

MYERS INDUSTRIES INC
Form DEF 14A
March 21, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

(RULE 14A-101)

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES
EXCHANGE ACT OF 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12
MYERS INDUSTRIES, INC.

(NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

(NAME OF PERSON(S) FILING PROXY STATEMENT, IF OTHER THAN THE REGISTRANT)

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(1) Amount previously paid:

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(3) Filing Party:

(4) Date Filed:

NOTICE OF 2017

ANNUAL MEETING OF SHAREHOLDERS

AND PROXY STATEMENT

1293 South Main Street — Akron, Ohio 44301

March 21, 2017

Dear Fellow Shareholders,

On behalf of the Board of Directors of Myers, I am writing to update you about our work on behalf of the shareholders of the company.

The board has been actively engaged in one of its most important functions: hiring and monitoring management. Our very capable and highly energetic CEO, Dave Banyard, assumed that role in December 2015. A new head of Human Resources, Kevin Gehrt, came aboard in September and Matteo Anversa joined Myers as its Chief Financial Officer in December. Our two business segments gained new leadership as well, with Mike Valentino becoming head of the Material Handling segment and Alex Williamson being named head of the Distribution segment, both highly qualified internal candidates.

Vice President and Controller Kevin Brackman earned our thanks for his diligent and conscientious work as Interim Chief Financial Officer, from March through November.

As a board, we are a relatively new team. Three directors joined the Myers board between 2007 and 2010, and five directors joined the board in the past two years. Myers' board now includes two women, with Jane Scaccetti's election in April 2016. Myers follows several best practices in corporate governance. For example, we conduct annual elections for all directors, we ensure there is an independent board chair and committees of only independent board members, and we have engaged an independent third party to conduct annual self-evaluations of our board.

During the summer and fall, the board engaged in comprehensive and vigorous strategy sessions. These dynamic discussions continue as strategy implementation begins.

The Myers board has three Committees: Audit, Compensation, and Nominating & Governance. Our Audit Chair, Bob Stefanko, worked tirelessly with management, our external accounting team of Ernst & Young LLP, internal auditors, and consultants to improve the company's controls. In April 2016, the board approved implementation of more robust internal control procedures for financial reporting. Between meetings, Bob has been reporting on the status of the implementation of these procedures to the Audit Committee and to the full board. Given our prior material weaknesses in internal controls, the Audit Committee has been holding intensive and lengthy meetings, scheduled independently of other Committee and board meetings. We believe we are effectively addressing the internal control issues with these robust, sustainable process improvements.

Our relatively new Compensation Committee Chair, Sarah Coffin, led our efforts to design shareholder-aligned compensation packages to attract high-quality executives to Myers, while at the same time making changes to reflect industry and governance best practices. For example, the company does not enter into employment contracts, nor do we reprice underwater options or provide perquisites. The majority of compensation is tied to financial performance and long-term incentives—our objective is to align management and shareholders' interests. We want our management to act like all of us as owners and have designed our compensation plans to reflect this goal.

Our Nominating and Governance Chair, John Crowe, continues to emphasize ongoing director education, while monitoring conferences and symposiums attended by the directors and information sharing by fellow directors. In September, a number of us attended the annual meeting of the National Association of Corporate Directors. Over several days, we learned about best practices of corporate governance, which we shared with the full board. Importantly, in both January 2016 and January 2017, the entire board conducted an evaluation using an independent third party. In each of these past two years, we have evaluated individual directors, each committee, and the board as a whole. The results of this comprehensive exercise have been communicated, confidentially, to

each director and to the board by outside counsel. We believe this exercise, used by only a minority of companies, has been enormously useful in optimizing the effectiveness of the Myers' board on behalf of our shareholders. In addition, this committee is focused on succession planning and discusses this topic at each meeting.

In an effort to improve our "say on pay" results by better articulating our compensation practices and governance principles, last fall we reached out to leading proxy advisors and each of the company's shareholders who owned more than 1% of our shares to solicit their opinions. We are pleased that ten of thirteen of such shareholders agreed to engage with us in order to discuss governance and compensation matters. From September through November, Sarah Coffin, our head of investor relations, Monica Vinay, and I spoke with these shareholders (who, cumulatively, own approximately 65% of Myers' shares). We greatly appreciated the frank conversations and these shareholders' valuable insights on a number of matters (including, but not limited to, board composition, compensation, say on pay, strategic planning, and over boarding of directors) and have adopted improvements as a result of this feedback.

We welcome feedback from our owners. Shareholders may send such communications by email to governance@myersind.com or by mail or courier delivery addressed as follows: Board of Directors (or Committee Chair, Board Member or Non-Management Directors, as the case requires), c/o Chief Financial Officer and Corporate Secretary, Myers Industries, Inc., 1293 South Main Street, Akron, Ohio 44301 as more fully outlined in our Communication Procedures for Interested Parties and Shareholders available on the Company's website www.myersind.com.

The board remained active and engaged throughout 2016 and begins 2017 with a renewed commitment to building long-term shareholder value at Myers. Thank you for your continued support of the company and confidence in our efforts on your behalf.

Sincerely,
F. Jack Liebau, Jr.
Chairman of the Board

Dear Shareholders,

The Board of Directors has fixed the close of business on March 2, 2017 as the record date for the determination of shareholders entitled to notice of and to vote at the Annual Meeting. This Proxy Statement, together with the related proxy card and our 2016 Annual Report to Shareholders, is being mailed to our shareholders on or about March 21, 2017. To be sure that your shares are properly represented at the Annual Meeting, whether or not you intend to attend the Annual Meeting via live webcast or in person, please complete and return the enclosed proxy card, or follow the instructions to vote by telephone or internet, as soon as possible.

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If you have any questions or need assistance in voting your shares, please contact our Investor Relations Department at (330) 761-6212.

By Order of the Board of Directors,

R. DAVID BANYARD
President and Chief Executive Officer

Akron, Ohio

March 21, 2017

THE 2016 ANNUAL REPORT TO SHAREHOLDERS ACCOMPANIES THIS NOTICE

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on April 26, 2017 (the "Annual Meeting"): This Proxy Statement and the Company's 2016 Annual Report to Shareholders are available on Myers' website at <http://investor.myersindustries.com/investor-relations/financial-information/default.aspx>.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Date: Wednesday, April 26, 2017
Time: 9:00 A.M. (local time)
Location: The live webcast of the meeting will be available on the Investor Relations section of the Company's website at www.myersindustries.com and the meeting will be held in person at:

1554 South Main Street, Akron, OH 44301.

Record Date: March 2, 2017

Items of Business

1. To elect the nine candidates nominated by the Board of Directors to serve as directors until the next Annual Meeting of Shareholders;
2. To cast a non-binding advisory vote to approve executive compensation;
3. To provide an advisory vote on the frequency of future advisory votes regarding the Company's executive compensation;
4. To approve the adoption of the Amended and Restated 2017 Incentive Stock Plan;
5. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal 2017; and
6. To consider such other business as may be properly brought before the meeting or any adjournments thereof.

The Board recommends that you vote "FOR" each of the director nominees included in Proposal No. 1, "FOR" each of the Proposals 2, 4 and 5 and for a frequency of one (1) year for Proposal 3. The full text of these proposals is set forth in the accompanying Proxy Statement.

How to Vote

| | | | |
|-------------------------|------------------------------------------------------------|----------------------------|-------------------------------------------------------------|
| By Telephone | By Internet | By Mail | Via Webcast or |
| You may vote by calling | You may vote online at | You may vote by completing | In Person |
| 1-800-690-6903. | www.proxyvote.com . | and returning the enclosed | All shareholders are cordially invited to attend the Annual |

proxy card. Meeting via
live webcast or
in person.

PROXY STATEMENT SUMMARY

Below are the highlights of important information you will find in this Proxy Statement. As this is only a summary, we request you please review the full Proxy Statement before casting your vote.

| Meeting Information | Summary of Voting Matters | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|--------------------------------|--------------|
| Time and Date: | Voting Matter | Board | Page |
| 9:00 a.m., Eastern Standard Time, on Wednesday, April 26, 2017 | Proposal 1 – Election of Directors | Recommendation FOR EACH | 15 27 |
| Location: The live webcast of the meeting will be available on the Investor Relations section of the Company’s website at www.myersindustries.com and the meeting will be held in person at: 1554 South Main Street, Akron, OH 44301. | Proposal 2 – Advisory Vote to Approve Executive Compensation | NOMINEE FOR | 29 53 |
| Audio Webcast: On our website, www.myersindustries.com, under the Investor Relations tab | Proposal 3 – Advisory Vote on Frequency of Future Advisory Votes on Executive Compensation | FOR FOR | 59 |
| | Proposal 4 – Approval of Adoption of Amended and Restated 2017 Incentive Stock Plan | | |
| | Proposal 5 – Ratification of Appointment of Independent Registered Public Accounting Firm | | |

Recent Highlights and Achievements

New Leadership: Myers Industries recently hired and promoted new leaders to key positions:

• **Dave Banyard, President and CEO.** Mr. Banyard brings significant experience to the Company, including a proven track record of outperforming market growth, expanding profit margins and driving improved cash flow performance

• **Matteo Anversa, Executive Vice President, CFO, and Secretary.** Mr. Anversa brings an extensive background in operational finance, planning and analysis, internal audit, controls and compliance

• **Kevin Gehrt, Vice President of Human Resources.** Mr. Gehrt brings an extensive background in talent development and management, sales productivity and continuous improvement, corporate governance, organization design, compensation, and employee benefits

• **Promoted Mike Valentino to Group President, Material Handling Segment, and Alex Williamson to Group President, Distribution Segment**

Business Highlights: Myers Industries completed several key steps towards executing its long-term strategy:

• **Niche market success and growth:** The Company grew its niche market presence through a number of wins in two of its strategic markets - Vehicle and Auto Aftermarket

• **Improved operating model:** The Company significantly reduced working capital at certain businesses and reduced inventory at each of its businesses in the Material Handling Segment

Improved internal controls process: The Company reviewed and has improved the internal control processes at every business

Returned cash to shareholders: The Company returned \$16 million of cash to shareholders through dividend payments

PROXY STATEMENT SUMMARY (CONTINUED)

Enterprise Strategy: The Company's management and Board of Directors of the Company (the "Board" or "Board of Directors") have together developed a strategic vision for the Company. This strategy is guided by three key operating principles:

Niche market focus

Flexible operations

Strong cash flow growth

The Company will execute this strategy using the following business model:

Segmentation of each market

Deeper penetration of each segment with existing products and innovative new products

Simplified and well organized operations

Adopting and implementing 80/20 and lean principles

Producing only the highest value-add products and using partners for all others

Employing an asset light business model

Deploying cash flow on value enhancing acquisitions

The Company's management aims to instill a culture where safety and efficiency are part of every aspect of the business, and where employees are empowered to act like owners. The Company's management and Board of Directors work hand-in-hand to develop our strategic vision and together review the Company's strategy and performance periodically throughout the year.

Enhancement of Internal Controls: In 2016, following the review and approval of the Board, the Company (under the oversight of the Audit Committee) took a number of actions to improve and ensure effective internal controls over financial reporting, including:

Reviewed and updated internal control processes and documentation at every business to identify and remediate control gaps

Completed independent balance sheet and account reconciliation reviews at every business unit during the calendar year 2016

Ensured all reviews were conducted by members of the corporate controller group

Supplemented the technical competence of the accounting staff with additional training and resources

Management provided monthly updates to the Audit Committee Chair and quarterly updates to the entire Audit Committee regarding the Company's internal controls over financial reporting.

PROXY STATEMENT SUMMARY (CONTINUED)

Governance Highlights

Myers Industries is committed to applying sound corporate governance practices. We believe sound governance practices are in the best interest of our shareholders, and strengthen accountability within the organization.

| | | | |
|---------------------------------------------------|------------|-------------------------------------------|-----|
| Annual Elections | Yes | Stock Ownership Guidelines for Executives | Yes |
| Independent Board Chair | Yes | Anti-Hedging and Anti-Pledging | Yes |
| Board Independence | 89% | Code of Conduct and Ethics | Yes |
| Committee Independence | 100% | Board Member Recruiting Guidelines | Yes |
| Number of Financial Experts | 4 | Executive Sessions of the Board | Yes |
| Board Diversity | 22% female | Anonymous Reporting | Yes |
| Board Committees Complete Annual Self-Evaluations | Yes | Clawback Policy | Yes |
| Over-Boarding Policy | Yes | | |
| Director Nominees | | | |

You are being asked to vote on the election of the following nine director candidates. Detailed information on each director is available starting on page 16.

| Director | | | Committee Memberships | | |
|-------------------------------|-----|-------|-------------------------------------------------------------------------------------|-------------------|-------------------------|
| Name | Age | Since | Experience | Independent Audit | Compensation Governance |
| R. David Banyard | 48 | 2016 | President, CEO, Myers Industries, Inc. | No | |
| Sarah R. Coffin | 64 | 2010 | Former CEO, Aspen Growth Strategies, LLC. | Yes | CHAIR |
| John B. Crowe | 70 | 2009 | Former CEO and Chairman of Buckeye Technologies, Inc. | Yes | CHAIR |
| William A. Foley | 69 | 2011 | Chairman of the Board and CEO, Libbey Inc. (NYSE: LBY) | Yes | |
| Daniel R. Lee | 60 | 2016 | CEO, President and Director of Full House Resorts, Inc. | Yes | |
| F. Jack Liebau, Jr. Chairman* | 53 | 2015 | Former President and CEO of Roundwood Asset Management | Yes | |
| Bruce M. Lisman | 70 | 2015 | Former Chairman of the Global Equity Division, JP Morgan Chase & Co. (NYSE: JPM) | Yes | |
| Jane Scaccetti | 62 | 2016 | CEO and founding partner of Drucker & Scaccetti | Yes | |
| Robert A. Stefanko | 74 | 2007 | Former Chairman and EVP of Finance and Administration of A. Schulman, Inc. (NASDAQ) | Yes | CHAIR |

*Mr. Liebau is an ex officio member of each of the Company's committees.

PROXY STATEMENT SUMMARY (CONTINUED)

Board Overview

Myers has an experienced and effective Board focused on shareholder value creation. The Board is composed of nine members, eight of whom are independent. The below charts highlight the Board's composition and experience.

Board Composition

Director Experience

PROXY STATEMENT SUMMARY (CONTINUED)

Shareholder Outreach

We believe engaging in shareholder outreach is an important element of strong corporate governance. In 2016, members of our Board and executive management acted on this belief and reached out to the top 13 shareholders who own 1% or greater of outstanding shares and represent 75% of total shares outstanding. Following this outreach, conference calls were conducted with 10 of the 13 shareholders initially approached, whose ownership represented approximately 65% of total shares outstanding. During our outreach meetings, we discussed with shareholders corporate governance matters (including the Company's independent Board evaluations), the Company's performance and strategy, executive compensation practices and metrics, board composition and other items of shareholder interest. This dialogue with shareholders was considered in the development of the changes to our compensation program for 2017 and has led to the enhanced disclosure in and presentation of this Proxy Statement and the adoption of an over-boarding policy.

In addition, each spring, we mail all shareholders a copy of the Company's Annual Report and Proxy Statement.

At any time during the year shareholders may access our Annual Report, Proxy Statement, financial presentations, and corporate governance guidelines at www.myersindustries.com. Shareholders may contact any director, committee of the board, non-management director or the Board.

via U.S. Mail at:

Myers Industries, Inc.

c/o Corporate Secretary

1293 South Main Street

Akron, Ohio 44301

via e-mail at:

governance@myersind.com

A toll free hotline has also been established if an interested party wishes to contact a director, a committee of the board, a non-management director or the Board by phone. The number is 877-285-4145 and is available worldwide 24 hours a day, seven days a week.

Executive Compensation Overview

Myers Industries' executive compensation program, set forth by the Compensation Committee, is designed to implement our executive pay philosophy to:

- ◆ Attract and retain talented and experienced executives and other key employees
- ◆ Ensure that the actual compensation paid to our executive officers is aligned and correlated with financial performance and changes in shareholder value ("pay for performance")
- ◆ Motivate our executive officers to achieve short-term and long-term Company goals that will increase shareholder value
- ◆ Reward executives whose knowledge, skills and performance are crucial to our success

Compensation Practices

| What We Do | What We Don't Do |
|---------------------------------------------------------|---------------------------------------------------------|
| Pay for Performance | Enter into Employment Contracts |
| Reasonable Post-Employment/Change in Control Provisions | Offer Tax Gross-Ups |
| Double Trigger Change in Control Provisions | Reprice Underwater Options |
| Stock Ownership Guidelines | Allow Cash Buyouts of Underwater Options |
| Independent Compensation Advisors | Permit Short Sales by Directors, Officers, or Employees |
| Tally Sheet to Evaluate and Monitor NEO Compensation | Provide Perquisites |
| Clawback Policy | No Hedging or Pledging of Company Stock |

PROXY STATEMENT SUMMARY (CONTINUED)

Elements of Compensation for 2016

In 2015 and 2016, to achieve the Company's compensation goals of attracting and retaining top talent while aligning awards to performance results of the Company and increasing shareholder value, the Compensation Committee approved certain changes to the Company's compensation program (including paying a portion of the CEO's and CFO's long-term incentives in performance restricted stock units instead of cash; updating performance metrics for annual bonuses to focus on achieving budgeted operating profit, growth in operating profit and budgeted cash flow; and discontinuing executive prerequisites).

| Compensation Element | Description | Component | Performance | |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | Metrics | Objective |
| Base Salary | The guaranteed part of our executives' pay. We pay base salaries to recognize the skills, competencies, experience, and performance an executive brings to his or her role | Cash | None | Competitive level of fixed compensation. |
| Annual Bonus | In keeping with our policy of rewarding our executive officers for performance, executives, including our NEOs, were eligible to earn annual incentives under our annual incentive plan | Cash | <ul style="list-style-type: none"> • Achieving budgeted operating profit • Growth in operating profit • Achieving budgeted cash flow | Increase executive's focus on specific short-term corporate operational goals. |
| Long-Term Incentives | Our use of long-term incentives reflects the belief that a significant component of executive compensation should be at risk and is linked to shareholder value creation by focusing on share price and/or achievement of financial performance objectives | <ul style="list-style-type: none"> • Performance stock units • Stock options • Restricted stock units | <ul style="list-style-type: none"> • Performance stock units: Tied to ROIC achievement over 3 years | Motivate and reward our executive officers for increasing shareholder value and promotes our long-term interests by aiding in the retention of high-quality executives. |
| Retirement and Other Benefits | We maintain qualified and nonqualified retirement programs to provide our executives and other employees' basic life and income security needs | <ul style="list-style-type: none"> • Qualified retirement plan • Annual Physical Examination • SERP | None | Part of a broad-based benefit plan offered to all employees. |

PROXY STATEMENT SUMMARY (CONTINUED)

2016 Named Executive Officer (NEO) Pay Mix*

2016 CEO Compensation Mix at Target

2016 CFO Compensation Mix at Target

* “Fixed” compensation includes salary and service-based restricted stock; “variable compensation includes annual bonuses, performance stock units and stock options; “long-term” compensation includes stock options, performance stock units and restricted stock, and “short-term” compensation includes salary and annual bonuses. CFO compensation represents compensation for Mr. Anversa, who joined the Company in December 2016.

2017 Compensation Program Updates

As part of its ongoing efforts to achieve the Company’s performance goals, the Compensation Committee also approved a number of changes to the Company’s compensation program for 2017, among other changes:

Revised Long-Term Incentive Mix for Executive Management – The Compensation Committee has adopted the following long-term incentive award mix for executive management to focus on key performance objectives and increase share price and share ownership, while creating greater alignment with shareholder returns:

- 50% performance restricted stock units
- 30% stock options
- 20% restricted stock units

In addition, the Compensation Committee revised the long-term incentive and annual bonus performance metrics (as described below). These metrics were adopted to better align with the Company’s strategy and to more effectively align Company performance to compensation. Additionally, these metrics are used by management to assess operating performance of the business.

PROXY STATEMENT SUMMARY (CONTINUED)

Revised Annual Bonus Performance Metrics. For 2017 annual bonuses, performance will be determined using the following metrics:

- Operating income growth – 70% weighting
- Individual performance targets – 30% weighting

Revised Long-Term Incentive Performance Metrics. For the 2017-2019 performance cycle, performance will be determined using the following metrics:

- Cumulative EBITDA over the performance period – 50% weighting
- Free cash flow as a percentage of sales over the performance period – 50% weighting

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Corporate Governance and Compensation Guidelines

The Board of Directors is committed to maintaining a sound corporate governance structure that promotes the best interests of our shareholders. The Company has adopted “Corporate Governance Guidelines” and a “Code of Business Conduct and Ethics” for the Company’s directors, officers and employees. Each of our corporate governance policies is available on the Corporate Governance page accessed from the Investor Relations page of our website at www.myersindustries.com.

Corporate Governance and Compensation Practices

Below is a discussion of our corporate governance and compensation practices and policies:

Shareholder Outreach

The Company and members of the Board have conducted considerable shareholder outreach, through which we have sought ongoing input from our largest institutional investors and other stockholders holding approximately 75% of our outstanding shares.

Following this outreach, discussions were ultimately conducted with 10 of the shareholders initially approached, whose ownership represented approximately 65% of the Company’s outstanding shares regarding, and the Company received feedback on:

- corporate governance matters, including independent Board evaluations
- the Company’s performance, strategy, and executive compensation practices
- the Board’s composition

We value shareholder views and insights, and our dialogue with shareholders has led to the enhanced disclosure in and presentation of this Proxy Statement and the adoption of an over-boarding policy.

Annual Elections

In accordance with best practices, all of our directors are elected annually.

Independent Chairman

- Since October 2009, the Company has maintained an independent Chairman. F. Jack Liebau has served as the independent Chairman since the 2016 Annual Meeting of Shareholders
- The Company believes this leadership structure is appropriate for the Company as it further aligns the interests of the Company and our shareholders by ensuring independent leadership of the Board
- The independent Chairman serves as a liaison between our directors and the Company’s management and helps to maintain open communication and discussion by the Board
- Our independent Chairman is an ex officio member of each of our standing committees
- Duties of the Chairman are specified in the Charter of the Chairman of the Board of Directors and include serving in a presiding capacity, coordinating the activities of the Board, and such other duties and responsibilities as the Board may determine from time-to-time. This charter is available on our website at www.myersindustries.com on the Corporate Governance page accessed from the Investor Relations page

Board and Committee Independence

Periodic Review of Director Independence: On an ongoing basis, the Board of Directors reviews the independence of each director using the current standards for “independence” established by the New York Stock Exchange (“NYSE”) and other applicable regulations and considers any other material relationships a director may have with the Company as disclosed in annual director and officer questionnaires. The Company’s Corporate Governance Guidelines provide that a majority of the Board of Directors be comprised of independent directors and the charters of each of the Board’s committees require that all committee members be independent.

• **Independence Determination:** The Board has determined that Mses. Coffin and Scaccetti and Messrs. Crowe, Foley, Lee, Liebau, Lisman and Stefanko (all of its current members except for Mr. Banyard, our President and Chief Executive Officer) are independent under these standards. The determination of whether a director is “independent” is based upon the Board’s review of the relationships between each director and the Company, if any, under the Company’s “Board of Directors Independence Criteria” policy, and the corporate governance listing standards of the NYSE. In connection with the Board’s determination regarding the independence of each non-management director and nominee, the Board considered any transactions, relationships and arrangements as required by our independence guidelines. In particular, the Board considered the following relationships:

• **Committee Independence:** All members of the Company’s Audit Committee, Compensation Committee and Corporate Governance and Nominating Committee (the “Governance Committee”) have been determined to be independent directors. In addition, the Board has determined that the members of the Audit Committee and Compensation Committee meet the additional independence criteria required for such committee membership under the applicable NYSE listing standards.

• **Other Relationships:** Except as set forth in this Proxy Statement, neither the Company nor any of the Board nominees or any of their associates have or will have any arrangements or understandings with any person with respect to any future employment by the Company or its affiliates or with respect to any future transactions to which the Company or any of its affiliates will or may be a party.

Director Resignation Policy

Pursuant to the Company’s director resignation policy, in an uncontested election, any incumbent director who receives a greater number of votes “Withheld” or “Against” his or her election than votes “For” his or her election (and with respect to such incumbent director’s election at least 25% of the Company’s shares outstanding and entitled to vote thereon were “Withheld” or voted “Against” the election of such director) shall submit an offer of resignation to the Board of Directors.

• The Governance Committee will then recommend to the Board whether to accept or reject any tendered resignations, and the Board will decide whether to accept or reject such tendered resignations.

• The Board’s decision will be publicly disclosed in a Current Report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”).

If an incumbent director’s tendered resignation is rejected, he or she will continue to serve until his or her successor is elected, or until his or her earlier resignation, removal from office, or death. If an incumbent director’s tendered resignation is accepted, then the Board will have the sole discretion to fill any resulting vacancy to the extent permitted by the Company’s Amended and Restated Code of Regulations.

Over-Boarding Policy

The Company has adopted a policy that the maximum number of public company boards on which a non-CEO director may sit is five (including the Company’s board) and the maximum number of public company boards on which a CEO director may sit is three (including the Company’s board).

Board Role in Risk Oversight

The Board annually reviews the Company's strategic plan, which addresses, among other things, the risks and opportunities facing the Company. Certain areas of oversight are delegated to the relevant Committees of the Board and the Committees regularly report back on their deliberations. This oversight is enabled by reporting processes that are designed to provide visibility to the Board about the identification, assessment, monitoring and management of enterprise-wide risks. Every year, management conducts an enterprise-wide risk assessment of the Company and each of its business segments and presents the assessment to the Board for review. The focus of this assessment includes a review of strategic, financial, operational, compliance and technology objectives and risks for the Company. In addition, on an ongoing basis:

• **Audit Committee:** The Audit Committee maintains primary responsibility for oversight of risks and exposures pertaining to the IT, accounting, auditing and financial reporting processes of the Company

• **Compensation Committee:** The Compensation Committee maintains primary responsibility for risks and exposures associated with oversight of the administration and implementation of our compensation policies

• **Governance Committee:** The Governance Committee maintains primary responsibility for risks and exposures associated with corporate governance and succession planning

Clawback Policy

The Company maintains a "Clawback Policy" that provides for the recoupment of certain incentive compensation in the event of an accounting restatement resulting from material noncompliance (whether or not based upon misconduct) with financial reporting requirements under the federal securities laws. The Clawback Policy is administered by the Compensation Committee and applies to current and former executive officers and such other employees who may from time to time be deemed subject to the policy by the Compensation Committee.

Succession Planning

Our Board, in coordination with the Governance Committee, oversees succession planning for the CEO and other officers of the Company, which is considered at least annually. As part of its succession planning oversight, the Board reviews the senior management team's experience, skills, competence and potential, in order to assess which executives have the ability to develop the attributes that the Board believes are necessary to lead and execute the Company's strategic vision.

Stock Ownership Guidelines

The Company maintains "Stock Ownership Guidelines" whereby our executive officers and non-employee directors are expected to hold a specified amount of our common stock. These expectations are as follows:

• **CEO:** 5X annual base salary

• **CFO:** 3X annual base salary

• **Non-Employee Directors:** 5X annual cash Board retainer

The executive officers and non-employee directors have five years from the effective date of the guidelines to attain the ownership requirement. These "Stock Ownership Guidelines" are available on the Corporate Governance page accessed from the Investor Relations page of the Company's website at www.myersindustries.com.

Anti-Hedging and Pledging Policy

The Company prohibits directors, officers and employees from engaging in any hedging or pledging transactions with respect to Company shares.

Board Member Recruiting Guidelines

The Company's Board Member Recruiting Guidelines outline the process for nominating potential director candidates to the Governance Committee. These recruiting guidelines are available on the Corporate Governance page accessed from the Investor Relations page of the Company's website at www.myersindustries.com.

Executive Sessions of the Board

The Board has a policy requiring the non-management directors, both as to the Board and in their respective Committees, to meet regularly in executive session without any management personnel or employee directors present. During 2016, the Board and each Committee met regularly in executive session as follows: Board, 11 times; Audit Committee, 6 times; Compensation Committee, 5 times; and the Governance Committee, 5 times.

Presiding Directors

The Chairman of each Committee was selected as the Presiding Director for the executive sessions of the applicable Committee of the Board.

Anonymous Reporting

The Audit Committee maintains procedures, including a worldwide telephone “hotline,” which allows employees and interested parties to report any financial or other concerns anonymously as further detailed under “Shareholder Communication with Directors” below.

Code of Ethics

We have a “Code of Business Conduct and Ethics” which incorporates a “Code of Ethical Conduct for the Finance Officers and Finance Department Personnel,” which embodies our commitment to ethical and legal business practices, as well as satisfying the NYSE requirements to implement and maintain such policies. The Board expects all of our officers, directors and other members of our workforce to act ethically at all times. This policy is available on our website at www.myersindustries.com on the Corporate Governance page accessed from the Investor Relations page.

Annual Board and Committee Self-Assessments

The Board conducts annual self-assessments of the Board, as well as of the Audit Committee, the Compensation Committee, and the Governance Committee, to assist in determining whether the Board and its Committees are functioning effectively. In early 2015, the Board and each of its Committees conducted the self-evaluations and discussed the results of the self-evaluations. In early 2016 and 2017, evaluations were conducted by an independent third party through telephone interviews and feedback was provided to the Board, committees and individual directors.

Shareholder Communication with Directors

Our Board provides the following methods for interested parties and shareholders to send communications to a director, to a Committee of the Board, to the non-management directors, or to the Board:

Written Communication

Interested parties may send such communications by e-mail to governance@myersind.com or by mail or courier delivery addressed as follows:

Board of Directors (or Committee Chairman, Board Member or Non-Management Directors, as the case may be)

c/o Corporate Secretary

Myers Industries, Inc.

1293 South Main Street

Akron, Ohio 44301

All communications directed to the “Board of Directors” or to the “Non-Management Directors” will be forwarded unopened or unread to the Chairman of the Governance Committee. The Chairman of the Governance Committee in turn determines whether the communications should be forwarded to the appropriate members of the Board and, if so, forwards them accordingly. For communications addressed to a particular director or the Chairman of a particular Committee of the Board, however, the Corporate Secretary will forward those communications, unopened or unread, directly to the person or Committee Chairman in question.

Toll-Free Hotline

The Company maintains a “hotline” for receiving, retaining and addressing complaints from any interested party regarding accounting, internal accounting controls and auditing matters, and procedures for the anonymous submission of these concerns.

The hotline is maintained by an independent third party. Interested parties may also use this hotline to communicate with the Board.

Any interested party may contact a director, a Committee of the Board, the non-management directors, or the Board through the toll free hotline at (877) 285-4145.

The hotline is available worldwide, 24 hours a day, seven days a week. Note that all reports made through the hotline are directed to either or both the Chairman of the Audit Committee and the Corporate Secretary. We do not permit any retaliation of any kind against any person who submits a complaint or concern under these procedures.

PROPOSAL NO. 1 — ELECTION OF DIRECTORS

Nominees

Set forth below for each nominee for election as a director is a brief statement, including the age, principal occupation and business experience for at least the past five years, and any directorships held with public companies.

The members of the Governance Committee have recommended, and the independent members of the Board of Directors have nominated, the persons listed below as nominees for the Board of Directors.

Each of the below nominees has consented:

☐ To serve as a nominee

☐ To being named as a nominee in this Proxy Statement

☐ To serve as a director if elected. If any nominee should become unavailable for any reason, it is intended that votes will be cast for a substitute nominee designated by the Board. There is no reason to believe that the nominees named will be unable to serve if elected

Proxies cannot be voted for a greater number of nominees than the number named in this Proxy Statement.

THE BOARD OF DIRECTORS RECOMMENDS THE ELECTION OF THESE NOMINEES

| Name | Age | Director Since | Independent | Occupation |
|---------------------|-----|----------------|-------------|----------------------------------------------------------------------------|
| R. David Banyard | 48 | 2016 | No | President and CEO Myers Industries, Inc. |
| Sarah R. Coffin | 64 | 2010 | Yes | Former CEO of Aspen Growth Strategies, LLC. |
| John B. Crowe | 70 | 2009 | Yes | Former CEO and Chairman of Buckeye Technologies, Inc. |
| William A. Foley | 69 | 2011 | Yes | Chairman of the Board and CEO of Libbey Inc. |
| Daniel R. Lee | 60 | 2016 | Yes | President, CEO and Director of Full House Resorts, Inc. |
| F. Jack Liebau, Jr. | 53 | 2015 | Yes | Former President and CEO of Roundwood Asset Management |
| Bruce M. Lisman | 70 | 2015 | Yes | Former Chairman of the Global Equity Division, JP Morgan Chase & Co. |
| Jane Scaccetti | 62 | 2016 | Yes | CEO and founding partner of Drucker & Scaccetti |
| Robert A. Stefanko | 74 | 2007 | Yes | Former Chairman and EVP of Finance and Administration of A. Schulman, Inc. |

NOMINEE INFORMATION

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>R. DAVID BANYARD</p> <p>Age: 48</p> <p>Director since: 2016</p> <p>Committees:</p> <p>None</p> | <p>Principal Occupation: President/CEO and Director of Myers Industries</p> <p>Business Experience:</p> <ul style="list-style-type: none"> • Former Group President, Fluid Handling Technologies of Roper Technologies (NYSE: ROP), a diversified industrial company that produces engineered products for global niche markets • Former director of ID Modeling, Inc., a hydraulic modeling and water resource management company • Former Vice President and General Manager — Kollmorgen Vehicle Systems Division, Danaher Corporation (NYSE: DHR), a designer, manufacturer, and marketer of industrial and consumer products • Former Director of Operations — Jacobs Vehicle Systems, Danaher Corporation (NYSE: DHR) <p>Skills and Expertise:</p> <ul style="list-style-type: none"> • Successive leadership roles in manufacturing and engineering industries • Proven track record of outperforming market growth, expanding profit margins and driving improved cash flow performance • Variety of experiences resulting from service as a director and in management for other companies |
| <p>SARAH R. COFFIN</p> <p>Age: 64</p> <p>Director since: 2010</p> <p>Committees:</p> <p>Compensation (Chair)</p> <p>Audit</p> | <p>Business Experience:</p> <ul style="list-style-type: none"> • Former CEO of Aspen Growth Strategies, LLC, an investment company • Former Executive Vice President, Hexion Specialty Chemicals and Senior Vice President, Noveon, Inc. (now Lubrizol), both specialty chemical and polymer producers in the industrial market space <p>Current and Former Directorships:</p> <ul style="list-style-type: none"> • Director of FLEXcon, a privately held manufacturer of pressure-sensitive films and adhesives • Former Director and Chair of the Compensation Committee of SPX Corporation (NYSE: SPXC) (now SPX Corporation and SPX Flow), a global industrial equipment and manufacturing company • Former Director of Huttenes-Albertus International, an international manufacturer of chemical products for the foundry industry <p>Skills and Expertise:</p> |

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- Former division and global leader in multiple companies
- Substantial senior level executive experience in marketing, distribution and operations
- Background in the polymer and specialty chemicals industries
- Knowledge and insight from service on the boards of other companies

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JOHN B. CROWE Principal Occupation: President, Crowe Consulting International

Age: 70 Business Experience:

Director since: 2009 • Former CEO and Chairman of Buckeye Technologies Inc., a producer of absorbent products, chemical cellulose products and customized paper

Committees:

Corporate Governance (Chair) • Former Executive Vice President and General Manager at Alabama River Pulp Co., Inc. and Alabama Pine Pulp Co., Inc.

• Former Vice President of the Flint River Operations for the Weyerhaeuser Co.

Compensation

Skills and Expertise:

• Brings valuable insight and international experience into the operational requirements, investor relations and strategic planning processes of a public company due to his status as former Chairman and CEO of Buckeye Technologies Inc.

• Provides significant experience in manufacturing, sales, implementation of growth strategies, and building organizational capability

• Draws on his considerable leadership experience, including his service as a United States Air Force Reserve, retiring as Lt. Colonel, Vietnam Veteran and Senior Pilot

WILLIAM A. FOLEY Principal Occupation: Chairman of the Board and CEO of Libbey Inc. (NYSE: LBY), a producer of consumer and industrial glassware

Age: 69 Business Experience:

Director since: 2011 • Former Chairman and CEO of Blonder Home Accents, a distributor of wallcoverings and home accents

Committees:

• Former Chairman and CEO of Thinkwell Incorporated

Compensation

• Former President of Arhaus Incorporated, a private brand name furniture company

Corporate

Governance

• Former Chairman, President and CEO of Lesco Incorporated, a manufacturer, distributor and retailer of professional lawn care and golf course management products

Skills and Expertise:

• Over 30 years of senior management experience, both domestic and international

• Provides wide-ranging acquisition, joint venture, business and market development experience

• Extensive experience in broad scale plastics manufacturing, as well as consumer and distribution businesses

• Experience with best practices on public company boards, particularly in governance, compensation and leadership

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DANIEL R. LEE Principal Occupation: CEO, President and Director of Full House Resorts, Inc., a publicly-traded owner and operator of casinos (NASDAQ: FLL)

Age: 60

Business Experience:

Director since: 2016

- Former Managing Member of Creative Casinos, LLC, a developer of casino resorts

Committees:

- Former CEO and Chairman of the Board of Managers of FP Holding, LP and Fiesta ParentCo, LLC, which together own and operate The Palms Casino Resort, Las Vegas, Nevada

Audit

Corporate Governance

- Former Chairman and CEO of Pinnacle Entertainment (NASDAQ: PNK), Las Vegas, Nevada, a casino operator and developer

Current and Former Directorships:

- Director of Associated Capital Group (NYSE: AC), a diversified global financial services company
- Former director of ICTC Group Inc. (Pink Sheets), a telecommunications services company
- Former director of Gabelli Securities, an investment manager and general partner to investment partnerships
- Former director of LICT Corp., Rye, New York, a telecommunications services company

Skills and Expertise:

- Extensive financial expertise, including as a former Chartered Financial Analyst
- Experience as a CEO

F. JACK LIEBAU, JR. Business Experience:

Age: 53

- Former President and CEO of Roundwood Asset Management, a subsidiary managing public equities for Alleghany Corporation's insurance companies

Director since: 2015

- Former President and Founder, Liebau Asset Management Company, which managed money for individuals, foundations, and corporations

Committees:

- Former Partner and Portfolio Manager for Davis Funds, an investment management firm

Audit*

- Former Partner and Portfolio Manager, Primecap Management Company, an investment management firm

Compensation*

Corporate Governance*

- Former Vice President of Andover Alumni Council
- Current director and CFO of the Edwin Gregson Foundation

*ex officio

committee member Current and Former Directorships:

- Member of Andover Development Board

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- Former director of Media General, Inc. (NYSE: MEG), then an owner of newspapers and television stations
- Former director of Herley Industries, Inc., a defense technology company
- Former director of The Pep Boys, a nationwide auto parts retailer
- Former director and Finance Committee Chair of Kidspace Children's Museum

Skills and Expertise:

- Vast financial, strategic, executive and investment experience working with companies in a wide range of industries
- Experience in corporate governance and in serving on boards (both corporate and non-profit), experience working effectively with management teams, analyzing strategic options, and communicating with various constituencies

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BRUCE M.
LISMAN

Business Experience:

- Former Chairman of the Global Equity Division, JP Morgan Chase & Co. (NYSE: JPM), a global financial services firm and banking institution

Age: 70

Director since:
2015

- Former Co-Head of the Global Institutional Equity Division, Bear Stearns Companies, Inc.

Committees:

Current and Former Directorships:

Compensation

- Director of Associated Capital Group (NYSE: AC), a diversified global financial services company

Corporate
Governance

- Director of PC Construction, an engineering and construction company
- Director of National Life Group, a mutual life insurance company
- Members of the boards of American Forests and Smithsonian Libraries
- Former director of The Pep Boys, a nationwide auto parts retailer
- Former director of Central Vermont Public Service (now part of Green Mountain Power), a public energy company
- Former director of Merchants Bancshares (NasdaqGS: MBVT), a bank holding company
- Former member of the boards of BRUT, Inc., Vermont Electric Power Company, Inc. (VELCO), STRYKE Trading, the University of Vermont, and the Vermont Symphony Orchestra

Skills and Expertise:

- Experience as a chair, vice chair, and committee chair/member in a broad range of businesses and civic organizations
- Extensive executive and investment experience

JANE
SCACCETTI

Principal Occupation: CEO and founding partner of Drucker & Scaccetti, an accounting and tax advisory firm

Age: 62

Business Experience:

Director since:
2016

- Former partner at Laventhol & Horwath, a national accounting firm

Committees:

Current and Former Directorships:

Audit

- Chair of the Audit Committee, Penn National Gaming, Inc. (NASDAQ: PENN), an operator of casinos and racetracks

Corporate
Governance

- Director of Mathematica Policy Research, Inc., a non-partisan research organization focused on policy research, data collections and data analytics

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- Former member of the board of Nutrition Management Services Company, a provider of comprehensive healthcare food service and facilities management nationwide
- Former Chair of the Audit Committee and a member of the Nominations and Governance Committee of The Pep Boys, a nationwide auto parts retailer
- Former director of Keystone Health Plan East, the for-profit Health Maintenance Organization of Independence Blue Cross

Skills and Expertise:

- Experience as a chair, vice chair, and committee chair/member in a broad range of businesses
- Extensive financial and accounting experience, including qualification under SEC rules as an Audit Committee Financial Expert

ROBERT A. STEFANKO Business Experience:

Age: 74

- Former Chairman of the Board and EVP of Finance & Administration of A. Schulman, Inc. (NASDAQ), an international supplier of plastic compounds and resins

Director since: 2007

Current and Former Directorships:

Committees:

Audit (Chair)

- Director and member of Compensation Committee of OMNOVA Solutions, Inc. (NYSE), an innovator of emulsion polymers, specialty chemicals and decorative and functional surfaces

Compensation

- Former director of The Davey Tree Expert Company, a tree, shrub and lawn care company

Skills and Expertise:

- Extensive involvement in public company matters, including international, compensation, audit, financial, legal, and various other matters
- Extensive financial and accounting experience, including qualification under SEC rules as an Audit Committee Financial Expert
- Experience as a director of other public company boards

Each of the foregoing nominees is recommended by the Governance Committee. The Governance Committee believes that each of the nominees possesses certain key attributes that the Governance Committee believes to be important for an effective Board. There are, and during the past ten years there have been, no legal proceedings material to an evaluation of the ability of any director, nominee, or executive officer of Myers Industries to act in such capacity or concerning his or her integrity. There are no family relationships among any of the directors and executive officers.

The Board recommends that you vote "FOR" each of the director nominees listed above

Nominating Process

The Governance Committee reviews and evaluates individuals for nomination to stand for election as a director who are recommended to the Governance Committee: in writing by any of our shareholders or by our current or past directors, executive officers, or identified by professional search firms retained by the Governance Committee.

Recruiting Guidelines and Director Qualifications

The Company's Board Member Recruiting Guidelines outline the process for the Governance Committee to recruit and evaluate potential director candidates. These guidelines are available on the Corporate Governance page accessed from the Investor Relations page of the Company's website at www.myersindustries.com. In considering these potential candidates for nomination to stand for election, the Governance Committee will consider:

- The current composition of the Board and how well it functions as a group
- The talents, personalities, strengths, and weaknesses of current directors
- The value of contributions made by individual directors
- The need for a person with specific skills, experiences or background relevant to the Company's strategy to be added to the Board
- Any anticipated vacancies due to retirement or other reasons
- Other factors that may enter into the nomination decision

The Governance Committee endeavors to select nominees that contribute unique skills and professional experiences in order to advance the performance of the Board of Directors and establish a well-rounded Board with diverse views that reflect the interests of our shareholders. The Governance Committee considers diversity as one of a number of factors in identifying nominees for directors, however, there is no formal policy in this regard. The Governance Committee views diversity broadly to include diversity of experience, skills and viewpoint, in addition to traditional concepts of diversity such as race and gender.

When considering an individual candidate's suitability for the Board, the Governance Committee will evaluate each individual on a case-by-case basis. The Governance Committee does not prescribe minimum qualifications or standards for directors, however, the Governance Committee looks for directors who have personal characteristics, educational backgrounds and relevant experience that would be expected to help further the goals of the Company. In addition, the Governance Committee will review the extent of the candidate's demonstrated excellence and success in his or her chosen business, profession, or other career and the skills and talents that the candidate would be expected to add to the Board. The Governance Committee may choose, in individual cases, to conduct interviews with the candidate and/or contact references, business associates, other members of boards on which the candidate serves or other appropriate persons to obtain additional information. The Governance Committee will make its determinations on whether to nominate an individual candidate based on the Board's then-current needs, the merits of that candidate and the qualifications of other available candidates.

Shareholder Recommendation Policy

The Governance Committee will consider individuals for nomination to stand for election as a director who are recommended to it in writing by any of our shareholders that strictly follow the below procedures. Shareholders making recommendations for directors must:

- Certify that the person making the recommendation is a shareholder of the Company (including the number of shares held as of the date of the recommendation)
- Provide the full name and address of the proposed nominee as well as a biographical history setting forth past and present directorships, employment, occupations and civic activities for at least the past five years
- Provide a signed written statement from the proposed nominee consenting to be named as a candidate and, if nominated and elected, consenting to serve as a director

Submit a signed written statement that the nominating shareholder and the candidate will make available to the Governance Committee all information reasonably requested in furtherance of the Governance Committee's evaluation

Provide a letter of recommendation to the following address: Corporate Governance and Nominating Committee, c/o Corporate Secretary, Myers Industries, Inc., 1293 South Main Street, Akron, Ohio 44301

Submit all required information before the close of business on or before November 15th of the year prior to our next annual meeting of shareholders

Shareholder Nomination Policy

In accordance with our Amended and Restated Code of Regulations, a shareholder may directly nominate a candidate for election as a director of the Company only if written notice of such intention is received by the Corporate Secretary not less than sixty (60) days nor more than ninety (90) days prior to the date of such annual meeting of shareholders or special meeting of shareholders for the election of directors. In the event that the date of such meeting to elect directors is not publicly disclosed at least seventy (70) days prior to the date of such meeting, written notice of such shareholder's intent to nominate a candidate must be received by the Corporate Secretary not later than the close of business on the tenth (10th) day following the date on which notice of such meeting is first provided to the shareholders. A shareholder wishing to directly nominate an individual to serve as a director must follow the procedure outlined in Article I, Section 12 of our Amended and Restated Code of Regulations, titled "Advance Notice of Director Nomination" and then send a signed letter of nomination to the following address: Corporate Governance and Nominating Committee, c/o Corporate Secretary, Myers Industries, Inc., 1293 South Main Street, Akron, Ohio 44301. Our Amended and Restated Code of Regulations is available on the Corporate Governance page accessed from the Investor Relations page of the Company's website at www.myersindustries.com.

Board Committees and Meetings

There were a total of 11 regularly scheduled and special meetings of the Board of Directors in 2016. During 2016, all directors attended at least 75% of the aggregate total number of the meetings of the Board and Committees on which they served. In 2016, all of our then current directors and then nominees attended our Annual Meeting. Although we do not have a formal policy requiring directors to attend the Annual Meeting, our directors are encouraged to attend.

Board Committees

The Board has three standing committees, the Audit Committee, the Compensation Committee, and the Governance Committee. Set forth below are the current committee memberships.

| Director | Audit Committee | Compensation Committee | Governance Committee |
|----------------------|-----------------|------------------------|----------------------|
| Sarah R. Coffin | X | Chair | |
| John B. Crowe | | X | Chair |
| William A. Foley | | X | X |
| Daniel R. Lee | X | | X |
| F. Jack Liebau, Jr.* | X | X | X |
| Bruce M Lisman | | X | X |
| Jane Scaccetti | X | | X |
| Robert A. Stefanko | Chair | X | |

*Mr. Liebau is an ex officio member of each of the Company's committees.

Audit Committee: 6 Meetings Held in 2016

The Audit Committee assists our Board in the oversight and integrity of our financial statements, insures our structure meets legal and regulatory requirements, and oversees our internal auditing functions, controls, and procedures. The Board has determined that based on their extensive financial background and expertise, Daniel R. Lee, F. Jack Liebau, Jr., Jane Scaccetti and Robert A. Stefanko meet the criteria of a "financial expert" under SEC rules. None of our Audit Committee members serve on more than two other public company audit committees.

Audit Committee Functions:

- Engages the independent registered public accounting firm
 - Approves all audit and accounting engagements (audit and non-audit)
 - Reviews the results of the audit and interim reviews
 - Evaluates the independence of the independent registered public accounting firm
 - Reviews the financial results of the Company with the independent registered public accounting firm prior to their public release and filing of reports with the SEC
 - Directs and supervises special investigations
 - Oversees accounting, internal accounting controls, auditing matters, reporting hotline and corporate compliance programs
- See the Audit Committee Report on page 61 for further information regarding the Audit Committee's activities.

Additionally, in 2016, the Audit Committee oversaw the Company's program to strengthen its internal controls over financial reporting. The Company took a number of actions to improve and ensure effective internal controls over financial reporting, including:

- Reviewed and updated internal control processes and documentation at every business to identify and remediate control gaps
- Completed independent balance sheet and account reconciliation reviews at every business unit during the calendar year 2016
- Ensured all reviews were conducted by members of the corporate controller group
- Supplemented the technical competence of the accounting staff with additional training and resources

Management provided monthly updates to Audit Committee Chair and quarterly updates to entire Audit Committee regarding the Company's internal controls over financial reporting.

Compensation Committee: 5 Meetings Held in 2016

The Compensation Committee administers our executive incentive compensation programs and determines, either as a committee or together with the other independent board members, annual base salaries and incentive compensation awards for our executive officers.

Compensation Committee Functions:

- Review and approve compensation of executive officers of the Company
 - Review and approve the CEO's compensation-related corporate goals
 - Evaluate the CEO's performance
 - Establish and administer the Company's policies, programs and procedures for compensating its executive officers and directors
 - Review and approve equity award grants
 - Review, assess and monitor the Company's Stock Ownership Guidelines
 - Oversee regulatory compliance with respect to compensation matters
 - Oversee shareholder communications regarding executive compensation matters
 - Retain outside consultants regarding executive compensation and other matters
- Corporate Governance and Nominating Committee: 5 Meetings Held in 2016

The Governance Committee assists the Board in developing and implementing corporate governance guidelines, identifying potential director candidates, determining the size and composition of our Board and its committees, and evaluating the overall effectiveness of our Board.

Governance Committee Functions:

- Evaluate new director candidates and incumbent directors
 - Recommend nominees to serve on the Board as well as members of the Board's committees to the independent directors of the Board
 - Recommend and monitor participation in continuing education programs by the directors
- Committee Charters and Policies

The Board has adopted written charters for each of the Audit Committee, the Compensation Committee, and the Governance Committee. Each Committee reviews and evaluates the adequacy of its charter at least annually and recommends any proposed changes to the Board for approval. Each of the written charters and policies of the Audit Committee, the Compensation Committee, and the Governance Committee are available on the Corporate Governance page accessed from the Investor Relations page of the Company's website at: www.myersindustries.com.

Director Compensation

Under our Amended and Restated 2008 Incentive Stock Plan, each non-employee director who holds such position on the date of the annual meeting of the shareholders, and has been a director for the entire period since the annual meeting of shareholders of Myers that was held in the immediately preceding calendar year, will be awarded annually, on the date of the annual meeting of shareholders, shares of our common stock at a value recommended by the Compensation Committee and approved by the Board. The value of common stock awarded at the 2016 Annual Meeting was \$72,500 for each director entitled to an award. A director may elect to receive an equivalent number of stock units rather than shares of common stock, with payment to be made with respect to such stock unit when such director ceases to be a member of the Board. The cash portion of director committee member and committee chair retainers for 2016 is set forth below. The Company's non-employee director compensation program reflects the recommendations of our compensation consultant who conducted an assessment of the market competitiveness of the Company's non-employee director compensation program in 2015.

Directors who are employees of the Company do not receive the annual common stock or cash retainer.

| Compensation Type | 2016 Director Compensation |
|--------------------------------------------|----------------------------|
| Annual Cash Retainer | |
| Cash Retainer | \$52,500 |
| Supplemental Annual Cash Retainer | |
| Chair of Audit Committee | \$18,000 |
| Chair of Compensation Committee | \$18,000 |
| Chair of Governance & Nominating Committee | \$14,000 |
| Committee Members | \$10,000 |
| | \$60,000 |
| Chairman of the Board | (including committee fees) |

Our Amended and Restated Code of Regulations provides that we will indemnify, to the fullest extent then permitted by law, any of our directors or former directors who was or is a party or is threatened to be made a party to any matter, whether civil or criminal, by reason of the fact that the individual is or was a director of the Company, or serving at our request as a director of another entity. We have entered into indemnity agreements with each of our directors contractually obligating us to provide such protection. We also currently have in effect director and officer insurance coverage.

Director cash retainers are paid quarterly in arrears. The following table shows the compensation paid to each of the non-employee directors during fiscal 2016.

NON-EMPLOYEE DIRECTOR COMPENSATION TABLE FOR FISCAL 2016

| Name | Fees Earned | | Non-Equity Incentive Plan Compensation | Change in Pension Value and Nonqualified Deferred Compensation | | All Other Compensation | Total |
|---------------------------------------|--------------------|---------------------|----------------------------------------------|----------------------------------------------------------------------------|------|---------------------------|---------|
| | or Paid in Cash | Stock Awards | | Earnings | | | |
| | (\$) | (\$) ⁽⁵⁾ | (\$) | (\$) | (\$) | (\$) | (\$) |
| Philip T. Blazek ⁽¹⁾ | 36,250 | 72,506 | | | — | | 108,756 |
| Sarah R. Coffin | 80,500 | 72,506 | | | — | | 153,006 |
| John B. Crowe | 76,500 | 72,506 | | | — | | 149,006 |
| William A. Foley | 72,500 | 72,506 | | | — | | 145,006 |
| Robert B. Heisler, Jr. ⁽²⁾ | 5,148 | 158,252 | | | — | | 163,400 |
| Daniel R. Lee ⁽³⁾ | 36,250 | — | | | — | | 36,250 |
| F. Jack Liebau, Jr. | 92,500 | 72,506 | | | — | | 165,006 |
| Bruce M. Lisman | 72,500 | 72,506 | | | — | | 145,006 |
| Jane Scaccetti ⁽⁴⁾ | 36,250 | — | | | | | |