

WD 40 CO
Form DEF 14A
November 03, 2016
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

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

WD-40 COMPANY

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1. Title of each class of securities to which transaction applies:
2. Aggregate number of securities to which transaction applies:
3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11
(set forth the amount on which the filing fee is calculated and state how it was determined):
4. Proposed maximum aggregate value of transaction:
5. Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1. Amount Previously Paid:
 2. Form, Schedule or Registration Statement No.:
 3. Filing Party:
 4. Date Filed:
-

WD-40 COMPANY

1061 Cudahy Place

San Diego, California 92110

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the Stockholders:

The 2016 Annual Meeting of Stockholders of WD-40 Company will be held at the following location and for the following purposes:

When: Tuesday, December 13,
2016, at 2:00 p.m.

Where: Joan B. Kroc Institute for
Peace & Justice

University of San Diego

5998 Alcala Park

San Diego, California
92110

- Items of Business:
1. To elect a Board of Directors for the ensuing year and until their successors are elected and qualified;
 2. To hold an advisory vote to approve executive compensation;
 3. To approve the WD-40 Company 2016 Stock Incentive Plan;
 4. To ratify the appointment of PricewaterhouseCoopers LLP as the Company's

- independent registered
public accounting firm
for fiscal year 2017; and
5. To consider and act upon
such other business as
may properly come
before the meeting.

Who Can Vote: Only the stockholders of
record at the close of
business on October 18,
2016 are entitled to vote
at the meeting.

REVIEW YOUR PROXY STATEMENT AND VOTE IN ONE OF FOUR WAYS:

VIA THE INTERNET

Visit the website listed on your proxy card

BY TELEPHONE

Call the telephone number on your proxy card

BY MAIL

Sign, date
and return
your proxy
card in the
enclosed
envelope
IN
PERSON

Attend the
Annual
Meeting in
San Diego

By Order
of the
Board of
Directors

Richard T.
Clampitt

Corporate
Secretary

San Diego,
California

November
3, 2016

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PROXY STATEMENT SUMMARY

We provide below highlights of certain information in this Proxy Statement. As it is only a summary, please refer to the complete Proxy Statement and 2016 Annual Report before you vote.

2016 ANNUAL MEETING OF STOCKHOLDERS

Date and Time:	Record Date:
December 13, 2016, at 2:00 p.m.	October 18, 2016
Place:	Meeting Webcast:
Joan B. Kroc Institute for Peace & Justice	www.wd40company.com in the Investor Relations section beginning at 2:00 p.m. Pacific Time on December 13, 2016
University of San Diego	
5998 Alcalá Park	
San Diego, California 92110	

CORPORATE GOVERNANCE

Our Corporate Governance Policies Reflect Best Practices

- Annual election of all directors
- Executive sessions of independent directors held at each regularly scheduled board meeting
- Independent chair
- Company policy prohibits pledging and hedging of WD-40 Company stock by directors
- All non-employee directors are independent
- All equity grants received by directors since 2007 must be held until board service is ended
- Independent chair approves board meeting agendas

VOTING MATTERS AND BOARD RECOMMENDATIONS

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EXECUTIVE COMPENSATION PHILOSOPHY AND FRAMEWORK

Compensation Objectives

The Company's executive compensation program is designed to achieve five primary objectives:

1. Attract, motivate, reward and retain high performing executives;
2. Align the interests and compensation of executives with the value created for stockholders;
3. Create a sense of motivation among executives to achieve both short- and long-term Company objectives;
4. Create a direct, meaningful link between business and team performance and individual accomplishment and rewards; and
5. Ensure our compensation programs are appropriately competitive in the relevant labor markets.

Our Executive Compensation Programs Incorporate Strong Governance Features

- No Employment Agreements with Executive Officers
- Executive Officers are Subject to Stock Ownership Guidelines
- No Supplemental Executive Retirement Plans for Executive Officers
- Executives are Prohibited from Hedging or Pledging Company Stock
- Long-Term Incentive Awards are Subject to Double-Trigger Vesting upon Change of Control
- No Backdating or Re-pricing of Equity Awards
- Annual and Long-Term Incentive Programs Provide a Balanced Mix of Goals for Profitability and Total Stockholder Return Performance
- Financial Goals for Performance Awards Never Reset

Say-on-Pay Voting

At the Company's 2011 Annual Meeting of Stockholders, the first advisory Say-on-Pay vote was held and the Company's stockholders were also asked to express their preference as to the frequency of future Say-on-Pay votes. With regard to the advisory vote as to the frequency of future Say-on-Pay votes, the Company's stockholders expressed a preference to have Say-on-Pay votes every year. The Say-on-Pay votes approving the Named Executive Officers ("NEOs") compensation for 2011 through 2015 have been approved in each year by more than 95% of the votes cast.

Please see the Compensation Discussion and Analysis section of this proxy statement for a detailed description of our executive compensation.

GENERAL INFORMATION

Q: Why am I receiving these proxy materials?

A: This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of WD-40 Company for use at its Annual Meeting of Stockholders to be held on Tuesday, December 13, 2016, and at any postponements or adjournments thereof. This Proxy Statement and enclosed form of Proxy are first sent to stockholders on or about November 3, 2016.

At the meeting, the stockholders of WD-40 Company will consider and vote upon (i) the election of the Board of Directors for the ensuing year; (ii) an advisory vote to approve executive compensation; (iii) the approval of the WD-40 Company 2016 Stock Incentive Plan; and (iv) the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for fiscal year 2017. Detailed information concerning these matters is set forth below. Management knows of no other business to come before the meeting.

Q: What constitutes a quorum in order to hold and transact business at the Annual Meeting?

A: The close of business on October 18, 2016, is the record date for stockholders entitled to notice of and to vote at the Annual Meeting of Stockholders of WD-40 Company. On October 18, 2016, WD-40 Company had outstanding 14,178,738 shares of \$.001 par value common stock. Stockholders of record entitled to vote at the meeting will have one vote for each share so held on the matters to be voted upon. If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. This is called a "broker non-vote." A majority of the outstanding shares will constitute a quorum at the meeting. Abstentions and broker non-votes are counted for purposes of determining the presence or absence of a quorum. Broker non-votes are shares that are held of record by a bank or broker as to which the bank or broker has not received instructions from the beneficial owner as to how the shares are to be voted.

Q: If I hold my shares through a broker, how do I vote?

A: If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. If you hold your shares through a broker, it is important that you cast your vote if you want it to count in the election of directors, for approval of the WD-40 Company 2016 Stock Incentive Plan, and in the advisory vote to approve executive compensation. You may have received a notice from the Company entitled "Important Notice Regarding the Availability of Proxy Materials Stockholder Meeting to Be Held on December 13, 2016" with voting instructions or you may have received these proxy materials with separate voting instructions. Follow the instructions to vote or to request further voting instructions as set forth on the materials you have received. For more information on this topic, see the Securities and

Exchange Commission (“SEC”) Investor Alert issued in February 2010 entitled New Shareholder Voting Rules for the 2010 Proxy Season at <http://www.sec.gov/investor/alerts/votingrules2010.htm>.

Q: How will my vote be cast if I provide instructions or return my Proxy and can I revoke my proxy?

A: If the enclosed form of Proxy is properly executed and returned, the shares represented thereby will be voted in accordance with the instructions specified thereon. If no specified instruction is given with respect to a particular matter on your form of Proxy, your shares will be voted by the proxy holder as set forth on the form of Proxy. A Proxy may be revoked by attendance at the meeting or by filing a Proxy bearing a later date with the Secretary of the Company.

Q: How are the proxies solicited and what is the cost?

A: The cost of soliciting proxies will be borne by the Company. Solicitations other than by mail may be made by telephone or in person by employees of the Company for which the expense will be nominal.

PRINCIPAL SECURITY HOLDERS

The following table sets forth information concerning those persons known to the Company to be the beneficial owners of more than 5% of the common stock of the Company:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	
	October 18, 2016	Percent of Class
Parnassus Investments 1 Market Street, Suite 1600 San Francisco, CA 94105	1,317,232	1 9.29%
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	1,303,155	2 9.19%
Vanguard Group, Inc. P.O. Box 2600 Valley Forge, PA 19482	1,120,954	3 7.91%

¹ As of June 30, 2016, Parnassus Investments (“Parnassus”) filed a report on Form 13F with the Securities and Exchange Commission to report beneficial ownership of 1,317,232 shares. Parnassus reported sole investment discretion with respect to all shares, sole voting authority with respect to 1,259,690 shares and no voting authority with respect to 57,542 shares. Beneficial ownership information as of October 18, 2016 is unavailable.

² As of June 30, 2016, BlackRock, Inc. (“BlackRock”) and five BlackRock subsidiary investment managers filed reports on Form 13F with the Securities and Exchange Commission to report beneficial ownership of a total of 1,303,155 shares managed by eleven BlackRock investment managers. BlackRock disclaims investment discretion with respect to all shares reported as beneficially owned by its investment management subsidiaries. BlackRock Institutional Trust Company, N.A. reported sole investment discretion and sole voting authority with respect to 324,954 shares and sole investment discretion and no voting authority with respect to 28,769 shares. Sole investment discretion and sole voting authority with respect to shares is reported for the following BlackRock subsidiaries: BlackRock Fund Advisors as to 859,867 shares; BlackRock Investment Management, LLC as to 58,915 shares; BlackRock Asset Management Ireland Limited as to 10,679 shares; BlackRock Advisors, LLC as to 6,588 shares; and four other BlackRock subsidiaries as to a total of 4,189 shares. Two other BlackRock subsidiaries reported sole investment discretion and sole voting authority with respect to 6,688 shares and sole investment discretion and no voting authority with respect to 2,506 shares. Beneficial ownership information for BlackRock, Inc. and its investment management subsidiaries as of October 18, 2016 is unavailable.

³ As of June 30, 2016, The Vanguard Group, Inc. (“Vanguard”) filed a report on Form 13F with the Securities and Exchange Commission to report beneficial ownership of 1,120,954 shares, including 29,658 shares held by Vanguard Fiduciary Trust Company and 1,900 shares held by Vanguard Investments Australia, Ltd. Vanguard Fiduciary Trust Company reports shared investment discretion and sole voting authority with respect to all shares and Vanguard Investments Australia, Ltd. reports shared investment and voting authority with respect to all shares. Vanguard reported sole investment discretion and no voting authority with respect to 1,088,696 shares and sole investment discretion and sole voting authority with respect to 700 shares. Beneficial ownership information as of

October 18, 2016 is unavailable.

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ITEM NO. 1

NOMINEES FOR ELECTION AS DIRECTORS

AND SECURITY OWNERSHIP OF MANAGEMENT

At the Company's Annual Meeting of Stockholders, the ten nominees named below under the heading, Nominees for Election as Directors, will be presented for election as directors until the next Annual Meeting of Stockholders and until their successors are elected or appointed. In the event any nominee is unable or declines to serve as a director at the time of the Annual Meeting, any proxy granted to vote for such nominee will be voted for a nominee designated by the present Board of Directors to fill such vacancy.

The nominees for election to the Board of Directors who receive a plurality of the votes cast for the election of directors by the shares present, in person or by proxy, shall be elected as directors. Holders of common stock are not entitled to cumulate their votes in the election of directors. Withheld votes and broker non-votes are not counted as votes in favor of any nominee. Since the ten nominees receiving the most votes will be elected as directors, withheld votes and broker non-votes will have no effect upon the outcome of the election.

Article III, Section 3.2 of the Bylaws of the Company, most recently amended and restated on July 13, 2016, provides that the authorized number of directors of the Company shall not be less than seven nor more than twelve until changed by amendment of the Certificate of Incorporation or by a bylaw duly adopted by the stockholders. The exact number of directors is to be fixed from time to time by a resolution duly adopted by the Board of Directors or by the stockholders.

On March 21, 2016, the Board of Directors voted to increase the number of directors from nine to ten and elected Daniel T. Carter as a director. On June 20, 2016, the Board of Directors voted to increase the number of directors from ten to eleven and elected Daniel E. Pittard as a director. On June 20, 2016, the Board of Directors voted to nominate Eric P. Etchart as a director to be elected at the 2016 Annual Meeting of Stockholders. Mr. Carter and Mr. Pittard were also nominated for election as continuing directors at the Annual Meeting. Giles H. Bateman and Richard A. Collato are retiring from the Board of Directors as of the date of the Annual Meeting in accordance with the Company's Corporate Governance Guidelines. Accordingly, the number of directors was fixed at ten effective as of the date of the 2016 Annual Meeting of Stockholders by resolution of the Board of Directors adopted on October 10, 2016.

DIRECTOR INDEPENDENCE

The Board of Directors has determined that each director and nominee other than Garry O. Ridge is an independent director as defined in Rule 5605(a)(2) of the Marketplace Rules of The Nasdaq Stock Market LLC (the "Nasdaq Rules"). In considering the independence of directors, the Board of Directors considered Gregory A. Sandfort's indirect

interest, as an executive officer of Tractor Supply Company, in purchases of the Company's products made by Tractor Supply Company in the ordinary course of business. The Company has concluded that Mr. Sandfort's indirect interest in such transactions is not material and does not require specific disclosure under Item 404(a) of Regulation S-K promulgated under the Securities Exchange Act of 1934 (the "Exchange Act").

Information concerning the independence of directors serving on committees of the Board of Directors is provided below as to each committee.

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SECURITY OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The following tables set forth certain information, including beneficial ownership of the Company's common stock, for the current directors and director nominees, for the executive officers named in the Summary Compensation Table below, and for all directors and executive officers as a group:

Director/Nominee	Age	Principal Occupation	Director Since	Amount and Nature of Beneficial Ownership October 18, 2016 ¹		
				Number	Percent of Class	Class
Giles H. Bateman (retiring director)	71	Investor; Retired CFO, Price Club	2003	18,577	2	*
Peter D. Bewley	70	Investor; Retired General Counsel, The Clorox Company	2005	23,930	3	*
Daniel T. Carter	60	Investor, Retired Executive Vice President & CFO, BevMo! Inc.	2016	846	4	*
Melissa Claassen	44	Vice President Business Unit Finance - adidas Group	2015	1,709	5	*
Richard A. Collato (retiring director)	73	Investor, Retired President & CEO, YMCA of San Diego County	2003	13,990	6	*
Mario L. Crivello	76	Investor	1994	273,590	7	1.93%
Eric P. Etchart	60	Investor, Retired Senior Vice President, The Manitowoc Company	N/A			
Linda A. Lang	58	Investor; Retired Chairman & CEO, Jack in the Box, Inc.	2004	17,508	8	*
Daniel E. Pittard	66	Investor; Retired President and CEO, Rubio's Restaurants, Inc.	2016	779	9	*
Garry O. Ridge	60	President and CEO, WD-40 Company	1997	75,731	10	*
Gregory A. Sandfort	61	CEO, Tractor Supply Company	2011	13,704	11	*
Neal E. Schmale	70	Board Chair, WD-40 Company; Retired President and COO, Sempra Energy	2001	25,416	12	*

*Less than one (1) percent.

¹ All shares owned directly unless otherwise indicated.

² Mr. Bateman has the right to acquire 3,800 shares upon the exercise of stock options and the right to receive 8,770 shares upon settlement of vested restricted stock units upon termination of his service as a director of the Company.

³ Mr. Bewley has the right to receive 14,649 shares upon settlement of vested restricted stock units upon termination of his service as a director of the Company.

⁴ Mr. Carter has the right to receive 846 shares upon settlement of vested restricted stock units upon termination of his service as a director of the Company.

⁵ Ms. Claassen has the right to receive 1,709 shares upon settlement of vested restricted stock units upon termination of her service as a director of the Company.

⁶ Mr. Collato has the right to receive 10,018 shares upon settlement of vested restricted stock units upon termination of his service as a director of the Company.

- ⁷ Mr. Crivello has sole voting and investment power over 45,785 shares held in trust for the benefit of others. He also has sole voting and investment power over 219,801 shares held directly. Mr. Crivello has the right to receive 8,004 shares upon settlement of vested restricted stock units upon termination of his service as a director of the Company.
- ⁸ Ms. Lang has the right to receive 13,866 shares upon settlement of vested restricted stock units upon termination of her service as a director of the Company.
- ⁹ Mr. Pittard has the right to receive 484 shares upon settlement of vested restricted stock units upon termination of his service as a director of the Company.
- ¹⁰ Mr. Ridge has the right to receive 5,884 shares upon settlement of vested restricted stock units upon termination of employment, the right to receive 967 shares upon settlement of vested deferred performance units upon termination of employment, the right to receive 4,584 shares upon settlement of restricted stock units upon vesting within 60 days, and the right to receive 9,142 shares within 60 days upon settlement of vested market share units. Mr. Ridge also has voting and investment power over 1,229 shares held under the Company's 401(k) plan.

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SECURITY OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS (continued)

- ¹¹ Mr. Sandfort has the right to receive 8,436 shares upon settlement of vested restricted stock units upon termination of his service as a director of the Company.
- ¹² Mr. Schmale has the right to receive 14,649 shares upon settlement of vested restricted stock units upon termination of his service as a director of the Company.

Executive Officer	Age	Principal Occupation	Number	Amount and Nature of Beneficial Ownership October 18, 2016	Percent of Class
Jay W. Rembolt	65	Vice President, Finance, Treasurer and Chief Financial Officer, WD-40 Company	39,040	2	*
Michael L. Freeman	63	Division President, the Americas, WD-40 Company	25,821	3	*
William B. Noble	58	Managing Director, EMEA, WD-40 Company Limited	10,442	4	*
Geoffrey J. Holdsworth	54	Managing Director, Asia-Pacific, WD-40 Company (Australia) Pty. Limited	8,909	5	*
All Directors, Director Nominees and Executive Officers as a Group			557,940	6	3.90%

*Less than one (1) percent.

¹ All shares owned directly unless otherwise indicated.

² Mr. Rembolt has the right to acquire 6,160 shares upon exercise of stock options, the right to receive 310 shares upon settlement of vested deferred performance units upon termination of employment, the right to receive 1,049 shares upon settlement of restricted stock units upon vesting within 60 days, and the right to receive 2,284 shares within 60 days upon settlement of vested market share units. Mr. Rembolt also has voting and investment power over 6,173 shares held under the Company's 401(k) plan.

³ Mr. Freeman has the right to receive 3,971 shares upon settlement of vested restricted stock units upon termination of employment, the right to receive 334 shares upon settlement of vested deferred performance units upon termination of employment, the right to receive 1,049 shares upon settlement of restricted stock units upon vesting within 60 days, and the right to receive 2,284 shares within 60 days upon settlement of vested market share units. Mr. Freeman also has voting and investment power over 2,339 shares held under the Company's 401(k) plan.

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Mr. Noble has the right to receive 3,971 shares upon settlement of vested restricted stock units upon termination of employment, the right to receive 280 shares upon settlement of vested deferred performance units upon termination of employment, the right to receive 736 shares upon settlement of restricted stock units upon vesting within 60 days, and the right to receive 1,676 shares within 60 days upon settlement of vested market share units.

⁵ Mr. Holdsworth has the right to receive 3,971 shares upon settlement of vested restricted stock units upon termination of employment, the right to receive 248 shares upon settlement of vested deferred performance units upon termination of employment, the right to receive 546 shares upon settlement of restricted stock units upon vesting within 60 days, and the right to receive 1,142 shares within 60 days upon settlement of vested market share units.

⁶ Total includes the rights of directors and executive officers to acquire a total of 9,960 shares upon exercise of stock options, the rights of executive officers and directors to receive a total of 99,228 shares upon settlement of vested restricted stock units upon termination of employment or service as a director of the Company, the rights of executive officers to receive 2,508 shares upon settlement of vested deferred performance units upon termination of employment, the rights of executive officers to receive a total of 9,715 shares upon settlement of restricted stock units upon vesting within 60 days, the rights of executive officers to receive a total of 17,611 shares within 60 days upon settlement of vested market share units, and a total of 10,731 shares held by executive officers under the Company's 401(k) plan.

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NOMINEES FOR ELECTION AS DIRECTORS

PETER D. BEWLEY – Director

Peter D. Bewley was elected to the Board of Directors in 2005. Mr. Bewley served as associate general counsel for Johnson & Johnson from 1985 to 1994 after serving as a staff attorney with Johnson & Johnson from 1977 to 1985. He was vice president, general counsel and secretary and chief compliance officer of Novacare, Inc. from 1994 to 1998. Mr. Bewley was the senior vice president–general counsel and secretary of The Clorox Company from 1998 until his retirement in 2005. He presently serves as a director of Tractor Supply Company. Mr. Bewley’s experience at consumer packaged goods companies prepared him to address strategic issues confronting the Company. In addition, his service as general counsel and secretary of two public companies provides the Board with a practical and in depth perspective on corporate governance and legal matters.

Skills and Expertise:

- Former general counsel with extensive legal experience
- Governance expert
- Consumer packaged goods industry background

Committees:

- Governance (Chair)
- Audit
- Compensation

DANIEL T. CARTER – Director

Daniel T. Carter was elected to the Board of Directors on March 21, 2016. Mr. Carter served as executive vice president and chief financial officer of BevMo! Inc. from 2009 until June 2016. Mr. Carter served as executive vice president and chief financial officer of Semtek, Inc. from 2008 to 2009; executive vice president and chief financial officer at Charlotte Russe Holding, Inc. from 1998 to 2007; and chief financial officer of Advanced Marketing Services from 1997 to 1998. From 1986 to 1997 he was employed by Price Club and its follow-on entities, serving as senior vice president for PriceCostco and chief financial officer for Price Enterprises. Mr. Carter began his career as an auditor with Ernst & Young, and he is a Certified Public Accountant (inactive). Mr. Carter received his bachelor of business administration in accounting from the University of Oklahoma. Mr. Carter’s financial expertise, considerable knowledge of the retail industry and non-profit company board experience provide the Board with a breadth of relevant skills and experience.

Skills and Expertise:

- Former CFO with extensive finance and accounting expertise
- In-depth knowledge of retail industry
- Considerable non-profit board experience

Committees:

- Audit (Chair)
- Governance

MELISSA CLAASSEN – Director

Melissa Claassen was elected to the Board of Directors in 2015. Ms. Claassen is vice president, business unit finance – adidas Group. Ms. Claassen served as the chief financial officer of Taylor Made – adidas Golf from 2012 to 2015. From 1996 until 2012 Ms. Claassen held positions at various adidas subsidiaries including chief financial officer of adidas Group Hong Kong and Taiwan, controlling director at adidas Group China, head of marketing controlling, senior financial controller, finance manager, SAP team lead, management accountant, and financial accountant. Ms. Claassen’s extensive knowledge and expertise in the areas of collaboration, finance, accounting, and international business enhance the Board’s management oversight capabilities.

Skills and Expertise:

- International business experience
- Finance and accounting expertise

Committees:

- Finance
- Governance

MARIO L. CRIVELLO – Director

Mario L. Crivello was elected to the Board of Directors in 1994. Mr. Crivello was the managing owner and master of Tuna Purse Seiners until his retirement in 1984. Mr. Crivello and members of his family have been investors in the Company since its founding. His long-standing relationship with the Company and his insight into its history and market position provide the Board with a valuable shareowner perspective.

Skills and Expertise:

- Institutional knowledge from the Company's beginning
- Significant shareholder with strong shareholder perspective
- Former business owner with focus on cost management and return

Committees:

- Compensation
- Finance
- Governance

ERIC P. ETCHART – Director

Eric P. Etchart is a nominee for election to the Board of Directors at the Annual Meeting. Mr. Etchart served as senior vice president of The Manitowoc Company, Inc. from 2007 until his retirement in January 2016. He served as senior vice president, business development, from 2015 to 2016 and as president and general manager of the Manitowoc Crane Group from 2007 to 2015. From 1983 to 2007, Mr. Etchart held various sales, marketing and management positions at subsidiaries and predecessor companies of The Manitowoc Company, Inc. Mr. Etchart is a French national, having held management positions in China, Singapore, Italy, France and the United States. In May 2016, Mr. Etchart was recognized as a National Association of Corporate Directors (NACD) Board Leadership Fellow. He presently serves as a director of Graco Inc. and Alamo Group Inc. Mr. Etchart's breadth of international finance, marketing and management experience will provide important perspective to the Board. His demonstrated commitment to the highest standards of board leadership will strengthen the Board's commitment to good governance.

Skills and Expertise:

- Strong management background in sales, marketing and finance
- International business experience
- Board governance

Committees:

· To be determined

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LINDA A. LANG – Director

Linda A. Lang was elected to the Board of Directors in 2004. Ms. Lang was chairman of the board and chief executive officer of Jack in the Box, Inc. from 2005 until her retirement in 2014. From 1996 until 2005 she held the offices of president and chief operating officer, executive vice president, senior vice president marketing, vice president and regional vice president, Southern California Region, and vice president marketing, all at Jack in the Box, Inc. Ms. Lang has extensive knowledge and expertise in the areas of brand management and marketing, financial management and reporting, supply chain and distribution management as well as strategic planning, executive compensation and succession management. Her experience in these and other areas of corporate management and governance offer complementary experience to the Board.

Skills and Expertise:

- Former CEO in touch with today's consumer
- In depth experience in brand management, finance, distribution and compensation
- Strong focus on strategy development, strategic planning and strategy execution

Committees:

- Finance (Chair)
- Compensation

DANIEL E. PITTARD – Director

Daniel E. Pittard was elected to the Board of Directors on June 20, 2016. From 2006 until his retirement in 2012, Mr. Pittard served as president, CEO and Board member of Rubio's Restaurants, Inc. Mr. Pittard was an angel investor and served on the board of directors of five private companies from 2000 until 2005. He served as senior vice president, strategy and business development for Gateway, Inc. from 1998 until 1999; and group vice president, Amoco Company (now BP) from 1995 until 1998 with full P&L responsibilities for four businesses with \$13 billion in revenue. As a senior vice president for PepsiCo/Frito-Lay from 1992 to 1995 he had responsibilities for international operations, strategy and new ventures. From 1980 to 1992 he was with McKinsey and Company, and served as a partner in Atlanta, Stockholm and Helsinki. From 1976 until 1980 Mr. Pittard was CEO of a joint venture in Saudi Arabia. Mr. Pittard has served on three public company boards - Rubio's Restaurants, Novatel Wireless and Pulse Electronics - as well as many private and non-profit boards. He is a former public company CEO and McKinsey partner with considerable international experience and he was recently designated as a National Association of Corporate Directors (NACD) Board Leadership Fellow. His expertise in the areas of strategy development and international business, as well as his extensive public and private company board experience make him a valuable addition to the Board.

Skills and Expertise:

- Significant experience in consumer products and industrial business
- Strong background in strategy development
- International business experience

Committees:

- Audit
- Finance

GARRY O. RIDGE – President & CEO

Garry O. Ridge joined WD-40 Company in 1987 as managing director, WD-40 Company (Australia) Pty. Limited and he was responsible for Company operations throughout the Pacific and Asia. Mr. Ridge transferred to the corporate office in 1994 as director international operations and was elected vice president - international in 1995. He was elected to the position of executive vice president/chief operating officer in 1996 and he was named president and chief executive officer in 1997. He was also elected to the Board of Directors in 1997. Prior to joining WD-40 Company Mr. Ridge was managing director of Mermax Pacific Pty. Ltd. and held a number of senior management positions with Hawker Pacific Pty. Ltd. (a Hawker Siddeley PLC Group Company) which was a licensee for WD-40® products until 1988. As the CEO of the Company, Mr. Ridge offers the Board an important Company-based perspective. In addition, his particular knowledge of the Company's international markets and industry position provides the Board with valuable insight.

Skills and Expertise:

- CEO of the Company
- Leader with a passion for a strong culture, employee engagement and protecting and maximizing the return on the Company's brand assets
- Particular expertise in driving a global business

GREGORY A. SANDFORT – Director

Gregory A. Sandfort was elected to the Board of Directors in 2011. Mr. Sandfort has served as chief executive officer of Tractor Supply Company since December 2012. He held the office of president of Tractor Supply Company from 2009 through 2015. Prior to 2013, Mr. Sandfort served as president and chief operating officer in 2012 and as president and chief merchandising officer from 2009 to 2012. Mr. Sandfort served as executive vice president-chief merchandising officer of Tractor Supply Company from 2007 to 2009. Mr. Sandfort previously served as president and chief operating officer at Michael's Stores, Inc. from 2006 to 2007, and as executive vice president-general merchandise manager at Michaels Stores, Inc. from 2004 to 2006. Mr. Sandfort also serves as a director of Tractor Supply Company. Mr. Sandfort brings a retail industry perspective to the Board. The Board also values Mr. Sandfort's extensive management experience in the retail industry.

Skills and Expertise:

- Active CEO in a channel that distributes the Company's products
- Brings a retail industry perspective
- Direct connection with consumers of the Company's products

Committees:

- Compensation (Chair)

- Governance

Neal E. Schmale – Chair

Neal E. Schmale was elected to the Board of Directors in 2001. Mr. Schmale was named Board Chair in 2004. Mr. Schmale was president and chief operating officer of Sempra Energy from 2006 until his retirement in 2011. Previously, he was executive vice president and chief financial officer of Sempra Energy from 1998 through 2005. Mr. Schmale served as a director of Sempra Energy from 2004 until 2011. He presently serves as a director of Murphy Oil Corporation. Mr. Schmale's past experience as director on four public company boards and his extensive senior management experience with a Fortune 300 company offers the Board valuable judgment and management perspective.

Skills and Expertise:

- Former COO and CFO with broad financial and operations experience
- Focused on strategy and execution
- Extensive public company board experience

Committees:

- Audit
- Finance
- Governance

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BOARD LEADERSHIP, RISK OVERSIGHT AND COMPENSATION-RELATED RISK

The Board of Directors of WD-40 Company has maintained separation of its principal executive officer and board chair positions for many years. In addition, the board chair position is held by an independent director and the Charter of the Corporate Governance Committee provides that a retiring Chief Executive Officer will not be nominated to stand for re-election to the Board. The Board of Directors believes that separation of the principal executive officer and the board chair positions is appropriate for the Company given the size of the Board and the need for undivided attention of the Chief Executive Officer to the implementation of strategic directives and overall management responsibilities. As an independent director, the board chair can provide leadership to the Board without perceived or actual conflicts associated with individual and collective interests of management employees. The Board of Directors believes that a retiring Chief Executive Officer should not continue to serve as a director in order to provide management with an unfettered ability to provide new leadership.

Risk oversight is undertaken by the Board of Directors as a whole but various Board Committees are charged with responsibility to review and report on business and management risks included within the purview of each Committee's responsibilities. The Compensation Committee considers risks associated with the Company's compensation policies and practices, with particular focus on the cash incentive compensation ("Incentive Compensation") and equity awards offered to the Company's executive officers. The Audit Committee considers risks associated with financial reporting and internal control and risks related to information technology catastrophe and disaster recovery, as well as management of the Company's insurance risks and coverage. The Finance Committee considers risks associated with the Company's financial management and investment activities, acquisition-related risks and Employee Retirement Income Security Act of 1974 plan oversight. The Board and the Committees receive periodic reports from management employees having responsibility for the management of particular areas of risk. The Chief Executive Officer is responsible for overall risk management and provides input to the Board of Directors with respect to the Company's risk management process and is responsive to the Board in carrying out its risk oversight role.

With respect to compensation-related risk, the Company's management has undertaken an annual assessment of the Company's compensation policies and practices and strategic business initiatives to determine whether any of these policies or practices, as well as any compensation plan design features, including those applicable to the executive officers, are reasonably likely to have a material adverse effect on the Company. Based on this review, management has concluded that the Company's compensation policies and practices are not reasonably likely to have a material adverse effect on the Company. This conclusion is based primarily on the fact that the incentives underlying most of the Company's compensation plan design features are directed to a balance between increased profitability and longer-term stockholder returns. Management has discussed these findings with the Compensation Committee.

BOARD OF DIRECTORS MEETINGS, COMMITTEES AND ANNUAL MEETING ATTENDANCE

The Board of Directors is charged by the stockholders with managing or directing the management of the business affairs and exercising the corporate power of the Company. The Board of Directors relies on the following standing committees to assist in carrying out the Board of Directors' responsibilities: the Audit Committee, the Compensation Committee, the Corporate Governance Committee and the Finance Committee. Each of the committees has a written charter approved by the Board of Directors and such charters are available on WD-40 Company's website at <http://www.wd40company.com> within the "Investors" section. There were seven meetings of the Board of Directors during the last fiscal year. Each director serving for the full fiscal year attended at least 75 percent of the aggregate of the total number of meetings of the Board and of all committees on which the director served. The Board of Directors holds an annual organizational meeting on the date of the Annual Meeting of Stockholders. All Directors are expected to attend the Annual Meeting. At the last Annual Meeting of Stockholders, all of the prior year nominee directors were present.

BOARD OF DIRECTORS COMPENSATION

Director compensation is set by the Board of Directors upon the recommendation of the Corporate Governance Committee. The Corporate Governance Committee conducts an annual review of non-employee director compensation, including consideration of a survey of director compensation for the same peer group of companies used by the Compensation Committee for the assessment of executive compensation. For fiscal year 2016, non-employee directors received compensation for services as directors pursuant to the Directors' Compensation Policy and Election Plan (the "Director Compensation Policy") adopted by the Board of Directors on October 12, 2015. Pursuant to the Director Compensation Policy, non-employee directors received a base annual fee of \$37,500 for services provided from January 1, 2016 through the date of the Company's 2016 Annual Meeting of Stockholders. The Board Chair received an additional annual fee of \$18,000. Non-employee directors received additional cash compensation for service on various Board Committees. The Chair of the Audit Committee received \$16,000 and each other member of the Audit Committee received \$8,000. The Chair of the Compensation Committee received \$10,000 and each other member of the Compensation Committee received \$4,000. Each Chair of the Corporate Governance Committee and the Finance Committee received \$8,000 and each other member of those committees received \$4,000. All such annual fees were paid in March 2016, with the exception of the fees paid to Messrs. Carter and Pittard. As a newly elected member of the Board as of March 21, 2016, Mr. Carter received a base annual fee of \$37,500 and fees for service on the Audit Committee and the Corporate Governance Committee through the date of the Company's 2016 Annual Meeting of Stockholders. As a newly elected member of the Board as of June 20, 2016, Mr. Pittard received a base annual fee of \$28,000 and the sum of \$4,000 in fees for service on the Audit Committee and the sum of \$2,000 in fees for service on the Finance Committee through the date of the Company's 2016 Annual Meeting of Stockholders.

In December 2007, the Company's stockholders approved the WD-40 Company 2007 Stock Incentive Plan (the "Stock Incentive Plan") to authorize the issuance of stock-based compensation awards to employees as well as to directors and consultants. For services provided for the period from the date of the Company's 2015 Annual Meeting of Stockholders to the next annual meeting, the Director Compensation Policy provided for the grant of restricted stock unit ("RSU") awards having a grant date value of \$55,500 to each non-employee director. Each RSU represents the right to receive one share of the Company's common stock. On December 8, 2015, each non-employee director, other than Messrs. Carter and Pittard, received an RSU award covering 552 shares of the Company's common stock. On March

21, 2016, Mr. Carter received an RSU award covering 519 shares of the Company's common stock. On June 20, 2016, Mr. Pittard received an RSU award covering 484 shares of the Company's common stock. Additional information regarding the RSU awards is provided in a footnote to the Director Compensation table below. Each non-employee director was also permitted to elect to receive an RSU award in lieu of all or a portion of his or her base annual fee for service as a director as specified above. The number of shares of the Company's common stock subject to each such RSU award granted to the non-employee directors equaled the compensation payable in RSUs divided by the fair market value of the Company's common stock as of the date of grant. RSU awards granted to non-employee directors pursuant to the Director Compensation Policy are subject to Award Agreements under the Stock Incentive Plan. All RSU awards granted to non-employee directors are fully vested and are settled in shares of the Company's common stock upon termination of the director's service as a director of the Company.

The Company also maintains a Director Contributions Fund from which each incumbent non-employee director has the right, at a specified time each fiscal year, to designate \$6,000 in charitable contributions to be made by the Company to properly qualified (under Internal Revenue Code Section 501(c)(3)) charitable organizations.

DIRECTOR COMPENSATION TABLE - FISCAL YEAR 2016

The following Director Compensation table provides information concerning director compensation earned by each non-employee director for services rendered in fiscal year 2016. Since the annual base fee and fees for service on Committees are payable for services provided to the Company from January 1st of the fiscal year until the next annual meeting of stockholders, such compensation is reported for purposes of the Director Compensation table on a weighted basis. For fiscal year 2016, one third of the reported compensation earned or paid in cash is based on the Director Compensation Policy in effect for calendar year 2015 and two thirds of the reported compensation earned or paid in cash is based on the Director Compensation Policy in effect for calendar year 2016. Amounts earned and reported in the Director Compensation table for Fees Earned or Paid in Cash for the fiscal year for each director are dependent upon the various committees on which each director served as a member or as chair during the fiscal year.

Name	Fees Earned or Paid in Cash (\$) ¹	Stock Awards (\$) ²	Option Awards (\$) ³	All Other Compensation (\$) ⁴	Total (\$)
Giles H. Bateman	\$ 57,167	\$ 55,437	\$ -	\$ 6,000	\$ 118,604
Peter D. Bewley	\$ 57,167	\$ 55,437	\$ -	\$ 6,000	\$ 118,604
Daniel T. Carter	\$ 34,333	\$ 55,434	\$ -	\$ -	\$ 89,767
Melissa Claassen	\$ 43,833	\$ 55,437	\$ -	\$ 6,000	\$ 105,270
Richard A. Collato	\$ 55,167	\$ 55,437	\$ -	\$ 6,000	\$ 116,604
Mario L. Crivello	\$ 49,167	\$ 55,437	\$ -	\$ 6,000	\$ 110,604
Linda A. Lang	\$ 49,167	\$ 55,437	\$ -	\$ 6,000	\$ 110,604
Daniel E. Pittard	\$ 17,500	\$ 55,437	\$ -	\$ -	\$ 72,937
Gregory A. Sandfort	\$ 46,167	\$ 55,437	\$ -	\$ 6,000	\$ 107,604
Neal E. Schmale	\$ 71,167	\$ 55,437	\$ -	\$ 6,000	\$ 132,604

¹ For services rendered during fiscal year 2016, directors other than Ms. Claassen and Messrs. Carter and Pittard received RSU awards pursuant to elections made in 2014 and 2015 under the Director Compensation Policy with respect to their services as directors in calendar years 2015 and 2016, respectively, in each case in lieu of all or part of their base annual fees for such calendar year (as described in the narrative preceding the Director Compensation table) as follows: Peter D. Bewley, Linda A. Lang, Gregory A. Sandfort and Neal E. Schmale received RSU awards valued at \$37,140. Based on the elections of Ms. Claassen, Mr. Carter and Mr. Pittard, with respect to their base annual fees for services as a director in calendar years 2015 (as to Ms. Claassen) and 2016, Ms. Claassen received RSU awards for services rendered during fiscal year 2016 valued at \$30,795 and Mr. Carter received RSU awards for services rendered during fiscal year 2016 valued at \$24,970. Mr. Pittard elected to receive

his base annual fees in cash. The number of shares underlying each director's RSU award is rounded down to the nearest whole share.

² Amounts included in the Stock Awards column represent the grant date fair value for non-elective RSU awards granted to all non-employee directors pursuant to the Director Compensation Policy. On December 8, 2015, each director other than Messrs. Carter and Pittard received a non-elective RSU award covering 552 shares of the Company's common stock. Each RSU award has a grant date fair value equal to the closing price of the Company's common stock on that date in the amount of \$100.43 per share multiplied by the number of shares underlying the RSU award. On March 21, 2016 and on June 20, 2016, Mr. Carter and Mr. Pittard, respectively, received non-elective RSU awards covering 519 shares and 484 shares, respectively, of the Company's common stock. The RSU awards granted to Mr. Carter and Mr. Pittard have grant date fair values equal to the closing price of the Company's common stock on the respective dates of the awards in the amounts of \$106.81 and \$114.54 per share, respectively, multiplied by the number of shares underlying the respective RSU awards. The number of shares underlying each director's RSU award is rounded down to the nearest whole share. Outstanding RSUs held by each director as of October 18, 2016 are reported above in footnotes to the table under the heading, Security Ownership of Directors and Executive Officers. The RSUs are settled in stock only upon termination of service as a director and the RSUs provide for the payment of dividend equivalent compensation in amounts equal to dividends declared and paid on the Company's common stock.

³ Outstanding options held by directors as of October 18, 2016 are reported above in footnotes to the table under the heading, Security Ownership of Directors and Executive Officers.

⁴ Amounts represent charitable contributions made by the Company in fiscal year 2016 as designated by non-employee directors pursuant to the Company's Director Contribution Fund.

EQUITY HOLDING REQUIREMENT FOR DIRECTORS

All RSU awards to non-employee directors, including both non-elective grants and RSU awards granted pursuant to the annual elections of the directors to receive RSUs in lieu of all or part of their base annual fee, provide for immediate vesting but will not be settled in shares of the Company's common stock until termination of each director's service as a director. The number of shares to be issued to each non-employee director upon termination of service is disclosed in the footnotes to the table under the heading, Security Ownership of Directors and Executive Officers.

STOCKHOLDER COMMUNICATIONS WITH BOARD OF DIRECTORS

Stockholders may send communications to the Board of Directors by submitting a letter addressed to: WD-40 Company, Corporate Secretary, 1061 Cudahy Place, San Diego, CA 92110.

The Board of Directors has instructed the Corporate Secretary to forward such communications to the Board Chair. The Board of Directors has also instructed the Corporate Secretary to review such correspondence and, at the Corporate Secretary's discretion, to not forward correspondence which is deemed of a commercial or frivolous nature or inappropriate for Board of Director consideration. The Corporate Secretary may also forward the stockholder communication within the Company to another department to facilitate an appropriate response.

COMMITTEES

CORPORATE GOVERNANCE COMMITTEE

Nomination Policies and Procedures

The Corporate Governance Committee is comprised of Peter D. Bewley (Chair), Daniel T. Carter, Melissa Claassen, Mario L. Crivello, Gregory A. Sandfort and Neal E. Schmale. The Corporate Governance Committee also functions as the Company's nominating committee and is comprised exclusively of independent directors as defined in the Nasdaq Rules. The Corporate Governance Committee met four times during the last fiscal year.

The Corporate Governance Committee acts in conjunction with the Board of Directors to ensure that a regular evaluation is conducted of succession plans, performance, independence, and of the qualifications and integrity of the Board of Directors. The Corporate Governance Committee also reviews the applicable skills and characteristics required of nominees for election as directors. The objective is to balance the composition of the Board of Directors to achieve a combination of individuals of different backgrounds and experiences, including, but not limited to, whether the candidate is currently or has recently been an executive officer at a publicly traded company; whether the candidate has substantial background in matters related to the Company's products or markets, in particular, supply chain management, information technology, retailing and marketing; and whether the candidate has substantial international business experience, a substantial financial background or is serving as a director at one or more publicly traded companies. The Board of Directors has not established any specific diversity criteria for the selection of nominees other than the general composition criteria noted above.

In determining whether to recommend a director for re-election, the Corporate Governance Committee considers the director's past attendance at meetings, results of evaluations and the director's participation in and anticipated future contributions to the Board of Directors. A director who will have reached the age of 72 prior to the date of the next annual meeting of stockholders, except for non-employee directors first elected to the Board prior to June 29, 1999, will be expected to retire from the Board. However, the Board may re-nominate any director for up to three additional years if relevant circumstances warrant continued service.

The Corporate Governance Committee reviews new Board of Director nominees through a series of internal discussions, reviewing available information, and interviewing selected candidates. Generally, candidates for nomination to the Board of Directors have been suggested by directors or employees. The Company does not currently employ a search firm or third party in connection with seeking or evaluating candidates.

The Corporate Governance Committee will consider director candidates recommended by security holders under the same criteria as other candidates described above. Nominations may be submitted by letter addressed to: WD-40 Company Corporate Governance Committee, Corporate Secretary, 1061 Cudahy Place, San Diego, CA 92110. Nominations by security holders must be submitted in accordance with the requirements of the Company's Bylaws, including submission of such nominations within the time required for submission of stockholder proposals as set forth below under the heading, Stockholder Proposals.

AUDIT COMMITTEE

Related Party Transactions Review and Oversight

The Audit Committee is comprised of Daniel T. Carter (Chair), Giles H. Bateman (retiring director), Peter D. Bewley, Richard A. Collato (retiring director), Daniel E. Pittard and Neal E. Schmale. Five meetings were held during the last fiscal year to review quarterly financial reports, to consider the annual audit and other audit services, to review the audit with the independent registered public accounting firm after its completion and to review the Company's business continuity and insurance programs. The Board of Directors has determined that Mr. Carter is an "audit committee financial expert" as defined by regulations adopted by the Securities and Exchange Commission. Mr. Carter and each of the other members of the Audit Committee are independent directors as defined in the Nasdaq Rules. Each member of the Audit Committee also satisfies the requirements for service on the Audit Committee as set forth in Rule 5605(c)(2) of the Nasdaq Rules.

The Audit Committee has responsibility for review and oversight of related party transactions for potential conflicts of interest. Related party transactions include any independent business dealings between the Company and related parties who consist of the Company's executive officers, directors, director nominees and holders of more than 5% of the Company's shares. Such transactions include business dealings with parties in which any such related party has a material direct or indirect interest. The Board of Directors has adopted a written policy to provide for the review and oversight of related party transactions by the Audit Committee. Executive officers and directors are required to notify the Secretary of the Company of any proposed or existing related party transactions in which they have an interest. The Secretary and the Audit Committee also rely upon the Company's disclosure controls and procedures adopted pursuant to Exchange Act rules for the purpose of assuring that matters requiring disclosure, including related party transactions that may involve the potential for conflicts of interests, are brought to the attention of management and the Audit Committee on a timely basis. Certain related party transactions do not require Audit Committee review and approval. Such transactions are considered pre-approved. Pre-approved transactions include:

- compensation arrangements approved by the Compensation Committee or the Board of Directors and expense reimbursements consistent with the Company's expense reimbursement policy;

- transactions in which the related party's interest is derived solely from the fact that he or she serves as a director of another corporation that is a party to the transaction;
- transactions in which the related party's interest is derived solely from his or her ownership (combined with the ownership interests of all other related parties) of not more than a 5% beneficial interest (but excluding any interest as a general partner of a partnership) in an entity that is a party to the transaction; and
- transactions available to all employees of the Company generally.

If a related party transaction is proposed or if an existing transaction is identified, the Audit Committee has authority to disapprove, approve or ratify the transaction and to impose such restrictions or other limitations on the transaction as the Committee may consider necessary to best assure that the interests of the Company are protected and that the related party involved is not in a position to receive an improper benefit. In making such determination, the Audit Committee considers such factors as it deems appropriate, including without limitation (i) the benefits to the Company of the transaction; (ii) the commercial reasonableness of the terms of the transaction; (iii) the dollar value of the transaction and its materiality to the Company and to the related party; (iv) the nature and extent of the related party's interest in the transaction; (v) if applicable, the impact of the transaction on a non-employee director's independence; and (vi) the actual or apparent conflict of interest of the related party participating in the transaction.

During the fiscal year ended August 31, 2016, there were no transactions required to be reported pursuant to the requirements of Item 404(a) of Regulation S-K under the Exchange Act that did not require review and approval by the Audit Committee.

The Audit Committee also has responsibility for the selection, appointment and oversight of the independent registered public accounting firm for the Company.

FINANCE COMMITTEE

The Finance Committee is comprised of Linda A. Lang (Chair), Giles H. Bateman (retiring director), Melissa Claassen, Mario L. Crivello, Daniel E. Pittard and Neal E. Schmale. Four meetings of the Finance Committee were held during the last fiscal year. The Finance Committee is appointed by the Board for the primary purpose of assisting the Board in overseeing financial matters of importance to the Company, including matters relating to acquisitions, investment policy, capital structure, and dividend policy. The Finance Committee also reviews the Company's annual and long-term financial strategies and objectives.

COMPENSATION COMMITTEE

Compensation Committee Interlocks and Insider Participation

The Compensation Committee is comprised of Gregory A. Sandfort (Chair), Peter D. Bewley, Richard A. Collato (retiring director), Mario L. Crivello and Linda A. Lang, all of whom are independent directors as defined under the Nasdaq Rules. The Compensation Committee met three times during the last fiscal year. During the fiscal year ended August 31, 2016, there were no compensation committee interlock relationships with respect to members of the Board of Directors and the Compensation Committee as described in Item 407(e)(4)(iii) of Regulation S-K promulgated under the Exchange Act.

ITEM NO. 2

ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

In accordance with the requirements of Section 14A of the Exchange Act, the Company's stockholders are being asked to cast an advisory vote to approve the compensation of the Company's Named Executive Officers ("NEOs") identified in the Compensation Discussion and Analysis section of this proxy statement. This vote is commonly referred to as a "Say-on-Pay" vote.

At the Company's 2011 Annual Meeting of Stockholders, the first Say-on-Pay vote was held and the Company's stockholders were also asked, by a non-binding advisory vote, to express their preference as to the frequency of future Say-on-Pay votes and the Board of Directors recommended annual Say-on-Pay voting. The Company's stockholders expressed a preference to have Say-on-Pay votes every year.

The following resolution will be presented for approval by the Company's stockholders at the 2016 Annual Meeting of Stockholders:

"RESOLVED, that the stockholders of WD-40 Company (the "Company") hereby approve the compensation of the Company's Named Executive Officers as disclosed in the Compensation Discussion and Analysis section of the Company's proxy statement for the 2016 Annual Meeting of Stockholders and in the accompanying compensation tables and narrative disclosures."

The advisory vote to approve executive compensation is a non-binding vote on the compensation of the Company's NEOs. This proxy statement contains a description of the compensation provided to the NEOs as required by Item 402 of Regulation S-K promulgated under the Exchange Act.

Stockholders are encouraged to carefully consider the Compensation Discussion and Analysis, accompanying compensation tables and related narrative discussion in this proxy statement in considering this advisory vote. The Board of Directors believes that the compensation provided to the Company's NEOs offers a competitive pay package with a proper balance of current and long term incentives aligned with the interests of the Company's stockholders.

This is an advisory vote and will not affect compensation previously paid or awarded to the NEOs. While a vote disapproving the NEOs' executive compensation will not be binding on the Board of Directors or the Compensation Committee, the Compensation Committee will consider the results of the advisory vote in making future executive compensation decisions.

The affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote on the proposal at the Annual Meeting of Stockholders is required to approve this advisory vote on executive compensation.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE FOR ADOPTION OF THE PROPOSED RESOLUTION FOR APPROVAL OF THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS.

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COMPENSATION DISCUSSION AND ANALYSIS

WD-40 Company's Compensation Discussion and Analysis addresses the executive compensation philosophy and the processes and decisions of the Compensation Committee of the Company's Board of Directors (the "Committee") with respect to the compensation of the Company's Named Executive Officers (the "NEOs"). For fiscal year 2016, the Company's NEOs were:

- Garry O. Ridge, our Chief Executive Officer ("CEO");
 - Jay W. Rembolt, our Vice President, Finance, Treasurer and Chief Financial Officer ("CFO");
- Michael L. Freeman, our Division President, the Americas;
- William B. Noble, our Managing Director, EMEA; and
- Geoffrey J. Holdsworth, our Managing Director, Asia-Pacific.

EXECUTIVE SUMMARY OF EXECUTIVE COMPENSATION DECISIONS AND RESULTS

The compensation structure for the NEOs is comprised of three elements: base salary, retention-related equity compensation and performance-related cash and equity compensation. Through the application of these elements, a significant portion of NEO realized compensation is directly tied to Company performance measured by increased earnings and total stockholder return ("TSR"). Performance-based compensation tied to earnings is based on earnings before interest, income taxes, depreciation and amortization ("EBITDA"), not earnings per share.

Retention-related equity compensation includes restricted stock unit ("RSU") awards that vest over a period of three years after grant. Retention-related equity compensation features are also reflected in our performance-based market share unit ("MSU") awards that may be earned over a market return-based vesting period of three years.

Performance-related compensation includes (i) an annual cash Incentive Compensation opportunity that is tied to current fiscal year financial results; (ii) MSU awards that are tied to a measure of TSR; and (iii) deferred performance unit ("DPU") awards that are tied to current fiscal year financial results that exceed levels required for maximum payment of that portion of the cash Incentive Compensation opportunity that is tied to global EBITDA.

The foregoing compensation structure elements are described fully later in this Compensation Discussion and Analysis.

In establishing the framework for overall NEO compensation and in assessing such compensation for each NEO in light of individual and overall Company performance, the Committee considers actual and target levels of compensation with reference to both short-term and long-term performance periods as well as labor market data and peer group executive compensation. The Committee seeks to align individual NEO performance incentives with both

short-term and long-term Company objectives. The Committee reviews each of the principal elements of NEO compensation to determine the effectiveness of the established framework for NEO compensation based on measures of Company performance, specifically including regional and global measures based on the Company's EBITDA, but also including relative Company performance as compared to the established peer group of companies and a comparable market index. Additionally, the Committee also considers the relative achievement of longer term strategic objectives as to which each NEO is accountable. Information regarding NEO strategic objectives is provided in the Executive Officer Compensation Decisions section below under the heading, Base Salary: Process. The Committee believes that a review of NEO compensation and relative company performance over multi-year periods demonstrates the effectiveness of the Company's established framework for NEO compensation.

THREE YEAR PERFORMANCE-BASED COMPENSATION REVIEW

For fiscal year 2016, the Company's financial performance was strong, resulting in achievement of the maximum performance measure goals for regional and global EBITDA under the Company's Incentive Compensation program (the "Performance Incentive Program"). As described in more detail below, maximum first level performance measure goals for the Americas, EMEA, and Asia-Pacific regions were all achieved. In addition, the full maximum first and second level goals for global EBITDA were achieved. As a result, each of the NEOs earned the maximum amount of Incentive Compensation for fiscal year 2016. The Company's financial performance for fiscal year 2015, as measured against goals for regional and global EBITDA, was mixed. Maximum first level goals for the Americas and Asia-Pacific regions were achieved in fiscal year 2015, but minimum first level goals for EMEA were not achieved. The second level minimum goal for global EBITDA was not achieved. As a result, earned Incentive Compensation amounts for fiscal year 2015 for the NEOs were at or near the target amounts (50% of the maximum earned Incentive Compensation opportunity) for all of the NEOs other than Mr. Noble and no Incentive Compensation was earned by Mr. Noble. The Company's financial performance for fiscal year 2014 exceeded many of the goals established by the Committee for performance-based compensation earned for that year. As a result, earned Incentive Compensation for fiscal year 2014 for each NEO was above the target amount of the potential reward for all of the NEOs.

For the three fiscal years ended August 31, 2016, the TSR for the Company's shares exceeded, by an absolute percentage point difference, the return for the Russell 2000 Index (the "Index") by 91.4%. As a result, MSUs awarded to the NEOs in October 2013 provided vested shares of the Company's common stock to the NEOs at the maximum amount of 200% of the target number of award shares. For the three fiscal years ended August 31, 2015, the TSR for the Company's shares exceeded, by an absolute percentage point difference, the return for the Index by 27.5%. As a result, MSUs awarded to the NEOs in October 2012 provided vested shares of the Company's common stock to the NEOs at the maximum amount of 200% of the target number of award shares. There were no performance-based equity awards providing for vesting as of the end of fiscal year 2014.

FISCAL YEAR 2016 COMPENSATION

Compensation decisions for fiscal year 2016 were made in October 2015 based on individual and Company performance during fiscal year 2015 and a market survey conducted by the Committee's compensation consultant. The relative market percentile of total compensation for each of the NEOs for fiscal year 2016 based on peer group data is provided below under the heading Overall Reasonableness of Compensation.

The following is a summary of the decisions made by the Committee for NEO compensation for fiscal year 2016:

- For fiscal year 2016, base salaries for the NEOs were not increased. Base salaries for the NEOs were assessed in relation to labor market information. For fiscal year 2016, consideration was given to the appropriate relative mix of salary, annual Incentive Compensation and equity awards.
- Annual Incentive Compensation is awarded to the NEOs under the Company's Performance Incentive Compensation Plan described below under the heading Performance Incentive Program. For purposes of the Performance Incentive Program, goals for regional and global EBITDA were established at the beginning of the year. The Company's performance as measured against these goals is described in detail below. For fiscal year 2016, the target amounts of annual Incentive Compensation (50% of the maximum earned Incentive Compensation opportunity) for each of the NEOs were increased to provide a greater proportion of total target compensation in the form of performance-based annual compensation.
- In October 2015, the NEOs received annual RSU awards providing for the issuance of a total of 7,326 shares of the Company's common stock to be earned by continued employment by the Company over a vesting period of three years. These awards serve a retention purpose together with an incentive to maximize long term stockholder value through share price appreciation.
- In October 2015, the NEOs received MSU awards subject to performance vesting covering a target number of shares of the Company's common stock equal to 7,326 shares. If the Company's TSR over the three year vesting period matches the median return for the Index, the target number of shares of the Company's common stock would be issued to the NEOs. The actual number of shares to be issued will be from 0% to 200% of the target number of shares depending upon the Company's TSR as compared to the return for the Index.¹
- In October 2015, the NEOs received DPU awards that provided an opportunity to receive up to an aggregate maximum of 11,078 additional shares of the Company's common stock upon termination of employment. The DPU awards provided for vesting as of the end of fiscal year 2016 if the Company were to achieve a level of global EBITDA for the fiscal year in excess of the maximum goal for global EBITDA established for the Performance Incentive Program². Since the Company's global EBITDA for fiscal year 2016 exceeded the maximum goal for global EBITDA established for the Performance Incentive Program, the DPU awards vested as to 19.3% of the

maximum number of shares that each NEO was eligible to earn.

- RSU, MSU and DPU award amounts for fiscal year 2016 varied among the NEOs based on labor market compensation practices specific to the region of employment, relative achievement of individual performance measures and goals established for each NEO, as well as Company performance for fiscal year 2015 in areas over which each NEO had direct influence.

¹ For a more complete description of the MSU awards, refer to the Executive Officer Compensation Decisions section below under the heading, Market Share Unit Awards.

² For a more complete description of the DPU awards, refer to the Executive Officer Compensation Decisions section below under the heading, Deferred Performance Unit Awards.

- The Company's stockholders have provided advisory votes to approve executive compensation required by Section 14A of the Exchange Act (the "Say-on-Pay" votes) at the Company's annual meeting of stockholders for fiscal years 2013, 2014 and 2015. In each instance, at least 95% of the votes cast in the Say-on-Pay votes approved the compensation of the NEOs as disclosed in the Compensation Discussion and Analysis section of the Company's proxy statements for those fiscal years and in the accompanying compensation tables and narrative disclosures. The Committee has considered the results of these advisory Say-on-Pay votes in its decision-making for executive compensation of the NEOs and has concluded that no significant changes in executive compensation decisions and policies are warranted.

GOVERNANCE OF EXECUTIVE OFFICER COMPENSATION PROGRAM

The purpose of the Committee is to establish and administer the compensation arrangements for our CEO and the other executive officers of the Company, including the other NEOs, on behalf of the Board of Directors. The Committee is responsible for developing the Company's overall executive compensation strategy, with support from management and the Committee's independent compensation consulting firm. For fiscal year 2016 compensation decisions, the Committee's compensation consulting firm was Board Advisory, LLC. The Committee also has responsibilities in connection with administration of the Company's equity compensation plans.

The Committee operates pursuant to a Charter which outlines its responsibilities, including the Committee's responsibilities with respect to performance reviews and approval of annual compensation arrangements for the NEOs. A copy of the Compensation Committee Charter can be found under the Investors section of the Company's website at <http://www.wd40company.com>.

PROCESS FOR EVALUATING EXECUTIVE OFFICER PERFORMANCE AND COMPENSATION

In accord with its Charter, the Committee works with the Company's Human Resources function in carrying out its responsibilities. The Vice President of Global Organization Development is management's liaison with the Committee. The Committee's independent compensation consulting firm provides advice and information relating to executive compensation. For fiscal year 2016, the compensation consulting firm assisted the Committee in the evaluation of executive base salary, Incentive Compensation opportunities, equity incentive design and award levels, and the specific pay recommendation for our CEO. The Committee's compensation consulting firm reports directly to the Committee and provides no additional services for management.

EXECUTIVE COMPENSATION PHILOSOPHY AND FRAMEWORK

COMPENSATION OBJECTIVES

The Company's executive compensation program is designed to achieve five primary objectives:

1. Attract, motivate, reward and retain high performing executives;
2. Align the interests and compensation of executives with the value created for stockholders;
3. Create a sense of motivation among executives to achieve both short- and long-term Company objectives;
4. Create a direct, meaningful link between business and team performance and individual accomplishment and rewards; and
5. Ensure our compensation programs are appropriately competitive in the relevant labor markets.

TARGET PAY POSITION/MIX OF PAY

The Company's compensation program consists primarily of base salary, annual cash incentives, and long-term oriented equity awards. Each of these components is discussed in greater detail in the Executive Officer Compensation Decisions section below. The Committee has established a target for executive officer total compensation (defined as base salary, plus target Incentive Compensation, plus the grant date fair value of equity awards) at the median market level of compensation for each position (details on the use of peer group data to establish the median market level is provided below). Actual pay may vary, based on Company and/or individual performance, length of time within the position, and anticipated contribution. The Committee does not adhere to specific guidelines regarding the percentage of total compensation that should be represented by each compensation component, but monitors market competitiveness. A review of total compensation for each NEO relative to the target market percentile is provided in the Executive Officer Compensation Decisions section below under the heading, Overall Reasonableness of Compensation.

COMPENSATION BENCHMARKING

For purposes of its fiscal year 2016 compensation decisions, the Committee examined the executive compensation practices of a peer group of nineteen companies to assess the competitiveness of the Company's executive compensation. Peer group

companies were selected from a list of U.S. headquartered companies having revenues and earnings reasonably comparable to the Company and doing business in the specialty chemical industry or within specific consumer products categories. In addition to the peer group data, the Committee considers surveys of general industry company data provided by Hay Group, a global management consulting firm and Kenexa, an IBM Company. These data sources are applied by the Committee to establish the market median level of compensation for each executive officer position. The companies used in the peer group analysis for fiscal year 2016 compensation decisions were as follows:

Aceto Corporation	Landec Corporation
American Vanguard Corporation	National Presto Industries, Inc.
Balchem Corporation	Nutraceutical International Corporation
Calgon Carbon Corporation	Oil-Dri Corporation of America
Cambrex Corporation	Park Electrochemical Corp.
Flotek Industries Inc.	Prestige Brands Holdings, Inc.
Hawkins, Inc.	Quaker Chemical Corporation
Innophos Holdings, Inc.	Synutra International, Inc.
Innospec Inc.	USANA Health Sciences, Inc.
Inter Parfums, Inc.	