

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

SCHEDULE 14A INFORMATION

**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 ☐

- ☐ 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 under Rule 14a-12



Commvault Systems, Inc.

(Name of Registrant as Specified In Its Charter)

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:
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):
 - (3) 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:



COMMVAULT®

Stockholder Outreach

Response to 2014 “Say on Pay” Vote

Changes to CEO Compensation Plan

Agenda

- Background & Statement on Corporate Governance
- Summary
- Proactive Response To 2014 “Say on Pay” Vote
- CEO Compensation Plan
 - Cash
 - Equity
 - Thresholds & Ties
- Executive Summary
- FY15 CEO Summary Compensation Table
- Conclusion / Next Steps

Who is Commvault?

A leading provider of data and information management software applications and related services, and a publicly traded company on The NASDAQ Global Select Market.

Statement on Corporate Governance

We are committed to ensuring that our corporate governance is aligned with the needs of the company and the best interests of our stockholders. In this regard, we regularly review governance policies and practices, and we consider stockholder input an important part of this work.

Summary

- Immediate shareholder outreach Fall 2014
- To solicit feedback on comp practices and 2014 say-on-pay vote results
 - Reached out to holders w/ ~65% of outstanding shares
 - Actually spoke to holders w/ ~40% outstanding shares
 - Willing to speak with all such holders that accepted our invitation
 - June – July 2015 follow-up meetings ongoing
- Enhanced CEO compensation program to address stated concerns
 - 50% of CEO equity compensation is now performance-based, per ISS' definition
 - 100% of CEO variable cash compensation is performance-based
 - FY'16 revenue and non-GAAP EBIT performance measures
- FY2015 Updated CEO compensation
 - 60% reduction in total CEO compensation
 - 21% attainment of CEO cash bonus

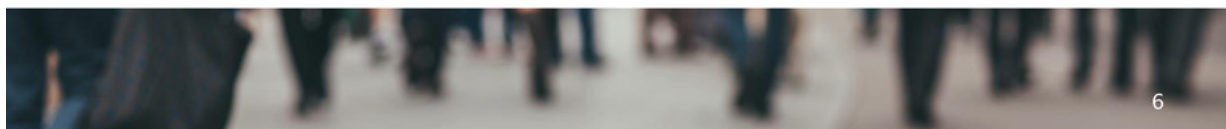
Proactive Response to 2014 "Say on Pay" Vote

- Prompt outreach during September to November 2014 with largest institutional stockholders (representing nearly 65% of outstanding common stock) to solicit feedback on comp practices
 - Actually met with ~ 40% of outstanding stock
- Engaged Compensia, an outside compensation consultant, to assess our compensation structure
- Collaborated internally with executive management & our Compensation Committee on proposed changes to our executive compensation structure and other governance matters
- Engaged with external advisors (Legal, IR, etc.) to review our corporate governance practices
- Restructured CEO's Compensation Plan to include "performance" based elements, per ISS' definition
- Engaged a proxy solicitation and investor relations firm to assist with our communication to stockholders related to executive compensation
- Follow-up meetings in June with our largest institutional stockholders (and those from our initial outreach, if different) to discuss the changes to our CEO's compensation plan
 - Expect to meet with >30% of outstanding stock
- Prepared to include clear and updated disclosure in public proxy filings regarding the changes

CEO Compensation Structure – Cash Components

- **Base Salary**
 - Not Subject to Performance Vesting Risk

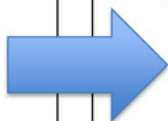
- **Non-Equity Incentive Compensation (Cash Bonus)**
 - Target – 105% of ending Base Salary
 - Performance-based – Tied to fiscal year financial results
 - Sliding scale that rewards over-achievement and penalizes for under-performance
 - Scale is disclosed on Slide 9 of this presentation



Previous Equity Structure

- **25% Restricted Stock Units**
 - Time based vesting – 4 yrs

- **75% Stock Options**
 - Time based vesting – 4 yrs
 - Granted at FMV



Current Equity Structure

- **25% Performance Restricted Stock Units**
 - Granted March 2015
 - Tied to FY'16 financial results (3.5yr vesting)
 - Award attainment calculated on 3/31/16

- **25% Performance Stock Options**
 - Granted March 2015 at FMV
 - Performance criteria/vesting—same as RSUs

- **50% Stock Options**
 - Granted October 2014 at FMV
 - Time based vesting – 4 yrs

CEO Compensation Structure – Thresholds & Tiers

- **Performance metrics weighting – ½ FY'16 Revenue and ½ FY'16 EBIT**
- **Performance RSUs**
 - Attainment vs Award % criteria consistent with cash bonus threshold
 - No vesting under 85% revenue or 88% EBIT attainment
- **Performance Stock Options**
 - 100% Cliff Vesting @ 85% (Revenue & EBIT) Plan Attainment

Performance RSU's (Same as CEO's Cash Bonus)			
Revenue - 50%		EBIT - 50%	
Result Attainment	Award %	Result Attainment	Award %
< 85%	0%	< 88%	0%
85%	25%	88%	60%
90%	50%	91%	70%
95%	75%	94%	80%
100%	100%	97%	90%
105%	125%	100%	100%
110%	150%	103%	110%
115%	175%	106%	120%
120%	200%	109%	130%
> 120%	linear increase	112%	140%
		> 112%	linear increase

Performance Stock Options			
Revenue - 50%		EBIT - 50%	
Result Attainment	Award %	Result Attainment	Award %
< 85%	0%	< 85%	0%
85%	100%	85%	100%
> 85%	100%	> 85%	100%

Executive Summary – FY15 Commvault Financial Results & CEO Compensation

➤ **FY15 Commvault Financial Results Overview**

- Total Revenues \$608 million; increase of 4% versus FY14
- Non-GAAP Operating Income \$105 million; decrease of 31%
- Operating Cash Flows of \$124 million; increase of 4%
- Stock Price at March 31, 2015 \$43.70; down 33% versus March 31, 2014

➤ **FY15 CEO Compensation Overview**

- FY15 Total CEO Compensation down 60% versus FY14 (\$5.1 million in FY15 vs \$12.9 in FY14)
- Introduced significant performance based criteria into FY15 CEO Compensation
 - 48% of Total FY15 Compensation Target is Performance Based (versus 5% in FY14)
 - 39% of Total FY15 Compensation Target is Time-Based Stock Options granted at FMV
 - Requires stock price appreciation to achieve monetary cash value
 - 13% of Total is base salary and other benefits
- Financial Performance Metrics are aggressive and not easy to obtain
 - FY15 Non-Equity Incentive Compensation (Cash Bonus) attainment was 21%

➤ **Preliminary FY15 CEO Summary Compensation Table on Following Slide**

*FY15 CEO Executive Compensation –
Summary Compensation Table*

Fiscal Year	Salary	Stock Awards (1)	Option Awards (2)	Non-Equity Incentive Plan Compensation (3)	All Other Compensation	Total
FY 15	\$604,615	\$1,031,014	\$3,230,523	\$132,995	\$104,113	\$5,103,260
FY 14	\$595,154	\$2,818,391	\$8,718,330	\$723,337	\$91,898	\$12,947,110
FY 13	\$561,815	\$1,799,492	\$5,433,566	\$777,769	\$113,175	\$8,685,817

(1) Amounts in this column represent the grant date fair values for Restricted Stock Units. 100% of FY15 value is performance-based. 100% of FY14 & FY13 are time-based.

(2) Amounts in this column represent the grant date fair values for Non-Qualified Stock Options granted at FMV. Approx. 30% of FY15 value is performance-based and remaining approx. 70% is time-based. 100% of FY14 & FY13 are time-based.

(3) Amounts in this column represent annual cash bonus plan. Attainment versus target are: 21% in FY15; 121% in FY14; 132% in FY13

Conclusion / Next Steps

- Commvault values stockholder input and has taken concrete steps to address the 2014 say-on-pay vote
- Conducted an extensive outreach campaign targeting largest institutional stockholders
 - Reached out to holders w/ ~65% of outstanding shares
 - Actually spoke to holders w/ ~40% outstanding shares
 - Follow-up engagements ongoing, targeting holders of ~70% of outstanding shares
- Addressed ISS and stockholder concerns regarding performance-based elements of CEO compensation
 - 50% of CEO equity compensation is now performance-based, as per ISS' definition
 - 100% of CEO variable cash compensation is performance-based
- Addressed ISS and stockholder pay-for-performance concerns on CEO compensation
 - 60% reduction in total CEO compensation
 - 21% attainment of CEO cash bonus in FY15
- Redesign of Commvault comp plan for broader executive management team were already under way
 - CEO changes were accelerated to address 2014 vote

Next Steps

- Clear and updated proxy disclosure in our public filings regarding the changes made to our CEO compensation structure

Thank you