

Premier, Inc.
Form DEF 14A
October 21, 2015
Table of Contents

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

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

PREMIER, INC.

(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):

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(1) Title of each class of securities to which transaction applies:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

October 21, 2015

Dear Premier Stockholders:

I am pleased to invite you to attend the Premier, Inc. 2015 Annual Meeting of Stockholders (the Annual Meeting). The meeting will be held on Friday, December 4, 2015, at our corporate headquarters located at 13034 Ballantyne Corporate Place, Charlotte, North Carolina, beginning at 10:00 a.m., Eastern Standard Time.

We will consider the items of business described in the Notice of 2015 Annual Meeting of Stockholders and in the proxy statement accompanying this letter. The proxy statement contains important information about the matters to be voted on and the process for voting, along with information about Premier, its management and its directors.

Every stockholder's vote is important to us. Even if you plan to attend the Annual Meeting in person, *please promptly vote* by submitting your proxy by phone, by Internet or by mail if you hold Class A common stock or by providing your voting instructions to Wells Fargo Delaware Trust Company, N.A., the trustee of the Class B common stock under the Voting Trust Agreement, if you hold Class B common stock. The Frequently Asked Questions section of the proxy statement and the enclosed proxy card (or in the case of Class B common stock, the voting instruction card) each contain detailed instructions for submitting your proxy or instructions and voting your shares. If you plan to attend the Annual Meeting in person, you must provide proof of share ownership, such as an account statement or trust certificate, and a form of personal identification in order to be admitted to the meeting.

On behalf of the directors, management and employees of Premier, thank you for your continued support of and ownership in our company.

Sincerely,

Richard J. Statuto

Chairman of the Board of Directors

Table of Contents

PREMIER, INC.

NOTICE OF 2015 ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON DECEMBER 4, 2015

The Premier, Inc. 2015 Annual Meeting of Stockholders (the Annual Meeting) will be held on Friday, December 4, 2015, at our corporate headquarters located at 13034 Ballantyne Corporate Place, Charlotte, North Carolina, beginning at 10:00 a.m., Eastern Standard Time.

At the meeting, we will consider:

1. The election of six Class II Directors to the Board of Directors to serve until our 2018 annual meeting of stockholders.
2. The ratification of the appointment of Ernst & Young LLP to serve as our independent registered public accounting firm for our fiscal year 2016.
3. The approval of an amendment to Premier, Inc.'s Bylaws naming the Delaware Court of Chancery as the exclusive forum for certain types of legal actions.
4. The approval of the Amended and Restated Premier, Inc. 2013 Equity Incentive Plan.
5. The approval, on an advisory basis, of the compensation of our named executive officers as disclosed in the accompanying proxy statement for the Annual Meeting.
6. The vote, on an advisory basis, as to whether future say-on-pay advisory votes on executive compensation should occur every one, two or three years.
7. The transaction of such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.

Holders of Class A common stock and Class B common stock at the close of business on our record date of October 5, 2015 are entitled to notice of and to vote at the Annual Meeting and any postponement or adjournment of the meeting. With respect to the matters to be voted upon at the Annual Meeting, all shares of Class A common stock and Class B common stock will be voted together as a single class. For Class A common stock, the shares will be voted if present in person or represented by proxy. For Class B common stock, the shares will be voted by Wells Fargo Delaware Trust Company, N.A. (the Trustee), as trustee under the Voting Trust Agreement, by and among Premier, Inc., Premier Healthcare Alliance, L.P. (f/k/a Premier Purchasing Partners, L.P.), the holders of our Class B common stock and the Trustee (the VTA). As of the record date, our outstanding Class B common stock represented a significant percentage of our total outstanding shares of Class A and Class B common stock combined and, accordingly, can control the outcome of the matters to be voted upon at the Annual Meeting. References herein to holders of our Class B common stock, or similar phrases, are to the beneficial owners of the Class B common stock held by the Trustee pursuant to the VTA. The Trustee is the sole record holder of our Class B common stock.

Your vote is important. Holders of Class A common and Class B common stock should vote or provide voting instructions, as applicable, in one of these ways:

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(1) INTERNET: Go to www.proxyvote.com and follow the instructions. You will need to enter the control number printed on your proxy or voting instruction card;

Table of Contents

(2) TELEPHONE: Call toll-free 1-800-690-6903 and follow the instructions. You will need to enter the control number printed on your proxy or voting instruction card; or

(3) MAIL: Complete, sign, date and promptly return your proxy or voting instruction card in the enclosed envelope.

In addition, holders of Class A common stock may submit a completed ballot in person at the Annual Meeting. While holders of Class B common stock are welcome to attend the Annual Meeting in person, they will not be able to vote or provide voting instructions at the Annual Meeting. Holders of Class B common stock may only vote their Class B common shares by providing the Trustee voting instructions.

For a period of at least 10 days prior to the Annual Meeting, a complete list of stockholders entitled to vote at the Annual Meeting will be open for examination by any stockholder for any purpose germane to the meeting during regular business hours at our corporate headquarters located at 13034 Ballantyne Corporate Place, Charlotte, North Carolina.

If you plan to attend the Annual Meeting, you will need to obtain an admission ticket by showing proof of stock ownership and presenting photo identification. Instructions on how to obtain an admission ticket are set forth in the accompanying proxy statement under [How do I gain admission to the Annual Meeting?](#)

Important Notice Regarding the Availability of Proxy Materials

For the Annual Meeting of Stockholders to be Held on December 4, 2015

Premier, Inc.'s proxy statement on Schedule 14A, form of proxy or voting instruction card and 2015 Annual Report (including the 2015 Annual Report on Form 10-K) are available at www.proxyvote.com after entering the control number printed on your proxy or voting instruction card.

By order of the Board of Directors,

Anna-Marie Forrest

Corporate Secretary

October 21, 2015

Table of Contents

PREMIER, INC.

PROXY STATEMENT

TABLE OF CONTENTS

<u>INTRODUCTION</u>	1
<u>FREQUENTLY ASKED QUESTIONS</u>	1
<u>COMPANY INFORMATION AND MAILING ADDRESS</u>	10
<u>ITEMS OF BUSINESS REQUIRING YOUR VOTE</u>	11
<u>ITEM 1 ELECTION OF DIRECTORS</u>	11
<u>ITEM 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	20
<u>ITEM 3 APPROVAL OF THE AMENDMENT OF PREMIER S BYLAWS NAMING THE DELAWARE COURT OF CHANCERY AS THE EXCLUSIVE FORUM FOR CERTAIN TYPES OF LEGAL ACTIONS</u>	22
<u>ITEM 4 APPROVAL OF THE AMENDED AND RESTATED PREMIER, INC. 2013 EQUITY INCENTIVE PLAN</u>	25
<u>ITEM 5 ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	36
<u>ITEM 6 ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION</u>	38
<u>CORPORATE GOVERNANCE AND BOARD STRUCTURE</u>	39
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	61
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	64
<u>RELATED PERSON TRANSACTIONS</u>	65
<u>EXECUTIVE COMPENSATION</u>	69
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	69
<u>COMPENSATION COMMITTEE REPORT</u>	96
<u>REPORT OF THE AUDIT AND COMPLIANCE COMMITTEE</u>	98
<u>EXECUTIVE OFFICERS</u>	99
<u>OTHER BUSINESS</u>	101
<u>ANNUAL REPORT ON FORM 10-K</u>	101
<u>STOCKHOLDER PROPOSALS FOR 2016 ANNUAL MEETING OF STOCKHOLDERS</u>	102
<u>Appendix A Amended and Restated Premier, Inc. 2013 Equity Incentive Plan</u>	A-1
<u>Appendix B Fiscal Year 2015 Performance GAAP to non-GAAP Pro Forma and GAAP to non-GAAP Reconciliations</u>	B-1

Table of Contents

PREMIER, INC.

2015 PROXY STATEMENT

INTRODUCTION

The 2015 Annual Meeting of Stockholders (the Annual Meeting) of Premier, Inc., a Delaware corporation (Premier, we, us, our or the Company), will be held on Friday, December 4, 2015, beginning at 10:00 a.m., Eastern Standard Time, at our principal executive offices located at 13034 Ballantyne Corporate Place, Charlotte, North Carolina 28277. We encourage all of our stockholders to vote at or before the Annual Meeting, and we hope the information contained in this document will help you decide how you wish to vote.

FREQUENTLY ASKED QUESTIONS

What is the purpose of this proxy statement?

Our Board of Directors (the Board of Directors or Board) is (i) soliciting a proxy from each holder of our Class A common stock to vote on and (ii) requesting that voting instructions be provided to Wells Fargo Delaware Trust Company, N.A., the trustee (the Trustee) of the voting trust (the Class B Voting Trust) under the Voting Trust Agreement (the VTA) by and among Premier, Premier Healthcare Alliance, L.P. f/k/a Premier Purchasing Partners, L.P. (Premier LP), the holders of our Class B common stock and the Trustee with respect to, the items to be considered at the Annual Meeting, which will be held on December 4, 2015. References herein to holders of our Class B common stock or similar phrases, are to the beneficial owners of the Class B common stock held by the Trustee pursuant to the VTA. The Trustee is the sole record holder of our Class B common stock.

This proxy statement and related materials are first being sent to our stockholders on or about October 21, 2015.

Why did I receive a notice regarding the availability of proxy materials on the Internet?

Pursuant to the rules adopted by the U.S. Securities and Exchange Commission (the SEC), we are furnishing proxy materials to our stockholders primarily via the Internet, rather than mailing paper copies of these materials to each stockholder. We believe that this process expedites stockholders receipt of the proxy materials, lowers the costs of the Annual Meeting and helps conserve natural resources. On or about October 21, 2015, we will mail to each stockholder (other than those stockholders who had previously requested electronic or paper delivery of the proxy materials) a Notice of Internet Availability of Proxy Materials containing instructions on how to access and review the proxy materials, including our proxy statement and annual report, on the Internet and how to access a proxy card (or voting instruction card in the case of holders of our Class B common stock) to vote on the Internet or by telephone. The Notice of Internet Availability of Proxy Materials also contains instructions on how to request a paper copy of the proxy materials. If you received a Notice of Internet Availability of Proxy Materials by mail, you will not receive a paper copy of the proxy materials unless you request one. If you would like to receive a paper copy of the proxy materials, please follow the instructions included in the Notice of Internet Availability of Proxy Materials. We may at our discretion voluntarily choose to mail or deliver a paper copy of the proxy materials, including our proxy statement and annual report, to one or more stockholders.

What items of business will be voted on at the Annual Meeting?

At the Annual Meeting, we will consider and act upon the following proposals:

1. The election of six Class II Directors to the Board of Directors to serve until our 2018 annual meeting of stockholders;

Table of Contents

2. The ratification of the appointment of Ernst & Young LLP (EY) to serve as our independent registered public accounting firm for our fiscal year 2016;
3. The approval of an amendment to our Bylaws naming the Delaware Court of Chancery as the exclusive forum for certain types of legal actions;
4. The approval of the Amended and Restated Premier, Inc. 2013 Equity Incentive Plan;
5. The approval, on an advisory basis, of the compensation of our named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the SEC;
6. The vote, on an advisory basis, as to whether future say-on-pay advisory votes on executive compensation should occur every one, two or three years; and
7. The transaction of such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.

Who is entitled to vote at the Annual Meeting?

Holders of Class A common stock . Holders of our Class A common stock as of the record date of October 5, 2015 (the Record Date) are entitled to notice of and to vote at the Annual Meeting and any postponement or adjournment of the meeting.

Holders of Class B common stock . The Trustee, as the record holder of the Class B common stock on the Record Date, is entitled to vote the Class B common stock at the Annual Meeting and any postponement or adjournment of the meeting. However, as provided in the VTA, beneficial owners of Class B common stock as of the Record Date are eligible to provide voting instructions to the Trustee with respect to their shares of Class B common stock. Beneficial owners of Class B common stock must provide voting instructions not later than 11:59 p.m. Eastern Standard Time, December 1, 2015 in order to be counted.

How will the Trustee vote the Class B common stock held in the Class B Voting Trust?

Based on the instructions of the beneficial owners of the Class B common stock and pursuant to the VTA, the Trustee will vote all of the Class B common stock as a block in the manner determined by the plurality of the votes timely received by the Trustee from the beneficial owners of Class B common stock for the election of directors to serve on our Board of Directors, and by a majority of the votes timely received by the Trustee from the beneficial owners of the Class B common stock for all other matters. In the event that the voting instructions provided by the beneficial owners of the Class B common stock result in a tie, the Trustee shall vote all Class B common shares held in the Class B Voting Trust based upon written direction of the Company. In such case, the Company intends to instruct the Trustee to vote the Class B common shares in accordance with the recommendations of the Board of Directors on each matter as set forth in this proxy statement.

How does the Board of Directors recommend stockholders vote on the business of the Annual Meeting?

The Board of Directors recommends that stockholders vote their shares:

1. **FOR** the election of each of the six Class II Director nominees identified in this proxy statement.
2. **FOR** the ratification of the appointment of EY to serve as our independent registered public accounting firm for our fiscal year 2016.
3. **FOR** the approval of the amendment to our Bylaws naming the Delaware Court of Chancery as the exclusive forum for certain types of legal actions.
4. **FOR** the approval of the Amended and Restated Premier, Inc. 2013 Equity Incentive Plan.
5. **FOR** the approval of the compensation of our named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the SEC.

Table of Contents

6. **1 YEAR** for the frequency with which stockholders are provided an advisory vote on executive compensation, as disclosed pursuant to the compensation disclosure rules of the SEC.

With respect to any other matter that properly comes before the Annual Meeting, the proxy holders will vote in accordance with their judgment on such matter.

How many shares can be voted at the Annual Meeting?

At the close of business on October 5, 2015, we had 37,770,215 shares of Class A common stock outstanding and 105,981,156 shares of Class B common stock outstanding. Each share of Class A common stock and each share of Class B common stock is entitled to one vote. However, the Trustee of the Class B Voting Trust will vote all shares of Class B common stock as a block based on voting instructions from the beneficial holders of the Class B common stock (or pursuant to the Company's written directions, in the event such instructions result in a tie), as described above.

How many shares must be present or represented at the Annual Meeting to constitute a quorum to conduct business?

Under our Bylaws, the holders of a majority of the voting power of our stock (Class A common stock and Class B common stock combined) issued and outstanding and entitled to vote at the Annual Meeting, present in person or represented by proxy at the Annual Meeting, constitute a quorum to conduct business at the Annual Meeting. Abstentions will be treated as present for purposes of determining a quorum. Regardless of how the beneficial holders of Class B common stock instruct the Trustee to vote their shares, under the VTA, all of the shares of Class B common stock held in the Class B Voting Trust will be counted as present for the purposes of establishing a quorum. Accordingly, regardless of the number of shares of Class A common stock voted, we expect to have a quorum established for the Annual Meeting.

What vote is required to approve each of the items of business?

Item 1 Election of directors. Directors will be elected by the holders of a plurality of the votes cast by the holders of Class A common stock and Class B common stock, voting together as one class, whether present in person or represented by proxy at the Annual Meeting, outstanding at the close of business on our Record Date and entitled to vote on the election of directors.

Item 2 Ratification of independent registered public accounting firm. The affirmative vote of the holders of a majority of the votes cast by the holders of Class A common stock and Class B common stock, voting together as one class, whether present in person or represented by proxy at the Annual Meeting, outstanding at the close of business on our Record Date and entitled to vote, is required to ratify EY as our independent registered public accounting firm.

Item 3 Exclusive forum Bylaw amendment. The affirmative vote of the holders of at least 66 2/3% of the holders of Class A common stock and Class B common stock, voting together as one class, whether present in person or represented by proxy at the Annual Meeting, outstanding at the close of business on our Record Date and entitled to vote, is required to approve the amendment of our Bylaws naming the Delaware Court of Chancery as the exclusive forum for certain types of legal actions.

Item 4 Amended and Restated Premier, Inc. 2013 Equity Incentive Plan. The affirmative vote of the holders of a majority of the votes cast by the holders of Class A common stock and Class B common stock, voting together as one class, whether present in person or represented by proxy at the Annual Meeting, outstanding at the close of business on our Record Date and entitled to vote, is required to approve the Amended and Restated Premier, Inc. 2013 Equity

Incentive Plan.

3

Table of Contents

Item 5 and Item 6 Say-on-pay and say-on-pay frequency. Please note that say-on-pay, Item 5, and say-on-pay frequency, Item 6, votes are only advisory in nature and have no binding effect on us or our Board of Directors. Our Board of Directors will consider Item 5 approved if the votes cast in favor of such proposal exceed the votes cast against such proposal. With respect to Item 6, our Board of Directors will consider the frequency option that receives the highest number of votes to be the option recommended by stockholders.

Can Class B holders determine the outcome of the proposals?

As of the Record Date, our outstanding Class B common stock represented approximately 74% of our total outstanding shares of Class A common stock and Class B common stock combined. Accordingly, sufficient shares of Class B common stock are held in the Class B Voting Trust to determine the outcome of each item under consideration. Although the beneficial holders of our Class B common stock have not indicated how they will instruct the Trustee to vote their shares of Class B common stock, under the VTA, so long as we are a controlled company under the NASDAQ stock market (NASDAQ) rules, Class B common stockholders are required to use reasonable efforts to cause (i) the appointment or nomination of directors necessary to constitute the full Board of Directors; (ii) the election of at least three independent directors, including one of whom is an audit committee financial expert under the federal securities laws and (iii) Premier to be in compliance with NASDAQ listing requirements. In the event that the voting instructions provided by the beneficial holders of the Class B common stock result in a tie, the Trustee shall vote all shares of Class B common stock held in the Class B Voting Trust based upon written direction of the Company. In such case, the Company intends to instruct the Trustee to vote the shares of Class B common stock in accordance with the recommendations of the Board of Directors on each matter as set forth in this proxy statement.

See What effect do abstentions and broker non-votes have on the items of business? for the effect of abstentions and broker non-votes on the required votes above.

What is the Class B common unit exchange process? Will it impact the Annual Meeting?

In connection with our reorganization and initial public offering (IPO), our member owners were issued Class B common units in Premier LP and an equivalent number of shares of our Class B common stock. Subject to the terms of the Exchange Agreement entered into as of September 25, 2013, and effective as of October 1, 2013, by and among us, Premier LP and its limited partners (the Exchange Agreement), each member owner has the cumulative right, subject to certain restrictions, commencing on October 31, 2014, and during each year thereafter, to exchange up to one-seventh of its initial allocation of Premier LP Class B common units, as well as any additional Premier LP Class B common units purchased by such member owner pursuant to certain rights of first refusal set forth in the Exchange Agreement, on a quarterly basis, for shares of our Class A common stock (on a one-for-one basis), cash or a combination of both, the form of consideration to be at the discretion of the Audit and Compliance Committee of our Board of Directors. For each Premier LP Class B common unit that is exchanged pursuant to the Exchange Agreement, the member owner will also surrender one corresponding share of Premier Class B common stock, which will automatically be retired.

As of the Record Date there were 105,981,156 Class B common units of Premier LP outstanding. On November 2, 2015, the next quarterly exchange date under the Exchange Agreement, 26,572,413 Class B common units of Premier LP will be eligible for exchange under the Exchange Agreement. As of the Record Date and based on participation in the Class B common unit exchange process and our expected settlement of exchanged Class B common units for shares of our Class A common stock, we currently expect 5,830,458 shares of Class A common stock to be issued on or about November 2, 2015, and correspondingly, an equal number of shares of Class B common stock to be removed from the Class B Voting Trust, surrendered to us and retired.

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Since the exchange date does not occur until November 2, 2015, which is after the Record Date, any shares of our Class A common stock issued in exchange for Class B common units will not be entitled to be voted at the Annual Meeting and, accordingly, will not have any impact on the outcome of the matters presented for approval.

Table of Contents

Upon surrender and retirement of shares of Class B common stock in connection with any Class B common unit exchange, the number of Class B common shares held in the Class B Voting Trust will also be reduced, and, since such Class B common shares will no longer be eligible to be voted by the Trustee, the Trustee will not include those ineligible shares in its determination of the vote to be made on behalf of the holders of Class B common stock at the Annual Meeting.

As previously noted, as of the Record Date, our outstanding Class B common stock represented approximately 74% of our total outstanding shares of Class A common stock and Class B common stock combined and, thus, can determine the outcome of each item under consideration. However, following the completion of the exchange process, based on the discussion above, we expect the percentage of voting power represented by the then-outstanding Class B common stock to decrease to approximately 70%. While we do not currently expect the Class B common unit exchange process to materially impact the Annual Meeting or the matters to be voted upon thereat, in the event that is not the case, we will provide updated soliciting material to our stockholders prior to the Annual Meeting.

What is the difference between holding shares as a stockholder of record and as a beneficial owner?

Most of our Class A common stockholders hold their shares through a stockbroker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Stockholder of record. If your shares are registered directly in your name with our transfer agent, Wells Fargo Bank, N.A., you are considered, with respect to those shares, the stockholder of record, and we have made these proxy materials available to you over the Internet or have delivered paper copies of these materials to you by mail, in connection with the solicitation of proxies for the Annual Meeting. As the stockholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the meeting. We have enclosed a proxy card for you to use.

Beneficial owner. If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by your broker, bank or nominee which is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or nominee on how to vote and are also invited to attend the meeting. However, because you are not the stockholder of record, you may not vote these shares in person at the meeting unless you obtain a signed proxy from the record holder giving you the right to vote the shares. Your broker, bank or nominee has enclosed or provided a voting instruction card for you to use in directing the broker, bank or nominee how to vote your shares. If you do not provide the stockholder of record with voting instructions, your shares will constitute broker non-votes. The effect of broker non-votes is more specifically described in *What effect do abstentions and broker non-votes have on the items of business?* below.

All of the Class B common stockholders are beneficial owners of the Class B common stock held in the Class B Voting Trust. The Trustee is the record holder of all of the shares of Class B common stock. Beneficial owners of Class B common stock will receive a voting instruction card that should be used to provide voting instructions to the Trustee.

How can I have my shares represented at the Annual Meeting?

Voting by Proxy or Returning Voting Instruction Card

Holders of Class A common stock may submit a proxy by:

following the instructions on your proxy card to vote by telephone or the Internet. These instructions can also be found at www.proxyvote.com. Your telephone or Internet proxy must be received no later than 11:59 p.m., Eastern Standard Time, on December 3, 2015; or

Table of Contents

completing, signing, dating and returning the proxy card so that it is received prior to the Annual Meeting. Jeffrey W. Lemkin and Michael J. Alkire (the proxy holders) have been designated by our Board of Directors to vote the shares represented by proxy at the Annual Meeting. Mr. Lemkin is the General Counsel of Premier, and Mr. Alkire is the Chief Operating Officer of Premier.

The proxy holders will vote the shares represented by your valid and timely received proxy in accordance with your instructions.

If you do not specify instructions on your proxy when you submit it, the proxy holders will vote the shares represented by the proxy in accordance with the recommendations of the Board of Directors on each item of business listed above.

If any other matter properly comes before the Annual Meeting, the proxy holders will vote the shares represented by proxy on that matter in their discretion.

Holders of Class B common stock may submit voting instructions by:

following the instructions on your voting instruction card to vote by telephone or the Internet. These instructions can also be found at www.proxyvote.com. Your telephone or Internet voting instructions must be received no later than 11:59 p.m., Eastern Standard Time, on December 1, 2015; or

completing, signing, dating and returning your voting instruction card so that it is received no later than 11:59 p.m., Eastern Standard Time, on December 1, 2015.

Holders of Class B common stock must vote their shares in accordance with the VTA. Holders of Class B common stock must return their voting instructions as indicated above in order to have their voting instructions considered by the Trustee. Pursuant to the VTA, the Trustee, as the record holder, will vote all of the Class B common stock as a block in the manner determined by the plurality of the votes timely received by the Trustee for the election of directors to serve on our Board of Directors, and by a majority of the votes timely received by the Trustee for all other matters. The Trustee may vote the Class B common stock in person or by proxy in a manner similar to the holders of our Class A common stock.

Attending the Meeting

While we encourage voting in advance by proxy, holders of Class A common stock also have the option of voting their shares in person at the Annual Meeting. Beneficial owners of Class B common stock may only vote their shares in accordance with the terms of the VTA and cannot vote their shares in person at the Annual Meeting (although they are invited and welcome to attend the Annual Meeting in person).

Shares of Class A common stock held directly in your name as the stockholder of record may be voted in person at the Annual Meeting. Submitting your proxy by telephone, by Internet or by mail will in no way limit your right to vote at the Annual Meeting if you later decide to attend in person.

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Shares of Class A common stock held beneficially in street name may be voted in person by you only if you obtain a signed proxy from the record holder giving you the right to vote the shares. Owners of shares of Class A common stock held in street name that expect to attend and vote at the meeting should contact their broker, bank or nominee as soon as possible to obtain the necessary proxy.

Even if you currently plan to attend the Annual Meeting, we recommend that you also submit your proxy as described above so that your vote will be counted if you later decide not to attend the Annual Meeting.

Table of Contents

Can I change my vote or voting instructions, or revoke my proxy, after I return my proxy or voting instruction card?

Holders of Class A common stock. You may change your vote or revoke your proxy before your proxy is voted at the Annual Meeting by:

sending written notice to Anna-Marie Forrest, Corporate Secretary, Premier, Inc., 13034 Ballantyne Corporate Place, Charlotte, North Carolina, 28277, so long as your revocation is received by 11:59 p.m., Eastern Standard Time, on December 3, 2015;

submitting a proxy bearing a later date than the proxy being revoked to Vote Processing c/o Broadridge Financial Solutions, Inc., 51 Mercedes Way, Edgewood, NY 11717, so long as your later dated proxy is received by 11:59 p.m., Eastern Standard Time, on December 3, 2015;

voting again by telephone or the Internet by 11:59 p.m., Eastern Standard Time, on December 3, 2015; or

attending the Annual Meeting and voting in person.

Holders of Class B common stock. You may change your voting instructions before the Trustee votes on your behalf at the Annual Meeting by:

submitting voting instructions bearing a later date than the voting instructions being revoked to Vote Processing c/o Broadridge Financial Solutions, Inc., 51 Mercedes Way, Edgewood, NY 11717, so long as your later dated voting instructions are received by 11:59 p.m., Eastern Standard Time, on December 1, 2015; or

submitting your voting instructions again by telephone or the Internet by 11:59 p.m., Eastern Standard Time, on December 1, 2015.

What effect do abstentions and broker non-votes have on the items of business?

A broker non-vote occurs when a bank, broker or other nominee holding shares for a beneficial owner does not vote on a particular proposal because that holder does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner. If you are a beneficial owner of Class A common stock, your bank, broker or other nominee holder of record is permitted to vote your shares on the ratification of the independent registered public accounting firm even if the record holder does not receive voting instructions from you. Absent instructions from you, the record holder may not vote on any nondiscretionary matter, including a director election, an equity compensation plan, a matter relating to executive compensation, certain corporate governance or bylaw changes or any stockholder proposal. In that case, without your voting instructions, a broker non-vote will occur. For all other matters, including the ratification of our independent registered public accounting firm, the record holder may vote at its discretion. You should consult your bank, broker or other nominee holder if you have questions about this. As indicated above, our Board of Directors will consider Item 5 approved if the votes cast in favor of such

proposal exceed the votes cast against such proposal and, with respect to Item 6, our Board of Directors will consider the frequency option that receives the highest number of votes to be the option recommended by stockholders. Accordingly, broker non-votes will not be counted as votes cast for or against Item 5 (say-on-pay) or in favor of any say-when-on-pay frequency option provided in Item 6.

An abstention will occur at the Annual Meeting if your shares of Class A common stock are deemed to be present at the Annual Meeting, either because you attend the Annual Meeting or because you have properly completed and returned a proxy, but you do not vote on any proposal or other matter which is required to be voted on by our stockholders at the Annual Meeting. An abstention on any of the items listed above will have the effect of a vote against that item, except for (i) the election of directors, (ii) Item 5 (say-on-pay) and (iii) any say-on-pay frequency provided in Item 6, for which abstentions will not be counted.

Table of Contents

The affirmative vote of at least a majority of our issued and outstanding shares present, in person or by proxy, and entitled to vote at the Annual Meeting will be required to approve any stockholder proposal validly presented at a meeting of stockholders. Under applicable Delaware law, in determining whether any stockholder proposal has received the requisite number of affirmative votes, abstentions will be counted and will have the same effect as a vote against any stockholder proposal, except for the election of any director nominee. Abstentions will have no effect on a vote to elect a director nominee, and broker non-votes will be ignored for all votes. There are no dissenters' rights of appraisal in connection with any stockholder vote to be taken at the Annual Meeting.

Shares of Class B common stock will be voted in accordance with the VTA. We do not expect any broker non-votes or abstentions at the Annual Meeting with respect to our Class B common stock.

What does it mean if I receive more than one proxy or voting instruction card?

Most likely, it means (i) your shares of Class A common stock are registered differently or are in more than one account or (ii) you own shares of both Class A and Class B common stock. Please provide voting instructions for all proxy and voting instruction cards you receive.

How do I gain admission to the Annual Meeting?

Attendance at the Annual Meeting is limited to Class A and Class B common stockholders as of the Record Date. Registration will begin at 9:15 a.m. Eastern Standard Time. **You will need to get an admission ticket and bring a valid picture identification.** Cameras, recording devices and other electronic devices will not be permitted at the meeting. Additional rules of conduct regarding the meeting may be provided at the meeting.

If you are a registered holder of Class A common stock. Please mark the appropriate box on the proxy card, or indicate that you plan to attend the Annual Meeting when you vote by telephone or the Internet, and an admission ticket will be sent to you. Please bring photo identification with you for admittance to the meeting.

If you are a beneficial holder of Class A common stock or own Class B common stock held in the Class B Voting Trust. You must obtain an admission ticket in advance by sending a written request along with proof of ownership (such as your brokerage firm account statement, statement of holdings from our transfer agent or Voting Trust Certificate) to Investor Relations, Premier, Inc., 13034 Ballantyne Corporate Place, Charlotte, North Carolina, 28277. Please bring photo identification with you for admittance to the meeting.

Who pays the cost of soliciting votes for the Annual Meeting?

We are making this solicitation and will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials. If you choose to access the proxy materials or vote over the Internet, however, you are responsible for Internet access charges you may incur. In addition to the mailing of these proxy materials, when requested, the solicitation of proxies or votes may be made in person, by telephone or by electronic communication by our directors, officers and employees, who will not receive any additional compensation for such solicitation activities. We will request banks, brokers, nominees, custodians and other fiduciaries who hold shares of our stock in street name to forward these proxy solicitation materials to the beneficial owners of those shares, and we will reimburse the reasonable out-of-pocket expenses they incur in doing so. At our discretion, we may engage a proxy solicitation firm to assist us with the solicitation process, for which we will bear the costs of any such engagement. We will also reimburse the Trustee for any reasonable expenses incurred in connection with the administration of its duties under the VTA in connection with the Annual Meeting.

Who will count the votes?

We have retained Broadridge Financial Solutions to tabulate the votes and serve as the independent inspector of election for the Annual Meeting.

Table of Contents

Where can I find the voting results of the Annual Meeting?

We will publish the final results of the voting in a Current Report on Form 8-K within four business days of the Annual Meeting.

Can I access the proxy statement and annual report on the Internet?

Yes. As noted above, we are furnishing our proxy materials to our stockholders via the Internet, except for those stockholders who have elected to receive paper copies. We highly recommend that you receive electronic delivery of Premier, Inc. proxy statements, annual reports and other stockholder communications. This helps reduce the use of paper and lowers our printing, postage and other costs. If you have previously requested paper copies of such materials, you can elect to receive electronic copies when you vote on the Internet.

This proxy statement, the form of proxy and voting instruction card and our Annual Report on Form 10-K for the fiscal year ended June 30, 2015 (the 2015 Form 10-K) are available at www.proxyvote.com. If you are a stockholder of record who has requested to receive paper copies of the proxy materials and would like to access future Company proxy statements and annual reports electronically instead of receiving paper copies in the mail, there are several ways to do this. You can mark the appropriate box on your proxy card or follow the instructions if you vote by telephone or the Internet. If you choose to access future proxy statements and annual reports on the Internet, you will receive a proxy card in the mail next year with instructions containing the Internet address for those materials. Your choice will remain in effect until you advise us otherwise. If you have Internet access, we hope you make this choice.

What is householding and how does it affect me?

Pursuant to SEC rules, we are permitted to deliver one copy of our Notice of Internet Availability of Proxy Materials, and our proxy materials for those who have elected paper copies, in a single envelope addressed to all stockholders who share a single address unless they have notified us they wish to opt out of the program known as householding. Under this procedure, stockholders of record who have the same address and last name receive only one copy of the Notice of Internet Availability of Proxy Materials or proxy materials. Householding is intended to reduce our printing and postage costs and material waste. **WE WILL DELIVER A SEPARATE COPY OF THE NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIALS, AND PROXY MATERIALS IF APPLICABLE, PROMPTLY UPON WRITTEN OR ORAL REQUEST.** You may request a separate copy by contacting our Corporate Secretary at 13034 Ballantyne Corporate Place, Charlotte, North Carolina, 28277, or by calling 1-704-816-4662.

If you are a beneficial stockholder and you choose not to have the aforementioned disclosure documents sent to a single household address as described above, you must opt-out by writing to: Broadridge Financial Solutions, Inc., Household Department, 51 Mercedes Way, Edgewood, New York 11717, or by calling 1-866-540-7095, and we will cease householding all such disclosure documents within 30 days. If we do not receive instructions to remove your account(s) from this service, your account(s) will continue to be householded until we notify you otherwise. If you are a beneficial stockholder and other stockholders with whom you share an address currently receive multiple copies of the aforementioned disclosure documents, or if you hold stock in more than one account and, in either case, you wish to receive only a single copy of the disclosure documents, please contact Broadridge Financial Solutions at the address or phone number above. If you own shares in nominee name (such as through a broker), information regarding householding of disclosure documents should have been forwarded to you by your broker.

Who should I contact if I have questions?

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If you are a holder of our Class A or Class B common stock through a brokerage account or the Class B Voting Trust, as applicable, and you have any questions or need assistance in voting your shares, you should contact the broker or bank where you hold the account or the Trustee of the Class B Voting Trust, accordingly.

Table of Contents

If you are a registered holder of our Class A common stock and you have any questions or need assistance in voting your shares, please call our Investor Relations department at 1-704-816-5958.

As an additional resource, the SEC website has a variety of information about the proxy voting process at www.sec.gov/spotlight/proxymatters.shtml.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROXY STATEMENT, AND, IF GIVEN OR MADE, SUCH INFORMATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. UNDER NO CIRCUMSTANCES DOES THE DELIVERY OF THIS PROXY STATEMENT CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE OF THIS PROXY STATEMENT.

COMPANY INFORMATION AND MAILING ADDRESS

We were organized as a Delaware corporation in 2013 in connection with our reorganization and IPO. Our mailing address is Premier, Inc., 13034 Ballantyne Corporate Place, Charlotte, North Carolina, 28277, and our telephone number is 704-357-0022. Our website address is www.premierinc.com. References in this proxy statement to Premier, company, we, us and our refer to Premier, Inc. and our consolidated subsidiaries, unless the context requires otherwise. References to PHSI refer to Premier Healthcare Solutions, Inc., and references to Premier Plans refer to Premier Plans, LLC, an affiliate of Premier that was merged into PHSI in 2013 in connection with our reorganization and IPO. Information on our website is not intended to be and shall not be deemed to be incorporated into this proxy statement.

Table of Contents

ITEMS OF BUSINESS REQUIRING YOUR VOTE

ITEM 1 ELECTION OF DIRECTORS

The Board is divided into three classes, each containing as nearly as possible an equal number of directors. The current term of office of our Class II Directors expires at the Annual Meeting, while the term for our Class III Directors expires at the 2016 annual meeting and the term for our Class I Directors expires at the 2017 annual meeting. Upon unanimous recommendation by the Nominating and Governance Committee of the Board of Directors, the Board proposes that the following nominees: Barclay Berdan, William E. Mayer, Scott Reiner, Terry Shaw, Richard J. Statuto and Ellen C. Wolf, be elected for new terms of three years and until their successors are duly elected and qualified as Class II Directors. Each of the nominees has consented to serve if elected. Messrs. Mayer, Shaw and Statuto and Ms. Wolf are current members of our Board of Directors. If any of them becomes unavailable to serve as a director, the Board may designate a substitute nominee. In that case, the persons named as proxy holders will vote for the substitute nominee designated by the Board.

Current Class II directors Robert Issai and Keith Pitts were not nominated for re-election at the Annual Meeting, and their service on the Board of Directors and its committees is expected to end effective as of the opening of the Annual Meeting. There are no disagreements between the Company's management or Board of Directors and either of Messrs. Issai or Pitts.

If elected by stockholders at the Annual Meeting, Messrs. Berdan and Reiner will join the Board of Directors, effective at the close of the Annual Meeting and will fill the board seats previously held by Messrs. Issai and Pitts. In connection with their appointment to the Board, Messrs. Berdan and Reiner are expected to receive the compensation for member-directors set forth herein under the caption Compensation of Directors. There are no arrangements or understandings between either Messrs. Berdan or Reiner and any other person pursuant to which either Messrs. Berdan or Reiner was nominated to serve on our Board of Directors, and neither Mr. Berdan nor Mr. Reiner is a participant in any related party transaction required to be reported pursuant to Item 404(a) of Regulation S-K. In the event that either of Messrs. Berdan or Reiner is not elected by stockholders at the Annual Meeting, the Board of Directors will evaluate candidates to fill any vacancy. The Board of Directors expects that such vacancies would be filled with persons that are considered member-directors.

Director Qualifications and Biographies

The Nominating and Governance Committee, consistent with the desires of the full Board, seeks to achieve a Board that represents a diverse mix of skills, perspectives, talents, backgrounds and education that will enhance our decision-making process, oversee management's execution of strategic objectives and represent the interests of all of our stockholders. Key factors considered in connection with the selection of director nominees are independence, critical thinking skills, practical wisdom and mature judgment in the decision-making process. Our Board composition reflects our commitment to include individuals from diverse backgrounds and with diverse experience, and the members of our Nominating and Governance Committee are mindful of that objective when they nominate directors for election. Our Board composition also reflects the Nominating and Governance Committee's determination as to the appropriate size of the Board to facilitate effective communication and cooperation.

Important information about our corporate governance practices, the responsibilities and functioning of the Board and its committees, director compensation and related person transactions is found elsewhere in this proxy statement. We encourage you to review this information in connection with your decisions on the election of the director nominees.

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The information set forth below includes, with respect to each nominee and each continuing director, his or her age as of the Record Date, principal occupation and employment during the past five years, the year in which he or she first became a director of the Company, and other public company directorships held by such person during the last five years. Further, the independence status of each nominee and each continuing director, as determined

Table of Contents

by the Board of Directors in accordance with the standards set forth in our Corporate Governance Guidelines and the listing standards of the NASDAQ, is provided below. A director or director nominee designated below as a member-director is a director employed by a U.S. hospital member, health system or group of hospitals participating in our group purchasing program, which we refer to as our member owners, and, because of such relationship, is not deemed to be independent. Each of our directors also serves on the board of managers of Premier Services, LLC, a wholly-owned subsidiary of Premier and the general partner of Premier LP.

In addition to the experience, qualifications, attributes and skills of each nominee and continuing director outlined below, which have led the Board to conclude that such person should serve as a member of the Board, our Board believes that each nominee and each continuing director has demonstrated broad-based business knowledge, outstanding achievement in his or her professional career, commitment to ethical and moral values, personal and professional integrity, sound business judgment and a commitment to corporate citizenship.

Directors Standing for Election**Nominees to Serve until the 2018 Annual Meeting****Barclay E. Berdan****62****Member-Director (Nominee)**

If elected by stockholders, Mr. Berdan would become a member of the Board of Directors of Premier in December 2015. Mr. Berdan has been the Chief Executive Officer of Texas Health Resources, one of our member owners, since 2014. Prior to his current position, Mr. Berdan served in various executive roles with Texas Health Resources since 1986, including Chief Operating Officer, Senior Executive Vice President, President of Texas Health Harris Methodist Fort Worth and Vice President of Harris Methodist Southwest Hospital Fort Worth. He previously held leadership and administrative positions with American Medical International, Inc., Northwestern Memorial Hospital and Jackson Park Hospital. Mr. Berdan is a Fellow of the American College of Healthcare Executives and received the Texas Hospital Association's 2013 Earl M. Collier Award for Distinguished Healthcare Administrator. He serves as Chair of the Texas Association of Volunteer Hospitals and the American Heart Association of Tarrant County, Texas and as a board member for Healthy Tarrant County Collaboration, the Rotary Club of Fort Worth and the American Excess Insurance Exchange Risk Retention Group. He is a past Chair of the Texas Health Hospital Alliance and the Texas Hospital Association. Mr. Berdan received a bachelor's degree from Texas Christian University and a Master of Business Administration with a specialization in hospital administration from the University of Chicago. We believe that Mr. Berdan's qualifications to serve on our Board of Directors include his strong background in healthcare and healthcare management, his approximately 38 years of experience in the healthcare industry and his leadership experience through his executive positions of large healthcare systems.

Committee Membership: If elected at the Annual Meeting, Mr. Berdan is expected to serve on the Finance Committee

William E. Mayer**75****Independent Director**

Mr. Mayer has served as a member of the Board of Directors of Premier since May 2013 and was a member of the board of directors of PHSI and the board of managers of Premier Plans from 1997 to 2013. Since 1999, Mr. Mayer has served as a partner and founder of Park Avenue Equity Partners in New York. Mr. Mayer currently serves as a member of the boards of directors of BlackRock Capital Investment Corporation, a NASDAQ-listed company, and Lee Enterprises, Incorporated, a New York Stock Exchange (NYSE) listed company, and is a member of the Boards

of Trustees of Columbia Group of Mutual Funds. Over the past 45 years, Mr. Mayer has been a member of the boards of directors of numerous other publicly-traded and privately held companies. Mr. Mayer currently serves on the executive committee (and was the Chairman from 2000 to 2008) of the board of trustees of the Aspen Institute. He also serves as a member of the board of advisors of Miller Buckfire & Co. and is a board member of Acumen, the Rubin Museum, Global Health Corps and the

Table of Contents

Atlantic Council. Mr. Mayer also serves as a member of the board of governors at the Pardee RAND Graduate School, as a member of the Council on Foreign Relations and as the Vice Chairman of the Middle East Investment Initiative. Mr. Mayer was named to the 2013 National Association of Corporate Directors, which honors leaders in corporate governance and in the boardroom. He obtained his bachelor's degree and Master of Business Administration from the University of Maryland. We believe Mr. Mayer's qualifications to serve on our Board of Directors include his approximately 30 years of experience in financial and senior executive positions and his experience serving on the boards of several other publicly-traded companies.

Committee Memberships: Compensation Committee (Chair), Finance Committee and Member Agreement Review Committee (Chair)

Scott Reiner**51****Member-Director (Nominee)**

If elected by stockholders, Mr. Reiner would become a member of the Board of Directors of Premier in December 2015. Mr. Reiner has been the President and Chief Executive Officer of Adventist Health, the tenth largest nonprofit hospital system in the U.S., since 2014. Adventist Health is one of our member owners and serves communities in California, Hawaii, Oregon and Washington. Mr. Reiner previously served in various executive roles with Adventist Health, including Executive Vice President and Chief Operating Officer from 2011 to 2013 and Senior Vice President from 2007 to 2011. Prior to Adventist Health, he served as President and Chief Executive Officer of Glendale Adventist Medical Center and served in executive positions with General Health System, Tennessee Christian Medical Center and Affiliated Physicians Medical Group. Mr. Reiner serves on the boards of directors of Adventist Health, California Hospital Association, Loma Linda University Health and Loma Linda University Medical Center and previously served on the board of directors of American Hospital Association Region Nine. He is a registered nurse and received a bachelor's degree from Pacific Union College, a Master of Science in Health Administration from California State University, Northridge and a Certificate in Managed Care Administration from the University of Missouri. We believe that Mr. Reiner's qualifications to serve on our Board of Directors include his strong background in healthcare and healthcare management, his approximately 27 years of experience in the healthcare industry and his leadership experience through his executive positions of large healthcare systems.

Committee Membership: If elected at the Annual Meeting, Mr. Reiner is expected to serve on the Nominating and Governance Committee

Terry D. Shaw**53****Member-Director**

Mr. Shaw has served as a member of the Board of Directors of Premier since May 2013 and has served as the Vice Chairman of the Board of Directors of Premier since July 2015. Mr. Shaw was a member of the board of directors of PHSI and the board of managers of Premier Plans from 2012 to 2013. Since 2010, Mr. Shaw has served as the Executive Vice President, Chief Financial Officer and Chief Operations Officer of Adventist Health System, which is one of our member owners. Prior to that position, he served Adventist Health from 2000 to 2010 as the Senior Vice President and Chief Financial Officer. Mr. Shaw is currently a member of the Hospital Financial Management Association, the Texas State Board of Public Accountancy, the American College of Healthcare Executives and several other professional and service organizations. Mr. Shaw currently serves as a member of the boards of directors of Centura Health, Florida Hospital and Adventist Health System. Mr. Shaw obtained a bachelor's degree from Southern Adventist University and his Master of Business Administration from the University of Central Florida. We believe Mr. Shaw's qualifications to serve on our Board of Directors include his approximately 20 years of experience as a healthcare industry executive.

Committee Membership: Nominating and Governance Committee (Chair) and Finance Committee

Table of Contents

Richard J. Statuto	58	Member-Director
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Mr. Statuto has served as a member and Chairman of the Board of Directors of Premier since May 2013. He was a member of the board of directors of PHSI and the board of managers of Premier Plans from 2011 to 2013. Since 2005, Mr. Statuto has served as the President and Chief Executive Officer of Bon Secours Health System, which has more than 30 facilities in seven states in the eastern United States and is one of our member owners. He served as President and Chief Executive Officer of St. Joseph Health System from 1995 to 2004. Mr. Statuto currently serves as a member of the boards of directors of Covenant Health Systems, Inc. and Mercy Housing, Inc. Mr. Statuto previously served as a member of the board of directors of Kmart Corporation, as Chairman of the board of directors of Catholic Health Association and as Vice Chairman of the board of directors of Christus Health System. Mr. Statuto received his bachelor's degree in chemical engineering from Vanderbilt University and his Master of Business Administration from Xavier University. We believe Mr. Statuto's qualifications to serve on our Board of Directors include his approximately 30 years of experience in the healthcare industry and his experience as a senior executive of a large healthcare system.

Committee Memberships: Compensation Committee and Finance Committee

Ellen C. Wolf	61	Independent Director
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Ms. Wolf has been a director of Premier since October 2013. Ms. Wolf served as Senior Vice President and Chief Financial Officer of American Water Works Company, Inc., the largest investor-owned U.S. water and wastewater company, from 2006 until 2013. She served as Senior Vice President and Chief Financial Officer of USEC, Inc. beginning in 2003 and as Vice President and Chief Financial Officer of American Water Works from 1999 to 2003. Prior to that, since beginning her career in 1979, Ms. Wolf held various positions with increasing responsibility in corporate accounting, finance and business development. She has served as a director of Connecticut Water, a NASDAQ-listed company, since 2015, as a director and Chair of the audit committee of InfraREIT, L.L.C., a NYSE-listed company, since 2014, and as a director of Airgas, Inc., a NYSE-listed company, since 2008. Ms. Wolf also serves on the boards of the Philadelphia Zoo and a privately-held company. Ms. Wolf obtained a bachelor's degree from Duke University and a Master of Business Administration from the University of Pennsylvania. We believe that Ms. Wolf's qualifications to serve on our Board of Directors include her strong financial, corporate accounting, business development and leadership experience through her corporate senior executive positions, her service on the audit committee of another publicly-traded company and her current service on the audit and compensation committees of a privately-held company.

Committee Memberships: Audit and Compliance Committee, Conflict Advisory Committee, Nominating and Governance Committee and Member Agreement Review Committee

Board Recommendation

The Board of Directors unanimously recommends a vote FOR the election of each of the director nominees named above.

In accordance with the Board's recommendation, the proxy holders will vote the shares of Class A common stock covered by valid and timely received proxies **FOR** the election of each of the Class II director nominees set forth above, unless instructed otherwise. The Trustee will vote all of the Class B common stock as a block in the manner determined by the plurality of the votes timely received by the Trustee.

Table of Contents**Other Directors Not Standing for Election at this Meeting**

Directors who will continue to serve after the 2015 Annual Meeting are:

Class I Directors with Terms Expiring at the 2017 Annual Meeting**Eric J. Bieber, MD****54****Member-Director**

Dr. Bieber has been a director of Premier since June 2015. Dr. Bieber has been the President and Chief Executive Officer of Rochester Regional Health System since November 2014. From 2010 until November 2014, he served in several roles at University Hospitals in Cleveland, Ohio, and most recently was the President of Community Hospitals West Region and President of University Hospitals Accountable Care Organizations. Prior to his time with University Hospitals, Dr. Bieber served in various positions with Geisinger Health Systems in Danville, Pennsylvania from 2001 to 2009, including Chief Medical Officer, Geisinger Wyoming Valley, and Chairman and Medical Director, Women's Health. He was an Obstetrician/Gynecologist and Reproductive Endocrinologist. Dr. Bieber received a bachelor's degree from Illinois Wesleyan University and his Doctor of Medicine Degree from Loyola University's Stritch School of Medicine. He also holds a Masters degree in Microbiology from Illinois State University and a Masters degree in Healthcare Management from Harvard University. We believe that Dr. Bieber's qualifications to serve on our Board include his approximately 29 years of experience in the healthcare industry, his strong background in healthcare management and his leadership experience through his executive positions at large healthcare systems.

Committee Membership: Nominating and Governance Committee

Stephen R. D Arcy**60****Independent Director**

Mr. D Arcy has been a director of Premier since October 2013. Mr. D Arcy has served as a Partner of Quantum Group LLC, an investment and consulting firm, since 2010. Previously, he worked for PricewaterhouseCoopers LLP, a multinational professional services firm, for 34 years, serving most recently as Global Automotive Leader from 2002 to 2010. He served on the board of directors of Vanguard Health Systems Inc., a company previously listed on the NYSE, from 2011 to 2013. In addition, he currently serves on the boards of Penske Corporation and the Hudson-Webber Foundation and served as Non-Executive Chairman of the board of trustees of The Detroit Medical Center from 2006 to 2010. Mr. D Arcy obtained a bachelor's degree in Business Administration from the University of Michigan. We believe Mr. D Arcy's qualifications to serve on our Board of Directors include his strong financial, corporate accounting, business development and leadership experience through his various corporate positions, his previous service as Chairman of the audit committee of another publicly-traded healthcare company and his service on the boards at several privately-held companies and enterprises.

Committee Memberships: Audit and Compliance Committee, Conflict Advisory Committee and Compensation Committee

Marc D. Miller**44****Member-Director**

Mr. Miller has been a director of Premier since August 2015. Mr. Miller has been the President of Universal Health Services, Inc., a NYSE-listed company, in King of Prussia, Pennsylvania since 2009. Prior to his current position, Mr. Miller served in various executive roles with Universal Health Services, as well as key positions with Central

Montgomery Medical Center, Wellington Regional Medical Center, The George Washington University Hospital and Mayo Clinic. He has served on the board of directors of Universal Health Service since 2006 and on the board of trustees of Universal Health Realty Income Trust, a NYSE-listed company, since 2008. Mr. Miller received a bachelor's degree from the University of Vermont and a Master of Business Administration with a concentration in healthcare management and finance from The Wharton School at the University of Pennsylvania. We believe that Mr. Miller's qualifications to serve on our Board of Directors include his approximately 20 years

Table of Contents

of experience in the healthcare industry, his strong background in healthcare management, his leadership experience through his executive positions at large healthcare systems and his public company experience.

Committee Membership: Compensation Committee

William B. Downey	56	Member-Director
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Mr. Downey has been a director of Premier since June 2015. Mr. Downey has been the President and CEO of Riverside Health System in Newport News, Virginia since January 2012. He served in various roles with Riverside Health System from 2001 to 2011, including Executive Vice President and Chief Operating Officer. Mr. Downey is a Fellow of the American College of Healthcare Executives. He serves on the board of visitors of Christopher Newport University and the boards of directors of An Achievable Dream, Hampton Roads Economic Development, Virginia Health Network, Jamestown/Yorktown Foundation, Inc. and TowneBank Peninsula. Mr. Downey received a bachelor's degree from James Madison University and a Master degree in Health Administration from the Medical College of Virginia. We believe that Mr. Downey's qualifications to serve on our Board of Directors include his approximately 30 years of experience in the healthcare industry, his strong background in healthcare management, and his leadership experience through his executive positions of large healthcare systems.

Committee Membership: Nominating and Governance Committee

Philip A. Incarnati	61	Member-Director
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Mr. Incarnati has been a director of Premier since October 2013. Since 1989, Mr. Incarnati has served as the President and Chief Executive Officer of McLaren Health Care Corporation, which is one of our member owners. Mr. Incarnati currently serves as a member of the boards of directors of Anthelio Healthcare Solutions, Inc., Reliant Renal Care, Inc. and McLaren Health Care. Mr. Incarnati previously served as a member of the boards of directors of King Pharmaceuticals, McKesson Corporation, Theragenics Corporation and the Medical Staffing Network, and as Chair of the Eastern Michigan University board of regents. Mr. Incarnati received his bachelor's degree and Master of Management and Finance from Eastern Michigan University. We believe Mr. Incarnati's qualifications to serve on our Board of Directors include his approximately 35 years of experience in the healthcare industry and his experience holding top-level executive positions with several healthcare institutions.

Committee Membership: Finance Committee

Class III Directors with Terms Expiring at the 2016 Annual Meeting

Susan D. DeVore	56	Employee-Director
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Ms. DeVore has served as the President and Chief Executive Officer and as a member of the Board of Directors of Premier since May 2013. She has served in the same positions at PHSI and the general partner of Premier LP and also as a member of the board of directors of PHSI since 2009. She also served as a member of the board of managers of Premier Plans from 2009 to 2013. Ms. DeVore served as the Chief Operating Officer of PHSI from 2006 to 2009 and as the Chief Operating Officer for a number of other Premier entities from 2007 to 2009. Ms. DeVore's previous executive experience includes over 20 years at Ernst & Young LLP, where she served as a Senior Healthcare Industry Management Practice Leader. Ms. DeVore also serves as a member of the board of directors or as a member of the

following non-profit and state-based organizations: Healthcare Leadership Council, Coalition to Protect America's Healthcare, Medicare Rights Center, Charlotte Chamber of Commerce, the Institute of Medicine Roundtable on Value and Science Driven Healthcare and UNC Charlotte. Ms. DeVore also serves as a board member and member of the audit and finance committees of Adventist Health System. Ms. DeVore obtained a bachelor's degree from the University of North Carolina at Charlotte and a Master of

Table of Contents

Management from McGill University. We believe Ms. DeVore's qualifications to serve on our Board of Directors include her approximately 30 years of experience in senior positions involving hospital strategy, large-scale operations transformation, quality improvement and financial management

Committee Membership: Member Agreement Review Committee

Jody R. Davids**59****Independent Director**

Ms. Davids has been a director of Premier since January 2015. Since April 2014, Ms. Davids has been the Chief Information Officer of Agrium, Inc., a NYSE-listed company and Toronto Stock Exchange-listed company that is a global producer and marketer of nutrients for agricultural and industrial markets. From December 2013 to April 2014, Ms. Davids served as a management consultant to Agrium, providing information technology consulting services specializing in technology and organizational strategy. From 2010 to 2013, Ms. Davids was the Senior Vice President, Global Business Services and Chief Information Officer for Best Buy, Inc., a NYSE-listed company. From 2000 to 2009, Ms. Davids was with Cardinal Health, Inc., a NYSE-listed company, in various capacities including as the Executive Vice President, Global Shared Services and Chief Information Officer from 2007 to 2009 and the Executive Vice President and Chief Information Officer from 2003 to 2007. Ms. Davids obtained a bachelor's degree and a Master of Business Administration from San Jose State University. We believe that Ms. Davids' qualifications to serve on our Board of Directors include her strong background in information technology, supply chain, logistics and distribution experience and her leadership experience through her corporate senior executive positions of other publicly-traded companies.

Committee Membership: Audit and Compliance Committee and Conflict Advisory Committee

Peter S. Fine**63****Member-Director**

Mr. Fine has been a director of Premier since October 2013. He served previously on the board of directors of PHSI from 2003 through 2009. Since 2000, Mr. Fine has served as the President and Chief Executive Officer of Banner Health, which is one of our member owners. Mr. Fine also currently serves as a member of the Banner Health board of directors of Banner Health. In addition, he previously served on the boards of directors of Accuray Incorporated and the Translational Genomics Research Institute and as member of the Heard Museum board of trustees. Mr. Fine received his bachelor's degree from Ohio University and Master of Arts in Healthcare Administration from George Washington University. We believe Mr. Fine's qualifications to serve on our Board of Directors include his approximately 40 years of experience in the healthcare industry.

Committee Membership: Finance Committee

Marvin R. O Quinn**63****Member-Director**

Mr. O Quinn has been a director of Premier since August 2015. Mr. O Quinn has been the Senior Executive Vice President and Chief Operating Officer of Dignity Health in San Francisco, California since 2009. Prior to joining Dignity Health, Mr. O Quinn served as President and Chief Executive Officer of Jackson Health System in Miami, Florida. Before assuming his role at Jackson Health System, Mr. O Quinn served as Executive Vice President and Chief Operating Officer of Atlantic Health System in Florham Park, New Jersey and held executive positions with New York Presbyterian Health System, Providence Medical Center and Providence Milwaukee Hospital in Portland,

Oregon. Additionally, he has held key positions with other hospitals and medical centers in Portland, Fresno and Seattle. He holds board appointments with Charles Drew University of Medicine and Science (Chairman), PriMed/Hill Physicians, Francisco Partners and Ministry Leadership Center. Mr. O Quinn received a bachelor's degree and a Master of Health Administration from the University of Washington. We believe that Mr. O Quinn's qualifications to serve on our Board of Directors include his strong background in healthcare and healthcare management, his approximately 36 years of experience in the healthcare industry and his leadership experience through his executive positions of large healthcare systems.

Committee Membership: Nominating and Governance Committee

Table of Contents**Susan S. Wang** **64** **Independent Director**

Ms. Wang has served as a member of the Board of Directors of Premier since May 2013 and was a member of the board of directors of PHSI and the board of managers of Premier Plans from 2004 to 2013. She served in various capacities at Solectron Corporation from 1987 until her retirement in 2002, with her last position being Chief Financial Officer and Executive Vice President, Corporate Development. Ms. Wang currently serves as a member of the boards of directors (and on the audit committees) of Veeco Instruments, Inc. and Nektar Therapeutics, both NASDAQ-listed companies. Ms. Wang previously served as a member of the boards of directors of Cirrus Logic, Inc., a NASDAQ-listed company, Altera Corporation, a NASDAQ-listed company, Calpine Corporation, a NYSE-listed company, Suntech Power Holdings Co., Ltd., a NYSE-listed company, RAE Systems Inc. and Avanex Corporation. Ms. Wang obtained her bachelor's degree from the University of Texas and a Master of Business Administration from the University of Connecticut. We believe Ms. Wang's qualifications to serve on our Board of Directors includes her more than 40 years of experience in financial and senior executive positions and service on boards of directors.

Committee Memberships: Audit and Compliance Committee (Chair), Conflict Advisory Committee and Member Agreement Review Committee

Directors who will not continue to serve after the 2015 Annual Meeting are:

Current Class II Directors with Terms Expiring at the 2015 Annual Meeting

Service on the Board and its committees by Messrs. Issai and Pitts is expected to end effective as of the opening of the Annual Meeting.

Robert Issai **60** **Member-Director**

Mr. Issai has served as a member of the Board of Directors of Premier since May 2013 and was a member of the board of directors of PHSI and the board of managers of Premier Plans from 2011 to 2013. Since 2006, Mr. Issai has served as the President and Chief Executive Officer of Daughters of Charity Health System, or DCHS, which is one of our member owners. Mr. Issai currently serves as a member of the boards of directors of DCHS and its member hospitals and medical foundation, O'Connor Hospital, Seton Medical Center, Saint Louise Regional Hospital, St. Vincent Medical Center, St. Francis Medical Center, the California Hospital Association and its executive committee, the American Hospital Association Health Care Systems Governing Council, Marillac Insurance Company, Ltd., Health Professions Education Foundation and the Preferred Professional Insurance Company. Mr. Issai is also a member of the board of trustees of the Catholic Health Association of the United States, or CHAUSA, a member of the CHAUSA board executive committee, and Chair of the CHAUSA audit and compliance committees. Mr. Issai obtained a bachelor's degree from Andrews University and his Master of Business Administration from California State Polytechnic University, Pomona. We believe Mr. Issai's qualifications to serve on our Board of Directors include his approximately 30 years of management experience in major healthcare organizations and his experience serving on boards and working in various other capacities with numerous companies in the healthcare industry.

Committee Membership: Nominating and Governance Committee

Keith B. Pitts **58** **Member-Director**

Mr. Pitts has served as a member of the Board of Directors of Premier since May 2013 and was a member of the board of directors of PHSI and the board of managers of Premier Plans from 2012 to 2013. Since 2013, Mr. Pitts has served

as the Vice Chairman of Tenet Healthcare Corporation, a NYSE-listed company, which is currently one of our member owners. From 1999 until the acquisition by Tenet Healthcare Corporation in 2013, Mr. Pitts served as Vice Chairman of Vanguard Health Systems, Inc., which was also a member owner and previously

Table of Contents

listed on the NYSE. Mr. Pitts serves on the boards of directors of Airstrip Technologies, Inc. and is serving his third term as Chairman of the Federation of American Hospitals. Mr. Pitts obtained his bachelor's degree from the University of Florida. We believe Mr. Pitts' qualifications to serve on our board of directors include his approximately 30 years of experience in the healthcare industry, including his experience serving as a senior executive for a publicly-traded company in the healthcare industry.

Committee Memberships: Compensation Committee and Finance Committee (Chair)

There are no family relationships between any of our executive officers, directors and director nominees. The business address of each of our directors and director nominees is 13034 Ballantyne Corporate Place, Charlotte, NC 28277.

Table of Contents

**ITEM 2 RATIFICATION OF APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Appointment of Ernst & Young LLP

In accordance with its charter, the Audit and Compliance Committee selected the firm of Ernst & Young LLP (EY) to be our independent registered public accounting firm for the fiscal year 2016 audit period and, with the endorsement of the Board of Directors, recommends to our stockholders that they ratify that appointment. The Audit and Compliance Committee will reconsider the appointment of EY for the next audit period if such appointment is not ratified. Representatives of EY are expected to attend the Annual Meeting, will have the opportunity to make a statement if they desire and are expected to be available to respond to appropriate questions.

The Audit and Compliance Committee recognizes the importance of maintaining the independence of our independent registered public accounting firm, both in fact and appearance. Consistent with its charter, the Audit and Compliance Committee has evaluated EY's qualifications, performance and independence, including that of the lead audit partner. The Audit and Compliance Committee reviews and approves, in advance, the audit scope, the types of non-audit services, if any, and the estimated fees for each category for the coming year. For each category of proposed service, EY is required to confirm that the provision of such services does not impair its independence. Before selecting EY, the Audit and Compliance Committee carefully considered that firm's qualifications as an independent registered public accounting firm for the Company. This included a review of its performance in prior years, as well as its reputation for integrity and competence in the fields of accounting and auditing. The Audit and Compliance Committee has expressed its satisfaction with EY in all of these respects. The Audit and Compliance Committee's review included inquiry concerning any litigation involving EY and any proceedings by the SEC against the firm, if any. In this respect, the Audit and Compliance Committee has concluded that the ability of EY to perform services for Premier is in no way adversely affected by any such investigation or litigation.

Audit and Compliance Committee Pre-Approval of Accounting Services

The Audit and Compliance Committee of our Board of Directors is responsible for the appointment, oversight and evaluation of our independent registered public accounting firm. In accordance with our Audit and Compliance Committee's charter, our Audit and Compliance Committee must approve, in advance of the service, all audit and permissible non-audit services provided by our independent registered public accounting firm. Our independent registered public accounting firm may not be retained to perform the non-audit services specified in Section 10A(g) of the Securities Exchange Act of 1934, as amended (the Exchange Act). The Audit and Compliance Committee has concluded that provision of the non-audit services described in that section is not compatible with maintaining the independence of EY.

The Audit and Compliance Committee has established a policy regarding pre-approval of audit and permissible non-audit services provided by our independent registered public accounting firm, as well as all engagement fees and terms for our independent registered public accounting firm. Under the policy, the Audit and Compliance Committee must approve the services to be rendered and fees to be charged by our independent registered public accounting firm. Typically, the Audit and Compliance Committee approves services up to a specific amount of fees. The Audit and Compliance Committee must then approve, in advance, any services or fees exceeding those pre-approved levels, subject to the *de minimis* exception set forth in Section 10A(i)(1)(B) of the Exchange Act. The Audit and Compliance Committee may delegate general pre-approval authority to a subcommittee of which the chairman of the Audit and Compliance Committee is a member. All requests or applications for services to be provided by our independent registered public accounting firm must be submitted to specified officers who may determine whether such services

are included within the list of pre-approved services. All requests for services that have not been pre-approved must be accompanied by a statement that the request is consistent with the independent registered public accounting firm's independence from Premier.

Table of Contents**Principal Accounting Fees and Services**

The following table presents the fees billed by Premier and its subsidiaries for services rendered by EY for the fiscal years ended June 30, 2015 and 2014.

	FY 2015	FY 2014
	(in 000s)	
Audit Fees(1)	\$ 1,408	\$ 2,276
Audit-Related Fees(2)	496	77
Tax Fees(3)	176	493
Total(4)	\$ 2,080	\$ 2,846

- (1) Represents audit fees billed in each of fiscal years 2015 and 2014. Audit fees in fiscal years 2015 and 2014 include the audit of our consolidated financial statements, services provided in connection with the review of our quarterly consolidated financial statements included in our SEC filings in 2015 and 2014 and, for 2015 only, the audit of our internal control over financial reporting.
- (2) Represents audit-related fees billed in each of fiscal years 2015 and 2014. Audit-related fees in fiscal years 2015 and 2014 principally related to professional services in connection with financial due diligence, issuances of comfort letters and consents for securities offering, internal controls and other services that are traditionally performed by our independent registered public accounting firm.
- (3) Represents tax fees billed in each of fiscal years 2015 and 2014. Tax fees in fiscal years 2015 and 2014 principally related to domestic tax compliance and other tax-related consulting services.
- (4) In fiscal years 2015 and 2014, EY did not provide any products and services that would be required to be disclosed under all other fees in the table above. In fiscal years 2015 and 2014, the Audit and Compliance Committee did not approve any services or fees pursuant to the *de minimis* exception set forth in Section 10A(i)(1)(B) of the Exchange Act.

Board Recommendation

The Board of Directors unanimously recommends a vote FOR the ratification of the appointment of EY to serve as our independent registered public accounting firm for our fiscal year ending June 30, 2016.

In accordance with the Board's recommendation, the proxy holders will vote the shares of Class A common stock covered by valid and timely received proxies **FOR** the ratification of the appointment of EY to serve as our independent registered public accounting firm for our fiscal year ending June 30, 2016, unless instructed otherwise. The Trustee will vote all of the Class B common stock as a block in the matter determined by the majority of the votes timely received by the Trustee.

Table of Contents

ITEM 3 APPROVAL OF THE AMENDMENT OF PREMIER S BYLAWS
NAMING THE DELAWARE COURT OF CHANCERY AS THE EXCLUSIVE FORUM
FOR CERTAIN TYPES OF LEGAL ACTIONS

The Board has adopted a resolution approving and recommending to the stockholders for their approval a proposal to add a new Article IX to our Bylaws to provide, with certain exceptions, that the Court of Chancery of the State of Delaware (the Delaware Court of Chancery) be the exclusive forum for certain types of legal actions. Although our Bylaws allow the Board to adopt amendments without stockholder vote, our Board believes it is important for our stockholders to consider and decide whether this amendment is appropriate for our Company.

Background

We are proposing a Bylaw amendment intended to help us avoid wasteful and duplicative lawsuits in multiple jurisdictions on matters relating to the corporate law of Delaware, our state of incorporation. Requiring those types of legal actions to be brought in a single forum provides numerous benefits to us and our stockholders.

Specifically, we and our stockholders benefit from having disputes resolved by the Delaware Court of Chancery, which is widely regarded as the preeminent court for the determination of disputes involving a corporation s internal affairs in terms of precedent, experience and focus. The Delaware Court of Chancery has experienced jurists who have a deep understanding of Delaware corporate law and the duties of directors and officers. Delaware s well-developed body of case law provides stockholders with more certainty about the outcome of intra-corporate disputes. By ensuring that intra-corporate disputes are heard in a Delaware court, we and our stockholders reduce costly and duplicative litigation, the risk that Delaware law would be misapplied by a court in another jurisdiction and the risk of inconsistent outcomes when two similar cases proceed in different courts. Additionally, the Delaware Court of Chancery specializes in corporate law questions and has streamlined procedures and processes that help provide relatively quick decisions. The associated accelerated schedule can limit the time, cost and uncertainty of protracted litigation for all parties.

The proposed Article IX would regulate where certain Delaware law-related suits may be filed, but it has no impact on whether those suits may be filed or the kind of remedy stockholders may obtain on our behalf or on behalf of other stockholders. Proposed Article IX does not deprive stockholders of legitimate claims; rather, it tries to prevent us from being forced to waste corporate assets defending against duplicative suits and to encourage consistent, correct outcomes. At the same time, our Board believes that we should retain the ability to consent to an alternative forum on a case-by-case basis where we determine that our interests and those of our stockholders are best served by permitting a dispute to proceed in a forum other than the Delaware Court of Chancery.

Although our Board believes the proposed Article IX is in the best interests of us and our stockholders, we are aware that certain stockholders and their counsel may take the view that there are disadvantages to it. For example, some stockholder plaintiffs and their counsel may prefer to litigate certain Delaware law matters against directors, officers or other employees in a forum perceived to be more advantageous thereto than Delaware. By potentially limiting the ability of those plaintiffs to file such lawsuits in the forum of their choosing, the proposed Article IX could discourage one or more stockholder plaintiffs from filing such lawsuits. Notwithstanding the jurisdictional limitations provided in Article IX, stockholder plaintiffs may continue to file such lawsuits in Delaware.

Although exclusive forum provisions such as the proposed Article IX are becoming increasingly common, certain proxy advisors and even some institutional holders still appear to oppose exclusive forum clauses unless, in a

particular case, the proponent company can adequately detail how it has already suffered material harm as a result of stockholder suits filed in different jurisdictions regarding the same matter. We feel this position fails to adequately take into account important considerations, including recent trends in lawyer-driven stockholder

Table of Contents

litigation. For example, there have been lawsuits alleging breach of fiduciary duty relating to disclosures in a proxy statement for annual stockholder meetings that threaten to delay or impede the meeting at significant cost to a company unless there is a quick settlement of the matter. These cases have typically been filed in the state court where the company is located rather than the state where it is incorporated, thus requiring a court less familiar with the laws of the jurisdiction in which the company is incorporated to interpret and apply those laws. Therefore, our Board believes that it is prudent and in the best interests of stockholders to take preventive measures before we and the interests of most of our stockholders are materially harmed by the increasing practice of the plaintiffs' bar to file claims in multiple jurisdictions.

It is important to note that this proposal is not being submitted in reaction to any specific litigation confronting us. Rather, this action is being taken to prevent potential future harm to us and our stockholders. We are committed to strong corporate governance practices and believe this proposal is in furtherance of that commitment and the best interests of our stockholders.

The proposed Article IX contemplates that courts in states other than Delaware will be willing to enforce its terms. It cannot be assured that all state courts will enforce such a provision and, in essence, force the transfer of such proceedings to the Delaware courts. However, we believe that if the stockholders approve this proposal to adopt Article IX, a court would be more likely to enforce its terms.

Proposed Amendment

Existing Article IX regarding amendments to the Bylaws would remain unchanged and become new Article X. Accordingly, the Board recommends that our stockholders adopt the following resolution, which sets forth the text of the proposed new Article IX:

RESOLVED, that it is advisable and in the best interests of the Company and its stockholders that the Company's Bylaws be amended by inserting new Article IX thereof, which shall read as set forth below, and restating current Article IX, with no changes, as new Article X:

ARTICLE IX

FORUM FOR ADJUDICATION OF CERTAIN DISPUTES.

Unless the Corporation consents in writing to the selection of an alternative forum (an Alternative Forum Consent), the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, stockholder, employee or agent of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation or any director, officer, stockholder, employee or agent of the Corporation arising out of or relating to any provision of the DGCL* or the Corporation's Certificate of Incorporation or these Bylaws (in each case, as amended from time to time), or (iv) any action asserting a claim against the Corporation or any director, officer, stockholder, employee or agent of the Corporation governed by the internal affairs doctrine of the State of Delaware; provided, however, that (i) in the event the Court of Chancery of the State of Delaware lacks subject matter jurisdiction over any such action or proceeding or personal jurisdiction over an indispensable party named as a defendant therein, the sole and exclusive forum for such action or proceeding shall be another state court located in the State of Delaware and (ii) in the event no state court in the State of Delaware has subject matter jurisdiction over such action or proceeding and personal jurisdiction over the indispensable parties named as defendants therein, the sole and exclusive forum for such action or proceeding shall be a federal court located in the State of Delaware. Any person or entity purchasing or otherwise acquiring any interest in or shares of

capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article IX. The existence of any prior Alternative Forum Consent shall not act as a waiver of the Corporation's ongoing consent right as set forth above in this Article IX with respect to any current or future actions or claims.

* DGCL is defined as the General Corporation Law of the State of Delaware in Article I, Section 6 of our Bylaws. The Bylaw amendment will omit the asterisk above.

Table of Contents

If this proposal is approved by our stockholders, this amendment of our Bylaws to add Article IX will be effective immediately, and we will post our Amended and Restated Bylaws including this new section in the Corporate Governance section of our website as promptly as practicable. If this amendment is not approved by our stockholders, Article IX will not be effective and will not be added to our Bylaws.

Board Recommendation

The Board of Directors unanimously recommends a vote FOR the approval of the Amendment of Premier's Bylaws naming the Delaware Court of Chancery as the exclusive forum for certain types of legal actions.

In accordance with the Board's recommendation, the proxy holders will vote the shares of Class A common stock covered by valid and timely received proxies FOR the approval of the amendment of Premier's Bylaws naming the Delaware Court of Chancery as the exclusive forum for certain types of legal actions, unless instructed otherwise. The Trustee will vote all of the Class B common stock as a block in the matter determined by the majority of the votes timely received by the Trustee.

Table of Contents

**ITEM 4 APPROVAL OF THE AMENDED AND RESTATED
PREMIER, INC. 2013 EQUITY INCENTIVE PLAN**

Overview

We maintain the Premier, Inc. 2013 Equity Incentive Plan for the benefit of our eligible employees, non-employee directors and certain other service providers of us, our subsidiaries and our affiliates. Our stockholders are being asked to approve an amendment and restatement of the 2013 Equity Incentive Plan (which we refer to in this Proposal as the Plan), which was approved by the Board of Directors on August 13, 2015 and will become effective as of December 4, 2015, subject to stockholder approval. We are not seeking an increase in the number of shares available under the Plan at this time. Under the Premier, Inc. 2013 Equity Incentive Plan, 11,260,783 shares were initially authorized for issuance. As of June 30, 2015 and September 30, 2015, there were approximately 6,710,054 shares and 5,322,399 shares, respectively, available for issuance under the Plan.

Dilution and Run Rate

Dilution measures the potential dilutive effect of outstanding equity awards and future equity awards available for grant. Dilution is defined as equity awards outstanding but not exercised or earned, plus equity awards available to be granted (available equity award shares), divided by total outstanding Class A common stock and Class B common stock, plus the available equity award shares. Our dilution, assuming performance shares payout at 100% (target), as of June 30, 2015, was 7.5%. For reference, if performance shares pay out at 150% (stretch, or maximum), our dilution, as of June 30, 2015, was 7.8%.

The following table sets forth information regarding equity awards granted and earned, the run rate for each of the last two fiscal years and the average run rate over the last two years.

	Run Rate (shares in millions)		
	Fiscal 2014 (# shares)	Fiscal 2015 (# shares)	2-Year Average (# shares)(1)
Stock options granted	2.054	0.674	1.364
Time-based restricted stock units granted	0.748	0.160	0.454
Actual performance shares earned	0.000	0.000	0.000
Class A common stock and Class B common stock outstanding	144.886	144.051	144.469
Run Rate(2)	1.93%	0.58%	1.26%

(1) Two-year average provided because our IPO was completed on October 1, 2013.

(2) Run rate was calculated as all stock option awards, time-based restricted stock unit awards and performance shares earned in a fiscal year, divided by the number of shares of our Class A common stock outstanding + the number of shares of our Class B common stock outstanding.

We manage our run rate of awards granted over time to levels we believe are reasonable in light of growth and changes in our business and number of outstanding shares, while ensuring our executive compensation program is externally competitive, motivational and retentive.

Summary of Plan Amendments

The amendment and restatement of the Plan incorporates the provisions of the Plan as currently in effect and includes the following items that require stockholder approval:

the Section 162(m) performance goals under the Plan (as described in further detail below in the section captioned "Performance Goals");

the Section 162(m) annual grant limitations applicable to grants of each type of award under the Plan to individual plan participants (as described in further detail below in the section captioned "162(m) Annual Limits"); and

Table of Contents

the annual limitation on compensation, including grants of awards under the Plan, to non-employee directors (as described in further detail below in the section captioned "Director Compensation").

Approval of the Section 162(m) items described above will allow certain future incentive awards granted under the Plan to our executive officers to qualify as performance-based compensation exempt under Section 162(m) of the Internal Revenue Code of 1986, as amended ("Code"). Unless an exemption is available, Section 162(m) generally disallows a corporate tax deduction for compensation paid in excess of \$1,000,000 annually to the chief executive officer and to certain of the other most highly compensated executive officers of publicly held companies other than the chief financial officer. There is no guarantee that awards granted under the Plan which are intended to qualify for tax deductibility under Section 162(m) will ultimately be viewed as so qualifying by the Internal Revenue Service ("IRS").

To date, we have relied upon an exemption applicable to publicly held companies during a transition period following an initial public offering. During this transition period, we are exempt from the limitations of Section 162(m) of the Code to the extent that compensation is paid pursuant to the Plan. Our transition period will expire not later than the first stockholder meeting held in 2017.

Due to IRS regulations issued in April 2015, no amount is considered paid with respect to a performance share award until shares are issued to the holder. Typically, shares with respect to performance share awards may be delivered three or more years after the grant date. We are now seeking to have performance goals and Section 162(m) annual grant limits approved by our stockholders so that performance share award grants made prior to the first stockholder meeting occurring in 2021 will qualify for the performance-based compensation exemption.

We are also seeking stockholder approval of an annual compensation limit that will specifically apply to only non-employee directors with respect to compensation earned beginning on the date after the Annual Meeting. A \$250,000 limit would apply to non-employee directors in lieu of the higher annual limits described below under the caption "Description of the 2013 Equity Incentive Plan (as amended and restated) 162(m) Annual Limits" which apply to certain awards made to executive officers that are intended to constitute performance-based compensation under Section 162(m). This \$250,000 limit would apply to both equity-based compensation provided under the Plan and cash compensation in the aggregate. We believe that this proposed annual limit on compensation to non-employee directors is reasonable and appropriate. Information about how this \$250,000 limit would be applied is described below under the caption "Description of the 2013 Equity Incentive Plan (as amended and restated) Director Compensation".

The Board of Directors has also adopted the following other modifications to the Plan that do not require stockholder approval:

addition of express language prohibiting the repricing of stock options and stock appreciation rights granted under the Plan without the consent of stockholders;

addition of express language to provide that awards under the Plan will be subject to any clawback policy that we may implement to comply with applicable law, including the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"); and

certain other minor clarifying amendments to the Plan to reflect developments in applicable law and equity compensation market practices.

If the requisite stockholder approval is not obtained, the Plan as amended and restated will not take effect to the extent stockholder approval is required. In that event, we would be allowed to continue granting awards under the Plan to all persons eligible to receive a grant thereunder, but any such grants may or may not qualify for an exemption under Section 162(m) of the Code. In addition, no special limits would apply to cash compensation and equity award grants to non-employee directors.

Table of Contents

The following is a summary of the material terms of the Plan as amended and restated. Such description is qualified by reference to the full text of the Plan as amended and restated, which is appended hereto as **Appendix A**. Changes to the Plan in the amendment and restatement are highlighted in **Appendix A**. The changes reflected in Sections 3.1 and 14.4 are subject to stockholder approval. All other contemplated changes do not require stockholder approval to become effective.

Description of the 2013 Equity Incentive Plan (as amended and restated effective December 4, 2015)

Purpose

The purposes of the Plan are to attract and retain employees, directors and consultants who will provide services to us, our subsidiaries and our affiliates and to provide such persons with incentives and rewards for superior performance. To accomplish these purposes, the Plan provides for the issuance of stock options, stock appreciation rights, restricted stock, restricted stock units, performance share awards, performance units, other equity-based awards and cash-based awards.

Administration

The Plan is administered by the Compensation Committee of the Board of Directors. Our Compensation Committee determines who receives awards under the Plan, the number of shares of stock, share units and/or dollars covered by such award and the terms and conditions of each award. Within the terms of the Plan, our Compensation Committee may accelerate the vesting of any award and modify, cancel or substitute any awards. In addition, our Compensation Committee interprets the Plan and may adopt any administrative rules, regulations, procedures and guidelines governing the Plan or any awards granted under the Plan as it deems to be appropriate. Our Compensation Committee may delegate the authority to make awards to any subcommittee of our Board of Directors or to our Chief Executive Officer the authority to make awards to employees who are not executive officers.

Available Shares

At the time we established the Plan in 2013, we reserved 11,260,783 shares of our Class A common stock for issuance under the Plan. As of June 30, 2015 and September 30, 2015, there were 6,710,054 shares and 5,322,399 shares, respectively, remaining available for issuance under the Plan. These shares may be shares of original issuance, shares held in treasury or shares that have been reacquired by us. The number of our shares of Class A common stock authorized for grant under the Plan is subject to adjustment, as described below. Awards that are to be settled by issuing shares are only counted against the number of shares available under the Plan to the extent shares are actually issued under those awards. Shares withheld to satisfy tax withholding obligations or tendered to pay the exercise price of an option under the Plan and shares repurchased on the open market with the proceeds of an option exercise shall again be available for grant under the Plan.

Director Compensation

The aggregate value of equity awards granted to, and cash compensation earned by, any individual non-employee director during any calendar year may not exceed \$250,000. The value of equity granted to a non-employee director is determined as of the grant date. With respect to stock options and stock appreciation rights, the equity value is determined based on the pricing model we use to report our financial results and assumptions set forth in the our SEC filings. With respect to other equity awards, the equity value is the fair market value of a share of our Class A common stock as of the grant date.

Eligibility for Participation; Minimum Vesting and Performance Period

Our Compensation Committee may grant awards to employees and consultants; provided, however, only employees shall be eligible to receive incentive stock options, or ISOs. Our Board of Directors may grant awards

Table of Contents

to non-employee directors. As of September 30, 2015, approximately 410 employees and non-employee directors were eligible to receive awards under the Plan; additional employees may receive awards at the discretion of the Chief Executive Officer. In general, awards other than stock options and stock appreciation rights vest no more rapidly than pro rata over a three-year period, and awards that are intended to qualify as performance-based compensation under Section 162(m) of the Code have a minimum performance period of twelve months.

Award Agreement

Awards granted under the Plan will be evidenced by award agreements, which need not be identical, that provide additional terms, conditions, restrictions and/or limitations covering the grant of the award, including, without limitation, additional terms providing for the acceleration of exercisability or vesting of awards in the event of a change of control or conditions regarding the participant's employment, as determined by the Compensation Committee in its sole discretion.

Nonqualified Stock Options

An award of a nonqualified stock option grants a participant the right to purchase a certain number of shares of our Class A common stock during a specified term in the future, after a vesting period, at an exercise price equal to at least 100% of the fair market value of a share of our Class A common stock on the grant date. The term of a nonqualified stock option may not exceed 10 years from the date of grant. The exercise price may be paid, in the Compensation Committee's sole discretion, with cash or check, shares of our Class A common stock already owned by the participant, a reduction in shares issuable upon exercise which have a value equal to the exercise price, to the extent permitted by law, with proceeds from a sale of shares from broker-assisted cashless exercise, any other consideration deemed appropriate by the Compensation Committee or any combination of the foregoing, in each case permitted by the Compensation Committee. A nonqualified stock option is an option that does not meet the qualifications of an incentive stock option (ISO), as provided in Section 422 of the Code and summarized in part below.

Incentive Stock Options

An ISO is a stock option that meets the requirements of Section 422 of the Code, which include that the option have an exercise price of no less than 100% of fair market value of a share of our Class A common stock on the grant date, have a term of no more than 10 years and be granted from a plan that has been approved by stockholders.

Stock Appreciation Rights

A stock appreciation right (SAR) entitles the participant to receive a percentage (up to 100%) of the difference between the fair market value of our Class A common stock on the exercise date and the exercise price of the SAR, multiplied by the number of shares subject to the SAR. Payment to a participant upon the exercise of a SAR may be in cash or shares of our Class A common stock. No SAR may be exercised more than 10 years from the date of grant.

Restricted Stock

A restricted stock award is an award of outstanding shares of our Class A common stock that does not vest until after a specified period of time, or satisfaction of other vesting conditions as determined by our Compensation Committee, and which may be forfeited if conditions to vesting are not met. Participants generally receive dividend payments on the shares subject to their award during the vesting period (unless the awards are subject to performance-vesting criteria) and are also generally entitled to vote the shares underlying their awards.

Table of Contents

Restricted Stock Units

A restricted stock unit is an award denominated and settled in shares of our Class A common stock, subject to terms and conditions determined by our Compensation Committee. Participants do not have voting rights, but our Compensation Committee may authorize the payment of dividend equivalent payments on a current, deferred or contingent basis.

Other Stock-Based Awards

The Plan provides our Compensation Committee the discretion to grant other awards payable in shares, such as deferred stock units and unrestricted shares. In the event of such an award, the Compensation Committee would determine the terms and conditions of such award, including any vesting criteria applicable thereto.

Cash-Based Awards

A cash-based award is a cash-denominated award which the Compensation Committee may grant to participants, subject to conditions determined by the Compensation Committee, which conditions may include the achievement of individual or company performance objectives. Each cash-based award will specify a payment amount, formula or payment ranges as determined by the Compensation Committee. Payment with respect to any cash-based award shall be made in cash.

Performance Share Awards

The Plan authorizes our Compensation Committee to grant performance share awards, which may be payable in shares, share units or cash. Performance share awards vest and become payable upon the achievement of performance objectives within a period of time specified by our Compensation Committee. No dividend equivalents shall be made with respect to any performance share award. Performance share awards may be subject to the achievement of specified performance objectives. Performance objectives may be described in terms of company-wide objectives or objectives that are related to the performance of the individual participant or a subsidiary, division, department or function within our company or a subsidiary of ours in which the participant is employed. Performance objectives may be measured on an absolute or relative basis, and relative performance may be measured by a group of peer companies or by a financial market index. The Plan provides the Compensation Committee discretion to modify performance goals as it deems appropriate or increase or decrease the amount payable at a given level of performance, other than for awards intended to qualify as performance-based compensation under Section 162(m) of the Code.

Performance-Based Awards

A performance-based award is an award of restricted shares, restricted stock units, performance share awards, other stock-based awards or cash-based awards intended to qualify as performance-based compensation under Section 162(m) of the Code. Performance-based awards are subject to the rules described below under the headings 162(m) Annual Limits and Performance Goals .

162(m) Annual Limits

The maximum number of shares of our Class A common stock with respect to which any stock option or stock appreciation right may be granted under the Plan during any calendar year to any eligible individual is 500,000. The maximum number of shares (other than stock options and stock appreciation rights) that are subject to the attainment of specified performance goals and intended to qualify as performance-based compensation under Section 162(m) of

the Code that may be granted under the Plan during any calendar year to any eligible individual is 500,000, or if the performance-based award is paid in cash or other property, no more than the value of 500,000 shares (calculated on the last day of the performance period to which the award relates). The maximum value of a cash payment made under a performance award is \$3,000,000 if the performance period is 12 months or less and \$6,000,000 if the performance period is more than 12 months.

Table of Contents

Performance Goals

Awards may be subject to the achievement of specified performance objectives. Performance objectives may be described in terms of company-wide objectives or objectives that are related to the performance of the individual participant or a subsidiary, division, department or function within our company or a subsidiary of ours in which the participant is employed. Performance objectives may be measured on an absolute or relative basis, and relative performance may be measured by a group of peer companies or by a financial market index. Any performance objectives applicable to a performance-based award shall be based on one or more of the following:

growth in net sales or revenue;

share price;

return measures;

appreciation in the fair market value or book value of the Class A common stock;

gross profit margin;

economic value added;

operating expense ratios;

debt to equity ratio/debt levels;

operating expense targets;

measures of customer satisfaction (such as member cost, quality and safety improvements);

productivity ratios;

market share;

operating income;

acquisitions or strategic transactions;

gross or operating margins;

quantitative measures of employee satisfaction/engagement;

EBIT, EBITDA or a similar measure (before or after taxes);

employee retention/attrition;

net earnings or net income (before or after taxes);

safety;

earnings per share;

budget achievement;

cash flow;

expense reduction or cost savings;

working capital targets;

productivity improvements; or

funds from operations or similar measures;

inventory control/efficiency.

capital expenditures;

For performance-based awards, our Compensation Committee is authorized at any time during the first 90 days of a performance period (or, if longer or shorter, within the maximum period allowed under Section 162(m) of the Code), to adjust or modify the calculation of a performance goal for a performance period based on changes in accounting principles and by excluding any of the following items if our Compensation Committee so determines: (i) infrequent or unusual events; (ii) exchange rate effects, as applicable, for non-U.S. dollar denominated operating earnings (iii) the effects of any statutory adjustments to corporate tax rates; (iv) the impact of losses from discontinued operations; (v) restatements and other unplanned special charges; (vi) divestitures; (vii) stock offerings or repurchases and (viii) strategic loan loss provisions. The Compensation Committee may reduce or eliminate cash amounts paid under any performance-based award upon satisfaction of performance criteria based on any further considerations that the Compensation Committee may determine in its sole discretion.

Time-based restricted stock, restricted stock units and other awards (other than stock options and stock appreciation rights) are not intended to qualify as performance-based compensation.

Change in Control

Except as otherwise provided in an award agreement, in the event of a Change in Control (as defined in the Plan), our Compensation Committee may, but shall not be obligated to, (i) accelerate, vest or cause the restrictions to lapse with respect to, all or any portion of an award; (ii) cancel awards for a cash payment equal to their fair value (as determined in the sole discretion of our Compensation Committee) which, in the case of options and SARs, shall be deemed to be equal to the excess, if any, of the value of the consideration to be paid in the Change

Table of Contents

in Control transaction to holders of the same number of shares subject to such options or SARs (or, if no consideration is paid in any such transaction, the fair market value of the shares subject to such options or SARs) over the aggregate strike price; (iii) provide for the issuance of substitute awards that will substantially preserve the otherwise applicable terms of any affected awards previously granted hereunder as determined by our Compensation Committee in its sole discretion; (iv) terminate options without providing accelerated vesting or (v) take any other action with respect to awards that the Compensation Committee deems appropriate. The treatment of awards upon a Change in Control may vary among participants in our Compensation Committee's sole discretion. Performance awards will be settled upon a Change in Control as determined by the Compensation Committee in its sole discretion based upon the extent to which the performance goals for any such awards have been achieved after evaluating actual performance over the course of the performance period until the date of the Change in Control and the anticipated level of performance as of the date of the Change in Control.

Repricing

The terms of a stock option or stock appreciation right cannot be amended to lower the strike price, and options and stock appreciation rights may not be cancelled in exchange for cash, other awards or stock options and stock appreciation rights with a strike price lower than the strike price of the cancelled stock options or stock appreciation rights without, in each case, stockholder approval.

Recoupment and Clawback

All awards granted under the Plan are subject to any compensation recovery policy and all awards (and any proceeds) are subject to any clawback policy we may implement, including any policy implemented to comply with legal requirements such as the Dodd-Frank Act.

Amendment and Termination

The Plan may be amended or terminated by our Board of Directors at any time, but no amendment may be made without stockholder approval if it would increase the number of shares issued or available under the Plan, materially expand benefits accruing to plan participants, reduce the minimum exercise price of an option or base price of an SAR granted under the Plan, modify the eligibility criteria for participation in the Plan, increase per-person limits or the number of shares which may be issued, delete or limit the prohibition against repricing or otherwise require approval by stockholders in order to comply with applicable law or the rules of a national stock exchange on which the shares subject to the Plan are listed. Unless required to comply with applicable laws, no termination, suspension or amendment of the Plan may adversely affect the right of any participant with respect to a previously granted award without the participant's written consent.

Transferability

Awards granted under the Plan are generally nontransferable (other than by will or the laws of descent and distribution), except that the committee may provide for the transferability of nonqualified stock options at the time of grant or thereafter to certain family members.

Effective Date; Term

If approved by stockholders at the Annual Meeting, the Plan as amended and restated will be effective as of December 4, 2015. No award will be granted under the amended and restated Plan on or after May 17, 2023.

Table of Contents**Certain U.S. Federal Income Tax Consequences***Federal Income Tax Consequences of Equity Incentive Plan Awards*

The following is a brief summary of the principal U.S. federal income tax consequences of transactions under the Plan, based on current U.S. federal income tax laws. This summary is not intended to be exhaustive, does not constitute tax advice and, among other things, does not describe state, local or foreign tax consequences, which may be substantially different.

Nonqualified Stock Options. Generally, a participant will not recognize taxable income on the grant or vesting of a nonqualified stock option. Upon the exercise of a nonqualified stock option, a participant will recognize ordinary income in an amount equal to the difference between the fair market value of our Class A common stock received on the date of exercise and the option cost (number of shares purchased multiplied by the exercise price per share). We will ordinarily be entitled to a deduction on the exercise date equal to the ordinary income recognized by the participant upon exercise.

Incentive Stock Options. No taxable income is recognized by a participant on the grant or vesting of an ISO. If a participant exercises an ISO in accordance with its terms and does not dispose of the shares acquired within two years after the date of the grant of the ISO or within one year after the date of exercise, the participant will not, upon exercise, recognize ordinary income or capital gain or loss, and we will not be entitled to a deduction by reason of the grant or exercise of the ISO; however, the excess of the fair market value over the exercise price of the shares acquired is an item of adjustment in computing alternative minimum tax of the participant. If a participant holds the shares acquired for at least one year from the exercise date and does not sell or otherwise dispose of the shares for at least two years from the grant date, the participant's gain or loss upon a subsequent sale will be long-term capital gain or loss equal to the difference between the amount realized on the sale and the participant's basis in the shares acquired.

If a participant sells or otherwise disposes of the shares acquired without satisfying the required minimum holding period, such disqualifying disposition will give rise to ordinary income equal to the excess of the fair market value of the shares acquired on the exercise date or, if less, the amount realized upon disqualifying disposition over the participant's tax basis in the shares acquired. We will ordinarily be entitled to a deduction equal to the amount of the ordinary income recognized by a participant as a result of a disqualifying disposition.

Stock Appreciation Rights. Generally, a participant will not recognize taxable income upon the grant or vesting of a SAR, but will recognize ordinary income upon the exercise of a SAR in an amount equal to the cash amount received upon exercise (if the SAR is cash-settled) or the difference between the fair market value of our Class A common stock received from the exercise of the SAR and the amount, if any, paid by the participant in connection with the exercise of the SAR. The participant will recognize ordinary income upon the exercise of a SAR regardless of whether the shares of our Class A common stock acquired upon the exercise of the SAR are subject to further restrictions on sale or transferability. The participant's basis in the shares will be equal to the ordinary income attributable to the exercise and the amount, if any, paid in connection with the exercise of the SAR. The participant's holding period for shares acquired pursuant to the exercise of a SAR begins on the exercise date. Upon the exercise of a SAR, we will ordinarily be entitled to a deduction in the amount of the ordinary income recognized by the participant.

Restricted Shares. A participant generally will not be taxed at the time of a restricted stock award but will recognize taxable income when the award vests or otherwise is no longer subject to a substantial risk of forfeiture. The amount of taxable income will be the fair market value of the shares at the time of vesting.

Participants may elect to be taxed at the time of grant by making an election under Section 83(b) of the Code within 30 days of the award date. If a restricted stock award subject to the Section 83(b) election is subsequently canceled, no deduction will be allowed for the amount previously recognized as income, and no tax previously paid will be refunded. Unless a participant makes a Section 83 (b) election, dividends paid to a participant on

Table of Contents

shares of an unvested restricted stock award will be taxable to the participant as ordinary income in compensation for services. If the participant made a Section 83(b) election, the dividends will be taxable to the participant as dividend income.

We will ordinarily be entitled to a deduction at the same time and in the same amounts as the ordinary income recognized by the participant. Unless a participant has made a Section 83(b) election, we will also be entitled to a deduction, for federal income tax purposes, for dividends paid on unvested restricted stock awards.

Restricted Stock Units and Performance Share Awards. A participant generally will not be subject to income tax at the time of grant of a restricted stock unit award or performance share award or upon vesting but will recognize taxable income upon receiving stock under the award and cash that is attributable to dividend equivalents, if any. Restricted stock units and performance share awards are subject to Federal Insurance Contribution Act tax upon vesting. The amount of taxable income will be the fair market value of the shares at the time of issuance. No Section 83(b) election is available for restricted stock units or performance share awards.

We will ordinarily be entitled to a deduction at the same time and in the same amounts as the ordinary income recognized by the participant. We will also be entitled to a deduction, for federal income tax purposes, for cash dividend equivalent payments on restricted stock units.

Other Equity-Based Awards. A participant will generally not recognize taxable income on a deferred stock award until shares subject to the award are distributed. A participant will recognize ordinary income in an amount equal to the fair market value of the shares of our Class A common stock on the date of distribution. Any dividend equivalents paid on unvested deferred stock awards are taxable as ordinary income when paid to the participant. We will ordinarily be entitled to a deduction at the same time and in the same amounts as the ordinary income recognized by the participant. We will also be entitled to a deduction, for federal income tax purposes, on any dividend equivalent payments made to the participant.

A participant will generally recognize taxable income on the grant of unrestricted stock, in an amount equal to the fair market value of the shares on the grant date. We will ordinarily be entitled to a deduction at the same time and in the same amounts as the ordinary income recognized by the participant.

Cash Awards. A participant will generally recognize taxable income upon the payment of a cash award, in an amount equal to the amount of the cash received. We will ordinarily be entitled to a deduction at the same time and in the same amounts as the ordinary income recognized by the participant.

Withholding. To the extent required by law, we will withhold from any amount paid in settlement of an award amounts of withholding and other taxes due or take other action as we deem advisable to enable ourselves to satisfy withholding and tax obligations related to any awards.

New Plan Benefits; Future Plan Awards

The value, number of units and type of equity to be awarded in the future under the Plan depend on a number of factors, including, but not limited to, our performance, our goals and objectives, individual performance and the discretion of the Compensation Committee. Since no such determinations regarding awards or grants have yet been made, the benefits or amounts that will be received by or allocated to our executive officers or other eligible employees or non-employee directors cannot be determined at this time.

Table of Contents

Although future awards or grants under the Plan, as amended and restated, are not determinable at this time, for illustrative purposes and not necessarily indicative of the equity that might be awarded under Plan, the table below sets forth the awards that were granted under the current Plan during the fiscal year ended June 30, 2015 to the current named executive officers, all executive officers as a group, all non-executive directors as a group and all other non-executive employees as a group:

Name and Position	Performance Shares (#)	Restricted Stock Units (#)	Stock Options (#)
Susan D. DeVore, Chief Executive Officer	55,733	27,867	131,446
Michael J. Alkire, Chief Operating Officer	30,304	15,152	71,472
Craig S. McKasson, Chief Financial Officer	16,150	8,075	38,089
Keith J. Figlioli, Senior Vice President of Healthcare Informatics	12,199	6,100	28,770
R. Wesley Champion, Senior Vice President of Premier Performance Partners	10,519	5,260	24,807
Executive Officer Group (8 people)	141,221	70,613	333,064
Non-Executive Director Group (5 people)(1)		15,245	
Non-Executive Officer Employee Group	136,902	74,567	341,014

(1) Excludes member-directors that do not receive equity compensation. Non-executive directors do not receive performance shares or stock options under our Director Compensation Policy.

All of the grants discussed above that were awards to executive officers are intended to qualify for the post-initial public offering transition exemption to Section 162(m) s deduction limitations, discussed above in the section captioned Overview .

As of October 5, 2015, the closing price on the NASDAQ Global Select Market of our Class A common stock was \$36.23 per share.

Equity Compensation Plan Information

As of June 30, 2015, we granted equity awards to employees and directors under the Premier, Inc. 2013 Equity Incentive Plan which was approved by our stockholders prior to our October 2013 initial public offering. The following table sets forth certain information as of June 30, 2015 concerning the shares of Class A common stock authorized for issuance under this equity compensation plan. No shares of Class B common stock are authorized for issuance under this plan, and we have no equity compensation plans under which shares may be issued that have not been approved by our stockholders.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding
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	rights (a)	(b)	securities reflected in column (a) (c)
Equity compensation plans approved by security holders:			
Premier, Inc. 2013 Equity Incentive Plan	4,554,037(1)	\$ 28.24(2)	6,710,054(3)
Equity compensation plans not approved by security holders	0	n/a	0
Total	4,554,037(1)	\$ 28.24(2)	6,710,054(3)

- (1) Assumes restricted stock unit (RSU), performance share (PSA) and stock option awards are paid at target, except for awards for which the measurement period has been completed. Actual shares awarded may be higher or lower based upon actual performance over the measurement period.
- (2) This calculation does not take into account awards of RSUs and PSAs.

Table of Contents

(3) Reflects, as of June 30, 2015, shares reserved for future grants of stock options, RSUs, PSAs, performance RSUs and/or other equity awards, less shares expected to be netted for income taxes.

Board Recommendation

The Board of Directors unanimously recommends a vote FOR the approval of the Amended and Restated Premier, Inc. 2013 Equity Incentive Plan.

In accordance with the Board's recommendation, the proxy holders will vote the shares of Class A common stock covered by valid and timely received proxies FOR the approval of the Amended and Restated Premier, Inc. 2013 Equity Incentive Plan, unless instructed otherwise. The Trustee will vote all of the Class B common stock as a block in the matter determined by the majority of the votes timely received by the Trustee.

Table of Contents

ITEM 5 ADVISORY VOTE ON EXECUTIVE COMPENSATION

In accordance with the Dodd-Frank Act and related SEC rules, we request stockholders to approve, on an advisory basis, our executive compensation program. We ask that you support the compensation of our named executive officers as disclosed under the heading Executive Compensation, including the Executive Summary section, beginning on page 69 and the accompanying tables and related narrative disclosure. This proposal, commonly referred to as a say-on-pay proposal, gives stockholders the opportunity to express their views on the named executive officers compensation as required under Section 14A of the Securities Exchange Act. This vote is not intended to address any specific item of compensation, but rather the overall compensation of the named executive officers and the philosophy, policies and practices described in this proxy statement. This is the first time stockholders are voting on the say-on-pay proposal to approve our executive compensation on an advisory basis.

Our executives including our named executive officers, or NEOs are critical to our success. That is why we design our executive compensation program to attract, retain and motivate exceptional executive talent. We structure our executive compensation program to focus on stockholders interests by incentivizing superior sustainable long-term performance. We believe our executive compensation program strikes the appropriate balance between utilizing responsible, measured pay practices and effectively incentivizing the named executive officers to dedicate themselves fully to value creation for our stockholders.

Under our executive compensation program, we align pay and performance by making a significant portion of our NEOs compensation contingent on:

achieving specific and challenging annual and long-term performance goals; and

increasing stockholder value.

We also incorporate rigorous compensation-related design and governance practices to protect our stockholders interests, including the following:

we enforce strong stock ownership guidelines for our executive officers which promotes alignment of their interests with those of our stockholders;

our long-term incentive plan is 100% equity-based;

85% of our CEO s target total compensation is at-risk, incentive-based pay (67% of which is based on our long-term performance);

75% of our other NEOs target total compensation is at-risk, incentive-based pay (56% of which is based on long-term performance);

we do not pay tax gross ups associated with benefits payable in connection with a change in control;

we do not generally offer our executives material perquisites;

we mitigate risk by incorporating limits on incentive awards, the use of multiple performance measures in our incentive plans, stock ownership requirements and a strong incentive compensation recoupment (clawback) policy; and

we prohibit hedging, pledging or short sales of our common stock.

We encourage you to read the Compensation Discussion and Analysis section beginning on page 69 of this proxy statement and the Executive Compensation Tables beginning on page 87 of this proxy statement to better understand the details of our NEOs' compensation for 2015 and their opportunities to realize compensation in the future.

Our Compensation Committee and our Board believe that our executive compensation program for our NEOs serves our stockholders' interests. The Board recommends that stockholders indicate their support for our

Table of Contents

compensation of our NEOs. The vote on this resolution, commonly known as a "say-on-pay" resolution, is not intended to address any specific element of compensation but rather the overall NEO compensation program as described in this proxy statement. Although this vote is advisory and not binding on us, the Board, and the Compensation Committee, which is responsible for developing and administering our executive compensation philosophy and program, will consider the results as part of its ongoing review of our executive compensation program.

Accordingly, we ask you to vote **FOR** the following resolution at our Annual Meeting:

RESOLVED, that Premier's stockholders approve, on an advisory basis, the compensation paid to Premier's NEOs, as disclosed in this Proxy Statement for the 2015 Annual Meeting of Stockholders pursuant to the SEC's compensation disclosure rules, including the Compensation Discussion and Analysis, Fiscal 2015 Summary Compensation Table and the other related tables and discussion.

Board Recommendation

The Board of Directors unanimously recommends a vote **FOR the approval of the compensation of our named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the SEC.**

In accordance with the Board of Directors' recommendation, the proxy holders will vote the shares of Class A common stock covered by valid and timely received proxies **FOR** the approval of the compensation of our named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the SEC, unless instructed otherwise. The Trustee will vote all of the Class B common stock as a block in the matter determined by the majority of the votes timely received by the Trustee.

Table of Contents

**ITEM 6 ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON
EXECUTIVE COMPENSATION**

We seek your input with regard to the frequency of future stockholder advisory votes on our executive compensation programs. In particular, we are asking whether the say-on-pay advisory vote should occur every year, every two years or every three years.

After careful consideration of this Proposal, the Board of Directors has determined that a non-binding advisory vote on executive compensation that occurs annually is the most appropriate alternative for us and, therefore, the Board of Directors recommends that you vote for a one-year interval for the advisory vote on executive compensation. While our executive compensation program is designed to promote a long-term connection between pay and performance, our Board of Directors recognizes that executive compensation disclosures are made annually. Accordingly, our Board of Directors believes that an annual advisory say-on-pay vote will allow our stockholders to provide timely, direct input on our executive compensation philosophy, policies and practices as disclosed in the proxy statement each year.

We understand that stockholders may have different views as to what is the best approach for us, and we look forward to hearing from stockholders on this Proposal. You may cast your vote on the say-on-pay advisory voting frequency by choosing the option of one year, two years or three years or abstain from voting when you vote in response to the resolution set forth below.

RESOLVED, that the option of once every one year, two years or three years that receives the highest number of votes cast for this resolution will be determined to be the preferred frequency with which the Company is to hold a stockholder advisory vote to approve the compensation of the named executive officers, as disclosed pursuant to the SEC's compensation disclosure rules (which disclosure shall include the Compensation Discussion and Analysis, the Executive Compensation Tables, and other related tabular and narrative discussion).

The option of one year, two years or three years that receives the highest number of votes cast by stockholders will be deemed the frequency for the advisory vote on executive compensation that has been approved by stockholders. While the Board of Directors will take into account the outcome of this non-binding, advisory vote when making future decisions regarding the frequency of the say-on-pay advisory vote, the Board of Directors may decide that it is in the best interests of stockholders and us to hold such an advisory vote more or less frequently than the option selected by a plurality of stockholders at the annual meeting. As a reminder, you are NOT voting for or against the Board of Directors' recommendation itself. Instead, your vote is a selection of one of the three frequency options if you do not abstain.

Board Recommendation

The Board of Directors unanimously recommends a vote for the option of 1 YEAR as the frequency with which stockholders are provided an advisory vote on executive compensation, as disclosed pursuant to the compensation disclosure rules of the SEC.

In accordance with the Board of Directors' recommendation, the proxy holders will vote the shares of Class A common stock covered by valid and timely received proxies for the option of **1 YEAR** as the frequency with which stockholders are provided an advisory vote on executive compensation, as disclosed pursuant to the compensation disclosure rules of the SEC, unless instructed otherwise. The Trustee will vote all of the Class B common stock as a block in the matter determined by the majority of the votes timely received by the Trustee.

Table of Contents

CORPORATE GOVERNANCE AND BOARD STRUCTURE

Corporate Governance

Our corporate governance practices are established, monitored and regularly assessed by our Board of Directors with assistance from the Nominating and Governance Committee. The Board of Directors considers current and proposed legal requirements and governance best practices in connection with its decisions on the governance practices for the Company and its business.

Corporate Governance Guidelines

To assist the Board of Directors in the exercise of its duties and responsibilities and to serve the best interests of the Company and its stockholders, the Board of Directors has adopted Corporate Governance Guidelines that set forth, among other things:

the Board's role in overseeing the management and conduct of the Company's business, including:

the job description and specific functions of the Board and its committees;

Board membership criteria and core competencies required by members;

annual review and evaluation of the Chief Executive Officer by the Chairman of the Board in collaboration with the Compensation Committee;

annual senior management evaluation;

annual review and update, if appropriate, of the management succession plan;

risk management and oversight by the Audit and Compliance Committee; and

annual Board self-assessment to evaluate whether the Board is functioning effectively and meeting objectives and goals.

director qualifications and responsibilities, including:

individual director qualification standards and personal traits;

director nomination, selection and assessment;

director responsibilities to exercise common sense business judgment, exercise their fiduciary duties to all stockholders and exercise personal accountability through regular attendance and participation and investment of time and energy in the Company's business;

commitment to support the needs of the Board and fully serve out the established board term;

limits on other board service;

director orientation and continuing education;

notice of changes in principal employment or changes in independence; and

director compensation and independent/outside director stock ownership.

Board independence, including:

director independence standards while the Company is a controlled company under NASDAQ rules and thereafter and required reviews of each director's independence;

Board leadership and the annual election of a Board chair that is not an officer of the Company; and

independence and other qualifications for Board committee members while the Company is a controlled company under NASDAQ rules and thereafter.

Table of Contents

Board accountability, ethics and integrity, including:

adherence to the Board's Conflict of Interest Policy;

adherence to the Company's Code of Conduct and the Board Code of Ethics;

regularly held executive sessions outside the presence of management; and

Board access to and retention of independent advisors.

Board structure, including:

Board size and review of the same;

Board class structure and term of each class;

term limits; and

resignation and failure to be re-elected.

Board committees, including:

standing committees and committee structure;

assignment and rotation of committee members; and

committee meeting frequency, length and agenda.

Board meetings, agenda and information, including:

regular meeting schedules and attendance expectations;

Board agenda process;

Board information flow, materials and presentations;

director access to senior management;

right to call a special meeting of the Board and related procedures; and

annual stockholder meeting and attendance.

Board interaction/communications with stockholders, analysts, institutional investors, member owners and the media where appropriate.

Board responsiveness to stockholder proposals that receive substantial support.

Under its charter, the Nominating and Governance Committee, in consultation with the Chairman of the Board and the Chief Executive Officer, periodically reviews, revises, interprets and confirms compliance with the Corporate Governance Guidelines.

Code of Ethics

We have adopted a Corporate Code of Conduct, as well as a Board Code of Ethics and a Board Conflict of Interest Policy and Disclosure Statement, together our code of ethics, that apply, as applicable, to all employees, directors and officers, including our principal executive officer, principal financial officer and principal accounting officer or controller, or persons performing similar functions. The purpose of the code of ethics is to deter wrongdoing and promote:

honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

full, fair, accurate, timely and understandable disclosure in reports required to be filed with or submitted by us to the SEC and in other public communications;

compliance with all applicable rules and regulations that apply to us and our officers and directors;

Table of Contents

the prompt internal reporting of violations of the code to an appropriate person or persons identified in the code; and

accountability for adherence to the code.

We will disclose any future amendments to, or waivers from, certain provisions of these ethical policies and standards for officers and directors on the Investors section of our website at <http://investors.premierinc.com> promptly following the date of such amendment or waiver. Upon written request to our Corporate Secretary, we will also provide a copy of the code of ethics free of charge.

Corporate Website

We maintain a Corporate Governance area within the Investors section of our website where you can find copies of our principal governance documents and ethics policies. Our Corporate Governance area is located at <http://investors.premierinc.com/corporate-governance> and includes the following documents, among others:

Certificate of Incorporation;

Bylaws;

Corporate Governance Guidelines;

Whistleblower Policy;

Insider Trading Policy;

Corporate Code of Conduct (in the Ethics and Compliance subsection);

Group Purchasing Code of Conduct (in the Ethics and Compliance subsection);

Board Code of Ethics;

Board Conflict of Interest Policy and Disclosure Statement;

Audit and Compliance Committee Charter;

Nominating and Governance Committee Charter;

Finance Committee Charter;

Compensation Committee Charter;

Conflict Advisory Committee Charter; and

Member Agreement Review Committee Charter.

We encourage our stockholders to read our governance documents, as we believe they illustrate our commitment to good governance practices and ethical business conduct.

Role of the Board in Oversight of the Company's Risks

Our Board of Directors plays an active role in overseeing management of our risks. We have identified five primary areas of enterprise risk across our operations that are monitored and managed by our Board of Directors, management and internal auditors. These areas include risks associated with strategic, operational, financial, legal, and information technology and systems. Our Board of Directors is primarily responsible for oversight of the strategic, operational and information technology and systems risks that we may encounter. The committees of our Board of Directors assist our full Board in risk oversight by addressing specific matters within the purview of each committee. Our Audit and Compliance Committee focuses on oversight of financial, legal and regulatory compliance, as well as ethical risks. Our Finance Committee oversees financial risks related to capital allocation and financial forecasting. Our Compensation Committee, as discussed more detail below, focuses on risks

Table of Contents

relating to executive compensation plans and arrangements, and our Nominating and Governance Committee focuses on reputational and corporate governance risks relating to our company including the independence of our Board of Directors. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, our full Board of Directors remains regularly informed regarding such risks through committee reports and otherwise. In addition, our Board and its committees receive regular reports from our Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, General Counsel, Chief Ethics and Compliance Officer, and other members of senior management regarding areas of significant risk to us, including operational, strategic, legal and regulatory, financial and reputational risks. We believe the leadership structure of our Board of Directors supports and promotes effective risk management and oversight.

The Compensation Committee reviews and considers our compensation policies and programs in light of the Board of Directors' risk assessment and management responsibilities on an annual basis. Our human resources department in consultation with Mercer (US) Inc. prepared and presented to the Compensation Committee a risk assessment report that addressed the incentive compensation structure, plans and processes at all levels of our Company. The assessment included, among other things, a review of pay mix (fixed versus variable, cash versus equity and short versus long-term), performance metrics, target setting, performance measurement practices, pay determination, mitigation practices such as the Compensation Recoupment Policy and overall governance and administration of pay programs. After reviewing this report and making inquiries of management, the Compensation Committee determined we have no compensation policies and programs that give rise to risks reasonably likely to have a material adverse effect on us.

Communications to Directors

Stockholders and other parties interested in communicating directly to the Board of Directors, any committee or any non-employee director may do so by writing to the address listed below:

PREMIER, INC.

BOARD OF DIRECTORS

13034 BALLANTYNE CORPORATE PLACE

CHARLOTTE, NORTH CAROLINA 28277

ATTENTION: [Addressee*]

C/O ANNA-MARIE FORREST, CORPORATE SECRETARY

*** Including the name of the specific addressee(s) will allow**

us to direct the communication to the intended recipient.

All communications received as set forth in this paragraph will be opened by the office of our General Counsel for the sole purpose of determining whether the contents represent a message to our directors. Any contents that are not in the nature of advertising, promotions of a product or service or patently offensive material will be forwarded promptly to the addressee. In the case of communications to the Board of Directors or any group or committee of directors, the General Counsel's office will make sufficient copies of the contents to send to each director who is a member of the group or committee to which the envelope is addressed.

Board Structure and Director Nominations

Board Structure and Meetings

The Board's overarching responsibility is to advise and oversee the management and conduct of the Company's business by its Chief Executive Officer and other members of management charged with the long-term health and overall success of Premier's business. To that end, our business, property and affairs are managed under the direction of our Board of Directors. Our Board size may not exceed 18 directors, and is currently comprised of 16

Table of Contents

members, five of whom are independent under the standards discussed below, 10 of whom are member-directors as discussed below and one of whom is our Chief Executive Officer, Ms. DeVore. The Board is divided into three classes (Class I, Class II and Class III) with staggered terms of three years each. The term of one class expires at each annual meeting of stockholders; thus, directors typically stand for election after three years, unless they are filling an unexpired term. Under our Corporate Governance Guidelines, no director may serve for more than two full three-year consecutive terms except for (i) the Chief Executive Officer; (ii) each director who is not a director, officer, employee or agent of, or otherwise affiliated with, any stockholder of the Company and (iii) a Director serving as Chairman of the Board, whose term may be extended at the discretion of the Board.

Our Bylaws and Corporate Governance Guidelines provide that the Chairman of the Board shall not be an officer of the Company. We believe that having a non-executive Chairman of our Board creates an environment that is more conducive to objective evaluation and oversight of management's performance, increasing management accountability and improving the ability of the Board of Directors to monitor whether management's actions are in the best interests of the company and its stockholders. Our Chief Executive Officer, Board Chairman and Board Vice-Chairman work together to set the Board agenda. Board members are invited to make agenda suggestions, and the Board approves the annual schedule of Board and committee items. The Board Chairman presides over Board meetings and coordinates the work of the committees of our Board of Directors and performs other duties delegated to the Chairman by our Board of Directors. Committee assignments and designation of the committee chair are made by the Board based upon recommendations of the Board Chairman and Nominating and Governance Committee. Executive sessions of independent directors, held outside the presence of employee Board members and member-directors, are scheduled at each in-person Board meeting and may be called at any other Board or committee meeting. The Chair of the Audit and Compliance Committee presides over executive sessions.

The Board of Directors adopted the foregoing structure to promote decision-making and governance independent of that of our management and to better perform the Board's monitoring and evaluation functions. Members of our Board of Directors are kept informed of our business through discussions with our Chief Executive Officer and other officers, by reviewing materials provided to them, by visiting our offices and by participating in meetings of the Board of Directors and its committees.

Under our Corporate Governance Guidelines, Board members are expected to prepare for and attend at least 75% of all Board and applicable committee meetings. The Board of Directors met six times during fiscal year 2015. In addition, the independent directors met in executive session three times during fiscal year 2015. Each incumbent member of the Board of Directors attended 75% or more of the meetings of the Board of Directors and of the committees on which he or she served that were held during the period for which he or she was a director or committee member, respectively. In addition, directors are expected to attend the annual meeting of stockholders. All of our directors who were serving as directors at the time of the meeting attended our 2014 Annual Meeting of Stockholders held December 5, 2014, except Peter Fine and Ellen Wolf (both due to prior conflicts). All members of our Board of Directors are expected to attend the Annual Meeting.

Criteria for Board Members

Our Corporate Governance Guidelines provide criteria applicable to both the composition of the Board as a whole and for individual directors. The Board as a whole has been designed to possess all of the following core competencies, with each director contributing knowledge, experience and skills in at least one of the following domains:

senior executive level leadership experience;

group purchasing, value-based purchasing, pharmacy management and supply chain operations;

healthcare transformation, healthcare continuum of care and population management;

performance improvement, clinical quality improvement, patient safety, outcomes management, risk management and healthcare measurement;

Table of Contents

information technology and knowledge management;

outsourcing services;

finance, audit and major transactions/M&A/private equity/public equity;

national perspective on healthcare policy and advocacy;

healthcare insurance and payment systems; or

academic medical experience.

The Board has adopted a Board Competency and Succession Plan Policy as the guideline for the Nominating and Governance Committee in evaluating and nominating Board candidates. The Board recognizes that criteria change as the membership of the Board changes and takes into account the current make-up and requirements of the Board in its nomination process. To be considered for Board membership, individual directors should possess the following personal traits:

a strong strategic planning orientation, including the ability to view the Company's goals and plans strategically;

ability to effectively oversee risk and innovation thus safeguarding the Company's mission and stockholder interests;

knowledge of effective governance policies and practices;

proven leadership skills as an executive in a successful organization;

ability to listen, engage, reflect and generally work effectively with other directors and management;

willingness to ask management and each other tough questions and challenge traditional thinking;

adeptness at managing change, ambiguity and complexity;

integrity backed by a record of ethical conduct;

understanding of the importance and implications of compliance with regulatory requirements;

interest and ability to serve in a Board leadership position (i.e., Board Chairman, Vice-Chairman, committee Chair, etc.) in the future; and

ability to make a priority commitment to support the needs of the Board and to fully serve out the established Board term.

With respect to member-directors, the Board Competency and Succession Plan Policy requires consideration of the following characteristics:

type of stockholder (i.e., member owner, group affiliate, etc.);

type of organization (i.e., health system, hospital, other);

organization's size and scope of services;

organization's primary markets (i.e., urban, suburban, rural, safety net);

geography;

level of engagement with the Company; and

candidate's gender, ethnic background and age.

Board Diversity

Although there is no formal policy on diversity of nominees, both the Board of Directors and the Nominating and Governance Committee believe that diversity of skills, perspectives and experiences as represented on the Board

Table of Contents

as a whole, in addition to the primary factors, attributes or qualities discussed above, promotes improved monitoring and evaluation of management on behalf of the stockholders and produces more creative thinking and solutions. The Nominating and Governance Committee considers, but does not choose solely based on, the distinctive skills, perspectives and experiences that candidates diverse in gender, ethnic background, geographic origin and professional experience offer. In addition, under our Board Competency and Succession Plan Policy, the Board seeks to have a composition diverse in gender, ethnicity and age. Our Corporate Governance Guidelines do not explicitly provide limitations on Board service due to age.

Resignation Policy; Vacancies

Under our Corporate Governance Guidelines, our non-management directors must submit a letter of resignation upon resignation or retirement from, or termination of, the director's principal current employment, or other similarly material changes in professional occupation or association. The Board is free to accept or reject the letter of resignation based on the best interests of the Board and stockholders and shall promptly notify such director of its decision.

A director appointed by the Board to fill a vacancy, including a vacancy created by a resignation, will serve until the next election of the class for which such director has been appointed and until his or her successor is elected and qualified, or until his or her earlier death, resignation, retirement, disqualification or removal.

Director Nomination Process

The Nominating and Governance Committee, in consultation with the Chairman of the Board and the Chief Executive Officer, is responsible for identifying, considering, recommending, recruiting and selecting, or recommending that the Board select, candidates to fill open positions on the Board consistent with Board-approved criteria and qualifications for membership. It is the Board's expectation that all Board members participate in Board recruitment efforts.

Internal Process for Identifying Candidates

The Board Competency and Succession Plan Policy is the guideline for the Nominating and Governance Committee in evaluating and nominating Board candidates. The Nominating and Governance Committee has two primary methods for identifying director nominees (other than those proposed by stockholders, as discussed below). First, on a periodic basis, the Committee solicits ideas for possible candidates from members of the Board of Directors, senior level executives and other individuals personally known to the members of the Board. Second, the Committee may from time to time use its authority under its charter to retain, at the Company's expense, one or more search firms to identify candidates (and to approve such firms' fees and other retention terms).

Proposals for Director Nominees by Stockholders

The Nominating and Governance Committee will consider written proposals from stockholders for director nominees that are timely and properly noticed. In considering candidates submitted by stockholders, the Nominating and Governance Committee will take into consideration the needs of the Board of Directors and the qualifications of the candidate. In accordance with Article I, Section 12 of our Bylaws, to be timely, stockholder notice must be delivered to or mailed and received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than 20 days, or delayed by more than 70 days, from such anniversary, proposed nominee(s) and related notice, in order to be timely, must be received not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the

10th day following the day on which public announcement of the

Table of Contents

date of such meeting is first made. The Nominating and Governance Committee received no nominee recommendations from stockholders for the Annual Meeting. Stockholder nominations for our 2016 annual meeting of stockholders must be received at our principal executive offices on or after August 6, 2016 and not later than September 5, 2016. A stockholder's notice must be in the form set forth in Article I, Section 12 of our Bylaws and must be addressed to Premier, Inc., 13034 Ballantyne Corporate Place, Charlotte, North Carolina 28277, Attention: Corporate Secretary.

Article I, Section 12 of our Bylaws requires, among other things, that the notice must set forth:

- (1) as to each person whom the stockholder proposes to nominate for election or re-election as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder, including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected;
- (2) the name and record address of the stockholder giving notice and the beneficial owner, if any, on whose behalf the nomination is being made;
- (3) the class and number of shares of the Company's stock which are owned beneficially and of record by such stockholder and such beneficial owner;
- (4) a representation that the stockholder intends to appear in person or by proxy at the meeting to propose such nomination;
- (5) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (i) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Company's outstanding capital stock required to elect the nominee and/or (ii) otherwise to solicit proxies from stockholders in support of such nominee;
- (6) any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder;
- (7) a description of any agreement, arrangement or understanding with respect to the nomination and/or the voting of shares of any class or series of stock of the Company between or among the stockholder giving the notice, the beneficial owner, if any, on whose behalf the nomination is made, any of their respective affiliates or associates and/or any others acting in concert with any of the foregoing (collectively, "proponent persons"); and
- (8) a description of any agreement, arrangement or understanding (including without limitation any contract to purchase or sell, acquisition or grant of any option, right or warrant to purchase or sell, swap or other instrument) the intent or effect of which may be (i) to transfer to or from any proponent person, in whole or in part, any of the economic consequences of ownership of any security of the Company; (ii) to increase or decrease the voting power of any proponent person with respect to shares of any class or series of stock of the Company and/or (iii) to provide any proponent person, directly or indirectly, with the opportunity to profit or share in any profit derived from, or to otherwise benefit economically from, any increase or decrease in the value of any security of the Company.

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A stockholder proposing a nominee for the annual meeting must update and supplement the notice required by Article I, Section 12 of our Bylaws so that the information in the notice is true and correct as of the record date for the annual meeting and as of the date that is 15 days prior to the annual meeting or any adjournment or

Table of Contents

postponement thereof; such update and supplement shall be delivered in writing to the Corporate Secretary at the principal executive offices of the Company not later than five days after the record date for the meeting (in the case of any update and supplement required to be made as of the record date), and not later than 10 days prior to the date for the meeting or any adjournment or postponement thereof (in the case of any update and supplement required to be made as of 15 days prior to the meeting or any adjournment or postponement thereof). The Company may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Company. Any stockholder that intends to submit a nominee should read the entirety of the requirements in our Bylaws, particularly Article I, Section 12, which can be found in the Investors section of our website at <http://investors.premierinc.com>.

Evaluation of Candidates

The Nominating and Governance Committee will consider all candidates identified through the processes described above, and will evaluate each of them, including incumbents, based on the same criteria. The selection process involves rigorous vetting of both independent and non-independent director candidates by the Nominating and Governance Committee, the Chairman of the Board and senior management to ensure the best qualified individuals are appointed to the Board. Ultimately, background and reference checks will be conducted and the Committee will meet to finalize its list of recommended candidates for the Board's consideration. The candidates recommended for the Board's consideration will be those individuals who will create a Board of Directors that is, as a whole, strong in its collective knowledge of, and diverse in skills and experience with respect to, accounting and finance, management and leadership, vision and strategy, business operations, business judgment, crisis management, risk assessment, industry knowledge, corporate governance and global markets.

Director Independence

Status as a Controlled Company

We are currently a controlled company under NASDAQ rules because our member owners, acting as a group pursuant to the terms of the VTA, own more than 50% of the total voting power of our outstanding common stock. As a controlled company, we are not required by NASDAQ for continued listing of Class A common stock to (i) have a majority of independent directors; (ii) maintain an independent compensation committee or (iii) maintain an independent nominating function. We intend to take advantage of all of these exemptions from NASDAQ listing requirements for the foreseeable future. As discussed below, we do maintain an Audit and Compliance Committee comprised entirely of independent directors. Once we cease to qualify as a controlled company, and after any permitted phase-in period, the Board expects to have a majority of independent directors and independent committees as required by NASDAQ.

Review of Director Independence and Standards for Independence

On August 13, 2015, the Board of Directors undertook its review of the independence of its directors and director nominees as independent directors based on our Corporate Governance Guidelines. Independent directors must meet the standards of independence established by NASDAQ. The Board reviews annually the independence of each director, taking into consideration the recommendations of the Nominating and Governance Committee. Directors have an affirmative obligation to inform the Board of any material changes in their circumstances or relationships that may impact their designation by the Board as independent.

The Board of Directors assessed whether any director had a relationship which, in the opinion of the Company's Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of such

director. In addition, the Board assessed whether any of the following relationships existed between the

Table of Contents

Company and the director or the director's family members (i.e., spouse, parents, children and siblings or anyone residing in the director's home) that would prohibit a finding of independence under NASDAQ rules:

at any time during the past three years was the director employed by the Company;

has the director or a family member of the director accepted any compensation from the Company in excess of \$120,000 during any period of 12 consecutive months within the three years preceding the determination of independence, other than the following: (i) compensation for Board or Board committee service; (ii) compensation paid to a family member who is an employee (other than an executive officer) of the Company or (iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation;

does the director have a family member who is, or at any time during the past three years was, employed by the Company as an executive officer;

is the director or his family member a partner in, or a controlling stockholder or an executive officer of, any organization to which the Company made, or from which the Company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following: (i) payments arising solely from investments in the Company's securities or (ii) payments under non-discretionary charitable contribution matching programs;

is the director or his family member employed as an executive officer of another entity where at any time during the past three years any of the executive officers of the Company serve on the compensation committee of such other entity; or

is the director or his family member a current partner of the Company's outside auditor, or was a partner or employee of the Company's outside auditor who worked on the Company's audit at any time during any of the past three years.

In connection with this determination, on an annual basis, each director and executive officer is required to complete a questionnaire which requires disclosure of any transactions with the Company in which the director or executive officer, or any member of his or her immediate family, has a direct or indirect material interest. There were no such transactions indicated for fiscal year 2015.

Determination of Director Independence

Based on its review, the Board of Directors affirmatively determined that each of Stephen R. D'Arcy, Jody R. Davids, William E. Mayer, Ellen C. Wolf and Susan S. Wang is an independent director in accordance with our Corporate Governance Guidelines. Each of Eric J. Bieber, MD, William B. Downey, Peter S. Fine, Philip A. Incarnati, Robert Issai, Mark D. Miller, Marvin R. O'Quinn, Keith B. Pitts, Terry D. Shaw and Richard J. Statuto is a member-director. In addition, director nominees, Barclay E. Berdan and Scott Reiner will also be member-directors, if elected by stockholders. Ms. DeVore, who is our Chief Executive Officer, was not deemed to be independent.

Each of our independent directors satisfies the definition of independent director contained in Rule 5605 of the NASDAQ listing standards. As a result of the review and determination above, the Board determined that:

each member of the Audit and Compliance Committee was an independent director under our Corporate Governance Guidelines and otherwise meets the qualifications for membership on such committee imposed by the NASDAQ and other applicable laws and regulations; and

each member of the Audit and Compliance Committee had accounting or related financial management expertise and was financially literate, and otherwise meets the audit committee membership requirements imposed by the NASDAQ, our Corporate Governance Guidelines and other applicable laws and regulations; and that Ms. Wang qualifies as an audit committee financial expert within the meaning of SEC regulations.

Table of Contents

In addition, there are no arrangements or understandings known to us between any of the directors nominated for election to the Board of Directors and any other person pursuant to which a director was or is to be elected as a director or nominee, other than any arrangements or understandings with directors or officers of the Company acting solely in their capacities as such. None of our directors, nominees or executive officers is a party to any material proceedings adverse to us or any of our subsidiaries or has a material interest adverse to us or any of our subsidiaries. In determining the independence of Ms. Wolf, who is also a member of the board of directors of Airgas, Inc., one of our contracted suppliers, our Board of Directors considered the relationship arising through the ordinary course of business between us and Airgas, Inc., but did not view the relationship as materially impacting its independence determination.

Committees of the Board of Directors**Committee Memberships and Meetings**

The Board reviews and determines the membership of our Board committees at least annually, with input from the Nominating and Governance Committee. Our Board of Directors has the following five standing committees, each of which is governed by a charter and reports its actions and recommendations to the Board of Directors: Audit and Compliance Committee, Compensation Committee, Nominating and Governance Committee, Finance Committee and Member Agreement Review Committee. The following table shows the number of meetings held in fiscal year 2015 and the current membership of each Board committee.

	Audit and Compliance Committee(1)	Compensation Committee	Nominating and Governance Committee	Finance Committee	Member Agreement Review Committee	Conflict Advisory Committee(1)
Number of Meetings in 2015	6	5	7	4	3	4
Existing Directors:						
Susan D. DeVore					X	
Richard J. Statuto		X		X		
Robert Issai(2)			X			
William E. Mayer		Chair		X	Chair	
Keith B. Pitts(2)		X		Chair		
Marvin R. O Quinn(3)			X			
Terry D. Shaw			Chair	X		
Susan S. Wang	Chair				X	X
Marc D. Miller(3)		X				
Peter S. Fine(2)				X		

Philip A. Incarnati				X		
Ellen C. Wolf	X		X		X	X
Stephen R. D Arcy	X	X				X
Jody R. Davids	X					X
Eric J. Bieber, MD			X			
William B. Downey			X			
<u>New Director</u>						
<u>Nominees:</u>						
Barclay E. Berdan(4)					X	
Scott Reiner(4)			X			

- (1) The Audit and Compliance Committee of the Board of Directors also oversees a Conflict Advisory Committee and Disclosure Committee. The Conflict Advisory Committee is chaired by the Company's Chief Ethics and Compliance Officer and includes the directors identified above, as well as the Company's General Counsel. The Disclosure Committee includes, among others, the Company's General Counsel, Corporate Controller and Chief Ethics and Compliance Officer.

Table of Contents

- (2) Messrs. Issai and Pitts are not being nominated for re-election and will resign from the Board of Directors and all committees on which they serve at the opening of the Annual Meeting. Mr. Fine is expected to become the Chair of the Finance Committee at the close of the Annual Meeting.
- (3) Each of Messrs. O Quinn and Miller joined the Board of Directors on August 1, 2015, and, accordingly, neither individual served on the Board of Directors or any of its committees during the fiscal year ended June 30, 2015.
- (4) Messrs. Berdan and Reiner are expected to join the Board of Directors at the close of the Annual Meeting, if elected by stockholders at the Annual Meeting. The table above reflects their currently anticipated committee assignments. Such assignments are subject to change at the discretion of the Board of Directors. Messrs. Berdan and Reiner did not serve on the Board of Directors or any of its committees during fiscal year ended June 30, 2015.

Board Committee Charters

As discussed in more detail in the descriptions of each of our Board committees below, each of our Board committees operates under a written charter adopted by the Board. The charters set forth the purpose, objectives and responsibilities of the respective committee and discuss matters such as committee membership requirements, number of meetings and the setting of meeting agendas. The charters are assessed periodically by the Nominating and Governance Committee and the respective committee and are updated by the Board as needed. The Board committee charters are available under the Investors section of our website at <http://investors.premierinc.com>.

Audit and Compliance Committee

Our Audit and Compliance Committee is intended to meet the requirements of a separately designated standing audit committee as defined under Section 3(a)(58)(A) of the Exchange Act. The Audit and Compliance Committee must consist of at least three members of the Board, with each member satisfying the independence requirements for directors and audit committee members under NASDAQ rules and Rule 10A-3 of the Exchange Act. Each member of the Audit and Compliance Committee must be financially literate, and at least one member of the Audit and Compliance Committee must have past employment experience in finance or accounting, requisite professional certification in accounting or other comparable experience or background demonstrating financial management experience, as each such qualification is interpreted by the Board in its business judgment. Having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities for a public company, for instance, would qualify. In addition, to the extent practicable, at least one member of the Audit and Compliance Committee shall be an audit committee financial expert as such term is defined by the SEC.

The specific responsibilities of the Audit and Compliance Committee set forth under its charter are, among others, to:

review and discuss with management and the independent auditors the annual audited and quarterly financial statements and other related disclosure prior to filing the Company's annual report on Form 10-K and quarterly report on Form 10-Q, including the Company's disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations;

review any significant issues regarding, or proposed changes to, the Company's auditing and accounting principles and practices identified by the independent auditors, the internal auditor or management;

review financial and business risk exposures and the steps management has undertaken to monitor and control such exposures, including the Company's procedures and any related policies with respect to risk assessment and risk management;

have responsibility for the appointment, compensation, retention, termination (when appropriate) and oversight of the work of the independent auditors and the internal auditors;

Table of Contents

pre-approve all audit and permitted non-audit related services (including the fees and terms thereof) to be performed for the Company by its independent auditors, subject to the *de minimis* exception set forth in Section 10A(i)(1)(B) of the Exchange Act;

at least annually, review a report by our independent auditors regarding their internal quality control procedures, material issues raised by certain reviews, inquiries or investigations relating to independent audits within the last five years and relationships between the independent auditors and the Company;

consider at least annually the independence of the independent auditors, discussing with the independent auditors, if necessary, relationships identified in the auditors' report, review the experience and qualifications of the lead partner each year and determine that all partner rotation requirements are executed;

discuss with management and the independent auditors, as appropriate, the Company's earnings press releases and corporate policies with respect to the type and presentation of information to be included in earnings releases (paying particular attention to any use of pro forma or adjusted non-GAAP (as defined below) financial information) and the Company's financial information and earnings guidance provided to investors, analysts and rating agencies;

receive reports from the independent auditors and management regarding, and review the adequacy and effectiveness of, the Company's internal controls, including any significant deficiencies in internal controls and significant changes in such controls reported to the committee by the independent auditors, the internal auditor or management, and any special audit steps adopted in light of material deficiencies; receive reports from management regarding, and review the adequacy and effectiveness of, the Company's disclosure controls and procedures, including Premier's policies and procedures to assess, monitor and manage business risk and other legal and ethical compliance programs;

receive and review reports from the independent auditors on: (i) all critical accounting policies and practices of Premier; (ii) all material alternative treatments of financial information within generally accepted accounting principles (GAAP) that have been discussed with Premier management, including the ramifications of the use of such alternative treatments and the disclosures or treatments preferred by the independent auditors and (iii) other material written communications between the independent auditors and management;

establish procedures for the receipt, retention and treatment of complaints received by directors, officers and employees of the Company regarding illicit or illegal business practices and conduct and establish a process for investigation and proper resolution of any issues so raised;

review and approve, in accordance with the Company's Code of Conduct, all related party transactions requiring disclosure under SEC Regulation S-K, Item 404 (primarily through oversight of and collaboration with the Conflict Advisory Committee discussed below);

review with the Company's General Counsel and independent auditors (i) legal matters that may have a material impact on the Company's financial statements; (ii) any fraud involving management or other employees of the Company who have a significant role in the Company's internal controls; (iii) compliance policies and (iv) material reports or inquiries received from regulators or governmental agencies that raise material issues regarding the Company's financial statements and accounting or compliance policies; and

advise the Board with respect to the Company's policies and procedures for compliance with applicable laws and regulations, as well as oversight of the Company's Corporate Compliance Policy.

For additional information on the Audit and Compliance Committee's role and its oversight of the independent auditors during fiscal year 2015, see Report of the Audit and Compliance Committee.

Table of Contents

In connection with its duties, the Audit and Compliance Committee reviews and evaluates, at least annually, the performance of the committee and its members, may obtain the advice and assistance of outside advisors, including consultants and legal and accounting advisors, and performs all acts reasonably necessary to fulfill its responsibilities and achieve its objectives.

Compensation Committee

We have a separately standing Compensation Committee. The Compensation Committee must consist of no fewer than three members, at least two of whom must be outside directors within the meaning of Section 162(m) of the Code and nonemployee directors within the meaning of SEC Rule 16b-3 under the Exchange Act. As a controlled company under NASDAQ listing rules, we are not required to maintain a Compensation Committee comprised entirely of independent directors. The Compensation Committee is composed solely of independent directors and member-directors. There are no employee-directors on the Compensation Committee. The Compensation Committee's purpose and objectives are to discharge the Board's responsibilities related to the compensation of the executive officers of the Company and its subsidiaries. The committee has overall responsibility for approving and evaluating all compensation plans, policies and programs of the Company and its subsidiaries as applicable to the executive officers.

The specific responsibilities of the Compensation Committee are, among others, to:

at least annually, review and approve the annual base salaries and annual incentive opportunities of the executive officers; and periodically and as and when appropriate, review and approve the following items as they affect the executive officers: (i) all other incentive awards and opportunities, including both cash based and equity based awards and opportunities; (ii) any employment agreements and severance arrangements; (iii) any change in control agreements and change in control provisions affecting any elements of compensation and benefits and (iv) any special or supplemental compensation and benefits for the executive officers and individuals who formerly served as executive officers, including supplemental retirement benefits and perquisites provided to them during and after employment;

make recommendations to the Board with respect to the structure of overall incentive and equity-based plans and adopt, amend or terminate plans consistent with the approved structure;

administer and interpret the Company's equity compensation plans and other long-term compensation plans and programs covering executive officers;

review, approve and oversee all equity award granting practices, and the stock ownership guidelines for senior management and directors and monitor compliance with such guidelines;

review and recommend to the Board the compensation of the non-management directors;

review and discuss with management the Compensation Discussion and Analysis and related disclosures as may be required by the rules and regulations of the SEC;

determine annually if any conflicts of interest exist on the part of any executive compensation consultants retained by the Committee, and if so, ensure disclosure of such conflicts, including the nature of the conflict and how it was addressed, in the Company's proxy statement;

evaluate the outcome of the advisory vote of the stockholders regarding "say-on-pay" and make recommendations or take appropriate actions in response to such advisory vote;

in conjunction with the Board, oversee the management development and succession planning process (including succession planning for emergencies) for the Chief Executive Officer and the Chief Executive Officer's direct reports; and

monitor the Company's compliance with the requirements under the Sarbanes-Oxley Act of 2002 relating to loans to directors and officers, and with all other applicable laws affecting employee compensation and benefits.

Table of Contents

In connection with its duties, the Compensation Committee reviews and evaluates, at least annually, the performance of the Committee and its members, may obtain the advice and assistance of outside advisors, including consultants and legal and accounting advisors, and performs all acts reasonably necessary to fulfill its responsibilities and achieve its objectives. The Compensation Committee has the sole authority to set the compensation for, and to terminate the services of, its advisors. As discussed in further detail below under Executive Compensation Role of the Compensation Consultant, the Compensation Committee engaged Mercer (US) Inc. (Mercer), a wholly-owned subsidiary of Marsh & McLennan Companies, Inc. (Marsh), to provide advice and recommendations to the Compensation Committee on executive officer and Board of Director compensation programs. The Compensation Committee has reviewed the services that Mercer provides to the Compensation Committee and otherwise to us and our management, as well as the services that each individual employee of Mercer provides to us. Based on this review, the Compensation Committee has determined Mercer has no conflict of interest in providing advisory services to us.

Nominating and Governance Committee

We have a separately standing Nominating and Governance Committee. The Nominating and Governance Committee must be comprised of three or more directors as determined by the Board, in accordance with all applicable rules, regulations and stock exchange requirements. As a controlled company under NASDAQ listing rules, we are not required to maintain a nominating and governance committee comprised entirely of independent directors. The Nominating and Governance Committee is composed solely of independent directors and member-directors. There are no employee-directors on the Nominating and Governance Committee. The purpose of the Nominating and Governance Committee is to (i) assist the Board by identifying and nominating individuals qualified to become directors, consistent with criteria approved by the Board; (ii) take a leadership role in shaping the corporate governance of the Company; (iii) oversee the evaluation of the Board and management and (iv) recommend to the Board director nominees for each of the Board's committees. The Nominating and Governance Committee has authority to retain and terminate search firms used to identify director candidates and to approve any such search firm's fees and other retention terms.

The specific responsibilities of the Nominating and Governance Committee are, among others, to:

recommend the criteria and qualifications for membership on the Board;

identify, consider, recommend, recruit and select, or recommend that the Board select, candidates to fill open positions on the Board, including nominees recommended by stockholders;

develop and periodically evaluate policies with regard to the consideration of director candidates recommended by stockholders;

establish a process for identifying and evaluating nominees for director;

conduct appropriate inquiries into the backgrounds and qualifications of possible candidates;

recommend director nominees for approval by the stockholders;

recommend director nominees for each of the Board's committees;

review and recommend proposed changes to the Company's Certificate of Incorporation and Bylaws;

oversee the Board committee charters and policies;

periodically review, revise, interpret and confirm compliance with the Corporate Governance Guidelines;

establish and maintain an ongoing succession planning process for directors, Board leaders and Board committee members;

recommend ways to enhance services to, and improve communications and relations with, stockholders;

Table of Contents

oversee periodic self-evaluations by the Board of its performance;

evaluate the size, needs and effectiveness of the Board;

recommend improvements to the corporate governance of Premier;

oversee the Board orientation process for new directors and the development by the Chief Executive Officer of programs for continuing education for all directors;

monitor the functions of the various committees of the Board and conduct periodic reviews of their contributions;

conduct director self- and peer-assessments on a regular basis/interval and regularly review each independent director's continuation on the Board through this process;

establish criteria for an annual performance evaluation of the Committee by the Board; and

participate in evaluating the performance of the Chief Executive Officer.

In connection with its duties, the Nominating and Governance Committee reviews and evaluates, at least annually, the performance of the Committee and its members, may obtain the advice and assistance of outside advisors, including consultants and legal and accounting advisors, and performs all acts reasonably necessary to fulfill its responsibilities and achieve its objectives.

Finance Committee

We have a separately standing Finance Committee. The Finance Committee must be comprised of at least three directors. The Finance Committee is composed solely of independent directors and member-directors. There are no employee-directors on the Finance Committee. The purpose of the Finance Committee is to assist the Board in its oversight of the Company's financial condition, strategies and capital structure.

The specific responsibilities of the Finance Committee are, among others, to:

provide oversight of the Company's financial affairs, including: (i) reviewing the financial condition of the Company and its subsidiaries and (ii) reviewing, advising and making recommendations to the Board regarding proposed operating budgets for the Company and its subsidiaries;

review the financial policies of the Company as they relate to the Committee's responsibilities;

review and recommend annual limits for expenditures and borrowings;

review, recommend and monitor significant mergers, acquisitions, divestitures, joint ventures, minority investments and other debt and equity investments involving the Company;

review and recommend to the Board management's recommendations to the Committee for significant capital expenditures, including for real estate, facilities and information technology;

review management's plans and objectives for the capitalization of the Company, including (i) the structure and amount of equity and debt desired to meet the Company's financing needs; (ii) anticipated sources and uses of cash and (iii) the Company's target credit rating;

review, and make recommendations to the Board regarding management's recommendations to the Committee with respect to (i) new offerings of equity and debt securities, stock splits, credit agreements including material changes thereto, and the Company's investment policies; (ii) dividends issued by the Company and distributions by Premier LP; (iii) any authorization for repurchases of the Company's stock and (iv) the Company's Corporate Cash Investment Policy;

review management's decisions regarding certain financial aspects of the Company's employee benefit plans, including cost and benefits of maintaining or changing certain plan features and the financial

Table of Contents

impact on the Company and plan participants of the performance of plan investments and plan contribution types and levels, but not including selecting or changing plan investments or any other duty that might be considered fiduciary in nature within the meaning of ERISA;

review the Company's tax risks and other tax matters;

review with management the Company's strategies for managing significant financial risks and contingent liabilities including the use of hedges, derivative instruments, insurance coverage and related costs and other similar risk management techniques; and

carry out such other activities within the scope of its primary purpose or as the Board may from time to time delegate to it.

The Finance Committee also reviews and evaluates, at least annually, the performance of the Committee and its members. In connection with its duties, the Finance Committee may obtain the advice and assistance of outside advisors, including consultants and legal and accounting advisors, and perform all acts reasonably necessary to fulfill its responsibilities and achieve its objectives.

Member Agreement Review Committee

We have a separately standing Member Agreement Review Committee. The Member Agreement Review Committee must be comprised of at least three directors and the Chief Executive Officer. The Member Agreement Review Committee is currently composed of three independent directors and the Chief Executive Officer. The purpose of the Member Agreement Review Committee is to review and approve non-ordinary course transactions between Premier or a subsidiary and its members, particularly entering into member agreements that provide for savings guarantees or fees at risk. Savings guarantee means an arrangement in which the Company or a subsidiary contractually provides to identify and/or implement a specific amount of savings for a customer and will pay cash for any shortfall. Fees at risk means a consulting arrangement in which the Company contractually provides to identify and/or implement a certain amount of savings and will have its consulting fees reduced on a proportionate basis or will continue to provide consulting resources at no charge to the customer in the event that such savings are not achieved (until such savings are achieved).

The specific responsibilities of the Member Agreement Review Committee are, among others, to:

assess risks in connection with agreements entered into with members;

review the status of risk-based agreements on a periodic basis;

review and address the outcome of significant risk-based proposals; and

together with the full Board, approve any increase to the aggregate permitted level of risk in order for management to enter into an agreement that would cause the then-current permitted level of risk to be exceeded.

The Member Agreement Review Committee also reviews and evaluates, at least annually, the performance of the Committee and its members. In connection with its duties, the Member Agreement Review Committee may obtain the advice and assistance of outside advisors, including consultants and legal and accounting advisors, and perform all acts reasonably necessary to fulfill its responsibilities and achieve its objectives.

Conflict Advisory Committee

The Audit and Compliance Committee of the Board of Directors maintains a Conflict Advisory Committee. The Conflict Advisory Committee must be comprised of our General Counsel, our Chief Ethics and Compliance Officer and at least three independent directors. The Conflict Advisory Committee is currently comprised of four independent directors, our General Counsel and our Chief Ethics and Compliance Officer, who chairs the

Table of Contents

Committee. The purpose of the Conflict Advisory Committee is to provide advice and recommendations to the Audit and Compliance Committee such that each of our directors and officers can exercise the powers and duties thereof in the best interests of us and our stockholders and not to further the interests of such director or officer or the interests of another person (including a family member) or entity, including any limited partner of Premier LP or any member organization related thereto or affiliated therewith. The Conflict Advisory Committee is an advisory committee and its members serve in a non-fiduciary capacity and have no independent authority to act on our behalf.

The specific responsibilities of the Conflict Advisory Committee are, among others, to:

investigate, review and evaluate any potential conflict of interest (as defined below);

determine the facts and circumstances regarding any such conflict of interest or potential conflict of interest referred to it by the Audit and Compliance Committee and recommend to the Audit and Compliance Committee what action, if any, should be taken with respect to the matter;

regularly review and assess the effectiveness of the Board Conflict of Interest Policy and recommend any changes to the Audit and Compliance Committee for approval;

carry out any other duties delegated by the Audit and Compliance Committee that relate to potential conflicts of interest; and

perform any other activities consistent with its Charter and applicable law as the Conflict Advisory Committee deems necessary or appropriate.

As used in the Conflict Advisory Committee Charter, the term conflicts of interest refers to (i) any matter that the Board believes may involve a conflict of interest between Premier, Inc. or any of its affiliates, on the one hand, and any officer or director of the Company or affiliate of an officer or director, on the other hand, and (ii) any material Related Party transaction (as such term is defined in the Board Conflict of Interest Policy), including transactions between the Company or any of its affiliates, on the one hand, and any officer or director of the Company or affiliate of an officer or director of the Company, on the other hand.

The Conflict Advisory Committee conducts an annual performance evaluation of itself, including an evaluation of compliance with its Charter, pursuant to the Board self-assessment process. The Conflict Advisory Committee annually reviews and reassesses the adequacy of its Charter and recommends any proposed changes to the Audit and Compliance Committee for approval. The Conflict Advisory Committee may request any of our officers or employees or our outside counsel to attend its meetings or to meet with any members of, or consultants to, the Conflict Advisory Committee.

Compensation of Directors

Director Compensation Policy

The Board of Directors has approved a Director Compensation Policy to provide an inducement to attract and retain the services of qualified persons to serve as directors. The policy applies to each director who is not an employee of, or compensated consultant to, us or any of our affiliates (non-employee director). The policy is designed to achieve the following key objectives:

align the interests of the non-employee directors and stockholders;

support overall organizational objectives and encourage the creation of stockholder value;

attract and retain high quality talent;

reflect the broad spectrum of talent and diverse sources of market data;

target median competitive pay levels; and

be simple to understand and administer.

Table of Contents

Under the policy, each non-employee director will be compensated based on status as either a member-director or an outside director. As stated above, a member-director is a non-employee director who is employed by a Premier stockholder hospital or health system or by a group of hospitals participating in the Company's group purchasing program. Compensation earned on behalf of member-directors is paid directly to the hospital or health system by which the individual is employed. Compensation earned may or may not be paid to the individual as agreed to by the member-director and his or her employer, and such decision is entirely outside our control. An outside director is an independent non-employee director who is not a member-director. Our Director Compensation Policy was established after consulting with the compensation consultant for the Compensation Committee. The Compensation Committee or the Board will review the Policy from time to time to assess whether any adjustments to the type and amount of director compensation should be made in order to fulfill the objectives of the Policy. This Policy may only be amended by the Board.

The following table sets forth the compensation elements and levels for outside directors and member-directors and reflects the compensation for the enhanced responsibilities and time commitment associated with the positions.

Compensation Element	Outside Directors	Member-Directors
Annual Board Cash Retainer	\$ 80,000	\$ 0
Annual Equity Award (Restricted Stock Units)	\$ 100,000	\$ 0
Board In-Person Meeting Fee (per meeting)	\$ 0	\$ 10,000
Board Telephonic Meeting Fee (per meeting)	\$ 0	\$ 1,000
Ad Hoc Meeting Fee (per meeting over one hour)	\$ 1,000	\$ 1,000
Committee Meeting Fee (per meeting)	\$ 1,500	\$ 1,500
Additional Audit and Compliance Committee Chair Retainer	\$ 15,000	N/A
Additional Compensation Committee Chair Retainer	\$ 15,000	\$ 15,000
Additional Nominating and Governance Committee Chair Retainer	\$ 7,500	\$ 7,500
Additional Member Agreement Review Committee Chair Retainer	\$ 7,500	\$ 0
Additional Finance Committee Chair Retainer	\$ 7,500	\$ 7,500
Short-term Ad Hoc Committee Chair Retainer	\$ 5,000	\$ 5,000
Additional Board Chair Annual Cash Retainer	\$ 60,000	\$ 60,000

Components of Director Compensation

Cash Fees and Retainer The amounts in the Fees Earned or Paid in Cash column under the Director Compensation Table below are retainers and meeting fees earned for serving on our Board, its committees and as committee chairs and Chairman. All annual retainers are paid quarterly. Each outside director receives his or her cash compensation after first being elected or appointed to the Board on a pro-rated basis for the number of days during which he or she provides service. If an outside director dies, resigns or is removed during any quarter, he or she shall be entitled to a cash payment on a pro-rated basis through his or her last day of service.

Equity Awards On January 29, 2015, each outside director then serving on the Board received an award of restricted stock units with a grant date fair value, computed in accordance with Accounting Standards Codification 718, Compensation Stock Compensation, of \$100,000. Grant date fair value assumptions are consistent with those disclosed in Note 19 Stock-Based Compensation to our Consolidated Financial Statements in our 2015 Form 10-K. RSU grants fully vest on the first anniversary date of the grant date. In fiscal year 2015, those outside directors were each awarded 3,049 RSUs, with a grant date fair market value of \$32.80 per share based on the closing price of our common stock on the award date, January 29, 2015.

Expense Reimbursement Each non-employee director will be reimbursed for his or her reasonable out-of-pocket business expenses incurred in connection with attending meetings of the Board and its committees or in connection with other business related to the Board. Each non-employee director will also be reimbursed for his

Table of Contents

or her reasonable out-of-pocket business expenses authorized by the Board or one of its committees that are incurred in connection with attendance at meetings with our management.

All Other Compensation Each director is entitled annually to direct an amount of \$250 to his or her selected not-for-profit organization during the holiday season in lieu of receipt of a holiday gift. No compensation or benefits other than those described above are payable to any directors for Board service.

Director Education Policy

In August 2015, we adopted a formal Director Education Policy. We believe that we and our stockholders are best served by a Board of Directors comprised of individuals who are well versed in modern principles and best practices of corporate governance and other subject matters relevant to board service, including matters related to the healthcare industry, and who thoroughly comprehend the role and responsibilities of board membership. To that end, we provide both internal and external educational opportunities and association memberships for our directors. In order to encourage continuing director education, we reimburse directors up to \$7,500.00 annually for attending U.S.-based director education programs under this policy. Amounts reimbursed include all reasonable costs associated with attending each program, including travel, lodging and meals. Directors serving on multiple boards are encouraged to obtain pro rata reimbursement of their director education expenses from each company that they serve, but we will nonetheless reimburse 100% of the costs if this is not practicable.

Director Stock Ownership Guidelines

Our stock ownership guidelines require our outside directors to hold our Class A common stock equal in value to at least three times the annual cash retainer. The outside directors have five years from the later of our IPO date of September 25, 2013 or their date of appointment to the Board to reach the required ownership level.

Table of Contents**Fiscal 2015 Director Compensation Table**

Payments and awards are generally made in January of each year. Director compensation in the table below reflects amounts earned in fiscal 2015 by our non-employee directors serving on our Board for all or a portion of fiscal 2015:

Name	Fees Earned or Paid in Cash (\$)(1)	Stock Awards (\$)(2)	All other Compensation (\$)(3)	Total
Outside-Directors:				
Stephen R. D Arcy	\$ 103,000	\$ 100,007	\$ 250	\$ 203,257
Jody R. Davids(4)	\$ 40,000	\$ 100,007	\$ 0	\$ 140,007
William E. Mayer	\$ 129,000	\$ 100,007	\$ 250	\$ 229,257
Susan S. Wang	\$ 121,500	\$ 100,007	\$ 250	\$ 221,757
Ellen C. Wolf	\$ 111,125	\$ 100,007	\$ 250	\$ 211,382
Member-Directors(5):				
Eric J. Bieber, MD(6)	\$ 1,500	\$ 0	\$ 0	\$ 1,500
William B. Downey(6)	\$ 1,500	\$ 0	\$ 0	\$ 1,500
Peter S. Fine	\$ 47,500	\$ 0	\$ 250	\$ 47,750
Philip A. Incarnati	\$ 44,500	\$ 0	\$ 250	\$ 44,750
Robert Issai(7)	\$ 49,000	\$ 0	\$ 250	\$ 48,250
Keith B. Pitts(7)	\$ 61,000	\$ 0	\$ 250	\$ 61,250
Terry D. Shaw	\$ 47,500	\$ 0	\$ 250	\$ 47,750
Richard J. Statuto	\$ 134,000	\$ 0	\$ 250	\$ 134,250
Charles E. Hart, MD(8)	\$ 65,000	\$ 0	\$ 250	\$ 65,250
Alan R. Yordy(8)	\$ 50,500	\$ 0	\$ 250	\$ 50,750
Lloyd H. Dean(8)	\$ 46,000	\$ 0	\$ 250	\$ 46,250
Tomi S. Ryba(8)	\$ 47,500	\$ 0	\$ 250	\$ 47,750

- (1) The amounts reflected in this column are the retainers or meeting fees earned for service as a director for fiscal 2015, regardless of when such fees are paid.
- (2) Each outside director received an annual award of restricted stock units (RSUs) with a grant date fair value, computed in accordance with Accounting Standards Codification 718, *Compensation Stock Compensation*, of \$100,000. Grant date fair value assumptions are consistent with those disclosed in *Note 19 Stock-Based Compensation* to our Consolidated Financial Statements in our 2015 Form 10-K. RSU grants fully vest on the first anniversary of the grant date.
- (3) The Director Compensation Policy allows for a \$250 contribution made to the charity of choice for each member of the Board of Directors.
- (4) Ms. Davids was appointed to the Board of Directors effective January 28, 2015.
- (5) Compensation earned on behalf of member-directors is paid directly to the hospital or health system by which the individual is employed. Compensation earned may or may not be paid to the individual as agreed to by the member-director, and his or her employer and such decision is entirely outside of our control.
- (6) Dr. Bieber and Mr. Downey were appointed to the Board of Directors effective June 1, 2015.
- (7) Messrs. Issai and Pitts are not being nominated for re-election are expected to resign from the Board of Directors effective as of the opening of the Annual Meeting.
- (8) Dr. Hart and Mr. Yordy resigned from the Board of Directors effective May 3, 2015. Mr. Dean and Ms. Ryba resigned from the Board of Directors on July 15, 2015 and August 1, 2015, respectively.

Ms. DeVore, who is the only director that is also an employee, receives no additional compensation for serving on the Board.

Table of Contents

Indemnification and Exculpation

We indemnify our directors and officers to the fullest extent permitted by Delaware law. Our Certificate of Incorporation also includes provisions that eliminate the personal liability of our directors for monetary damages for breach of fiduciary duty as a director, except for liability:

for any breach of the director's duty of loyalty to us or our stockholders;

for acts or omissions not in good faith or that involved intentional misconduct or a knowing violation of law;

under Section 174 of the Delaware law (regarding unlawful payment of dividends); or

for any transaction from which the director derives an improper personal benefit.

We believe these provisions are necessary to attract and retain qualified people who will be free from undue concern about personal liability in connection with their service to us.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following tables set forth information, as of the Record Date, regarding the beneficial ownership of shares of our Class A common stock and our Class B common stock by (i) each person known to us to beneficially own more than 5% of any class of the outstanding voting securities of Premier, (ii) each of our directors, director nominees, and Named Executive Officers listed in the Summary Compensation Table and (iii) all of our directors, director nominees and executive officers as a group. In preparing the following table, we relied upon statements filed with the SEC by the beneficial owners of more than 5% of our outstanding shares of common stock pursuant to Sections 13 or 16 of the Exchange Act. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of Class A common stock and Class B common stock reflected as beneficially owned.

Beneficial ownership is determined in accordance with the rules of the SEC. Accordingly, the following table accounts for shares of Class A common stock issuable (i) upon the exercise of currently exercisable stock options and stock options that vest within 60 days of the Record Date, (ii) upon the vesting of performance shares or restricted stock units that vest within 60 days of the Record Date and (iii) pursuant to the Exchange Agreement on or about November 2, 2015. Although reflected as beneficially owned in the table below, shares of Class A common stock received under the Exchange Agreement will not have a right to vote at the Annual Meeting because they will be issued after the Record Date. Unless otherwise indicated in a footnote, the business address of each person listed below is the address of our principal executive office, Premier, Inc., 13034 Ballantyne Corporate Place, Charlotte, NC 28277.

Name	Class A Common Stock Beneficially Owned(1)		Class B Common Stock Beneficially Owned(1)		Combined Voting Power(1)(2)(3)
	Shares	% of Class(2)	Shares	% of Class(2)	
Certain Beneficial Owners					
AllianceBernstein L.P.(4)	4,735,852	10.9%			3.3%
Federated Investors Inc.(5)	3,574,500	8.2%			2.5%
Alkeon Capital Management LLC(6)	3,186,645	7.3%			2.2%
TimesSquare Capital Management, LLC(7)	2,556,700	5.9%			1.8%
Neuberger Berman Group LLC(8)	2,389,735	5.5%			1.7%
Vanguard Group Inc.(9)	2,304,691	5.3%			1.6%
Westwood Holdings Group Inc.(10)	1,995,800	4.6%			1.4%
Premier Trust(3)			100,150,698	100%	69.7%
GNVHA Purchasing Alliance, LLC(3)(11)	1,960,685	4.5%	10,128,923	10.1%	8.4%
Directors, Director Nominees and Named Executive Officers:					
Eric J. Bieber, MD(12)			549,824	*	*
Barclay E. Berdan(12)			1,908,703	1.9%	1.3%
Stephen R. D Arcy	359	*			*

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Jody R. Davids					
Susan D. DeVore	596,659(13)	1.4%			*
William B. Downey(12)	400	*	300,554	*	*
Peter S. Fine(12)			2,631,748	2.6%	1.8%
Philip A. Incarnati(12)			986,905	1.0%	*
Robert Issai(12)	70,858	*	371,349	*	*
William E. Mayer	3,704	*			*
Marc D. Miller(12)			2,232,680	2.2%	1.6%
Marvin R. O Quinn(12)			3,702,592	3.7%	2.6%
Keith B. Pitts(12)	620,720	1.4%	1,626,509	1.6%	1.6%
Scott Reiner(12)			3,160,984	3.2%	2.2%
Terry D. Shaw(12)			4,116,582	4.1%	2.9%
Richard J. Statuto(12)			2,008,455	2.0%	1.4%
Susan S. Wang	3,704	*			*
Ellen C. Wolf	3,305	*			*
Michael J. Alkire	297,025(14)	*			*
Craig S. McKasson	125,790(15)	*			*
Keith J. Figlioli	79,872(16)	*			*
R. Wesley Champion	52,259(17)	*			*
Directors, Director Nominees and Executive Officers as a group (25 persons)	1,291,877(18)	2.9%	23,596,885	23.6%	17.2%

* Represents less than 1%.

Table of Contents

- (1) In connection with our reorganization and IPO, the member owners were issued Class B common units in Premier LP and an equivalent number of shares of Premier, Inc. Class B common stock. Subject to the terms of the Exchange Agreement, each member owner has the cumulative right, subject to certain restrictions, commencing on October 31, 2014, and during each year thereafter, to exchange up to one-seventh of its initial allocation of Premier LP Class B common units, as well as any additional Premier LP Class B common units purchased by such member owner pursuant to certain rights of first refusal set forth in the Exchange Agreement, on a quarterly basis, for shares of Premier, Inc. Class A common stock (on a one-for-one basis), cash or a combination of both, the form of consideration to be at the discretion of the Audit and Compliance Committee of our Board of Directors. For each Premier LP Class B common unit that is exchanged pursuant to the Exchange Agreement, the member owner will also surrender one corresponding share of Premier Class B common stock, which will automatically be retired. As of the Record Date, there were 105,981,156 Class B common units outstanding. On November 2, 2015, the next quarterly exchange date under the Exchange Agreement, 26,572,413 Class B common units of Premier LP will be eligible for exchange under the Exchange Agreement. Based on participation in the Class B common unit exchange process and our expected settlement of exchanged Class B common units for shares of our Class A common stock, we expect 5,830,458 shares of Class A common stock to be issued on or about November 2, 2015 and, correspondingly, an equal number of shares of Class B common stock to be surrendered to us and retired, which amounts are reflected in the table above.
- (2) Combined Voting Power represents the percentage of voting power of the Class A common stock and Class B common stock of Premier voting together as though a single class. These percentages account for the (i) exercise of currently exercisable stock options and stock options that vest within 60 days of the Record Date; (ii) number of RSUs and performance shares that are expected to vest within 60 days of the Record Date and (iii) expected issuance of 5,830,458 shares of Class A common stock for a like number of Class B common units and the corresponding retirement of a like number of shares of Class B common stock on November 2, 2015 pursuant to the terms of the Exchange Agreement. The percentages are based on 37,770,215 shares of Class A common stock outstanding and 105,981,156 shares of Class B common stock outstanding as of Record Date, as adjusted upward or downward, as the case may be, by the assumptions set forth in (i), (ii) and (iii) of the preceding sentence. See Frequently Asked Questions What is the Class B Common Unit Exchange Process? Will it impact the Annual Meeting? above for additional information regarding the timing and impact of exchange process, the Record Date and the cancellation of Class B common shares and the Class A common stock issuances.
- (3) Our member owners, including GNYHA Purchasing Alliance, LLC are the beneficial owners of our Class B common stock. In connection with our reorganization and IPO, our member owners entered into the VTA pursuant to which the member owners contributed their Class B common stock to Class B Voting Trust, under which a trustee will act on behalf of the member owners for purposes of voting their Class B common stock. As a result of the VTA, the Trustee has voting power over the member owners' Class B common stock; however, the member owners retain investment power over the Class B common stock. The business address of Wells Fargo Delaware Trust Company, N.A., the Trustee, is 919 N. Market Street, Suite 1600, Wilmington, Delaware 19801. Following the expected Class B common unit exchanges discussed in footnote 1 above, the Class B common shares surrendered in connection with such exchanges will no longer be included in the Class B Voting Trust, which is reflected in the table above.
- (4) The information presented is based solely on the Schedule 13F-HR filed with the SEC by AllianceBernstein L.P. (AB LP) on August 14, 2015, with respect to holdings at June 30, 2015. The Schedule 13F-HR indicates shared investment discretion with respect to 4,735,852 shares, sole voting authority with respect to 4,245,289 shares and no voting authority with respect to 490,563 shares. The address of AB LP is 1345 Avenue of the Americas, New York, NY 10105.
- (5)