



Financial Institutions, Inc.

FISI NASDAQ

Banks

Market Capitalization USD:

\$196.87 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated.
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Peter G. Humphrey

Age: 57

CEO Since: 1994

	2009	2010	2011
Base Salary	\$413,483	\$406,132	\$420,347
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$0	\$179,930	\$236,477
Benefits and Perquisites	\$72,912	\$73,037	\$72,277
TOTAL ANNUAL COMPENSATION	\$486,395	\$659,099	\$729,101
Increase in Post-Retirement Benefits	\$138,264	\$0	\$304,301
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$79,260	\$355,959	\$217,083
TOTAL COMPENSATION	\$703,919	\$1,015,058	\$1,250,485
Median of Other Named Executive Officers Total Compensation	\$515,969	\$414,179	\$486,980
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$58,128	\$85,938	\$70,668
TOTAL REALIZED EQUITY COMPENSATION	\$58,128	\$85,938	\$70,668

Proxy Date: 29 Mar 2012

Annual Meeting Date: 9 May 2012

Equity Reserves: 8.68%

Stock Option Run Rate: 0.00%

Financial Institutions, Inc.

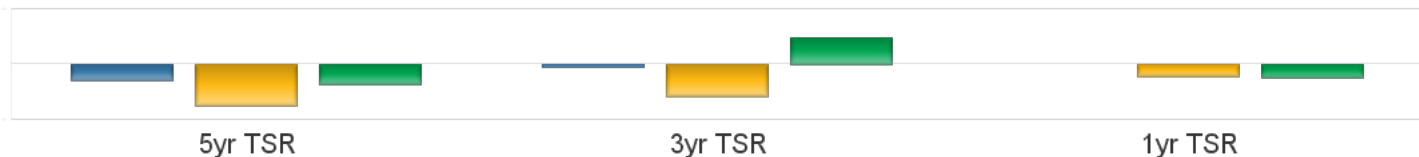
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Performance Comparison

■ S&P500 ■ Industry ■ FISI



Peer Comparisons (TRBC) =Banks

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
FISI	Financial Institutions, Inc.	\$703,919	\$1,015,058	\$1,250,485	\$196,871,135
COLB	Columbia Banking System, Inc.	\$747,460	\$1,003,191	\$1,138,875	\$565,592,214
NFBK	Northfield Bancorp, Inc.	\$3,951,684	\$937,048		\$560,137,768
FMBI	First Midwest Bancorp, Inc.	\$1,124,120	\$1,782,419		\$545,166,955
PVTB	PrivateBancorp, Inc.	\$883,991	\$2,676,800		\$539,973,366
SRCE	1st Source Corporation	\$990,891	\$1,871,600	\$1,976,362	\$504,359,747
BANF	BancFirst Corporation	\$439,368	\$435,671		\$501,562,939

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Alliance Financial Corporation, Arrow Financial Corporation, Bancorp Rhode Island, Inc., Camco Financial Corporation, Camden National Corporation, Canandaigua National Corporation, Century Bancorp, Inc., Citizens & Northern Corporation, Community Bank System, Inc., Enterprise Bancorp, Inc., First Bancorp, Inc., First National Community Bancorp, Inc., Independent Bank Corp., Lakeland Bancorp, Inc., Merchants Bancshares, Inc., NBT Bancorp Inc., Peoples Bancorp Inc., S&T Bancorp, Inc., Sun Bancorp, Inc., Tompkins Financial Corporation, Washington Trust Bancorp, Inc.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Susan R. Holliday	Chairman	56	Female	10	Outside Related
Erland E. Kailbourne	Member	70	Male	16	Outside Related
Robert N. Latella	Member	69	Male	7	Outside
Samuel M. Gullo	Member	63	Male	12	Outside Related

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