Jeremy

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Devon Energy Corporation (Devon) supports several of the items on the scorecard, however we do anticipate three unintended consequences arising if the scorecard approach lacks clarity or allows broad discretion in interpretation and application.

The scorecard approach may introduce uncertainty for companies designing long-term incentive plans (LTIPs).

Unlike a say-on-pay (SOP) vote, a shareholder LTIP vote is not advisory. Failure to receive shareholder approval for an LTIP denies the company the use of long-term incentives in their employee attraction and retention efforts. To the extent that the weighting and application of the scorecard approach lacks clarity, it is likely to introduce uncertainty into company's hiring and workforce management efforts.

The scorecard approach may be costly for companies and shareholders.

We note above the very real consequences of a failed LTIP vote. While Devon wholeheartedly supports companies' ability to choose any advisor or none, the existence of unclear ISS policies related to binding votes can exert undue pressure to enter into expensive business engagements with ISS Consulting in order to enhance the probability of a *For* voting recommendation.

The scorecard approach may be used by ISS Research staff to promote positions beyond the policy or be applied arbitrarily.

Whenever a policy allows for discretion, problems with equitable application may arise. Devon experienced this with the ISS Research staff's approach to making SOP recommendations. In making one *Withhold* recommendation and another *cautionary For* recommendation on Devon's SOP proposals, ISS Research cited as reason the potential that the CEO's pension could provide a compensation "soft landing." The soft landing critique does not have a foundation in the published ISS voting guidelines, so this very much seemed to be the act of an analyst promoting a personal agenda or floating a trial position. Further, from research on how this critique has been utilized with similarly situated companies, it is apparent that the application is completely arbitrary. The scorecard approach to equity plans, if lacking clarity or allowing broad discretion, may introduce similar pitfalls.