



# Guide to Effective Proxies



Design with a Purpose

Enhance content, streamline navigation, and integrate design solutions with this in-depth guide.

Featuring expanded ESG/HCM disclosures.

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# INTRODUCTION

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## DFIN pre-releases the ESG/HCM section of its full “Guide to Effective Proxies”

Interest on the part of a broad range of investors and other stakeholder groups in Environmental, Social & Governance (ESG) issues, Corporate Social Responsibility (CSR), and company sustainability is rapidly intensifying. A related issue of increased focus is Human Capital Management (HCM), increasingly seen as a significant driver of company success.

In addition to traditional concerns about company impact on environmental change, long-term or “permanent” investors want to understand the ESG-related risks and opportunities facing their portfolio companies, and how “sustainable” are these companies and thus the value of their investment. They are looking for decision-useful, quantitative information on ESG elements that are material for a given company, and for evidence of board-level governance of Environmental, Social & Governance (ESG) risks and opportunities. In the U.S., this is largely being driven by a range of institutional investors. Other influential interested groups include employees, customers, and the communities in which these companies operate.

In response to this interest, an increasing number of companies are publishing detailed CSR, CR, or Sustainability reports on their websites. Others are providing website information on these topics, but not in the form of formal reports. Many of these companies are incorporating highlights of this content in their proxies and referring interested readers to the full reports. Companies that have not yet published their initial reports or are in the final stages of preparing them, nevertheless are including some relevant ESG highlights in their proxies.

**For the past years DFIN has included a section on “Environmental & Social Disclosure” in our widely utilized “Guide to Effective Proxies.” Our 7<sup>th</sup> Edition, which we anticipate distributing in the early Fall, again will include this section. Over the past three years, this has been the most dynamic and rapidly evolving disclosure topic and area of client interest; rather than wait for its inclusion in the full Guide, we are pre-releasing this ESG/HCM section of the Guide so users can start to benchmark their proposed 2020 disclosures against a range of examples presented by other companies in their 2019 proxies.**

**As with the full Guide, there are a range of approaches that companies are using in disclosures: some broad, others more detailed, some textual, and others more visual. The location of these disclosures often vary as well.**

While many include these disclosures in the governance or risk management sections of their proxies, the inside front cover, the inside back cover, and the outside back cover of the document also can present useful locations for presenting summary “highlights.” While you may consider some of these disclosures to be “best in class”, our goal in presenting these is to show that there is a range of approaches. There is no “right or wrong”; rather what you feel works best for your company at any particularly stage of your sustainability journey is what matters.

We hope that you find this ESG/HCM mini guide useful.

# Environmental, Social & Governance (ESG)

Investors and other stakeholders increasingly, as part of a broader focus on Corporate Social Responsibility (CSR), are interested in a company's environmental impact, its own sustainability in the face of climate change, and related risks and opportunities. Many companies communicate their positions on these issues in Corporate Social Responsibility (CSR) or Sustainability reports typically hosted on their websites. Other companies provide such information but not in the form of a formal report. Increasingly, companies also are including discussions of their environmental impact and overall E&S and CSR efforts directly within the proxies thus reinforcing their commitment to environmental issues and demonstrate that these issues receive board-level attention.

Over the past three years, we have seen an acceleration in discussing these issues in proxies. Companies are taking a wide range of approaches, both in the topics about which they choose to communicate, how they use or include metrics, and even where they locate the disclosures in the proxy. We do not believe there are "right or wrong" approaches but rather that all companies can benefit from reviewing how other companies are approaching this rapidly evolving issue.

## ACCENTURE PLC



ACCENTURE 2018 PROXY STATEMENT Corporate Governance 53

**CORPORATE CITIZENSHIP AND SUSTAINABILITY**

We operate our business as stewards of a more open, connected and inclusive world. Working closely with our people, our clients and our communities, we apply our unique understanding of technology to develop innovative solutions to business and societal challenges.

**OUR COMMITMENT STARTS AT THE TOP**

Creating innovative solutions to improve the way the world works and lives is our purpose at Accenture—and the passion of our people each and every day.

**Pierre Nantierre**  
Chairman & CEO

To achieve this, we focus on shaping our business in a responsible way and innovating to build more sustainable societies.

**SHAPING RESPONSIBLE BUSINESS**

We are committed to operating ethically with our clients, partners and suppliers and using technology responsibly.

- Integrity.** As we continue to grow our business, our dedication to integrity, anchored in our core values and our Code of Business Ethics, is more important than ever. We're proud to have been recognized among Ethisphere's World's Most Ethical Companies for 11 consecutive years. In 2018, we published some of our key policies externally to show how we support human rights within our organization.
- Sustainability.** We strive to reduce our environmental footprint and to foster sustainable growth for our company and our clients. We are proud to have surpassed two of our 2020 environmental goals well ahead of schedule: we have made a 52 percent reduction in per employee carbon emissions and have improved our energy efficiency by 30% against our 2007 baseline.
- Diversity.** We foster an environment where our people can thrive, achieve their full potential and lead with confidence as they pursue our mission. We have been recognized among DiversityInc's Top 50 Companies for Diversity for 11 consecutive years, including six years in the top 15.

**INNOVATING FOR SOCIETY**

With the expertise of our people, our deep knowledge of technology, and our strategic partnerships, we create innovations that help address complex social issues.

- Technology.** Using the power of technology, we are positively impacting people's lives. Through our Tech4Good initiative, we collaborated with Greenem Foundation India to apply artificial intelligence and augmented reality to help disadvantaged women access financial services. As part of i2020, we're using blockchain and biometric technologies to help 1.1 billion individuals without officially recognized identities gain access to critical services.
- Skills to Succeed.** Through our Skills to Succeed initiative, we have equipped more than 2.2 million people with the skills to get a job or build a business—and we aim to help more than 3 million people by the end of fiscal 2020. Our free, digital, interactive Skills to Succeed Academy helps disadvantaged young people in the Philippines, the United States, the United Kingdom, Ireland, Australia and South Africa build the skills they need to find and sustain employment.
- Education.** We are dedicating more than US\$200 million over the next three years to help educate and skill people around the world for the digital age.

Our annual Corporate Citizenship Report explores our goals, progress and performance across our global operations and serves as our Communication on Progress to the United Nations Global Compact. View our most recent report at <https://www.accenture.com/corporatecitizenship>.

## AFFILIATED MANAGERS GROUP, INC.



our clients' privacy. Our Board of Directors provides oversight of these ESG topics, and is committed to supporting the Company's efforts to operate as a sound corporate citizen. We have a cross-functional Sustainability Committee with oversight responsibility of our policies and operational controls of environmental, health and safety, and social risks. The Sustainability Committee includes members of our executive management team and reports to the Board of Directors at least annually. We believe that an integrated approach to business strategy, corporate governance and corporate citizenship creates long-term value. The following summary highlights certain of our policies and initiatives in these areas. To learn more, please see the "Responsibility" section of our website at [www.amg.com/responsibility.html](http://www.amg.com/responsibility.html).

| Environmental, Social and Governance (ESG) Highlights |  |
|---|--|
| <b>Work Environment</b>                               | <ul style="list-style-type: none"> <li>Equal employment opportunity hiring practices, policies and management of employees</li> <li>Anti-harassment policy that prohibits hostility or aversion towards individuals in protected categories, and prohibits sexual harassment in any form, and details how to report and respond to harassment issues and strictly prohibits retaliation against any employee for reporting harassment</li> </ul>   |
| <b>Diversity and Inclusion</b>                        | <ul style="list-style-type: none"> <li>Committed to fostering and promoting an inclusive and globally diverse work environment</li> <li>Formal policies that forbid discrimination based on protected classifications</li> <li>Two directors are female, representing 25% of the non-executive members of the Board</li> </ul>   |
| <b>Privacy and Data Security</b>                      | <ul style="list-style-type: none"> <li>Maintaining privacy policies, management oversight, accountability structures and technology design processes to protect privacy and personal data</li> <li>Data security program is governed by a senior management committee that meets regularly and reports to the Board at least annually</li> </ul>   |
| <b>Community Investment</b>                           | <ul style="list-style-type: none"> <li>AMG and The AMG Charitable Foundation both donate to a variety of non-profit organizations and community programs globally</li> <li>Company-wide campaigns support many charities in local communities surrounding AMG office locations around the world, and AMG encourages employees to volunteer for and serve on boards of non-profit organizations and supports employee gift-matching to eligible non-profit institutions</li> <li>A significant charitable gift in 2018 established The Sean M. Healey and AMG Center for ALS at Mass General</li> </ul> |
| <b>Business Conduct and Ethics Codes</b>              | <ul style="list-style-type: none"> <li>A strong corporate culture that promotes the highest standards of ethics and compliance for AMG's business; the majority of AMG's directors have an extensive background and experience in risk management</li> <li>Code of Business Conduct and Ethics sets forth principles to guide employee and director conduct</li> </ul>   |
| <b>Anti-Bribery and Corruption Policies</b>           | <ul style="list-style-type: none"> <li>Policies on political contributions and other restricted payments require full compliance with all applicable political contribution and anticorruption laws</li> <li>Whistleblower hotline for confidential reporting of any suspected violations</li> </ul>   |
| <b>Business Continuity</b>                            | <ul style="list-style-type: none"> <li>Business continuity policies to ensure the safety of AMG's personnel, facilities and critical business functions in case of natural disasters</li> </ul>  |
| <b>Responsible Investing</b>                          | <ul style="list-style-type: none"> <li>Eleven Affiliates are signatories to the United Nations Principles for Responsible Investment (UNPRI) and five are signatories to the UK Stewardship Code</li> <li>AMG's U.S. retail distribution platform was identified as one of the top three "Most ESG-Friendly Fund Shops" in 2018, with 85% of its actively-managed equity fund assets in products with "high" or "above average" ESG scores</li> <li>Environmental sustainability factors are incorporated into AMG's assessment process for prospective new Affiliates</li> </ul>                      |
| <b>Environment</b>                                    | <ul style="list-style-type: none"> <li>During 2018, completed AMG's first inventory and secured third-party attestation of AMG's GHG Emissions and participated in the CDP Climate Change Information Request</li> <li>Recently transitioned to renewable energy sources at multiple office locations</li> <li>Eliminated single-use plastic water bottles and straws from AMG's principal offices</li> <li>Programs to promote the procurement of products and materials which have high concentrations of recycled materials</li> </ul>  |
| <b>Governance</b>                                     | <ul style="list-style-type: none"> <li>Formal weighting of ESG factors added to compensation determination process</li> <li>Strong focus on corporate governance since AMG's inception, with best practices in corporate governance (see Governance Highlights on page 17)</li> </ul>  |

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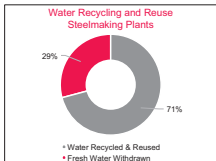
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**Sustainability and Corporate Responsibility Highlights**

We are committed to operating in a sustainable manner and being a responsible corporate citizen for the benefit of our customers, investors, employees, environment and the communities in which we live and work. We view sustainability as a key part of our strategy to maximize long-term shareholder value, as we believe that operating responsibly and providing products that help our customers achieve their sustainability goals provides us opportunities to grow our business; increase customer collaboration and loyalty; reduce our use of energy and natural resources; attract, retain and motivate employees; and differentiate us from our steel and non-steel competitors. In April 2019, we issued our 2018 Sustainability Report, which provides significantly increased disclosure and transparency regarding our corporate-wide sustainability efforts. We also disclose our steelmaking operations' energy and water usage, emissions, waste generation and targets for reducing our environmental footprint. In addition, our Sustainability Report includes our scope 1 greenhouse gas (GHG) emissions, which are generally direct emissions from owned or controlled sources, and reduction targets for those emissions. Our Sustainability Report (which is not incorporated into this Proxy Statement) can be found in the "Corporate Citizenship" section of our website at <https://www.aksteel.com/about-us/corporate-citizenship/sustainability>. The following are some highlights of our sustainability program:

- ◆ Direct Oversight by the Corporate Sustainability Committee of the Board.
- ◆ Outperformed the domestic steel industry average in Occupational Safety and Health Administration ("OSHA") recordable injury frequency for eleven consecutive years.
- ◆ Tremendous volume of recycled material—steel is the most recycled material on the planet.
- ◆ Another strong year for both air and water permit compliance.
- ◆ All steelmaking plants have ISO 14001 environmental management certification.
- ◆ Committed to enhanced greenhouse gas emissions disclosure and targeted emissions reductions.
- ◆ Participating in research and development to advance technology, processes and approaches to reduce GHG emissions during the steelmaking process.
- ◆ Educating stakeholders that the production phase of steelmaking is less carbon-intensive than the processes for producing certain other competing materials, such as aluminum.
- ◆ Producing innovative steel solutions to further the sustainability goals of many of our automotive and other customers, including reduced GHG emissions and energy consumption.
- ◆ Contributing to our communities and being a responsible corporate citizen through the AK Steel Foundation, employee volunteer actions through AK Cares and other philanthropic programs.



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**19th ISG Principles**

Element of our corporate governance program is ensuring that we are responsive to our objectives in terms of governance best practices. As part of this effort, the Nominating Committee and the Board evaluate our governance practices against key institutional investor frameworks. These frameworks are the Corporate Governance Principles for U.S. Listed Companies developed by the Investor Stewardship Group ("ISG"). ISG is a collective of some of the 10 institutional investors and global asset managers, along with several of their clients. As of the date of this Proxy Statement, ISG publicly discloses that its members have over \$31 trillion in the U.S. equity markets. The following chart summarizes these ISG principles and our conformance with and commitment to each principle.

| ISG Principles                                   | Implemented by AK Steel | Highlights of AK Steel Commitment to Principles   |
|--|-------------------------|---|
| Board Accountability                             | ✓                       | <ul style="list-style-type: none"> <li>Annual Board elections for all Directors.</li> <li>Majority voting and tendered resignation upon failure to receive majority of votes cast.</li> <li>Proxy access By-laws.</li> <li>Extensive disclosure of corporate governance and Board practices.</li> </ul>   |
| Voting Rights Proportional to Economic Interest  | ✓                       | <ul style="list-style-type: none"> <li>One share, one vote.</li> <li>No disparate voting rights.</li> </ul>   |
| Responsiveness to Shareholder Proposals          | ✓                       | <ul style="list-style-type: none"> <li>Stockholder outreach program.</li> <li>Track record of responsiveness to stockholder feedback and proposals.</li> <li>Independent Directors available to directly engage with stockholders.</li> <li>Independent Chairperson with clearly defined and robust leadership role.</li> <li>All Committees chaired by and comprised of independent Directors.</li> <li>Regular "executive sessions" of the Board and Committees with independent Directors only.</li> <li>Board periodically reviews leadership structure.</li> </ul> |
| Strong, Independent Leadership Structure         | ✓                       | <ul style="list-style-type: none"> <li>Nine of ten Directors are independent.</li> <li>Experienced, well-rounded, diverse Board membership.</li> <li>Appropriate Committees and high level of attendance.</li> <li>Direct Board and Committee dialogue with, and participation by, independent auditors and mid-level Management.</li> <li>Robust annual self-evaluations by the Board and each Committee, including periodic use of an outside third-party facilitator.</li> </ul>   |
| Board Structure that Enhances Effectiveness      | ✓                       | <ul style="list-style-type: none"> <li>Combination of short- and long-term performance goals, with reasonable cash and equity mix, under Management compensation program.</li> <li>Pay-for-performance compensation program with incentives linked to sustainable economic value creation.</li> <li>Compensation plans clearly and fully disclosed.</li> </ul>  |
| Long Term, Legal Management Incentive Structures | ✓                       |   |

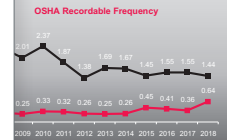
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**ABILITY AND CORPORATE RESPONSIBILITY**

Our Board and Corporate Sustainability Committee, we are committed to being a responsible corporate citizen for the benefit of our customers, investors, employees, environment and the communities in which we live and work. We are acting responsibly to serve these key stakeholders, operating responsibly to grow our business, lower our costs through the use of less energy, increase customer collaboration and loyalty, attract, retain and motivate us from our steel and non-steel competitors, among other benefits.

Our 2018 Sustainability Report, which provides significantly increased transparency regarding our corporate-wide sustainability efforts and highlights our efforts to reduce diversity and inclusion, contribute to our communities, and the environment. We also disclose our steelmaking operations' renewable energy, water usage and water recycle rates, air emissions, waste fees, as well as targets for reducing our environmental footprint. In addition, we disclose our scope 1 greenhouse gas emissions, which are generally direct emissions, and reduction targets for those emissions. Our Sustainability Report (which is not incorporated into this Proxy Statement) can be found in the "Corporate Citizenship" section of our website at [www.aksteel.com/about-us/corporate-citizenship/sustainability](https://www.aksteel.com/about-us/corporate-citizenship/sustainability).

Over the first and over time we have been the safest major steel company in North America. Our safety and health programs are the cornerstone of our operations and are integrated into all of our daily operations and activities. We rigorously eliminate or minimize potential exposure to the hazards associated with steel. Our 2018 performance at our steelmaking facilities (year-to-date) is the lowest industry information currently available, measured as the rate of OSHA recordable injuries per 200,000 labor hours, was 0.34, which was more than two times better than the industry average.



Our performance when measured in terms of Days Away, Restricted and Lost Time cases, with reasonable cash and equity mix, under Management compensation program. We have reduced our efforts on the safety front and, consistent with our commitment across all areas of the business, we are committed to improving and exceeding our own high standards.

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**PROXY STATEMENT SUMMARY**

**Corporate Responsibility Highlights**

We understand that the way we conduct our business is an integral component of the continued success of our Company. As a result, our commitment to responsible corporate citizenship is woven into all aspects of our global culture.

Our five strategic pillars of corporate responsibility—ethics, environment, people, philanthropy and performance—are rooted in our core values.

|   |  |
|---|--|
| <p><b>Ethics</b></p> <ul style="list-style-type: none"> <li>Maintain a diverse and independent Board to promote sound corporate governance practices.</li> <li>Conduct trainings on our Code of Ethics and Business Conduct Policy (Code of Conduct) and Foreign Corrupt Practices Act.</li> <li>Hold our vendors to high ethical and compliance standards.</li> <li>Provide our employees and other stakeholders the ability to report a violation through our anonymous, confidential, third-party hotline.</li> </ul>  | <p><b>People</b></p> <ul style="list-style-type: none"> <li>Focus on building an inclusive, diverse and high-performing workforce that reflects the global communities in which we do business.</li> <li>Assist our employees with their career goals through a range of development tools, resources and opportunities.</li> <li>Ensure that we are compliant with health and safety standards through wide-ranging training programs and comprehensive internal audit processes.</li> </ul>  |
| <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>Reduce the environmental footprint of communications infrastructure by collocating multiple tenants on a single structure.</li> <li>Focus on energy and power management solutions to reduce our reliance on fossil fuels and increase usage of renewable energy sources through our Innovation Council.</li> <li>Install advanced batteries at select sites without grid power for energy conservation and efficiency.</li> <li>Maintain a dedicated team that works with regulators to understand and optimize our full compliance with environmental laws.</li> </ul> | <p><b>Philanthropy</b></p> <ul style="list-style-type: none"> <li>Focus on education and using technology to empower students, teachers and communities in need through grants from the American Tower Foundation, which we launched in 2017.</li> <li>Provide technology in rural communities in our global markets, such as our Digital Village Squares in India, Nigeria, Ghana and Uganda.</li> <li>Maintain Company-sponsored volunteer days around the globe and a matching gift program in the U.S. through which the American Tower Foundation matches employees' charitable donations.</li> </ul> |
| <p><b>Performance</b></p> <ul style="list-style-type: none"> <li>Consistently deliver strong financial growth across our key operating metrics in order to optimize returns to stockholders.</li> <li>Invest in new and innovative communications real estate solutions in order to retain a competitive position in the wireless industry.</li> <li>Serve as a thought leader to help ensure that a functioning global Internet of Things ecosystem serves to further key sustainable development goals.</li> </ul>  |  |

AMERICAN TOWER CORPORATION 2019 PROXY STATEMENT



**Corporate Governance**

**Our Environmental Sustainability and Social Responsibility Efforts**

**Environmental Sustainability**  
We have demonstrated our commitment to environmentally responsible operations by reducing our impact on the environment in multiple areas of our global business.



**Progress Toward Targets.** Our 2020 sustainability targets are set in areas where we can make the most progress in reducing our environmental impact and business costs, including targets for reductions in fleet and facilities carbon, waste, and water use.

**Reducing Carbon Through Energy Conservation.** Our carbon reduction strategy focuses on eliminating energy use, increasing energy efficiency, and increasing the proportion of energy used from renewable and alternative sources.

**Innovation in Operations.** Our next-generation biomanufacturing facility in Singapore dramatically reduces the scale and costs of making biologics, vastly reduces water and energy use, while maintaining a reliable, high-quality, compliant supply of medicines. We broke ground on a next-generation biomanufacturing plant in the U.S. in 2018.

**United Nations Global Compact.** We are a signatory to the United Nations Global Compact, a voluntary initiative based on commitments to implement universal sustainability principles and take steps to support United Nations goals.

**Accolades and Where to Find Further Information.** In 2018, we earned placement on the Dow Jones Sustainability World Index for the fifth year in a row and on the North America Index for the sixth year in a row. Our Responsibility Highlights Report is available online at [www.amgen.com/responsibility](http://www.amgen.com/responsibility).

**Social Responsibility**

**Improving Patient Access to Medicines.** Amgen is committed to assisting patients with no or limited drug coverage to access the medicines they need. We provide patient support and education programs and help patients in financial need access our medicines. Amgen Safety Net Foundation supports qualifying patients in the U.S. who might go without important medicines because of financial barriers, by providing our medicines at no cost. In 2018, Direct Relief, a leading non-governmental organization, distributed Amgen-donated medicines in a number of developing countries for patients in need.

We also partner with payers to share risk and accountability for health outcomes, and help patients access the medicines they need without significant financial burden. We have been at the forefront of developing innovative contracting and partnerships designed to improve population health and patient access, as well as outcomes-based and risk-sharing approaches that directly link the price of our medicines to their effectiveness.

**Science Education.** Through The Amgen Foundation, Inc., established in 1991, we seek to advance excellence in science education to inspire the next generation of innovators, and invest in strengthening communities where our staff members live and work. Since inception, the Amgen Foundation has contributed more than \$300 million to non-profit organizations across the world that reflect our core values and complement Amgen's dedication to impacting lives in inspiring and innovative ways. Moreover, through what is now a sixteen-year, \$74 million commitment from the Amgen Foundation, the Amgen Scholars Program makes it possible for young scientists across the globe to engage in cutting-edge research experiences and learn more about biotechnology and drug discovery. Additionally, the Amgen Foundation supports the Amgen Biotech Experience, an innovative science education program that empowers high school teachers to bring biotechnology into their classrooms.

**Our Community.** We have provided support following devastating disasters, including immediate relief for victims of Hurricanes Florence and Michael and devastating wildfires in Southern California, as well as a mass shooting in the community of Thousand Oaks, California, the location of our Company headquarters. We also continue to provide support for reconstruction efforts in Puerto Rico following Hurricane Maria.

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**CORPORATE GOVERNANCE**

"Corporate Governance" section of the "Investors Relations" page on the Company's website at [www.amnhealthcare.com](http://www.amnhealthcare.com). We also make these materials available in print to any shareholder upon request. Our Board closely monitors corporate governance developments and modifies the Governance Guidelines, Executive Compensation Philosophy, the Code of Conduct and the Financial Officers Code of Ethics regularly.

**Our Corporate Social Responsibility Program**

We are committed to establishing an industry-leading CSR program. Our strategy integrates relevant environmental, social and governance (ESG) criteria to better manage risk and generate sustainable, long-term value for our shareholders, clients, healthcare professionals and team members. Our Board recognizes the integral role that our corporate purpose and culture plays in the Company's long-term success, and we believe our ability to proactively manage relevant risks and opportunities demonstrates the effective leadership and governance principles that long-term investors desire.

In 2018, we enhanced our human capital management strategy by focusing on diversity and promoting an inclusive culture that respects all voices and reflects our core values. Our multifaceted Diversity, Equality and Inclusion program focuses on the workplace, workforce and marketplace. In 2019, we enhanced the Company's core values to reflect this commitment, because we believe diversity, equality and inclusion should be part of the foundation upon which our core values are built.

**Our Corporate Culture**

**We Value: Respect, Passion, Continuous Improvement, Trust, Customer Focus and Innovation**

**Diversity, Equality & Inclusion**

- More than 65% of our corporate team members are female
- More than 62% of supervisors and managers are women
- 45% of company-level directors or above are women
- 33% of workforce self-reported as diverse team members

**Corporate Social Responsibility**

Our commitment to building an industry-leading CSR program is demonstrated by our overall "AA" ESG rating from MSCI ESG Research, placing us in the top 15% of companies within our industry. By taking an integrated approach that focuses on both opportunities and risks, we believe our efforts to date and evolving CSR strategy allows us to proactively address key reputational and operational risks that threaten the sustainability of our business. The illustration below provides a summary of some of the CSR-related efforts we have taken to mitigate ESG risks that are relevant to our business. To learn more about our sustainability efforts, please visit our Company website where we have our first annual publication of a Global Reporting Initiative compliant Corporate Social Responsibility Report posted at [www.amnhealthcare.com](http://www.amnhealthcare.com).

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**CORPORATE GOVERNANCE**

**Overview of Our Corporate Governance Program**

Five leaders are stewards of the interests of our shareholders and believe that strong and vibrant is essential to our success. A cornerstone of our corporate governance program is to our shareholders on a consistent basis. Our approach integrates all components of effective a strong ethical culture, a comprehensive enterprise risk management program, an ongoing and program, sound financial, regulatory and legal compliance functions, and corporate social strategy focuses on delivering long-term shareholder value and has been recognized as standards of governance. AMN supports and follows the Investor Stewardship Group's (ISG) Framework for U.S. Listed Companies. Below is an illustration how certain of our governance principles.

**Our CSM Efforts and Results**

- Electric Car Chargers
- Recycling Programs
- LED Lighting
- Energy-STAR Rated Appliances
- Water and Fluid Reclamation
- Waste Heat and Light, Heat and Water
- Renewable and Digital Power
- Recycled Paper
- Flame Retardant Textiles

- Board's Gender Equality Index (2018-2019)
- Board and Employee Diversity by Work 2019
- 100% Corporate Equality Index
- Advanced 50 Best Employer Workplace
- 100 Top Places to Work in Healthcare
- Leading Awards and Certifications Programs
- Community Service Partnership
- Volunteer Time Off for Employees
- Community CSR Matching for Employees
- International Economic Development Initiatives

- Independent Board Chair
- 1 of 4 Board Committees are 100% Independent
- Pay-Related Anti-Takeover Provisions
- Shareholder Right to Call General Meeting
- Shareholder Right to Act by Written Consent
- Proxy Access
- No Poison Pill
- Annual Board and Committee Evaluations
- Majority Voting Standard for Uncontested Elections
- No Significant Anti-Takeover Defenses

**AMN's Practice**

- We proactively adopted proxy access with features that are consistent with market practices and that incorporated shareholder input.
- Our directors stand for election annually, with a majority voting standard in uncontested director elections. Directors that do not receive majority support must tender their resignation for consideration by the Board.
- We do not have a "poison pill."
- We have one class of common stock, with each share carrying equal voting rights. We believe in a "one share, one vote" standard.
- Our robust shareholder outreach program allows us to solicit ongoing feedback from our shareholders on corporate governance matters most important to them.
- The Board regularly considers and acts upon feedback received from our shareholders. A detailed discussion of the specific actions that the Board has taken in 2018 in response to shareholder feedback is located in the "Our 2018 Shareholder Outreach Summary" section on page 19 below.
- We have a strong, independent Board Chairman and independent committee chairs with clearly defined responsibilities.
- Our Board regularly reviews its leadership structure and composition at least annually and discusses its appropriateness in this proxy statement.
- Key Board committees are completely independent and include: Corporate Governance and Compliance; Audit; and Compensation and Stock Plan.
- 88% of our director nominees are independent.
- Our directors reflect a diverse set of experiences and skills that are relevant to our long-term business strategy.
- More than one-third of our director nominees are diverse.
- Annual Board and committee-level assessments are conducted with bi-annual individual director interviews to ensure effectiveness.
- Our Board has committed that it will maintain an average tenure for independent board directors of less than ten years commencing in 2020.
- Our Board has access to management and outside consultants to ensure effectiveness.
- Target compensation mix is not overly weighted toward annual incentive awards and balances cash and long-term equity awards in accordance with certain financial and non-financial metrics that align with our short and long-term strategic goals.
- Our executive severance agreements and newly granted equity awards contain "double trigger" mechanics.
- We have stock ownership requirements for our named executive officers that require ownership of unrestricted shares.
- We have an Executive Compensation Philosophy that clearly articulates our commitment to equal pay principles and the promotion of a values-based culture.

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**Proxy Summary**

**Environmental, Social and Governance Highlights**

We are committed to operating in a sustainable manner and proactively working with the communities in which we operate. We recognize our responsibility to operate safely in order to protect public health, the environment, and our employees and contractors, while finding and producing the oil and natural gas resources that fuel modern life. Our core values form the foundation for all that we do and provide a path toward sustainability.

**Recent Enhancements**

**2018 Climate Change Risk Assessment and Management Report.** At our 2018 Annual Meeting of Stockholders (2018 Annual Meeting), a stockholder proposal requesting a climate change risk assessment received approximately 52% support. We have maintained a robust dialogue with our stockholders on this topic over time, and continued these conversations in the weeks leading up to the 2018 Annual Meeting and in the months following.

The Climate Change Risk Assessment and Management report that the Company published in November 2018 incorporates stockholder feedback and highlights our efforts to assess and manage climate-related risks in our business. The report can be found on our website at [www.anadarko.com/climatechange](http://www.anadarko.com/climatechange).

The report was informed by the recommendations put forth by the Task Force on Climate-related Financial Disclosures (TCFD). At various stages of the drafting process, the report was reviewed and discussed by the Internal Risk Council, the Chief Executive Officer (CEO) and other executive management, and the Governance and Risk Committee prior to its review and approval by the full Board. The report addresses:

- Climate Risk Management** – discussions of how climate-related risk assessments are incorporated into Anadarko's approach to governance and risk management through a long-standing ERM process overseen by the Board;
- Scenario Analysis** – an evaluation of the Company's portfolio against the scenarios published in the International Energy Agency's 2017 World Energy Outlook;
- Key Emissions Metrics** – data on various metrics, including three years of GHG emissions data (scope 1, 2, and 3); and
- Actions Taken** – examples of large-scale facility design changes and other upgrades to existing facilities across the Company to reduce emissions in our operations and improve the environmental performance of our activities.

**Enhanced Disclosure.** We continue to enhance our disclosure on ESG matters important to our stakeholders, including:

- ESG Metrics Scorecard** – in response to stockholder feedback, we now publish enhanced quantitative data on

**Board of Directors**

**Governance & Risk Committee** | **Audit Committee**

**Stakeholder Engagement on ESG Matters.** We work to maintain a constructive dialogue with our stakeholders on ESG matters. Since 2012, we have contacted at least our 50 largest stockholders' governance and voting teams a minimum of twice per year to solicit feedback on governance, executive compensation, sustainability and the environment. In addition, as described under "Enhanced Disclosure – Sustainability Report," in 2018-2019 we also conducted an assessment of relevant ESG factors and preferred reporting mechanisms across our stakeholder base to inform our future ESG reporting and actions.

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**AT&T Corporate Social Responsibility**

**2025 Goals**

- Our Network & Our Customers**  
AT&T will enable carbon savings 10 times the footprint of our operations by enhancing the efficiency of our network and delivering sustainable customer solutions.
- Our Supply Chain**  
We will work with our industry peers to develop and promote adoption of sustainability metrics that will transform the environmental and social impact of technology supply chains.
- Our Communities**  
We will invest resources, develop initiatives, and collaborate with stakeholders to close the skills gap by increasing the number of Americans with high-quality, post-secondary degrees or credentials to 60%.

**Awards, Ratings, and Rankings**

- THE CIVIC 50
- JUST COMPANIES
- WORLDWIDE LEADER OF THE YEAR 2018
- Business Intelligence Group
- DOW JONES SUSTAINABILITY INDICES  
In Collaboration with RobecoSAM
- CDP DISCLOSURE LEADER ACHIEVEMENT
- STOCKS FOR SOCIAL RESPONSIBILITY COMPANIES THAT CARE
- FSC MIX Paper from responsible sources FSC® C132107

For more information and for a complete list of external recognition, visit [att.com/csr](http://att.com/csr)

Total of 4 pages in section



**2018 Business Highlights**

|                   |                    |                               |  |  |                              |
|-------------------|--------------------|-------------------------------|--|--|------------------------------|
| \$23.9B<br>ORDERS | \$22.9B<br>REVENUE | \$0.7B<br>OPERATING<br>INCOME | \$1.4B<br>ADJUSTED<br>OPERATING<br>INCOME* | \$1.8B<br>CASH FLOW<br>FROM<br>OPERATING<br>ACTIVITIES | \$1.2B<br>FREE CASH<br>FLOW* |
|-------------------|--------------------|-------------------------------|--|--|------------------------------|

\* Adjusted operating income and free cash flow are non-GAAP measures. A reconciliation of GAAP to non-GAAP measures is included in this Proxy Statement as Annex A.

**Progress on 2018 Financial and Strategic Priorities**

- Developed "50-50-50," a comprehensive growth strategy that includes three core pillars:
  - 50% improvement in core competitiveness
  - 50% improvement in productivity and efficiency
  - 50% increase in industrial yield
- Made significant progress on our 2018 financial priorities of growing market share, increasing margin rates and increasing free cash flow conversion
- Secured important wins and partnerships with key customers such as ADNOC, an integrated services contract with Equinor, an integrated services contract for the Marjan field in Saudi Arabia, a subcontract for ONGC's 98/2 project in India, as well as Chevron's Gorgon Phase 2 in Australia, and a turbomachinery contract for LNG Canada
- Strengthened our portfolio through new strategic technology launches such as Subsea Connect and Aptara™ TOTEX-lite subsea system

**Purpose: We invent smarter ways to bring energy to the world.**

Guided by our purpose, and mindful of our stockholders, customers, communities and others whose trust we value, we take responsibility for the energy we bring. We bring heritage, invention, experience, collaboration, resilience - and the courage to explore new possibilities to address the energy, social and environmental challenges of our time. This platform makes transparent how we are embracing people, planet and principles in all that we do.

Our commitment to people, planet and principles is embedded at every level within the Company, and oversight rests with the Board of Directors. We view sustainability as a key part of our business strategy, as we believe that operating BHGE responsibly and providing products and services that help our customers achieve their sustainability goals provides us opportunities to grow our business, increase customer collaboration, attract, retain and motivate employees, and differentiate us from our competitors.

153  
Perfect HSE Days

NET ZERO CO<sub>2</sub> BY 2050  
Announced our commitment to reducing CO<sub>2</sub> equivalent emissions to net zero by 2050

Top 250  
Wall Street Journal Best Managed Companies

BHGE 2019 Proxy Statement | 2

**People**

We build a culture of inclusion and support the communities where we live and work.

**Culture:** Since becoming one BHGE team, we have been building our own unique culture that guides everything we do and how we do it. In 2018, we continued on our culture journey and focused on integrating our teams, fostering an environment of inclusion and enhancing our talent development approach, while making a positive impact on the communities around us.

**Diversity:** We view diversity as a key driver for competitive edge and we cast a wide net to attract the top talent to the energy industry. We believe this starts at the top through a diverse slate of directors and our executive leadership team.

**Community Engagement:** We drive sustainable benefits in communities where we do business through stockholder engagement, community service and charitable contributions. We have developed a robust employee volunteer network and contribute to organizations and projects aligned with community focus areas and local needs. In 2018, employees contributed over \$265,000 in funding and 17,000+ hours in community service.

**Planet**

We are stewards of the environment, inventing technologies to reduce negative impact, while using our own resources wisely.

**Building on a Strong Foundation:** We have a 10-year track record of improving energy efficiency and enhancing the transparency of our carbon disclosures. Our comprehensive approach extends across our operations through manufacturing, logistics and transportation to energy management and sourcing.

**Setting to Zero:** Through our long-term commitment of achieving net-zero CO<sub>2</sub> emissions by 2050, we are establishing leadership role in low carbon technology. By improving our own operations, partnering closely with our customers and industry stakeholders, and harnessing our technological expertise, we will be positioned to help shape the future of the energy industry. This includes increasing the use of a broad range of energy sources and emissions reduction initiatives across manufacturing, supply chain, logistics, energy sourcing and generation.

**Principles**

Our sustainable future is grounded by sound governance, effective policies and guidelines, and transparency.

**Protecting people and the environment:** Health, Safety and the Environment ("HSE") is part of everything we make and everything we do, and our employees are empowered to own exceptional HSE performance to make every day a Perfect HSE Day. A Perfect HSE Day is a day without injury, vehicle accidents or harm to the environment. We achieved 153 Perfect HSE days in 2018, which is a 20% improvement versus 2017.

**Complete Compliance:** We foster a culture of complete compliance through sound governance, effective policies and guidelines, and open channels of reporting. Our best-in-class global ethics and compliance program is designed to prevent, detect, and appropriately respond in a timely fashion to any potential violations of law, BHGE's Code of Conduct, The Spirit & The Letter, and other Company policies and procedures. In 2018, we rolled out the Completely Compliant framework and provided resources to all employees across the organization.

**Insuring Quality:** We believe in doing the right thing every time, and delivering the best quality as well as the safest products, services, and processes in the industry. We work to ensure that everything we create is compliant with customer, statutory, regulatory, internal and industry requirements, but we expect everyone to exceed these requirements by continually reviewing our products and services to improve our performance and quality. We hosted "World Quality Day," a series of events across the globe dedicated to highlighting quality as a core non-negotiable and showing how all employees play a role in building and sustaining our reputation.

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**RESPONSIBLE GROWTH**

**RESPONSIBLE GROWTH<sup>(1)</sup>**

We deliver on our purpose—to help make financial lives better through the power of every connection—through Responsible Growth. Environmental, social and governance (ESG) principles help define how Bank of America delivers Responsible Growth and contributes to the work we do to help drive the global economy. Our ESG leadership enables us to pursue growing business opportunities and manage risk associated with addressing the world's biggest environmental and social challenges. It defines how we deploy our capital and resources, informs our business practices, and helps determine how and when we use our voice in support of our values. Integrated across our eight lines of business, our ESG focus reflects how we hold ourselves accountable and allows us to create shared success with our clients and communities.

Our management-level Global ESG Committee, which is led by our Vice Chairman Anne Finucane, is comprised of senior executives from across the company who are actively engaged in managing our ESG approach and strengthening our ESG governance. The committee engages in dialogue and debate on social and environmental issues that are material to the business, including our human capital management practices, product and service offerings, and investments with the goal of creating a sustainable economy. The committee, which is accountable to the CEO, convenes six times a year and reports regularly to the Corporate Governance Committee.

In addition, Vice Chairman Anne Finucane and her team engage with stockholders, consumer advocates, community advisors, and other stakeholders for their advice and guidance in shaping our ESG policies and practices. In 2005, we founded our National Community Advisory Council, a forum for senior leaders from social justice, consumer advocacy, community development, environmental, research, and advocacy organizations, and senior executives meet with the council at least twice annually for external perspectives on our business policies, practices and products.

ESG underscores how we seek growth within our Risk Framework, including how we engage external stakeholders and provide strong oversight of environmental and social risks that present themselves through our business activities. This includes the responsible products and services delivered to clients; how we evaluate business opportunities; and how we help enable social progress and economic mobility in local communities around the world. Ultimately, through our commitment to ESG principles we build trust and credibility as a company people want to work for, invest in, and do business with.

**Deploying Capital for Sustainable Growth**

One important aspect of our ESG focus is how we can help mobilize participants across the financial system to increase the flow of capital to address the major global challenges broadly articulated by the **United Nations Sustainable Development Goals (SDGs)**. We refer to our efforts as **Capital Deployment**—how we contribute to the global need for sustainable finance through our own business activities and by developing innovative partnerships and financial structures. This enterprise-wide initiative is designed to unlock and provide the necessary financing to address major global and local challenges such as affordable housing, sustainable energy, clean water and sanitation, education, and healthcare. In 2018 alone we deployed more than \$50 billion in capital to address these issues.

Highlights of our Capital Deployment work in 2018 include:

- Environmental Business Commitment:** Deployed \$21.5 billion in capital to support low-carbon, sustainable business activities through lending, investing, capital raising, advisory services, and developing financial solutions for clients around the world, as part of our Environmental Business Commitment to deploy \$125 billion by 2025. Since 2013, we have delivered nearly \$105 billion towards this goal.
- Community Development Banking:** Provided more than \$4.7 billion in loans, tax credit equity investments, and other real estate development solutions to help build strong communities by financing affordable housing, charter schools, and economic development across the United States.
- Community Development Financial Institutions (CDFIs):** Originated \$200 million in loans as part of our \$1.5 billion CDFI portfolio, which includes 255 CDFIs, also known as local loan centers. This extends our ability to lend to communities throughout the U.S. to finance affordable housing, small businesses, economic development projects, and other community facilities.
- Blended Finance Catalyst Pool:** In November 2018, launched a new financing initiative to provide \$60 million in capital to support deals that would ordinarily fall outside the scope of our Risk Framework, but by which, through our participation, we can drive significant leverage and impact.
- Philanthropy:** Advanced economic mobility in local communities around the world by deploying more than \$200 million in philanthropic capital from the Bank of America Charitable Foundation.

<sup>(1)</sup> Company goals are aspirational and not guarantees or promises that all goals will be met. Statistics and metrics included in this "Responsible Growth" section are estimates and may be based on assumptions or developing standards. Content appearing in websites and in documents referenced in this proxy statement are not incorporated herein and are not part of this proxy statement.

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Corporate Responsibility 27

**Corporate Responsibility**

Corporate responsibility is fundamental to Baxter's strategic aspirations and supports its mission to save and sustain lives. The company is focused on achieving top quartile results relative to its industry peers and other comparators across four dimensions: quality and patient safety, best place to work, growth through innovation and industry leading performance. Baxter's corporate responsibility strategy focuses on the issues that matter most to the company (in accordance with its mission and strategic goals) and its stakeholders. This strategy also reflects Baxter's assessment of where it may be able to have the greatest positive impact, and is reflected in Baxter's Corporate Responsibility Priorities and Goals (which are set forth in Baxter's annual Corporate Responsibility Report and briefly highlighted below).

**Management and Board Oversight**

Baxter's Corporate Responsibility Council, composed of executives and subject matter experts from across the company, helps oversee Baxter's corporate responsibility strategies and leads the company's efforts to integrate corporate responsibility into the company's business. Beginning in 2018, the full Board is now updated on corporate responsibility matters (including a discussion of related goals and industry trends) at least annually. Topics included in the September 2018 discussion incorporated environmental, health and safety and a review of Baxter's philanthropic contributions (consistent with the company's mission and strategic goals). This discussion also included updates on the company's Best Place to Work initiative and Baxter's diversity and inclusion efforts.

Previously, portions of these updates had been provided to the Quality, Compliance and Technology Committee. And pursuant to Baxter's enhanced stockholder engagement program, Baxter directors and management have engaged in corporate responsibility discussions with certain investors. Outputs from these discussions are shared with the entire Board during Board wide corporate responsibility updates and to the Corporate Governance Committee as part of its oversight of corporate governance matters generally. See "Executive Compensation—Compensation Discussion and Analysis—Summary—Stockholder Engagement" for additional information.

**Priorities and Goals**

Baxter has a long-standing commitment to responsible operations and corporate responsibility reporting. Baxter is ever conscious of its global impact, including with respect to its employees, the communities it operates in and the people who use its products. The company believes that it has an obligation to ensure that these commitments are reflected in its global impact. Baxter's 2020 Corporate Responsibility Priorities and Goals cover the following eight categories:

|  |   |  |
|--|---|--|
| <b>EMPLOYEE HEALTH AND SAFETY</b><br>Protect a zero-harm workplace and improve employee well-being                   | <b>SERVING OUR COMMUNITIES</b><br>Support communities worldwide in enduring ways  | <b>PRODUCT INNOVATION</b><br>Improve sustainability and performance of products and services               |
| <b>WORKPLACE CULTURE</b><br>Promote inclusion, diversity and employee engagement                                     | <b>Baxter</b>   | <b>INNOVATION THAT EXPANDS ACCESS TO CARE</b><br>Improve access to healthcare for the underserved          |
| <b>RESPONSIBLE PROCUREMENT AND LOGISTICS</b><br>Embed a culture of integrity and ethical practices with key partners | <b>ETHICS AND COMPLIANCE</b><br>Embed a culture of integrity and ethical behavior | <b>OPERATIONS</b><br>Reduce environmental footprint through increased efficiency and resource conservation |

investor.baxter.com

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Corporate Governance Matters

Corporate Governance Practices

Our governance practices promote board effectiveness and shareholder interests as set forth below:

BB&T Corporate Governance Practices

- Strong Board Refreshment Practices:** Our Board and Committees conduct self-assessments annually and committee relation is considered annually. In addition, our mandatory retirement age for directors promotes further refreshment. Over a majority of our Board has a tenure of six years or less, including two directors elected in 2018. In addition, our Board elected a new Lead Independent Director in 2019, as well as a new Nominating and Corporate Governance Committee Chair and a new Trust Committee Chair.
- Special Meetings:** BB&T's bylaws permit shareholders owning 20% or more of our common stock to call a special meeting of shareholders.
- Proxy Access:** Our bylaws provide for proxy access that allows a shareholder or group of up to 20 shareholders that has held at least 3% of our common stock for at least three years to nominate up to 25% of the Board (at least two directors) and have those nominees appear in our proxy statement, subject to notice and other specific requirements in our bylaws.
- Elimination of Supermajority Vote Provisions:** In 2018, we eliminated the supermajority vote requirements in our bylaws.
- Independent Board of Directors:** 13 of our 15 directors are independent, and our Audit, Compensation and Nominating and Corporate Governance committees are composed entirely of independent directors.
- Independent Lead Director:** Our Lead Director serves an important governance function by providing strong leadership for non-management and independent directors.
- Corporate Social Responsibility Report:** We publish annually on our website a Corporate Social Responsibility Report, highlighting our good stewardship of the natural resources entrusted to us, our promotion of our associates' and communities' well-being, and our strong corporate governance program. Our Nominating and Corporate Governance Committee reviews and approves the Corporate Social Responsibility report annually and oversees culture and ethics within BB&T.
- Comprehensive Board Training:** Our Board Skills and Training Program provides a formal framework designed to support the directors' performance of their responsibilities as members of the Board and Board Committees.
- Stock Ownership Guidelines:** By requiring our CEO to own stock equal to six his annual salary and directors to own stock equal to six their annual salary, we effectively align their interests to those of our shareholders.
- Pledging/Hedging of Shares:** To reduce conflicts of interest, we prohibit hedging and significantly restrict pledging of our common stock by directors and Executive Management members.
- Majority Voting for Directors:** All director nominees in uncontested elections must be elected by an affirmative vote of the majority of votes cast.
- Annual Elections:** Each of our directors is elected for a one-year term expiring at the next Annual Meeting of Shareholders.
- Clawbacks and Executive Risk Scorecard:** We make all executive awards (cash and equity) subject to recoupment and also may utilize our executive risk scorecard to reduce incentive compensation for negative risk outcomes.

BB&T's Culture

We are very proud of our culture at BB&T, which has been deliberately developed and consistently articulated for more than 40 years. In a rapidly changing and unpredictable world, we believe individuals and organizations need a clear set of fundamental principles to guide their actions. At BB&T, we know our business will, and should, experience constant change. Change is necessary for progress. In any context, our vision, mission and values, are unchanging because these principles are based on basic truths.

We are a mission-driven organization with a clearly defined set of values. We encourage our employees, who we commonly refer to as associates, to have a strong sense of purpose, a high level of self-esteem and the capacity to think

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Corporate Governance Matters

BB&T Corporate Social Responsibility (Continued)

Community Service



- Through the BB&T Lighthouse Project, our associates provide hands-on support for local projects and worthy causes that benefit our communities. Since 2009, we have completed more than 11,000 community service projects and contributed more than 640,000 volunteer hours to local charities (helping more than 16.5 million people).
- Through our homeless outreach program, we support emergency housing, with the goal of providing long-term housing solutions. Our initiative also supports education and training for displaced families in our communities.
- In 2018, BB&T contributed \$1.75 million to hurricane relief efforts after the devastation of Hurricanes Florence and Matthew.
- In 2018, BB&T associates pledged more than \$3.3 million in support to local United Way offices throughout our BB&T footprint.
- Through the BB&T Leadership Institute, we are serving our communities by offering a leadership program designed to meet the specific leadership development needs of public school administrators at no cost to participants.

Our full Corporate Social Responsibility Report is on our website at <https://bbtinvestorroom.com/corporate-social-responsibility>. This publication highlights our endeavors to act as good stewards of the natural resources entrusted to us and to promote the well-being of our associates and communities.

Nominating and Corporate Governance Committee Director Nominations

The Nominating and Corporate Governance Committee is responsible for selecting as director candidates individuals who demonstrate the highest personal and professional integrity, have demonstrated exceptional ability and judgment and who are expected to be the most effective in serving the long-term interests of BB&T and its shareholders.

Director nominees are recommended to the Board of Directors by the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee considers candidates submitted by directors and shareholders, subject to the requirements set forth below, and it may consider candidates submitted by a third-party search firm hired for the purpose of identifying director candidates. As evidenced by the composition of our Board, the Nominating and Corporate Governance Committee strives to include director candidates who are racially and gender diverse, with skills and characteristics that, taken as a whole, will help ensure a strong and effective governing body.

The Nominating and Corporate Governance Committee conducts an extensive due diligence process to review potential director candidates and their individual qualifications, and all such candidates, including those submitted by shareholders, will be evaluated by the Nominating and Corporate Governance Committee using the Board membership criteria described below. The Nominating and Corporate Governance Committee then reports to the Board its recommendations concerning each director nominee. The Board considers the Nominating and Corporate Governance Committee's recommendations when appointing directors and selecting director nominees to be submitted by BB&T to shareholders for approval at the annual meeting of shareholders.

DIRECTOR QUALIFICATIONS

A director candidate is nominated to stand for election based on his or her professional experience, strategic insights, recognized achievement in his or her respective field, an ability to contribute to our business, experience in risk management, and the willingness to make the commitment of time and effort required of a BB&T director over an extended period of time. A director must be "financially literate," as defined by the Board, and should understand the intricacies of a public company. A director should possess good judgment, strength of character, and an independent mind, as well as a reputation for integrity and the highest personal and professional ethics.

As evidenced by the composition of our Board, the Nominating and Corporate Governance Committee is committed to diversity and considers a variety of factors to ensure that the overall composition of our Board is appropriate, such as occupational and geographic diversity, race, gender and age. An important goal of the Board is to include members with diverse backgrounds, skills, and characteristics that, taken as a whole, will help ensure a strong and effective governing body. The Nominating and Corporate Governance Committee annually assesses these factors in the director selection and nomination process.

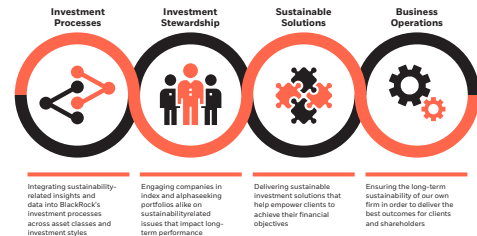
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BlackRock's Approach to Sustainability

BlackRock believes environmental, social and governance issues have real financial impacts over the long-term. As we work to create better financial futures for clients, we strive to be a leader in the way we incorporate sustainability into our:



- Investment Processes**  
From BlackRock's perspective, business-relevant sustainability issues can contribute to a company's long-term financial performance, and thus further incorporating these considerations into the investment research, portfolio construction, and stewardship process can enhance long-term risk-adjusted returns.
- Investment Stewardship**  
We undertake all investment stewardship engagements and proxy voting with the goal of protecting and enhancing the long-term value of our clients' assets. In our experience, sustainable financial performance and value creation are enhanced by sound governance practices, including risk management oversight and board accountability. BlackRock's Investment Stewardship team engages with portfolio companies to encourage them to adopt corporate governance and business practices aligned with long-term financial performance.
- Sustainable Solutions**  
We define sustainable investing as the combination of traditional investment approaches with ESG insights to mitigate risk and enhance long-term return. With this in mind, many of our clients turn to BlackRock for sustainable investment solutions. Leveraging BlackRock's investment expertise and research, we help clients understand the various risks and opportunities associated with sustainability factors and provide them with a range of products and solutions that seek to deliver targeted financial and sustainability outcomes.
- Business Operations**  
To deliver the best long-term outcomes for clients and shareholders, we operate and invest in our business with a focus on the long-term. This requires taking into account environmental, social and governance issues that have real and quantifiable impacts over the long-term for our firm, our people, and the communities in which we operate.

BlackRock

We are a fiduciary to our clients.

We are passionate about performance.

Our Principles

We are innovators.

We are one BlackRock.

BlackRock's mission is to create a better financial future for our clients. As we pursue this mission, we are guided by BlackRock's Principles — that is, our shared understanding of who we are, what we stand for and how we conduct ourselves each and every day.

BlackRock, Inc.  
65 East 57th Street  
New York, New York 10022  
blackrock.com

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# BLOOM ENERGY CORPORATION



## CORPORATE SOCIAL RESPONSIBILITY

### CORPORATE SOCIAL RESPONSIBILITY

#### Sustainable Business

##### Safeguarding Planet Earth for Future Generations: Our Product is Our Promise

The Bloom Energy Server is the world's most efficient commercially available electric power solution. Our Energy Servers achieve an industry-leading 60%+ electrical efficiency. By contrast, the average coal-fired power plant converts only 33% of its energy into electricity. Importantly, our platform generates electricity without combustion and emits virtually no air pollution.

We help our customers reduce CO2 emissions by displacing more carbon-intensive grid power. Today our platform, running on natural gas, produces nearly 60% less carbon emissions compared to the average of U.S. combustion power generation. Our Energy Servers can also utilize biogas as fuel to generate carbon-neutral electricity.

Energy generated from traditional power plants can travel hundreds of miles to the end customer, resulting in energy loss averaging 5% in the U.S., and up to 70% in developing economies. By generating power onsite, Bloom Energy Servers avoid energy losses, further improving emissions reductions.

To date, we have helped our customers avoid more than 3.5 billion pounds of CO2, equivalent to avoiding the emissions generated by burning 1.7 billion pounds of coal or those generated by an average non-electric passenger vehicle driving 4 billion miles.

##### Offsetting the Need for Water-Cooled Power Generation

Thermal power plants require significant amounts of water for cooling. In fact, the number one use of water in the U.S. is for cooling power plants. Compared to coal-fired and combined cycle natural gas plants, our Energy Servers require only a small amount of water on startup and consume no water during normal operation. To produce one megawatt per hour for a year, thermoelectric power generation for the U.S. grid withdraws approximately 156 million gallons of water more than our platform. Reduced water consumption can benefit local watersheds and avoid thermal pollution in oceans and lakes.

##### Reuse and Recycling

Bloom Energy Servers are designed with full product life cycle sustainability in mind. We maximize the reuse of components within our systems. End-of-life units are returned back to our manufacturing operation where components are refurbished and reused in the latest generation of our Energy Servers and excess materials are recycled. Our manufacturing team continues to find innovative ways to refurbish and recycle all materials through the full life cycle of the product. Our focus is on reducing the generation of any general landfill waste, including packaging wastes of our systems and components. We work to reduce our cardboard and foam packaging wastes through compaction, recycling and designing new reusable packaging. Finding innovative ways to reduce, re-use, and recycle reduces our costs and minimizes our impact to the environment.

##### Safety in our Operations

Our management is fully committed to providing a safe working environment. We believe in the principle of "safety first" and that all accidents are preventable. We foster an environment with ongoing integration of safety into all activities to eliminate illness and injuries. To achieve this, the Company has established well defined safety, health and environmental policies and procedures and ongoing training. The Company regularly conducts "Gap Analysis" and develops safety goals and objectives and Key Performance Indicators (KPIs) for all functional business units of the Company on an annual basis. Leading and lagging indicators are established and monitored to ensure all safety objectives are met and that safety performance is continuously improved. The Company's good safety performance TRIC (Total Recordable Incident Rate) and DART (Days Away, Restricted Work Activity, Days of Job Transfer) rates in comparison with similar industries is indicative of its healthy and mature safety culture.

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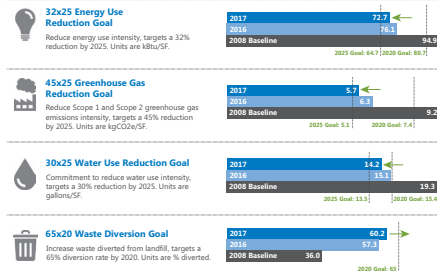
# BOSTON PROPERTIES, INC.



## PROXY SUMMARY

### PUBLIC SUSTAINABILITY GOALS AND PROGRESS

Our sustainability goals establish reduction targets for energy, greenhouse gas emissions, water consumption and waste. In 2016, we achieved our first round of energy, emissions and water targets three years early. By resetting company-wide goals, we raise stakeholder awareness and make best efforts to drive continuous year-over-year, like-for-like key performance indicator improvement. We have adopted goals with the following specific time frames, metrics and targets below a 2008 baseline:<sup>(1)</sup>



(1) Full 2018 calendar year energy and water data verified by a third party is not yet available. 2017 is the most recent year for which complete energy and water data is available and verified by a third party. We are committed to transparent reporting of environmental, social and governance ("ESG") sustainability indicators. Boston Properties publishes an annual sustainability report that is aligned with the Global Reporting Initiative ("GRI") reporting framework. More detailed sustainability information, including our strategy, key performance indicators, annual like-for-like comparisons, achievements and historical sustainability reports are available on our website at <http://www.bostonproperties.com> under the heading "Sustainability." Except for the documents specifically incorporated by reference into our Annual Report on Form 10-K, information contained on our website or that can be accessed through our website is not incorporated by reference into our Annual Report on Form 10-K.

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# CALIFORNIA RESOURCES CORPORATION



## 2019 PROXY STATEMENT

Other Governance Matters

### Other Governance Matters

#### Shareholder Engagement

In 2018, we reached out to our largest shareholders, including those who held in aggregate over one-third of our total outstanding shares, for meetings on corporate governance issues. In the meetings that were arranged, we discussed recent governance changes, board refreshment and diversity practices, and compensation philosophy. We also asked about broader trends and practices on corporate governance for Board feedback and consideration.

At the 2018 annual meeting, the Board submitted proposals to amend the Company's certificate of incorporation to reduce the current supermajority vote thresholds to majority votes. These proposals only received votes for approval from approximately 42% of the total outstanding shares, which were short of the 75% required approval threshold. However, we received feedback from our shareholder engagement meetings that we should resubmit these proposals for consideration at the 2019 Annual Meeting, so the Board has included these proposals in this proxy statement.

#### Sustainability and Stewardship

In 2017, CRC consulted with its workforce, state and community leaders, sustainability professionals and labor and non-profit groups about ways to expand our annual HSE metrics and enhance our life-of-field planning process. As a result of this dialogue, CRC adopted four 2030 Sustainability Goals – for water recycling, renewables, methane and carbon – in 2017 which advance California's 2030 goals and aid in our life-of-field planning process. CRC issued a Sustainability Report describing the goals that year, in addition to its annual water management sustainability report. The report noted that the Sustainability Goals are subject to liquidity, funding and permitting and are measured against a 2013 baseline, the year before CRC launched as an independent company and also a baseline year for certain state goals.

In 2018, CRC adopted specific quantitative targets for the Sustainability Goals, and its 2018 Sustainability Report described those targets, the specific projects and teams assigned to each goal and the Company's progress toward meeting the goals. CRC has committed to report annually on its progress, which is specifically tied to the review of individual performance of Company executives, since our executives have an ability to advance the successful attainment of the Sustainability Goals. The specific 2030 targets against a 2013 baseline and our progress through 2018 are detailed on our website Sustainability page ([www.crc.com/sustainability](http://www.crc.com/sustainability)) and the 2018 Sustainability Report which is hosted on the Sustainability page. Our 2030 targets against a 2013 baseline are summarized below:

**Water Goal** -- Increase volume of recycled produced water by 30%.

**Renewables Goal** -- Integrate renewables into oil and gas operations by adding 10 MW from renewable sources.

**Methane Goal** -- Reduce methane emissions by 50%.

**Carbon Goal** -- Design and permit a carbon capture and sequestration system at Elk Hills by 2030 that would, if permitted, funded and installed, reduce GHG emissions by 30%.

22 CALIFORNIA RESOURCES CORPORATION

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# CAPITAL ONE FINANCIAL CORPORATION



## SECTION I - CORPORATE GOVERNANCE AT CAPITAL ONE

### Environmental, Social and Governance Practices

While our approach to corporate social responsibility continues to evolve, each year we remain focused on three core elements: our people, our community, and our environmental footprint. In 2018, the Governance and Nominating Committee of the Board of Directors, which already leads Capital One's corporate governance policies and practices, assumed oversight responsibility for the Corporation's programs and strategies related to environmental and social practices, as well as governance ("ESG") matters. Highlights of our environmental and social programs are summarized below.

#### Our People

As part of our mission, we aim to bring ingenuity, simplicity and humanity to banking. It is fundamental to every aspect of our business operations and it underscores our commitment to putting people first. For our customers, our products are innovative, simple to use, and deliver tremendous value for individuals of all backgrounds. For our associates, our culture is built on openness, collaboration, and diversity of backgrounds, perspectives, and experiences.



49% diverse races & ethnic backgrounds



53% women



100% of our associates and third-party vendors participated in training

Highlights of "Our People" programs include the following:

- Delivering Innovative Products and Helping Customers Succeed.** We seek our customers' insights and stay attuned to their candid feedback to ensure we are delivering innovative products and tools that meet their changing needs. Our customers face a wide range of financial circumstances, and we want to help them succeed when it comes to managing their finances. We are making it easier for our customers to use credit wisely with customer alerts, our CreditWise tool that helps them understand, monitor, and improve their credit scores, and our Capital One Mobile application which includes purchase alerts and enhanced controls for security and fraud prevention. Building on these tools and resources, we launched Eno, a text-based chatbot to help manage a customer's finance in a conversational way.
- Diversity & Inclusion.** Capital One has embedded diversity and inclusion throughout our talent acquisition, talent management and supplier practices. We have developed Diversity & Inclusion forums to keep a focus on enterprise diversity and align local goals with that strategy; we have a Chief Diversity & Inclusion Officer who oversees our efforts; and we sponsor seven business resource groups of associates with 97 chapters across the Company which provide career development programs and support workforce diversity.
- Women in Tech.** With our Women in Tech Program, we bring Capital One women and men together to focus on developing a love of technology in women and girls, improving the representation of women in the technology field, and supporting the career development of women in tech roles. Each year, we sponsor the Grace Hopper Celebration of Women in Computing and send hundreds of Capital One associates to attend so that they can enhance their skills and inspire the next generation of technologists.
- Competitive Benefits.** Offering competitive benefits helps us attract and retain exceptional talent. We offer family-friendly leave, nine on-site health centers, flexible work solutions, market-leading company contributions to associates' 401(k) plans, educational assistance and other health, wellness and financial benefits.

CAPITAL ONE FINANCIAL CORPORATION | 2019 PROXY STATEMENT | 41

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**ANNEX A**

**Corporate and Social Responsibility**  
*Health, environmental, safety and security*

The Boards of Directors of Carnival Corporation & plc established Board-level Health, Environmental, Safety & Security ("HESS") Committees comprised of four independent Directors. The principal function of the HESS Committees is to:

- assist the Boards in fulfilling their responsibility to supervise and monitor Carnival Corporation & plc's health, environmental, safety, security and sustainability-related policies, programs, initiatives at sea and ashore; and
- comply with related legal and regulatory requirements relating to health, environmental, safety, security and sustainability.

The HESS Committees and our management team review all significant risks or exposures and associated mitigating actions. Each of the Chief Executive Officers of our brands attends the meetings of the HESS Committees.

Carnival Corporation & plc recognizes our responsibility to provide industry leadership and to conduct our business as a responsible global citizen. Our corporate leadership is manifested in our Code of Business Conduct and Ethics, which requires that every employee and member of the Board use sound judgment, maintain high ethical standards and demonstrate honesty in all business dealings. As a responsible global citizen, Carnival Corporation & plc is committed to achieving and maintaining the highest standards of professional and ethical conduct.

In addition, Carnival Corporation & plc's HESS Policy describes our commitments to:

- protecting the health, safety and security of our passengers, guests, employees and all others working on our behalf, thereby promoting an organization that strives to be free of injuries, illness and loss;
- protecting the environment, including the marine environment in which our vessels sail and the communities in which we operate, striving to prevent adverse environmental consequences and using resources efficiently and sustainably;
- complying with or exceeding all legal and statutory requirements related to health, environment, safety, security and sustainability throughout our business activities; and
- assigning health, environment, safety, security and sustainability matters the same priority as other critical business matters.

The HESS Policy is published on the Carnival Corporation & plc website at [www.carnivalcorp.com](http://www.carnivalcorp.com) or [www.carnivalplc.com](http://www.carnivalplc.com).

The Boards recognize that Carnival Corporation & plc needs to ensure that there is a consistent standard of operation throughout their fleet in keeping with their leading position in the cruise industry. In this regard, the Carnival Corporation & plc Maritime Operations Department is headed by a Chief Maritime Officer, with a full-time professional and administrative staff, and is responsible for providing a common, integrated approach to management of HESS matters and for reporting to the HESS Committees on such matters. The Chief Maritime Officer reports to the Chief Executive Officer and to the Chair of the HESS Committees.

Risk Advisory & Assurance Services ("RAAS") is Carnival Corporation & plc's internal audit department and is headed by the Chief Audit Officer, who reports directly to the Chairs of the Audit and HESS Committees. The Chief Audit Officer also has a "hotline" reporting line to the General Counsel. RAAS conducts annual HESS audits of each brand's head office and of each ship in our fleet. These audits are in addition to the audits performed by external third-party certification and regulatory auditors.

[Carnival plc Directors' Report | A-5](#)

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Corporate Governance • Corporate Responsibility

Mr. Dee at [jdee@cartech.com](mailto:jdee@cartech.com) or 610-208-3423. Also, stockholders can contact Mr. Lain at [lain@cartech.com](mailto:lain@cartech.com) or 610-208-2210 regarding Investor Relations matters.

**How to Communicate with our Board of Directors**

Stockholders can communicate with the Board of Directors by sending a letter addressed to Carpenter Technology Board of Directors, c/o Corporate Secretary, 1735 Market Street, 15th Floor, Philadelphia, PA 19103. Carpenter's Corporate Secretary will review the correspondence and forward it to the Chairman of the Board or to the Chair of the appropriate Board committee or to any individual director or directors to whom the communication may be specifically directed. If the communication is unduly hostile, threatening or illegal, does not reasonably relate to Carpenter or its business, or is similarly inappropriate, the Corporate Secretary will not forward the communication, and will notify the sender if and as appropriate. Stockholders and other interested parties may also communicate with the non-executive directors, non-executive Chairman, or the Audit/Finance Committee by sending an email to [boardauditcommittee@cartech.com](mailto:boardauditcommittee@cartech.com).

**Corporate Responsibility**

Carpenter is committed to good corporate citizenship that benefits the communities in which we live, work, and play.

**Community Relations**

We encourage employee volunteerism at all our locations through organized activities and by contributing to local charitable organizations and educational efforts from working at the food pantry, to taking children fishing, to participating in Relay for Life. Our employees are passionate about our communities and enjoy working together for the greater good.

Carpenter supports our local communities by:

- Promoting science and math curriculum design in public schools and providing scholarship funding to educational efforts, such as summer materials camps, science & engineering fairs, and STEM programs.
- Supporting the United Way and locally based non-profit organizations through monetary gifts and employee volunteerism.

**Carpenter Safety Vision**

Above all else, the safety of our employees is Carpenter's top priority. It is the shared responsibility of every employee to actively participate in all aspects of the safety program and to strive for zero injuries. The hallmarks of our safety program are:

- Dedicated leadership, accountability, and employee empowerment;
- Continual improvement plans (Plan-Do-Check-Act);
- Tools, resources, and education to improve total workplace safety and health; and
- A skilled, technology-driven workforce that proactively assesses risks, strives to eliminate hazards, and integrates learning from incidents and near-misses to prevent further occurrences.

**Governance Policies and Practices**

**Corporate Governance Guidelines and Charters**

Carpenter's Corporate Governance Guidelines, as well as the charters for all the Board committees and our Code of Business Conduct and Ethics, are available on Carpenter's website at [www.cartech.com](http://www.cartech.com). Copies will be mailed to stockholders upon written request to the Corporate Secretary, Carpenter Technology Corporation, 1735 Market Street, 15th Floor, Philadelphia, PA 19103.

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**CORPORATE GOVERNANCE**  
 Corporate Social Responsibility

conversations with us about adding directors to the Board. As we initially announced in our press release dated February 19, 2019, we are engaged in constructive discussions with Southeastern regarding its suggested nominees. Currently, members of our Board are evaluating potential nominees. While we are confident that we will mutually agree upon a candidate who will strengthen our Board, we cannot currently predict how long this process will take or its ultimate outcome.

**Corporate Social Responsibility**

The Board and management team are committed to CenturyLink's vision to make a positive difference in the world and specifically in the communities we serve. This commitment is supported at all levels of our organization, across the globe. Through our actions, our goal is to make our employees, business partners and communities proud of our innovative and quality services, the unwavering integrity of our business ethics, our deep commitment to being a good employer, our respect for the environment, and our ongoing support of the communities where we live and work.

CenturyLink is committed to growing its business in a sustainable and socially responsible manner. We support the passions and interests of our employees, and empower them to be a positive influence in the world. We are proud to provide many opportunities to be good neighbors by volunteering time and talent to support the causes that matter most to our employees.

To learn more about our wide-ranging CSR programs, please see our Corporate Social Responsibility Report posted on the "Community" section of our website at <https://www.centurylink.com/aboutus/community.html>.

**CenturyLink's Unifying Principles**

CenturyLink's unifying principles serve as the foundation upon which we continue to grow, conduct our business and guide our interactions with our customers, shareholders, communities and one another. They represent the fundamental values upon which CenturyLink is built and inform our CSR initiatives. Those principles are: Fairness, Honesty and Integrity, Commitment to Excellence, Positive Attitude, Respect, Faith and Perseverance.

| Social and Environmental Highlights |  |
|-------------------------------------|--|
| <b>Diversity and Inclusion</b>      | <ul style="list-style-type: none"> <li>Maintain a Diversity &amp; Inclusion Steering Committee to shape and drive our overall diversity strategy</li> <li>Embrace diversity and create a culture of inclusion</li> <li>Implement proactive policies to encourage diversity in our recruiting and outreach initiatives</li> <li>Include supplier diversity as part of our overall program</li> <li>Pursue and evaluate diversity starting at the Board level; four of our 13 Directors are female, representing 31% of our Board</li> </ul>   |
| <b>Community Involvement</b>        | <ul style="list-style-type: none"> <li>Strengthen the communities we serve through philanthropy, volunteerism and support of local community initiatives</li> <li>Encourage employee volunteerism with added support through the Matching Time Grants program</li> <li>Provide employees with a method for continual giving to charities they support</li> <li>Offer teachers and technology grants to pre-K to 12<sup>th</sup> grade teachers within our service areas, in support of STEM education</li> <li>Unite around our annual food drive to fight hunger as an issue critical to our communities</li> </ul> |
| <b>Ethics and Compliance</b>        | <ul style="list-style-type: none"> <li>Maintain a CenturyLink Code of Conduct that lays the foundation for our ethics and compliance program</li> <li>Create and maintain through training an ethical business culture based on our unifying principles</li> <li>Maintain a 24/7 Integrity Line with a firm no-retaliation policy</li> <li>Focus on human rights throughout our global locations</li> <li>Train and reinforce anti-bribery and fair competition principles; require all employees to adhere to all applicable anti-bribery and anti-corruption legislation worldwide</li> </ul>                      |
| <b>Environmental Sustainability</b> | <ul style="list-style-type: none"> <li>Strive to build and operate energy-efficient networks and data centers</li> <li>Pursue sustainability initiatives that reduce energy, waste and materials consumption</li> <li>Engage our employees and suppliers in our sustainability efforts</li> <li>Establish and maintain sustainability metrics to measure and report on the results of our efforts</li> </ul>   |

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GOVERNANCE INFORMATION

CORPORATE SOCIAL RESPONSIBILITY AND POLITICAL ADVOCACY AND OVERSIGHT

Climate and Sustainability

Climate Change Strategy

There is a growing need to manage climate risks globally and transition away from coal and oil to cleaner, less carbon intensive energy sources such as natural gas. Cheniere helps address this need.

Our focus on clean energy sources is so central to our operations that it comprises our vision statement: "We provide clean, secure, and affordable energy to the world". The International Energy Agency outlines that even under a 2 degree carbon-constrained scenario, that natural gas may provide a quarter of the global energy demand by 2040 and that LNG facilities will remain critical to meet this future demand.

To help us realize our vision and our opportunity to help address climate change, Cheniere has adopted a set of climate and sustainability principles which have been reviewed by the Board (<https://www.cheniere.com/corporate-responsibility/climate-sustainability>) as part of its oversight of our sustainability program:

1. Science: Cheniere will promote and follow peer-reviewed science to assess our impacts, anchor our engagements, and determine our actions
2. Operational Excellence: Cheniere will design and operate our facilities to reduce environmental impacts
3. Supply Chain: Cheniere will work with our partners to reduce environmental impacts throughout our supply chain
4. Transparency: We will communicate openly and proactively with our stakeholders

Sustainability Governance

The Governance and Nominating Committee of the Board provides oversight of climate and sustainability policies and strategies. Cheniere's sustainability initiatives are managed by the Policy, Government, and Public Affairs organization, led by the Senior Vice President, Policy, Government and Public Affairs (a member of Cheniere's senior management team, reporting to our Chief Executive Officer). Cheniere's dedicated climate and sustainability team is responsible for advising the executive leadership and the Board on climate and sustainability programs and for their implementation. An enterprise-level steering committee and working group support the development of the Corporate Social Responsibility (CSR) report, and we plan to issue our inaugural CSR report in late 2019 or early 2020.

Sustainability Engagement

Cheniere engages on ESG issues including climate science and policy in the US and internationally:

- In June 2018, we announced the formation of the Collaboratory to Advance Methane Science to improve the scientific understanding of methane emissions across the entire natural gas value chain
- Cheniere staff have published and/or submitted peer-reviewed papers on climate-related science
- Cheniere staff presented the consensus study report by the National Academy of Sciences' Committee on Anthropogenic Methane Emissions in the United States at the World Gas Conference in Washington D.C. in June 2018.
- Cheniere employees engage on climate and sustainability matters at the Sustainability Accounting Standards Board's Standards Advisory Group, Center for Climate & Energy Solutions, and International Petroleum Industry Environmental Conservation Association
- Key engagements carried out during the past year with local communities include:
  - o community open houses
  - o a community advisory panel
  - o tribal outreach
  - o public presentations and events
  - o public safety briefings and workshops

1 World Energy Outlook 2018 and 2017

COMMUNITY INVESTMENTS

Community Investments

We are committed to being a responsible corporate leader in the communities where we operate and our employees live. We deliver this promise by engaging in philanthropic activities that support Cheniere's values, fostering strong community relationships and enhancing employee satisfaction and engagement, and we strategically prioritize our investments by aligning with our business and community needs.

We offer several programs through which we can impact our communities, such as volunteer efforts, financial contributions and kind donations. We established the Cheniere Cares Foundation in late 2017, which is a non-profit dedicated to giving back to the communities in which we live and work. In 2018, we implemented several other enhancements, including a formal Volunteer Hours Day, an Employee Matching Gifts Program and a Global Day of Giving for all employees. On our inaugural Global Day of Giving, we invited our world-wide volunteer at local food facilities. For the Houston Food Bank, we sponsored a mobile food pantry and provided healthy groceries to 368 families in need; prepared 5,998 meals for an after school program through Keegan's Kitchen, and aided 10,800 meals through the Backpack Buddy Bags program. Our Sabine Pass team supported The Giving Field by tending plants and planting vegetables to be used to produce healthy meals, preparing and serving meals at Abraham's Tent for over 200 deserving individuals, and delivering 100 meals to the elderly in Corpus Christi, we assisted the Coastal Bend Food Bank by filling and boxing almost 16,000 pounds of food for those in need. Our London office packed food and delivered parcels to 12 patients in the area through FareShare.

2018 Community Investments Updates and Highlights

In 2018, we invested approximately \$2.4 million in support of local non-profit organizations. For us, education is key to stronger communities. In 2018, we presented a \$250,000 donation to both Sowell Technical Community College and Del Mar Community College in support of the Cheniere Apprenticeship program, and a \$180,000 donation to the Barbara Bush Houston Literacy Foundation towards its My Home Library Program. Cheniere's \$100,000 contribution to the National Guard Youth Challenge-Post Graduate Program provided scholarships for at-risk youth to continue their education in college, vocational programs, or technical schools. Additionally, many of our local communities continue to struggle in the aftermath of Hurricane Harvey. To help with rebuilding efforts, Cheniere donated \$200,000 to Coastal Bend Disaster Recovery Group to repair and reconstruct homes in South Texas for individuals who have yet to fully recover. Cheniere also participates in several other initiatives, including volunteer efforts, kind donations and donation collection drives for military, education and underserved youth.

In 2018, we received recognition from the BP MS 150, a two-day fundraising cycling ride organized by the National MS Society and the largest event of its kind in North America, for being a top 10 fundraising team, and also received the Chairman's Circle award for cumulatively raising over \$500,000 in recent years. We were recognized as a member of the Pink Power League for the San G. Komen Foundation and received the Eagle Ford Excellence Award for Community and Social Investment.

|                             |  |   |   |
|-----------------------------|--|---|---|
| Invested over <b>\$2.4M</b> | Provided nearly <b>3,000 volunteer hours</b> | Received Chairman's Award from the BP MS 150 for cumulatively raising over <b>\$500,000</b> | Donation drives for the <b>military, education, and underserved youth</b> |
|-----------------------------|--|---|---|

Political Advocacy and Oversight

Cheniere's policy that Company funds or assets will not be used to make a political contribution to any political party or candidate, unless approved in advance by a compliance officer. The Cheniere Energy, Inc. Political Action Committee (the "Cheniere PAC") is a forum for employees to voluntarily contribute to a fund that supports the election of candidates to Congress to support the principles of free enterprise, good government, a fair and reasonable business environment for the energy industry and who share the Company's philosophy that energy diversity advances overall energy security. Decisions about contributions to civic, federal candidates are made by members of the Cheniere PAC, with input from the Company's government affairs staff in Washington, D.C.

In total, Cheniere and Cheniere employees, through the Cheniere PAC and direct corporate funds, contributed less than \$1 million in 2018 to political parties and candidates.

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Corporate Governance

Board Nominating and Governance Committee

- Assists the Board in fulfilling its oversight of risks that may arise in connection with Chevron's governance structures and processes
- Conducts an annual evaluation of Chevron's governance practices with the help of the Corporate Governance Department
- Discusses risk management in the context of general governance matters, including topics such as Board and management succession planning, delegations of authority and internal approval processes, stockholder proposals and activism and Director and officer liability insurance
- Reports its discussions to the Full Board for consideration and action when appropriate

Management Compensation Committee

- Assists the Board in fulfilling its oversight of risks that may arise in connection with Chevron's compensation programs and practices
- Reviews the design and goals of Chevron's compensation programs and practices in the context of possible risks to Chevron's financial and reputational well-being
- Reviews Chevron's strategies and reporting processes for executive retention and diversity
- Reports its discussions to the Full Board for consideration and action when appropriate

Public Policy Committee

- Assists the Board in fulfilling its oversight of risks that may arise in connection with the social, political, environmental, human rights, and public policy aspects of Chevron's business and the communities in which it operates
- Discusses risk management in the context of, among other things, legislative and regulatory initiatives (including political activities such as political contributions and lobbying), safety and environmental stewardship, community relations, government and nongovernmental organization relations, and Chevron's reputation
- Reports its discussions to the Full Board for consideration and action when appropriate

board oversight of sustainability

Chevron operates using four environmental principles that define how we develop energy in an environmentally responsible manner: include environmental impact in decision making, reduce our environmental footprint, operate responsibly, and steward our sites. A description of these principles can be found at [www.chevron.com/corporate-responsibility/environment](http://www.chevron.com/corporate-responsibility/environment). The Board of Directors, and the Public Policy Committee in particular, provide oversight and guidance on environmental matters in connection with Chevron's projects and operations and are regularly briefed by professionals whose focus is on environmental protection and stewardship. Members of the Board regularly visit Chevron operations across the globe and discuss

environmental matters specific and relevant to these locations. Significant environmental and process safety issues are reviewed by the Board to ensure compliance with the Company's rigorous processes. The Public Policy Committee assists the Board in identifying, evaluating, and monitoring public policy trends and environmental issues that could impact the Company's business activities and performance. It also reviews and makes recommendations for Chevron's strategies related to corporate responsibility and reputation management. The Board of Directors and the Public Policy Committee regularly receive reports of stockholder engagements related to sustainability and incorporate these into the direction they provide to management.

director independence

Your Board has determined that each non-employee Director and non-employee Director nominee is independent in accordance with the NYSE Corporate Governance Standards and that no material relationship exists with Chevron other than as a Director.

For a Director to be considered independent, the Board must determine that the Director does not have any material relationship with Chevron, other than as a Director. In making its determinations, the Board adheres to the specific tests for independence included in the NYSE Corporate Governance Standards. In addition, the Board has determined that the following relationships of Chevron Directors occurring within the last fiscal year are categorically immaterial to a determination of independence if the relevant transaction was conducted in the ordinary course of business:

- a director of another entity if business transactions between Chevron and that entity do not exceed \$5 million or 5 percent of the receiving entity's consolidated gross revenues, whichever is greater;
- a director of another entity if Chevron's discretionary charitable contributions to that entity do not exceed \$1 million or 2 percent of that entity's gross revenues, whichever is greater, and if the charitable contributions are consistent with Chevron's philanthropic practices; and
- a relationship arising solely from a Director's ownership of an equity or limited partnership interest in a party that engages in a transaction with Chevron as long as the Director's ownership interest does not exceed 2 percent of the total equity or partnership interest in that other party.

Corporate Governance

business conduct and ethics code

We have adopted a code of business conduct and ethics for Directors, officers (including the Company's Chief Executive Officer, Chief Financial Officer, and Comptroller), and employees, known as the Business Conduct and Ethics Code, which is table on our website at [www.chevron.com](http://www.chevron.com) and is available in print upon request. We will post any amendments to the code for website, Directors, officers, and employees certify annually that they will comply with the code.

environmental, social, and governance engagement

Our Board believes that fostering long-term and mutually beneficial relationships with stockholders and enhancing their trust and goodwill is a core Chevron objective. Chevron conducts extensive engagements with stockholders. These engagements routinely cover governance, compensation, social, safety, environmental, human rights, and other current and emerging issues. In addition, we have an extensive investor relations outreach effort, in which members of senior management routinely met with major investors to review Company strategies, financial and operating performance, capital allocation policies, and near-term outlook. We use all of these actions to ensure that the Board and management understand and address the issues that are important to stockholders.

- Our ESG Engagement Team had substantive engagements with stockholders representing more than 52 percent of Chevron's outstanding common stock.

- Of those meetings, our Chairman met with stockholders representing 20 percent of our outstanding stock.
- In addition, our ESG Engagement Team reached out to every stockholder or their representative who submitted proposals for inclusion in our Proxy Statement and met with each one to discuss their concerns and areas of agreement and disagreement.

During these engagements, Chevron gained valuable feedback on several topics, including:

- Board composition and Director skills/expertise
- Executive compensation and alignment with performance
- Environmental risk management with a focus on climate change
- Governance trends, such as growing demands for transparency and increasing scrutiny of company cultures.

This feedback was shared with the Board and its relevant Committees. For more information about these engagements, see the "Board Leadership Structure," "Independent Lead Director," and "Compensation Discussion and Analysis" sections of the Proxy Statement.

communicating with the board

Board Nominating and Governance Committee reviews interested-party communications, including stockholder inquiries filed to non-employee Directors. The Corporate Secretary and Chief Governance Officer compiles the communications, transmits them to or receives them from the Board, and regularly complies the communications received, the responses sent, further action, if any. All communications are available to the Directors.

Interested parties wishing to communicate their concerns or questions about Chevron to the Independent Lead Director or other non-employee Director may do so by mail addressed to the Lead Director or Non-Employee Directors, c/o Office of the Corporate Secretary and Chief Governance Officer, 6001 Bollinger Canyon Road, San Ramon, CA 94583-2324 or by email to [corpgo@chevron.com](mailto:corpgo@chevron.com).

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CORPORATE GOVERNANCE

**SUSTAINABILITY**

Our Governance & Nominating Committee oversees our sustainability program. We maintain a strong heritage of commitment to people and the planet and believe that sustainable operations are both financially beneficial and critical to the health of the communities in which we operate. In 2019, we continued to progress on our commitment to robust and transparent environmental, social, and governance practices. In addition, we continued to place considerable focus and effort on our supplier base through the execution of our responsible sourcing program. We place a high priority on operating in a responsible and respectful manner.

We have received various external recognitions for our continued progress in various areas of corporate responsibility, including inclusion in the 2019 Barron's Most Sustainable Companies list and the EPA's Green Power Partnership Top 100 list. In addition, the Company ranked in the Drucker Institute/WSJ "Management Top 250 List" while also ranking in the JUST Capital "America's Most Just Companies" list and the FTSE4Good Index Series.

Our global sustainability platform focuses on doing what's right in conducting our business to ensure that we preserve the environment for future generations and provide a safe and healthy working environment for colleagues while promoting the continued success of our commercial enterprise. Our global sustainability platform is derived directly from our organizational values and is a key component of our leadership strategy. At the core of our sustainability efforts are six pillars:

- Brands—delight consumers with our brands and contribute towards a more sustainable world
- Ingredients—provide safe and effective products for consumers and the environment
- Packaging—utilize consumer friendly and environmentally responsible packaging
- Employees and Communities—embrace the principles of good corporate citizenship and social responsibility within the communities we can impact
- Environmental—minimize environmental impact of our global operations
- Responsible Sourcing—sets standards for our supplier's labor, health and safety, environmental and ethical practices

Each year we publish a Sustainability Report that highlights the intersection of our business and corporate responsibility commitments by reporting our financial, environmental, social, and governance performance. For more information regarding the Company's sustainability initiatives please see the "Responsibility" page on our website.

We have also adopted Global Operating Guiding Principles as part of our Responsible Sourcing Program. The Global Operating Guiding Principles reflect our commitment to internationally recognize human rights and social standards in our supply chain, apply to all our employees and suppliers and are available on the "Responsibility" page on our website.

In 2005, we established the Church & Dwight Employee Giving Fund, Inc. (EGF), an employee-run giving program, where employee donations are matched dollar-for-dollar by us. Proceeds from the EGF primarily support charitable organizations in New Jersey and Eastern Pennsylvania. Additionally, we contribute to deserving nonprofits benefiting social and other charitable causes.

Church & Dwight Co. | 2019 Proxy Statement 25

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Copies of our Principles of Corporate Governance and bylaws can be found on the "Corporate Governance" page of the "Investors" section of our website at [www.ciena.com](http://www.ciena.com).

**Social and Environmental Responsibility**

We have adopted a number of practices and policies that highlight Ciena's commitment to social and environmental responsibility and that seek to promote sustainability in the operation of our business. These practices are designed to position Ciena as a supplier of choice to our customers, an employer of choice to our existing and prospective employees, and a neighbor of choice in our communities around the globe. We are committed to the ethical and environmentally responsible operation of our business and have undertaken a number of initiatives to reduce our environmental impact and to ensure a healthy and safe workplace. We have achieved and hold a number of industry-recognized global certifications related to our systems addressing environmental standards and health and safety standards. We enforce a number of related policies in our workplace, and we expect our suppliers and business partners to adhere to these requirements and to promote these values. Among other things, we work with an independent sustainability partner to conduct maturity assessments of key suppliers representing a significant portion of our supplier expenditures, and we use the findings from these assessments as the basis of identifying areas of future opportunity or development with respect to our practices and those of our supply chain.

We maintain the following applicable policies:

- **Corporate Social Responsibility Policy**

We maintain a Corporate Social Responsibility Policy that seeks to promote the operation of our business in an ethical and socially responsible way and that reflects our commitment to the corporate social responsibility principles laid out in the Responsible Business Alliance Code of Conduct and the United Nations Global Compact. In fiscal 2018, we issued our first Corporate Social Responsibility (CSR) Report, which is published on our website at [www.ciena.com](http://www.ciena.com).
- **Environmental, Health and Safety Policy**

We maintain an Environmental, Health and Safety Policy that seeks to promote the operation of our business in a manner that is environmentally responsible and protective of the health and safety of both our employees and the public.

Copies of these policies and related information can be found on the "Social Responsibility" page of the "About" section of our website at [www.ciena.com](http://www.ciena.com).

**Codes of Ethics**

**Code of Business Conduct and Ethics**

We maintain a Code of Business Conduct and Ethics that sets standards of conduct for all of Ciena's directors, officers and employees. The Code of Business Conduct and Ethics reflects Ciena's policy of dealing with all persons, including our customers, employees, investors, and suppliers, with honesty and integrity. All new employees are required to complete training on our Code of Business Conduct and Ethics, and we conduct recurring employee affirmations with respect to our Code of Business Conduct and Ethics and periodic training and communication related to specific topics contained therein.

**Code of Ethics for Directors**

We maintain a Code of Ethics for Directors, which supplements the obligations of directors under the Code of Business Conduct and Ethics and sets additional standards of conduct for our directors. The Code of Ethics for Directors outlines responsibilities of our directors with respect to their fiduciary duties, conflicts of interest, treatment of confidential Ciena information, communications and other compliance matters.

**Code of Ethics for Senior Financial Officers**

In accordance with the Sarbanes-Oxley Act of 2002, we maintain a Code of Ethics for Senior Financial Officers that is specifically applicable to Ciena's Chief Executive Officer, Chief Financial Officer and Controller. Its purpose is to deter wrongdoing and to promote honest and ethical conduct, and compliance with the law, particularly as it relates to the maintenance of Ciena's financial records and the preparation of financial statements filed with the SEC.

Each of these documents can be found on the "Corporate Governance" page of the "Investors" section of our website at [www.ciena.com](http://www.ciena.com). Copies of these documents may also be obtained without charge by writing to: Ciena Corporation, 7035 Ridge Road, Hanover, Maryland 21076, Attention: Corporate Secretary.

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PROXY

**Corporate Responsibility**

At Citrix, we are committed to improving the lives of our employees, customers, partners, shareholders, and the communities in which we live and work. We believe that a strong focus on corporate responsibility and conducting our business in an ethical, transparent and accountable way generates value for all our stakeholders.

Our approach to corporate responsibility encompasses the following initiatives: Diversity, Inclusion and Belonging, Corporate Citizenship, Sustainability, Supply Chain Oversight and Trust.

**Diversity, Inclusion and Belonging.** At Citrix, diversity, inclusion and belonging is about leveraging the innovative power of human difference. We believe that including different backgrounds, beliefs, perspectives and capabilities in our workforce fuels innovation and creates value for our employees, customers, partners and shareholders. We have incorporated diversity, inclusion and belonging strategy development, initiative execution and measurement of outcomes that support our values and culture:

- **Executive Oversight Committee:** Provides guidance, sponsorship, and thought leadership for company-wide diversity, inclusion and belonging initiatives;
- **Diversity, Inclusion and Belonging Team:** Team focused on diversity, inclusion and belonging strategy development, initiative execution and measurement of outcomes that support our values and culture;
- **Attracting Talent:** A number of programs and initiatives enhance the diversity and inclusion experience for candidates and employees, including: attending National Society of Black Engineers, Fairygodboss Women in Sales, and Grace Hopper conferences for employee development and talent attraction;
- **Employee Resource Groups:** 16 employee-run chapters around the globe that address career development, mentoring, advocacy, and networking for groups such as women, LGBTQ, Latino, veterans and black professionals;
- **Community Programs:** Supporting and sponsoring diversity-focused scholarships, as well as programs designed to support women and veterans in the pursuit of a technology career, including partnering with Girls Who Code by sponsoring attendees for the Girls Who Code Summer Immersion Program and supporting a Girls Who Code summer internship program at Citrix
- **Metrics:** Leveraging industry benchmarks and third-party data to better analyze our workforce representation, hiring and retention trends, and workforce composition to identify focus areas and improvement opportunities:

- **Executive and Employee Training:** Offering a number of inclusion, diversity and unconscious bias programs for senior leaders and employees including an Inclusion Architects Program to drive engagement and culture change and developing a diversity, inclusion and belonging toolkit to assist people in mitigating bias and behaving more inclusively; and
- **External Website:** Highlighting our diversity and inclusion and oversight committee mission statement, metrics, programs and achievements in a dedicated section on [Citrix.com](http://Citrix.com), for customers, partners, shareholders and potential employees.

We have been publicly recognized for our commitment to inclusion and diversity initiatives. Most recently, in 2017, 2018 and 2019, Citrix was designated as one of the "Best Places to Work for LGBTQ Equality" by the Human Rights Campaign Foundation and received a score of 100 percent on the foundation's Corporate Equality Index survey.

To ensure that our President and Chief Executive Officer drives a diverse and inclusive culture, as part of our President and Chief Executive Officer's annual evaluation, he is evaluated on, among other things, his leadership of the business, which includes driving a diverse and inclusive culture.

Board diversity is also a top priority at Citrix. We believe that a diverse membership with varying perspectives and breadth of experience is an important attribute of a well-functioning Board of Directors and will enhance the quality of the Board of Director's deliberations and decisions. As a result, the Nominating and Corporate Governance Committee of our Board of Directors considers the diversity of background and experience of a director nominee inclusive of diversity of knowledge, skills, experience and expertise, as well as, diversity of personal characteristics, such as diversity of gender, race, ethnicity, culture, thought and geography among its members in the overall context of the composition of the Board of Directors as documented in our Corporate Governance Guidelines and our Nominating and Corporate Governance Committee Charter. The Nominating and Corporate Governance Committee and the Board of Directors discuss the composition of our Board of Directors, including diversity of background and experience, as part of the annual Board of Directors evaluation process. In 2018, we added two new directors to the Board of Directors, Ms. Hogan and Ms. Kicoyne, as part of the continuing evolution and diversification of our Board of Directors.

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**2018 SUSTAINABILITY AND SAFETY SUCCESS**

| Sustainability Goals   | Accomplishments   |
|--|---|
| Targeted improvements in three key areas—water use, waste and energy use | <ul style="list-style-type: none"> <li>Decreased water consumption: From our baseline, through 2018, we have achieved a 12% reduction in our water consumption</li> <li>Reduced waste-to-landfill: To date decrease of 74% against long-term goal</li> <li>Decreased energy consumption: To date decrease of 8% against long-term goal</li> </ul>   |
| Recognized with two sustainability awards in 2018                        | <p><b>2018 Leadership in Sustainability Award for Energy Efficiency/Greenhouse Gas (GHG) Reduction</b></p> <ul style="list-style-type: none"> <li>Presented by the American Forest &amp; Paper Association</li> <li>Awarded for our Lewiston, Idaho pulp optimization project</li> <li>Project saved more than 100,000 pounds per hour of steam compared to the previous process</li> <li>Estimated reduction of 150,000 tons of GHG emissions per year (equivalent to removing approximately 30,000 passenger vehicles from the road)</li> </ul> <p><b>2018 Diamond Award for Excellence in Environmental Leadership</b></p> <ul style="list-style-type: none"> <li>Presented by the Arkansas Environmental Federation</li> <li>Awarded for our Cypress Bend, Arkansas lime mud and fiber reduction project</li> <li>Project resulted in 27,500 tons per year reduction in landfill waste</li> </ul> |
| Safety Achievements  | <ul style="list-style-type: none"> <li>Company-wide lost time injury rate (time away from work due to workplace injuries) lower than industry average</li> <li>Implemented targeted leadership audits to deepen engagement in our safety process</li> </ul>   |

Clearwater Paper Corporation 2019  
2

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Corporate Governance

Once a director has acquired a number of shares that satisfies such ownership multiple, such number of shares then becomes such director's minimum ownership requirement (even if his or her retainer increases or the fair market value of such shares subsequently declines). Under the policy, beneficial ownership includes RSUs held by the director, shares in which the director or his or her spouse or child has a direct or indirect interest and phantom shares of Danaher Common Stock in the Non-Employee Directors' Deferred Compensation Plan, but does not include shares subject to unexercised stock options or pledged shares. Each Danaher director is in compliance with the policy. **We have also adopted stock ownership requirements for our executive officers; please see "Compensation Discussion and Analysis – Stock Ownership-Related Policies."**

- **Recoupment Policy. We have a rigorous, "no-fault" compensation recoupment policy** that applies to executive officers and other senior leaders.
- **Anti-Pledging/Hedging Policy. In 2013 Danaher's Board adopted a policy that prohibits any director or executive officer from pledging as security under any obligation any shares of Danaher Common Stock that he or she directly or indirectly owns and controls, except for any shares that were already pledged as of the time the policy was adopted.** Certain shares of Common Stock owned by Messrs. Steven and Mitchell Rales were exempted from the policy because such shares have been pledged for decades, to secure lines of credit that reduce the need to sell shares for liquidity purposes. Messrs. Steven and Mitchell Rales acquired these pledged shares in cash purchase transactions between 1983 and 1988, and did not receive them as compensation or purchase them from Danaher. These pledged shares do not count toward the Company's stock ownership requirements.

Notwithstanding that these shares are exempted from Danaher's policy, as part of its risk oversight function the Audit Committee of Danaher's Board regularly reviews these share pledges to assess whether such pledging poses an undue risk to the Company. The Committee has concluded that the existing pledge arrangements do not pose an undue risk to the Company, based in particular on its consideration of the following factors:

- the amount by which the market value of the shares pledged as collateral exceeds the amount of secured indebtedness, which the Committee believes is a key factor in assessing the degree of risk posed by the pledging arrangements;
- the number of shares and percentage of total outstanding shares pledged; and
- the 15% reduction since 2013 in the number of shares pledged by Messrs. Steven Rales and Mitchell Rales.

- Danaher policy also prohibits Danaher directors and employees (including executive officers) from engaging in any transactions involving a derivative of a Danaher security, including hedging transactions.
- **Shareholder Right to Call Special Meeting.** Shareholders owning 25% or more of Danaher's outstanding shares may call a special meeting of shareholders. At Danaher's 2018 annual meeting of shareholders, a shareholder proposal requesting that Danaher reduce this threshold to 10% was rejected by 76% of the vote. Danaher's Board continues to believe that the 25% threshold strikes an appropriate balance between avoiding waste of Danaher and shareholder resources on addressing narrow or special interests, while at the same time ensuring that shareholders holding a significant minority of our outstanding shares have an appropriate mechanism to call a special meeting if they deem it appropriate.

Sustainability

Following the spin-off of Danaher's Fortive Corporation business in 2018, Danaher conducted a full sustainability materiality assessment, which included gathering input from dozens of stakeholders, benchmarking our program against our peers, prioritizing our focus areas and developing a framework to guide our future efforts. As a result of this effort, **three key pillars now underpin Danaher's sustainability program, reflecting what we believe are the most critical areas where our strategy and sustainability goals intersect:**

- **Innovation.** This pillar addresses the direct contributions Danaher makes each day to advancing health and safety around the world. **Danaher's products and services fight disease, protect water and air quality, and improve access to healthcare in underserved areas.** Danaher's research and development spending as a percentage of sales was 6.2% in 2018 and as of the end of 2018 Danaher held approximately 14,000 patents worldwide, underscoring our commitment to innovation.
- **People.** This pillar focuses on our most valuable resource for delivering these world-changing, often life-saving innovations—our people. **Our programs and initiatives ensure that our associates' safety, professional ambitions and personal growth, and strengthen the communities in which we live and work, demonstrate our commitment to those who truly define our company.** In 2018, 92% of our employees participated in our annual engagement survey, and on a year-over-year basis Danaher's scores improved in each of the 53 survey areas. Reflecting our continued commitment to diversity and inclusion, we've trained more than 3,000 managers globally on how to build inclusive and diverse teams and leaders, and in 2018 for the fifth year in a row the Human Rights Campaign named Danaher one of the "Best Places to Work for LGBTQ Equality."

Corporate Governance

**Environment:** This pillar encompasses how we work to increase the use of sustainable materials and energy sources and reduce our carbon footprint. **Our goal here is to establish Company-wide standards where it makes sense, while providing our operating companies with the flexibility to pursue environmental sustainability in ways that best fit the needs of their stakeholders.** In 2018, Danaher deployed the first environmental sustainability tools in the Danaher Business System (DBS) toolkit, focused on reducing energy use and waste generation.

At Board level, **Danaher's Nominating and Governance Committee has the authority and responsibility to consider matters relating to sustainability and social responsibility,** as set forth in the committee's charter. At the management level, Danaher's CEO and Vice President and General Counsel, who reports directly to our CEO, has general oversight responsibility with respect to risk of sustainability and social responsibility, and is responsible for reviewing and approving Danaher's sustainability reports. Information about Danaher's sustainability efforts is included in our latest Sustainability Report, available at <http://sustainability.danaher.com/>.

Corporate Governance Guidelines, Committee Charters and Code of Conduct

In light of its ongoing commitment to good corporate governance, our Board of Directors has codified its corporate governance principles into a set of Corporate Governance Guidelines and has also adopted written charters for each of the committees of the Board. Danaher has also adopted a code of business conduct and ethics for directors, officers (including our principal executive officer, principal financial officer and principal accounting officer) and employees, known as the Code of Conduct. The Corporate Governance Guidelines, charters of each of the Audit, Compensation and Nominating and Governance Committees and Code of Conduct are available in the "Investors—Corporate Governance" section of our website at <http://www.danaher.com>.

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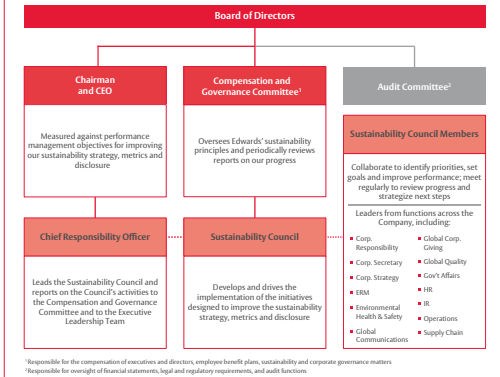


BOARD OF DIRECTORS MATTERS

Edwards' Sustainability Report discusses our programs and practices designed to promote ethical business practices, good corporate governance, and the well-being and health of our environment, employees, and the communities in which we live and work. We conducted a comprehensive materiality assessment through engagement with internal and external stakeholders that identified the sustainability topics that matter most for the Company. Sustainability targets were set that align with our five Corporate Aspirations. And, we published our Sustainability Metrics as-a-Glance to provide a snapshot of our environmental, social responsibility, and corporate governance data. Our Sustainability Report is posted on our website at [www.edwards.com](http://www.edwards.com) under "About Us—Corporate Responsibility."

Board Oversight Over Environmental, Sustainability, and Corporate Social Responsibility

Our Board has designed robust internal processes to oversee our Company's sustainability principles, strategies, and initiatives



BOARD OF DIRECTORS MATTERS

DIRECTOR COMPENSATION

In 2017, changes were made to the director compensation program to align director pay with the peer median: eliminated the initial equity award granted to new nonemployee directors; eliminated Committee meeting fees paid for attendance at Committee meetings; increased the annual retainer paid to each nonemployee director from \$60,000 to \$65,000; increased the annual equity grant value from \$200,000 to \$225,000; increased the Audit Committee Chair's fee from \$20,000 to \$25,000; added an Audit Committee member annual retainer fee of \$5,000; and added a \$1,500 per meeting fee, but only if meetings exceeded 10 meetings for the Board, 10 meetings for the Audit Committee, or 7 meetings for the Compensation and Governance Committee.

Director Compensation Table – 2017

The following table presents the 2017 compensation paid or awarded to each individual who served as a nonemployee director at any time during 2017. The compensation paid to Mr. Musallem is presented in the "Executive Compensation" disclosures beginning on page 42. Mr. Musallem does not receive additional compensation for his service as a director.

| Name                   | Fees Earned or Paid in Cash (\$) | Stock Awards (\$) | Option Awards (\$) | Total (\$) |
|------------------------|----------------------------------|-------------------|--------------------|------------|
| Mr. Carls <sup>1</sup> | \$10,000                         | —                 | —                  | \$ 10,000  |
| Mr. Callahue           | 14,000                           | \$24,940          | \$60,360           | 299,300    |
| Mr. Heitz              | 33,000                           | 224,940           | 60,360             | 318,300    |
| Mr. Link               | 23,000                           | 289,967           | —                  | 312,967    |
| Mr. Loranger           | 4,000                            | 289,967           | —                  | 293,967    |
| Mr. Marsh              | 69,000                           | 224,940           | —                  | 293,940    |
| Mr. von Schack         | 39,000                           | 289,967           | —                  | 328,967    |
| Mr. Valeriani          | 69,000                           | 224,940           | —                  | 293,940    |

<sup>1</sup>Consists of annual retainer fees and meeting fees for service as a director and a member of Board committees. Please see the "Retainers and Fees" section below. Excludes retainer fees deferred into stock-based awards, as described in footnote 2 below.

<sup>2</sup>Includes annual retainer fee deferred into a stock or option award, as the case may be, under the Nonemployee Directors Program (as defined below).

Amounts disclosed in these columns reflect the aggregate grant-date fair value of the stock award or option award, as applicable, granted to our nonemployee directors during 2017 as determined under the principles used to calculate the grant-date fair value of equity awards for purposes of our financial statements in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718. For a discussion of the assumptions and methodologies used to value the awards reported in these columns, please see the discussion of stock awards and option awards contained in Note 13 of the "Notes to Consolidated Financial Statements" in the 2017 Annual Report.

Please see the information under "Nonemployee Directors Stock Incentive Program" and "Outstanding Nonemployee Director Equity Awards" below for the grant-date fair value of each stock and option award granted to our nonemployee directors in 2017 as well as the stock and option awards held by each nonemployee director at the end of 2017. Mr. Carls retired from the Board on May 11, 2017 in accordance with the Company's director retirement policy.

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**Our Mission**

We exist to operate a world-class energy business that creates sustainable value for our four stakeholders – customers, employees, communities and owners. This is our mission.

For our **Customers**, we create value by delivering top-quartile customer satisfaction by anticipating customer needs and exceeding their expectations while keeping rates reasonable.

For our **Employees**, we create value by attaining top-quartile organizational health scores and top-decile safety performance and by providing a rewarding, engaging, diverse and inclusive work environment with fair compensation and benefits and opportunities for career advancement.

For our **Communities**, we create value by achieving top-decile corporate social responsibility performance through economic development, philanthropy, volunteerism and advocacy and by operating our business safely and in a socially and environmentally responsible way.

For our **Owners**, we create value by delivering top-quartile shareholder returns through the relentless pursuit of opportunities to optimize our business.

- For the 11<sup>th</sup> straight year, Entergy was named one of the nation's Top 10 utilities in economic development by Site Selection magazine for directly supporting projects that resulted in nearly \$4.25 billion of capital investment and the creation of 4,688 jobs in its service territory.
- For the 3<sup>rd</sup> consecutive year, Entergy was recognized as one of the most community-minded companies in the United States by Points of Light, the world's largest organization dedicated to volunteer service. Entergy was ranked first in integration, which measures how closely a company ties community stewardship to the success of its business operations.



**CEO Pay Ratio**

Our CEO pay ratio was calculated in compliance with the requirements set forth in Item 402(u) of Regulation S-K. Absent significant change to our employee population or changes in compensation practices that would render past calculations inadequate, SEC rules permit the use of the same median employee for up to three years. Given the lack of changes to FIS employee population and compensation practices during fiscal year 2018 that would significantly affect the pay ratio, FIS is using the same employee as in fiscal year 2017 as the median employee for the purposes of the pay ratio. We identified the median employee using our employee population as of October 1, 2017. To identify the median employee, we applied our consistently applied compensation measure across the identified populations. Our consistently applied compensation measure is the compensation to employees that is considered taxable wages in the country in which the employee is employed and this definition was applied consistently within each country for the fiscal year 2017. We then calculated the median employee's compensation for the fiscal year 2018 in the same manner as the named executive officers in the Summary Compensation Table.

For fiscal year 2018, our median employee compensation was \$46,929. Our chief executive officer compensation was \$18,442,389. Accordingly, the ratio of the annual total compensation of our CEO to that of our median employee is approximately 393:1.

Our CEO pay ratio is influenced by the countries in which we have employees. Of our employee population on the measurement date, a substantial portion of our employees are in locations where wages are significantly lower than other locations in which we operate.

**Corporate Social Responsibility**

FIS believes in making a positive impact on the world around us through corporate responsibility. We are committed to operating with integrity, contributing to our surrounding communities, promoting diversity and inclusion, empowering our employees and preserving our natural resources. Data security and protecting our clients' privacy are also critical areas of focus within our organization. Our Corporate Governance and Nominating Committee oversees our Corporate Social Responsibility programs.

We have built our Corporate Social Responsibility strategy around five key areas: Operating Responsibility, Workplace Responsibility, Financial Responsibility, Environmental Responsibility and Community Responsibility. These key areas align with our mission and overall strategic plan.

**Operating Responsibility**

We recognize the importance of building the trust of our investors, customers, vendors and suppliers. To earn this trust, we have implemented a comprehensive governance structure that meets or exceeds the requirements of applicable laws, regulations and rules, the NYSE's listing standards and the expectations of our investors.

Our Corporate Governance Guidelines, Code of Business Conduct and Ethics and overall corporate governance structure reflect this commitment. See page 64 for further details and a description of these policies. To help strengthen our Code of Business Conduct and Ethics, we provide an anonymous and confidential ethics and compliance hotline to hear our employees' suggestions, concerns or reports of misconduct.

We are committed to respecting human rights and establishing high ethical standards across our Company. The U.K. Modern Slavery Act of 2015 requires companies carrying on business in the U.K. to publish a statement describing steps taken to ensure modern forms of slavery and human trafficking are not taking place in the company's business operations and supply chains. In 2017, we published a Modern Slavery Act Transparency Statement in accordance with the requirements of the U.K. Modern Slavery Act of 2015.

Fidelity National Information Services, Inc.

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**III. Corporate Responsibility and Sustainability**

We recognize our responsibility towards the environment and to the communities in which we operate. Our commitment to socially responsible and sustainable practices is an integral part of how we do business. We believe that this is not only the right way to do business, but also that it will benefit our employees, clients, vendors, stockholders, communities and environment. We fulfill this responsibility in many ways, a few of which are highlighted below. More information can be found in the Sustainability, Caring For Our Community and Supplier Information sections of our Web site at [www.firstam.com](http://www.firstam.com).

- Environmental**—The Company measures greenhouse gas emissions, water and energy consumption and solid waste generation in an ongoing commitment to reduce our environmental impact while making our operations more efficient. A few highlights include:

  - o A "Green Team" that oversees and directs improvements in energy efficiency, water reduction, waste elimination and carbon management. Since its start, the Green Team has implemented improvement projects such as green cleaning, lighting retrofits, an energy demand response program, restroom fixture upgrades and a recycling program. The Green Team directs the activities of the Company's Planet First council, which works to reduce our carbon footprint and improve communications about our sustainability initiatives and corporate stewardship.
  - o Environmental impact audits conducted by third parties we engage for that purpose provide feedback about the areas in which we excel and the opportunities for improvement.
  - o Renewable energy, electric vehicle charging stations, rideshare, recycling, locally-sourced food programs and water reduction fixtures and technologies help us to collectively reduce our environmental impact.
- Social**—The Company strives to be socially responsible by supporting the professional development and well-being of our employees and contributing to the communities in which we operate. We are proud to support our employees as they give back to the communities in which they live and work. Our employees contribute their passion, time and money to dozens of food banks, charity walks, children's causes, veterans support and more every year. Our employees make a difference in our core causes through a variety of activities nationally and locally, including:

  - o **Community Development**—We give to organizations that work to create and sustain affordable housing, revitalize low- to moderate-income neighborhoods and support community services and economic development, including, for example:

**Some of Our Recent Success Stories**

Our data center reduced electricity consumption by **9%** through the optimization of cooling control systems

**38** U.S. facilities saved enough energy to reduce their annual combined greenhouse gas emissions by **19%**, enough to power **2,552** homes' electricity for one month

New energy-saving HVAC equipment in our corporate campus cafeteria annually saves enough energy to power **156** homes for one month

We have been tracking environmental data, such as electricity, natural gas, waste, and water since **2015**

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**Environmental, Social & Governance ("ESG") Overview**

Built upon the pillars of your Company's Mission Statement, our ESG strategy to inform, engage and achieve results is rooted in strong corporate governance practices and policies. In 2018, FirstEnergy reinforced its focus on ESG efforts by enhancing the responsibilities of the Corporate Governance, Sustainability and Corporate Responsibility Committees, as well as forming a Sustainability Group in our Strategy Organization. In 2019, we're focusing on additional initiatives to inform, engage and achieve our sustainability goals, and to demonstrate our commitment to delivering Energy for a Brighter Future to all of our stakeholders.

**Inform**

We recognize it is vitally important to keep our stakeholders informed on corporate responsibility-related issues, including ESG activities and disclosures. We keep stakeholders informed about your Company's efforts through key reports and disclosures, such as:

- Climate Report: *Energy for a Brighter Future*
- CDP (formerly Carbon Disclosure Project) Climate and CDP Water Reports
- Edison Electric Institute (EEI) ESG/Sustainability Template
- Corporate Responsibility Report Update: Expected in 2019

**Engage**

It is our responsibility to educate and engage stakeholders on corporate responsibility initiatives and achievements, including sustainability. Through our commitment in these areas, we have opportunities to reinforce the FirstEnergy brand and build our reputation as a good corporate citizen. This is accomplished through:

- Internal efforts centered around the pillars of our Mission Statement (employees, customers, communities and the environment), including a program that tracks our employees' volunteer efforts as well as a waste reduction initiative.
- Further developing our relationships with external ESG/sustainability rating and reporting groups.

**Achieve**

A key component of FirstEnergy's success is our ability to measure the progress and impact of our efforts and initiatives through the development and tracking of internal and external goals as well as providing oversight and governance. Developing goals and tracking our progress toward achieving those goals demonstrates our commitment to corporate responsibility and our mission, including:

- Continuing to make progress toward our goal of reducing carbon dioxide (CO2) emissions companywide by at least 90 percent below 2005 levels by 2045. Through 2018, we have achieved 62 percent of that goal, primarily due to plant retirements and asset sales.
- Intensified our workforce to achieve ESG related goals. Many of the operational goals in our short-term incentive compensation programs are linked to ESG factors, for example:
  - Enhanced safety related goals in the short-term incentive program in 2018 by incorporating Days Away Restricted or Transferred ("DART") Rate and Life Changing Events ("LCEs"), while also maintaining Occupational Safety and Health Administration ("OSHA") reportable incidents as a metric.
  - Diversity & Inclusion ("D&I") goals in the short-term incentive program in 2018 focus on diverse succession planning, diverse professional hiring, and improvement on inclusion as measured through a survey score.
  - Our Operations Index in the short-term incentive program continues to focus on quality customer service and reliability, first call resolution and environmental occurrences.

**Ensuring Strong ESG Related Corporate Governance Practices and Policies**

A key driver and component of our success is a strong foundation of Corporate Governance practices and policies that promotes transparency, accountability and engagement exemplified by your Board. As further discussed earlier in the Proxy Statement Summary and in the Corporate Governance and Board of Directors Information section your Board has:

- Since 2014, elected seven new directors, six of whom are standing for re-election at the Annual Meeting, and continued to increase your Board's ethnic and gender diversity.
- Added responsibilities to the Corporate Governance, Sustainability and Corporate Responsibility Committee to reflect efforts on sustainability and corporate responsibility, specifically including ESG topics.
- Ensured risk oversight is conducted by the full Board and its committees.

Proxy Statement Summary



Corporate Governance

### Shareholder Engagement

**ANNUAL SHAREHOLDER ENGAGEMENT CYCLE**

- SPRING**: We publish our proxy statement and our annual report. We continue our discussion with our largest shareholders, as warranted.
- SUMMER**: We conduct our annual meeting. We assess how our largest shareholders voted on our proposals at our annual meeting.
- FALL**: The Board and the committees approve the self-assessment process, which includes considerations from the shareholder engagement process. The Board conducts the annual self-assessment. We conduct our annual shareholder engagement.
- WINTER**: We assess governance best practices. We review policy updates from stakeholders. We update our annual governance framework and policies.

Corporate Social Responsibility

### Corporate Social Responsibility ("CSR") Highlights

We have many operating companies that participate in a variety of end markets, but we are all guided by our shared purpose—to deliver essential technology for the people who accelerate progress. In today's world, so much of innovation and progress centers around the development of new technologies to improve the quality of life, finding ways to live and work safely, and improving our health, infrastructure and environment. Our shared purpose means that we are ideally suited to contribute to these efforts.

In 2017, utilizing our FBS tools and processes we undertook a materiality analysis to generate a list of priority issues, drawn from the leading CSR initiatives, and prioritized those issues based on their importance to Fortive's business and to key stakeholders. We considered the list through the lens of our shared purpose and values and incorporated feedback from company leaders, investors and customers.

### Key Pillars to Our Social Responsibility

Through our materiality assessment, we identified seven core pillars—or focus areas—for Fortive's CSR strategy. We then aligned these pillars with our values, which drive our strategic priorities and our key performance indicators. This framework positions us for long-term impact and continuous improvement across the many aspects of social responsibility.

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Corporate Governance

**FORTIVE VALUES**

- Customer Success**: CUSTOMER SUCCESS INSPIRES OUR INNOVATION. Provide innovative products and services that make the world a better place. Source responsibly.
- Kaizen**: KAIZEN IS OUR WAY OF LIFE. Environmental stewardship.
- Integrity**: WE COMPETE FOR SHAREHOLDERS. Integrity, compliance and risk management. Corporate governance.
- Shareholder Value**: WE BUILD EXTRAORDINARY TEAMS FOR EXTRAORDINARY RESULTS. Empower our talented global team to contribute in meaningful ways. Create positive impacts in our communities.

Corporate Social Responsibility Reporting

Through our seven core pillars, we published our first CSR report in 2018 in which we highlighted many of the actions we are taking in support of those pillars. The report discusses our efforts to bring diverse teams together in a collaborative environment that fuels innovation, to empower our employees through meaningful opportunities for professional development and growth, and to advance employee engagement, safety, and well-being. We discuss how Fortive employees contribute to their communities in meaningful ways, whether it's providing disaster relief, volunteering to create positive social change, or demonstrating leadership through our annual Day of Caring, which gives our employees the opportunity to spend a day out in their communities helping to make those communities better places to live and work.

As part of our evolving strategy, we intend to deploy CSR-related goals applicable across all of Fortive, and to report on these goals and our results in subsequent CSR publications. Our CSR pillars will be a critical framework for evolving these goals and metrics to measure our future performance. They will influence new products we create, how we operate, and how we engage with our stakeholders. They will help us attract and keep the best people who share our values.

oversight Structure

- BOARD OF DIRECTORS**: Oversees CSR initiatives and reporting process.
  - Oversight responsibility embedded in the Nominating and Governance Committee charter
  - Report the full Board of Directors on our ongoing CSR-related activities
- STEERING COMMITTEE**:
  - Committee comprised of senior executives and chaired by our SVP - General Counsel
- EHS LEADERSHIP COUNCIL**:
  - EHS leaders from various operating companies
- WORKING GROUP**:
  - Cross-functional team

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### Ongoing Dialogue Regarding Social and Environmental Sustainability

Many stakeholders share our view that we should serve a social purpose and bring positive contributions to society for the long-term. We also recognize that, as a mining company, our work impacts the environment and communities surrounding our operations. We inform, consult and involve communities and partners in order to develop and improve our policies, programs, projects and initiatives. Consistent dialogue allows us to work alongside community members to avoid and mitigate impacts through the development of infrastructure, supporting health, safety and education efforts, and providing local employment and business development opportunities, as well as to capture opportunities to implement projects that drive sustainability. In addition to engagement regarding governance and compensation, we have a robust stakeholder communication program addressing sustainable development. We work regularly with our stockholders and other stakeholders via in-person meetings and site visits, teleconferences, inquiries via email and through multi-stakeholder initiatives. Through these engagements, our corporate sustainable development team and senior personnel address key industry topics, including:

- health, safety and fatality prevention
- programs to respect human rights
- responsible production and sourcing of materials
- tailings management
- community development
- environmental management
- climate-related impacts
- transparency of government payments
- labor relations

In 2018, our corporate team engaged with over 100 investor organizations, sustainability analyst firms, banking institutions, non-governmental organizations, and multi-sector company sustainability teams regarding our sustainability programs and performance. Many of these organizations include multiple members or affiliations, thus expanding the reach of our engagement program. In addition, our operational-level teams regularly engage locally with community stakeholders, development institutions and civil society organizations. Our corporate team also works closely with our commodity sales departments to engage both downstream customers and international governmental agencies on sustainability programs and address specific environmental and social areas of interest that could affect access to markets for our various products within the value chain. Annually, hundreds of entities are engaged via community foundations, formal grievance systems, community liaison officer interactions, workshops, participatory group panels, town hall meetings and specific surveys. We believe that effective stakeholder engagement can help reduce sustainability-related risks and enable us to continue to deliver positive contributions to society.

### Commitment to Responsible Tailings Management

In 2019, there has been increased interest from various organizations on our tailings management program, including the types of impoundments we manage within our portfolio. Our senior management team participated in several engagement sessions with stockholders in early 2019 regarding our tailings management program. Affiliates of our company currently operate 19 tailings storage facilities (17 in the United States (U.S.) and 2 in Peru) and manage 55 (all in the U.S.) that are inactive or reclaimed. Our subsidiary, PT Freeport Indonesia (PT-FI), operates a controlled riverine tailings management system, which is the best site-specific management alternative given the challenging physical and environmental conditions of the project area, which include steep mountainous terrain in a remote area of Indonesia that receives considerable rainfall. Through our tailings management and stewardship program, we employ substantial engineering expertise, technological monitoring, as well as local and corporate management oversight to ensure that these facilities are designed, built, operated and monitored to minimize risk to employees, neighboring communities and the environment. These safeguards generally fall within four categories: (1) engineering and design, (2) rigorous adherence to construction and operational parameters through monitoring, (3) multi-tiered oversight and (4) adherence to practices grounded in continuous improvement and learning from past experiences, including industry failures. We have a strong commitment from our board and executive management team to commit the necessary resources to protect safety.

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- The Audit Committee reviews and discusses, with management as appropriate, our major financial and enterprise (including cybersecurity) risk exposures, risk assessment and risk management policies;
- The Compensation Committee, in approving and evaluating the Company's executive compensation plans, policies and programs, takes into account the degree of risk to the Company that such plans, policies and programs may create; and
- The Nominating and Governance Committee assists the board in fulfilling its oversight responsibilities with respect to the management of risks associated with Board organization, membership and structure, succession planning for our directors and executive officers, and our overall governance structure, and also by reviewing our Code of Conduct, which creates a foundation for our compliance program.

Our Board does not believe that its role in the oversight of our risks affects the Board's leadership structure.

### Corporate Sustainability

Garrett's corporate responsibility is an important priority for the Company and the Board. The Board is responsible for promoting the exercise of responsible corporate citizenship and monitoring adherence to Company standards. The Nominating and Governance Committee reviews and addresses with the Board the Company's policies and programs relating to compliance with its Code of Conduct, health, safety and environmental matters, equal employment opportunity and other relevant matters regarding Garrett's role as a responsible corporate citizen.

### Commitment to the Environment

Garrett believes that in order to grow as a Company, we must work to have a positive impact on the communities that sustain us. We must work to respect and protect not only the communities where we live and work, but also the planet and its inhabitants.

Garrett articulates its commitments to health, safety and the environment, and to social considerations in the communities in which it operates, in its Code of Conduct which can be found on our website at [www.garrettmotion.com](http://www.garrettmotion.com) under "Investors—Leadership & Governance". As part of this commitment:

- We minimize the environmental footprint of our operations through efforts to safeguard natural resources, reduce waste, increase energy and water efficiency and reduce emissions of harmful pollutants;
- Health safety and the environment are an integral aspect of the design of our products, processes and services, and of the lifecycle of our products;
- Our management systems apply a global standard that provides protection of both human health and the environment during normal and emergency situations;
- Our senior leadership and individual employees are accountable for their role in meeting these commitments; and
- We measure and periodically review our progress and strive for continuous improvement.

### Prohibition of Hedging or Pledging the Company's Securities

We believe it is improper and inappropriate for any person associated with Garrett to engage in short-term or speculative transactions involving the Company's securities. Directors, officers and employees of the Company are therefore prohibited from engaging in short sales, and from pledging and buying or selling puts, calls, options or other derivative securities of the Company.

Our securities trading policy also prohibits directors and executive officers from purchasing any financial instruments (including prepaid variable forward contracts, equity swaps, collars and exchange funds) or otherwise engaging in transactions that are designed to or have the effect of hedging or offsetting any decrease in the market value of the Company's equity securities whether they are granted to such director or executive officer by the Company as part of such person's compensation or otherwise held, directly or indirectly, by such director or executive officer.

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CORPORATE GOVERNANCE

Sustainability and Corporate Citizenship

GATX's vision is to be recognized as the finest railcar leasing company in the world by our customers, shareholders, employees, and the communities in which we operate. Consistent with that vision, we are committed to growing our business in a sustainable and socially responsible manner, and we demonstrate our commitment through our programs and initiatives. We maintain a Corporate Social Responsibility page on our website ([www.gatx.com](http://www.gatx.com)) to highlight our environmental and social responsibility accomplishments and provide key performance data to our shareholders. Sustainability

is integrated into our operations, and we have an Environmental, Health, and Safety organization that is focused on maintaining a safe and healthy working environment, demonstrating environmental leadership, and meeting or exceeding regulatory compliance standards.

We believe that investing in operating our business in a sustainable manner, investing in our people, and investing in our communities is key to achieving sustainable growth over the long-term for the benefit of our shareholders:

- Sustainability**
  - Commitment to conducting business in an environmentally, socially responsible and ethical manner
  - Protect the health and safety of our employees and the communities where we operate
  - Invest in programs to make our railcar maintenance operations, vessels, and offices more efficient in order to minimize environmental impact.
- People**
  - Encourage diversity and inclusiveness in our people, and respect the local cultures where we do business
  - Invest in training, diversity, benefit programs, and education to help us attract and retain the best and the brightest in the industry
  - Commitment to operating our business consistent with the highest standards of honest and ethical behavior.
- Communities**
  - Invest in civic engagement initiatives to support the communities where we live and work
  - Encourage employee involvement in their local communities through charitable donations and by offering opportunities for them to tutor, mentor, build playgrounds, paint schools, work at food banks and shelters, and participate in food, clothing, and toy collection drives each year.

Total of 2 pages in section



Proxy Summary

CORPORATE GOVERNANCE HIGHLIGHTS

Highlights of our governance practices include:

| Governance Practice  | For more information   |
|--|--|
| <b>STOCK OWNERSHIP</b>   |  |
| • <b>Market-leading stock ownership requirements</b> for our executive officers require them to hold shares of our Common Stock worth eight to 15 times base salary. Director stock ownership guidelines provide that our directors should hold shares of our Common Stock having a value of at least eight times the annual retainer. | P. 44  |
| • We <b>prohibit hedging and pledging</b> of our Common Stock by directors and executive officers.   | P. 44  |
| <b>BOARD STRUCTURE AND GOVERNANCE</b>  |  |
| • Thoughtful <b>Board refreshment</b> , with seven directors added over the past five years.   | P. 2   |
| • An <b>Independent Lead Director</b> with a robust set of responsibilities is elected annually by the Board and provides additional independent oversight of senior management and board matters.   | P. 15  |
| • Ten of our 11 director nominees are <b>independent</b> . All of our Board committees are chaired by independent directors and are 100 percent independent.   | P. 16, 17  |
| • Our non-management directors meet in <b>executive sessions</b> without management present, following each regularly scheduled meeting, presided by the Lead Director.  | P. 17  |
| • Our directors <b>attended 100 percent of board and committee meetings</b> in 2018.   | P. 17  |
| • Diligent <b>Board oversight of risk</b> is a cornerstone of our risk management program.   | P. 19  |
| • Annual <b>Board and committee self-assessments</b> enable the Board to monitor the performance and effectiveness of the Board and its committees.  | P. 20  |
| • Our <b>related person transactions policy</b> ensures appropriate Board review of related person transactions.   | P. 21  |
| • Our directors are <b>elected annually</b> based on a <b>majority voting standard</b> for uncontested elections. We have a <b>resignation policy</b> if a director fails to receive a majority of votes cast.   | P. 67<br>Bylaws*   |
| • Our directors are restricted in the number of other boards on which they may serve to <b>prevent overboarding</b> .  | Corporate Governance Guidelines**  |
| <b>CORPORATE RESPONSIBILITY</b>  |  |
| • Our updated <b>Corporate Sustainability Report</b> discusses our efforts, our commitment to our stakeholders and communities and our commitment to diversity and inclusion.  | <a href="http://www.gd.com/Responsibility">www.gd.com/Responsibility</a>               |
| • Our <b>ethics program</b> includes strong Codes of Ethics for all employees globally, with specific codes for our directors and financial professionals.   | Standards of Business Ethics and Codes of Ethics***                                    |
| • Disclosure of our <b>corporate political contributions</b> and our <b>trade association dues</b> describes the process and oversight we employ in each area.   | <a href="http://www.gd.com/AdditionalDisclosures">www.gd.com/AdditionalDisclosures</a> |
| • We have a strong corporate commitment to respect the dignity, <b>human rights</b> and autonomy of others.  | Corporate Sustainability Report***   |
| <b>SHAREHOLDER RIGHTS</b>  |  |
| • Our shareholders have the ability to nominate director candidates and have those nominees included in our proxy statement, subject to meeting the requirements in our Bylaws, a shareholder right known as <b>proxy access</b> .   | Bylaws*  |
| • We <b>do not have a shareholder rights plan</b> , or poison pill. Any future rights plan must be submitted to shareholders.  | Corporate Governance Guidelines**  |
| • Our shareholders have the right to request a <b>special meeting</b> of shareholders.   | Bylaws*  |
| • <b>Voting rights are proportional</b> to economic interests. One share equals one vote.  | Certificate of Incorporation*  |

\* Our Corporate Governance Guidelines, Certificate of Incorporation and Bylaws are available on our website at [www.gd.com/CorporateGovernance](http://www.gd.com/CorporateGovernance).  
\*\* Our Standards of Business Ethics and Codes of Ethics and Corporate Sustainability Report are available on our website at [www.gd.com/Responsibility](http://www.gd.com/Responsibility).



CORPORATE GOVERNANCE

**Water Stewardship:** We are working to champion the development of water stewardship plans for the company's most important and at-risk watersheds in our global value chain by 2025. We focus on 8 priority watersheds across our worldwide operations.

**Improving Ecosystems:** We are committed to improving the health of ecosystems in our supply chain through a number of different efforts, with a focus on pollinator and soil health. To advance

biodiversity, we are collaborating to establish pollinator habitats and support bee research. We are partnering with the U.S. Department of Agriculture and The Xerces Society on projects to establish and protect more than 100,000 acres of pollinator habitat in the U.S. by the end of 2021. To make progress toward healthier soil and more sustainable agriculture, we are working with farmers, NGOs and industry partners, and we have treated more than \$3.25 million in soil health initiatives.

Sustainability Highlights

Our sustainability efforts cover the full range of our supply chain – from sourcing ingredients to providing millions of meals through food donations. Our sustainability and corporate social responsibility achievements, some of which are highlighted below, help us strengthen our business, brands and the communities we serve.

| Upstream   | General Mills   | Downstream   |   |                        |                    |   |                        |
|--|---|--|---|------------------------|--------------------|---|------------------------|
| Protecting human and natural resources in our agriculture supply chain   | Promoting food quality, workplace safety and diversity and environmental responsibility   | Improving nutrition, expanding variety and increasing sustainability   |   |                        |                    |   |                        |
| <p>76% Of our 10 priority ingredients were sustainably sourced</p> <p>225% Increase in acreage from which we source organic ingredients since 2009</p> <p>\$3.25M+ Investments in soil health initiatives through 2017</p>   | <p>100% Facilities worldwide audited and/or certified for food safety by independent 3<sup>rd</sup> parties</p> <p>47% U.S. management positions held by women</p> <p>20% Percentage of U.S. workforce that is ethnically diverse</p> | <p>80% U.S. retail sales volume nutritionally improved since 2005</p> <p>2<sup>nd</sup> Largest U.S. organic food producer</p> <p>30 million Meals enabled through food donations around the world</p> |   |                        |                    |   |                        |
| <p><b>Significant Recognitions</b></p> <table border="1"> <tr> <td>ISS Accolades<br/>Highest Environmental and Social Quality Scores</td> <td>A- CDP Climate rating</td> <td>B CDP Water rating</td> <td>#11 Corporate Responsibility magazine's 100 Best Corporate citizens</td> <td>FTSE4Good Index member</td> </tr> </table> |   |  | ISS Accolades<br>Highest Environmental and Social Quality Scores    | A- CDP Climate rating  | B CDP Water rating | #11 Corporate Responsibility magazine's 100 Best Corporate citizens | FTSE4Good Index member |
| ISS Accolades<br>Highest Environmental and Social Quality Scores   | A- CDP Climate rating   | B CDP Water rating   | #11 Corporate Responsibility magazine's 100 Best Corporate citizens | FTSE4Good Index member |                    |   |                        |

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PROXY STATEMENT SUMMARY

Environmental and Sustainability Performance

PROGRESS TOWARD OUR VISION

GM continues to work toward its vision of zero crashes, zero emissions, and zero congestion. We're doing so through the integration of sustainability into every part of our business – all under the purview of the Governance Committee, whose members regularly review progress with the Board.

**3.5X** Our AVs drove 3.5 times more miles in 2018 than in 2017. That underscores the tremendous progress we're making toward the commercial introduction of AVs – a key part of our zero crashes vision. We also secured commitments for more than \$5 billion of external investment in our AV subsidiary, Cruise Auto, demonstrating the level of confidence in our vision.

**#1** in Dow Jones Sustainability Indices In Collaboration with RobecoSAM

**#1** GM ranks first on Equilar's 2018 Gender Equality in the Workplace. Among the reasons: We are one of just two global businesses that has pay equality in top, middle, and bottom bands as well as no overall gender pay gap across the company.

**20%** In 2018, 20% of our global electricity needs were met by renewable energy – well on the way to our commitment of 100% by 2050.

**1st** We are the first automotive company to commit to sourcing sustainable natural rubber for tires in order to mitigate deforestation and its effects on climate change.

**20%** We've reduced our manufacturing carbon intensity by 20% since 2010 – three years ahead of goal.

**2** In 2018, we introduced two new EVs in China, the world's largest new energy vehicle market. In the U.S., Cadillac will be our lead brand for electrification technologies, and 75% of our engineering force will be focused on clean energy technologies.

**1.4 Million** In 2018, Maven electric drivers saved 1.4 million gallons of gas. Our car-sharing platform is not only providing new approaches to personal mobility, but also helping to promote EV by placing them in high-mileage, shared-use fleets.

**43%** Research by The Insurance Institute for Highway Safety has found that GM vehicles with autobrake and forward collision warning were involved in 43% fewer crashes compared to the same vehicles without those features.



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Shareholder Engagement

### Spotlight on Sustainability: An Integrated Approach

Sustainability is integrated across our firm. It encompasses how we drive commercial solutions, manage our operations, recruit and support our people and engage philanthropically within our communities. Managing ourselves responsibly, and leveraging our business model to drive sustainability-related commercial solutions for clients, will underpin our ability to drive shareholder value creation over time. More information can be found in our annual sustainability report, available at [www.gs.com/esg-report](http://www.gs.com/esg-report). Our 2018 report will be available at the end of April 2019.

- Investment capital enables providers of critical goods and services to grow and scale
- Targeted programs and businesses that invest capital in women-owned funds and economically underserved areas
- Evolution of ESG in investments including identifying opportunities to improve ESG practices for corporations, infrastructure and real estate investments
- \$76 billion investments in underserved markets since 2001
- Rapidly-growing ESG and impact investing platform with ~\$17 billion assets under supervision as of 2018 year-end
- Active stewardship through voting and engagement across our products and investment strategies

- Capital from underwriting activity enables providers of critical goods and services—including clean energy, sustainable infrastructure, healthcare services and education—to grow and scale
- Leading underwriter of green, social and sustainability bonds: ~\$35 billion underwritten since 2014
- \$19 billion structured in weather-related catastrophe bonds since 2006
- Help clients manage commodity risks inherent in clean energy transition
- ~4,000 companies covered by GS SUSTAIN ESG investment research framework
- Custom ESG Index creation, including in partnership with Euronext and CDP

#### Environmental & Social Risk Management

- Comprehensive policies that guide our approach to environmental and social risk management codified in our Environmental Policy Framework
- Assessment of environmental and social risk is integrated into transactional due diligence process; as appropriate, we engage with companies to understand and mitigate potential risk factors.
- Nearly 1,300 transactions reviewed in 2018 by the Environmental Markets Group.

#### Key Priorities / Targets

- \$150 billion of capital deployment toward clean energy by 2025. ~\$80 billion progress at 2018 year-end.
- Target \$2 billion in green operational investments by 2020.
- Committed to invest \$500 million in women-founded, women-led and women-owned businesses.
- Achieved carbon neutrality across our own operations from 2015 onwards. On track to meet our 100% renewables goal for our global electricity needs by 2020.
- Goal of 50% representation of women in incoming analyst class by 2021 as part of commitment to have women represent 50% of our global talent over time.

Proxy Statement for the 2019 Annual Meeting of Shareholders | Goldman Sachs 25



**GOODYEAR**

CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS  
Corporate Responsibility

### CORPORATE RESPONSIBILITY STRATEGY AND 2018 HIGHLIGHTS

|                        |  |
|------------------------|--|
| Sustainable Sourcing   | <p><b>Sustainable Raw Materials &amp; Sourcing Supply Chain Management</b></p> <p>In 2018, we published our Natural Rubber Procurement Policy which reflects our strong commitment to the responsible sourcing of raw materials. We also audited 79% of our natural rubber suppliers throughout the year. In accordance with our policy:</p> <p>Following our our award-winning breakthrough of applying soybean oil in the tread compound of tires as a replacement for traditional petroleum oil, we released two new tires using this new technology — the Assurance WeatherReady and the Eagle Encore All-Weather.</p>   |
| Responsible Operations | <p><b>Safety &amp; Health Operational Impacts Product Quality End-of-Life Tires Business Continuity</b></p> <p>In 2018, we implemented a global measurement system to measure our Serious Injury Rate (serious injuries per 100 full-time equivalent associates). We also set new goals to eliminate serious injuries from our facilities, which will also help reduce our Total Incident Rate.</p> <ul style="list-style-type: none"> <li>2018 Serious Injury Rate: 0.04</li> <li>2018 Total Incident Rate: 1.92</li> </ul> <p>Continuing our efforts to reduce our environmental impact, since 2010 we have reduced:</p> <ul style="list-style-type: none"> <li>Greenhouse gas emissions by 18%</li> <li>Water use by 19%</li> <li>Energy use by 17%</li> <li>Solvent use by 37%</li> </ul>  |
| Advanced Mobility      | <p><b>Advancing Tire Performance Shaping the Mobility Revolution</b></p> <p>A tire with low rolling resistance and a vehicle with less weight consume less fuel and emit fewer greenhouse gases. Since 2005, our global consumer tire portfolio has reduced:</p> <ul style="list-style-type: none"> <li>Rolling Resistance by 28%</li> <li>Weight by 6%</li> </ul> <p>In 2018, we grew our presence in Silicon Valley, completed a pilot with Testop, and joined MCity, the University of Michigan's advanced mobility research center, to help build solutions for shared mobility fleets and autonomous vehicles.</p>  |
| Inspiring Culture      | <p><b>Health &amp; Wellness Community Engagement Diversity &amp; Inclusion Talent Development Ethics &amp; Compliance</b></p> <p>In 2018, our wellness team launched an online GoodLife Wellness Site for associates in the U.S. We are currently evaluating opportunities to expand the scope of the site.</p> <p>We sponsor six Employee Resource Groups to support our diversity and inclusion initiatives and to provide associates access to coaching, mentoring and professional development.</p> <p>We also held our second annual Global Week of Volunteering. With 22 Goodyear locations participating, our associates provided more than 9,000 hours of volunteer service to more than 15 community organizations around the world. Throughout the year, associates provided approximately 25,000 hours of volunteer service to 190 community organizations.</p> |

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In 2012, we listed our shares on the NYSE. Since that time we have (i) maintained a conservative balance sheet, with leverage as of the year ended December 31, 2018 of 31.3%, measured by debt less cash and cash equivalents to total capitalization, (ii) achieved investment grade ratings of BBB+ /Baa2, (iii) invested over \$7 billion in real estate assets and (iv) developed scale to 25 to 25 key markets, reaching approximately 1 million square feet of GLA in nine of our top markets and approximately 0.5 million square feet of GLA in our top 15 markets. The graph below compared the cumulative returns of HTA, U.S. REIT Index (RMS), S&P 500 Index and SNI U.S. REIT Healthcare Index from the date of our listing on the NYSE on June 6, 2012 through December 31, 2018.

#### HTA Total Returns (Since Listing)

— HTA — U.S. REIT Index (RMS) — S&P 500 — SNI U.S. REIT

#### Environmental, Social and Governance

Throughout our portfolio, we are focused on sustainability and operating efficiency improvements in our buildings. These efforts include: (i) local sustainability initiatives; (ii) capital investments in energy efficiency projects, such as energy management systems, LED lighting, and upgraded HVAC; and (iii) operating procedure best-practices that drive efficiency. We believe these efforts reduce our environmental footprint while also lowering operating costs, which directly benefit our tenants and the community. We believe that sustainability is an important aspect and supports our goal of increasing stockholder value through meaningful growth. We continue to strive to reduce our environmental impact and are establishing measurable goals and benchmarks to facilitate in the performance of our buildings.

We also focus on engaging and bettering the community in our 20-25 key markets in which we operate. We invest in local charitable efforts related to healthcare providers and have employees in over 25 markets, which we focus on attracting, rewarding, and retaining talented employees and providing an environment that is both cohesive and collaborative. Our employees are awarded competitive compensation packages, including healthcare benefits, participation in a 401(k) plan and paid time-off. We are focused on creating a healthy workplace that promotes health and wellness and are devoted to philanthropic initiatives that improve the overall well-being of our communities.

We will continue to increase our commitment to the environment and seek to drive positive change and value creation for our Company, community, tenants, employees, and stockholders. We believe that integrating sustainability initiatives throughout our business is critical to our long-term success.

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reviews compensation practices and policies to confirm that they do not encourage excessive risk-taking. Management regularly reports on these risks to the relevant committee or the full Board, as appropriate, and

additional review or reporting on enterprise risks is conducted as needed or as requested by the Board or the relevant committee.

#### Herbalife Nutrition corporate social responsibility program

Herbalife Nutrition is leading the nutrition industry in a variety of ways including through our corporate social responsibility programs that are focused on nutrition and building thriving and vibrant communities. With close to forty years of experience in the nutrition industry, the full force of the Company's expertise is directed at improving the living conditions for some of the world's most vulnerable populations. Likewise, our experience in providing people with economic opportunities is also being utilized as we help address other pressing issues confronting communities, such as the complex needs of homeless populations around the world. Furthermore, by combining the Company's know-how and resources with the expertise, insight and infrastructure of some of the world's most prominent non-profit organizations, the Company is able to have an even greater impact.

The Company and the Herbalife Nutrition Foundation, or HNF, are dedicated to improving the lives of communities around the world by providing healthy nutrition and nutrition education to children and communities in need.

HNF supports over 140 community-based Casa Herbalife Nutrition partners globally that help bring good nutrition to socially vulnerable communities and aid to organizations focused on promoting access, education and empowerment of good nutrition and general wellness. More than 100,000 children in 50 countries around the globe receive support for healthy nutrition every year from HNF.

- The Company and HNF also support global and national nonprofit organizations focused on bringing good nutrition and improving the health and wellness to communities in need, such as the World Food Program USA, American Cancer Society, and the American Red Cross. For example, in addition to much-needed financial support, we support the American Red Cross by providing the organization with our Protein Deluxe Bars that are provided to individuals donating blood at 120 blood donation centers and to individuals and first responders at disaster relief centers.

Worldwide, our independent distributors and employees volunteer their time and donate to programs that promote good nutrition and active lifestyles, including the HNF's Casa Herbalife Nutrition programs and our community partners.

- In 2018, HNF granted more than \$3.5 million to Casa Herbalife Nutrition programs and disaster relief efforts

around the world.

- In 2018 HNF expanded its partnerships with local charities, opening seven new Casa Herbalife Nutrition programs in Australia, Malaysia, New Zealand, Singapore, South Korea, and two in Vietnam. Furthermore, in 2018 HNF announced a commitment of an additional \$1 million to expand its Casa Herbalife Nutrition program to more than 20 new community partners around the world.

Herbalife Nutrition is built upon a diverse global community of millions of customers, independent distributors and employees in more than 94 countries. In addition to providing financial resources and volunteering our time, we also partner with organizations that empower underserved populations.

- The Company designated February as its annual "Global Month of Purpose," creating opportunities for the Company's employees and independent distributors to volunteer in underserved communities, complementing its already robust year-round volunteer programs.
- For more than 35 years, Herbalife Nutrition has proudly supported Hispanic and Latinx organizations that promote nutrition, health and wellbeing and empowering opportunity. In 2018, the company supported more than a dozen national and regional Latinx and Hispanic organizations.

The Company is also focused on a variety of sustainability initiatives and continuously examines additional ways to improve its manufacturing and delivery systems.

- The number one ingredient in many of our products is soy. Soy is a sustainable plant-based protein, grown and farmed with fewer environmental resources per acre than animal protein. It has a lower carbon footprint, more efficient land use and uses less water than animal-based protein.
- The Company has reduced the amount of plastic used in primary containers, reducing polyethylene plastic usage in such containers by over 3 million pounds since 2008.
- We have reduced the use of harmful packaging material in our distribution operations and primary packaging of our products, especially in the United States and Europe. We also have numerous successful and ongoing initiatives to reduce the use of cardboard in our operations. By using advanced manufacturing technology in our company-owned manufacturing facilities, we have dramatically reduced the time, energy,

The board of directors 5

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Corporate Citizenship

COMPANY COMMITMENTS

As a company, Hill is committed to:

- **Our Employees:** We are committed to a work environment that encourages employees to raise concerns, speak up and report suspected misconduct without fear of retaliation. Our employees demonstrate their integrity, dedication and commitment to quality in their daily work and are committed to improving performance and creating success.
- **Our Customers:** We are committed to supporting our ever-growing customer base. It is a job we take very seriously, and we are intently focused on meeting or exceeding our customer commitments.
- **Our Stockholders:** We are committed to sustaining long-term value growth in our company through improved performance and intense focus on delivering excellent results.
- **Our Communities:** We are committed to being a visible and positive corporate citizen in every community in which we do business.
- **Our Suppliers:** We are committed and engaged with our suppliers. They are an integral part of our team and essential to our ability to achieve our business objectives.

EDUCATION

At Hill, we believe one of the best investments in the future is investment in education. We proudly support a variety of early education initiatives: science, technology, engineering and math (STEM) projects at elementary, middle and high schools; and two- and four-year college programs that support our workforce development needs.

The Huntington Ingalls Industries Scholarship Fund (the "Hill Scholarship Fund") was established in March 2016 and is funded primarily by Mr. Petters, our chief executive officer. Mr. Petters declines all but \$1 of his annual salary, which is contributed to the Hill Scholarship Fund. The fund awards scholarships to dependent children of eligible Hill employees enrolled in post-secondary college education (two- or four-year programs) and pre-kindergarten school readiness programs. Since its establishment, the Hill Scholarship Fund has awarded or renewed 400 scholarships totaling more than \$1,000,000.

The Hill Scholarship Fund awards early childhood education scholarships of up to \$3,000 for children enrolled in pre-kindergarten school readiness programs. The goal is to award 50 new scholarships each year. Post-secondary education scholarships of up to \$1,500 are awarded to dependent children enrolled in two-year degree programs and up to \$3,000 for dependent children enrolled in four-year degree programs. The goal is to award 50 new scholarships each year. Post-secondary education scholarships are renewable for students who remain in good academic standing.

ENVIRONMENTAL SUSTAINABILITY

Hill's environmental stewardship and sustainability efforts are recognized nationally and regionally. Newport News Shipbuilding's Environmental Management System is ISO 14001 (2015) certified, and Newport News Shipbuilding achieved the highest level of accreditation (E4) in the Virginia Environmental Excellence Program. As a company, we are committed to waste reduction and recycling and to preserving and improving air and water quality in all of the communities in which we operate. Ingalls Shipbuilding reduced hazardous waste generation by 46% in 2018, and has reduced hazardous waste generation by 78% since 2012. Equipment upgrades at Newport News Shipbuilding are reducing greenhouse gas emissions by 30%. We are also pleased that many of our employees volunteer their own time and energy to preserving our greatest natural resource—our environment—for future generations.

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LETTER FROM YOUR CHAIRMAN

2018 was Intel's 50th anniversary, a milestone year and the most profitable in Intel's history. As reflected in the preceding pages, our history has been marked by our constant drive to advance technology to do wonderful things in pursuit of a better future. Intel is in the midst of a significant strategic evolution from a PC-centric to a data-centric company, delivering products that play critical roles in processing, storing, analyzing, and sharing data. The client computing business is healthy and an important source of profits. We believe that the strategic investments we have made in a product portfolio spanning the cloud to edge computing, including in new and growing opportunities such as memory, autonomous driving, and 5G, will help create new value for Intel. Intel is building the foundation for technology's data-driven future.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE LEADERSHIP

Our Board believes that Intel's focus on corporate governance and corporate responsibility creates value for the company, our stockholders, and other stakeholders by identifying ways for technology to benefit the environment and society while also helping us mitigate risks, reduce costs, protect brand value, and identify market opportunities. With the Board's oversight, we have embedded corporate responsibility and sustainability considerations into our corporate strategy, compensation, disclosure, and long-term goals to maintain and advance sustainable stockholder value. We set ambitious goals for Intel and make strategic investments to advance progress in the areas of diversity and inclusion, environmental sustainability, supply chain responsibility, and social impact, and collaborate with others to achieve positive societal impact on key issues—from proactively addressing climate and water risk, to working to eliminate risks of forced and bonded labor. To reinforce and align our executives to these goals, a portion of the operational performance component of our annual incentive cash program is tied to key corporate responsibility goals.

This proxy statement discusses many of our corporate responsibility and corporate governance perspectives and achievements, but I want to highlight a few that particularly reflect our values and culture.

ATTRACTING AND RETAINING THE BEST TALENT

We seek to attract and retain talented and engaged employees who can deliver their workplace best every day. This means making Intel a rewarding place to work, a company which our employees are proud to be a part of, and an environment where we promote diversity and inclusion. In 2018, we met our goal to achieve full representation of women and underrepresented minorities in our U.S. workforce, two years ahead of schedule. With approximately 85% of our 107,400 employees working in technical roles, our success depends on employees understanding how their work contributes to the company's overall strategy. We use a variety of channels to facilitate open and direct communication, including open forums with executives; quarterly Organizational Health Polls; and engagement through more than 30 different employee resource groups, including the Women at Intel Network, the Network of Intel African American Employees, the Intel Latino Network, and others.

FOCUS ON SUSTAINABILITY

We are committed to transparency and performance improvement in environmental sustainability and have established public goals regarding, among other things,

*"It has been a remarkable progression from our early beginnings as a start-up in memory to our leadership in personal computing and now to our evolution to a data-centric company generating annual revenue of more than \$70 billion."*

—Andy D. Bryant,  
Chairman of the Board

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CORPORATE GOVERNANCE

Oversight of environmental, social and governance ("ESG") matters

The Board oversees the Firm's approach to ESG matters, including: the Firm's governance-related policies and practices; our systems of risk management and controls; our human capital strategy; the manner in which we serve our customers and support our communities; and how we advance sustainability in our Active Board engagement with the Firm's stakeholders

Active Board engagement with the Firm's stakeholders

The Board, as a group or as a subset of one or more directors, meets periodically throughout the year with the Firm's shareholders, employees and regulators, and with non-governmental organizations, and other persons interested in our strategy, business practices, governance, culture and performance. For more information, see the CD&A on pages 41-63.

Engagement with shareholders

We have an active and ongoing approach to engagement on a wide variety of topics (e.g., strategy, performance, competitive environment) throughout the year. We interact with and receive feedback from our shareholders and other interested parties. Our shareholder engagement efforts are outlined below.

businesses and operations. The principal standing committees of the Board oversee a range of ESG matters in accordance with the scope of their charters. We know that the long-term success of our Firm requires a continued focus on these evolving topics and a commitment to regularly evaluating how we are doing and challenging ourselves to improve.

To contact our Board of Directors, any Board member, including the Lead Independent Director, any committee chair, or the independent directors as a group, mail correspondence to: JPMorgan Chase & Co., Attention (name of Board member(s)), Office of the Secretary, 4 New York Plaza, New York, NY 10004, or e-mail the Office of the Secretary at corporate.secretary@jpmchase.com.

|  |  |  |
|--|--|--|
| <p><b>Who we engage:</b></p> <ul style="list-style-type: none"> <li>▪ Institutional shareholders</li> <li>▪ Retail shareholders</li> <li>▪ Fixed-income investors</li> <li>▪ Proxy advisory firms</li> <li>▪ ESG rating firms</li> <li>▪ Industry thought leaders</li> </ul> | <p><b>How we communicate:</b></p> <ul style="list-style-type: none"> <li>▪ Annual Report</li> <li>▪ Proxy Statement</li> <li>▪ SEC Filings</li> <li>▪ Press Releases</li> <li>▪ Firm Website</li> <li>▪ Annual ESG and Corporate Responsibility Reports</li> </ul>   | <p><b>Shareholder Outreach Program held twice per year:</b></p> <ul style="list-style-type: none"> <li>▪ Hosted more than 60 discussions, covering shareholders representing in the aggregate over 40% of our outstanding common stock</li> <li>▪ Our Lead Independent Director participated in certain discussions with our larger shareholders</li> <li>▪ Discussion topics included:                             <ul style="list-style-type: none"> <li>- Firm strategy and performance</li> <li>- Executive and Board compensation</li> <li>- Board Composition</li> <li>- Management and Board succession planning</li> <li>- ESG matters</li> <li>- Shareholder rights</li> <li>- Risk management</li> <li>- Employee conduct</li> </ul> </li> </ul> |
| <p><b>How we engage:</b></p> <ul style="list-style-type: none"> <li>▪ Annual Investor Day</li> <li>▪ Quarterly earnings calls</li> <li>▪ Investor conferences</li> <li>▪ Annual Shareholder Meeting</li> <li>▪ Shareholder Outreach Program</li> </ul>                       | <p><b>2018 Engagements:</b></p> <ul style="list-style-type: none"> <li>▪ Senior Management</li> <li>▪ Hosted more than 50 investor meetings</li> <li>▪ Presented at 12 investor conferences</li> <li>▪ Met with shareholders and other interested parties in major cities globally</li> <li>▪ Reviewed the Firm's strategy and financial performance at Investor Day</li> <li>▪ Our CEO and Lead Independent Director presented at the Firm's 2018 annual meeting and are expected to do so again at this year's annual meeting</li> </ul> |  |

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KANSAS CITY SOUTHERN

In addition to the sustainability and responsibility information provided herein, KCS publishes an annual sustainability report, prepared in accordance with the Global Reporting Initiative (GRI) Standards.

2018 Sustainability & Responsibility Highlights

Environmental:

- Rail transportation is the most energy efficient way to move freight over land. In 2018, KCS moved each ton of freight approximately 370 miles on average on only one gallon of fuel.
- KCS provides a carbon calculator to its customers on its website to estimate the greenhouse gas emission savings potential associated with shipping by rail vs. truck.
- To optimize our fuel efficiency, KCS' fuel conservation team drives fuel conservation and efficiency initiatives by:
  - Implementing strategies to improve fuel efficiency, including multiple fuel saving technologies in our locomotives
  - Forecasting fuel consumption and providing monthly goals and reports with recommendations
  - Analyzing fuel burn and efficiency data to identify opportunities and trends
  - Managing vendor and program compliance
- In 2018, we achieved a reduction of 9.4 million gallons of diesel fuel, or 6.5%, as a direct result of fuel conservation and efficiency initiatives.
- By reducing the footprint of our primary Wyandotte data center, we reduced electricity consumption by 44% from prior year at that location.

Safety:

- The KCS Health, Safety, Security & Environmental Management System covers 100% of operations.
- KCS has been a Responsible Care Partner since 1999.
- In 2018, Positive Train Control (PTC), an advanced system designed to automatically stop a train before certain incidents occur, was successfully installed on required track segments and equipment in the U.S. This system is designed to prevent:
  - Train-to-train collisions
  - Derailments caused by excessive train speed
  - Train movements through misaligned track switches
  - Unauthorized train entry into work zones
- In 2018, we conducted hazmat training with approximately 390 local community first responders.

People:

- 89% of US and Mexico employee engagement and satisfaction survey respondents would recommend KCS as a good place to work.
- We offer competitive health, savings and leave benefits for all employees.
- In 2018, KCS revised its Non-Discrimination and Anti-Harassment Policy to strengthen our policy on providing a "work environment free from all forms of discrimination and harassment."
- In 2018, 54% of KCS's non-union new hires in the U.S. were women and people of color.

Total of 2 pages in section



Corporate Governance Documents

The KeyCorp Board of Directors' Committee Charters, KeyCorp's Corporate Governance Guidelines, KeyCorp's Code of Ethics, KeyCorp's Standards for Determining Independence of Directors, KeyCorp's Policy for Review of Transactions between KeyCorp and its Directors, Executive Officers, and Other Related Persons, KeyCorp's Corporate Responsibility Report, and KeyCorp's Statement of Political Activity for 2018 are all posted on KeyCorp's website: www.key.com/cir. Copies of these documents will be delivered, free of charge, to any shareholder who contacts KeyCorp's Investor Relations Department at (216) 688-4221.

Corporate Governance Guidelines

The Board has adopted written Corporate Governance Guidelines (the "Guidelines") that detail the Board's corporate governance duties and responsibilities, many of which are described herein. The Guidelines take into consideration, and are reviewed annually and updated periodically to reflect, best practices in corporate governance and applicable laws and regulations. The Guidelines address a number of matters applicable to directors (such as director qualification standards and independence requirements, share ownership guidelines, and succession planning and management) and management (such as stock ownership guidelines for management and procedures for the annual evaluation of our Chief Executive Officer).

Code of Ethics

We are committed to the highest standards of ethical integrity. Accordingly, the Board of Directors has adopted a Code of Ethics for all of KeyCorp's (and its subsidiaries') employees, officers, and directors, which was last amended in July 2018. We will promptly disclose any waiver or amendment to our Code of Ethics for our executive officers or directors on our website. Our Code of Ethics ensures that each employee, officer, and director understands the basic principles that govern our corporate conduct and our core values of Teamwork, Respect, Accountability, Integrity, and Leadership.

Statement of Political Activity

An important part of our commitment to our community includes active participation in the political and public policy process that impacts the lives of our customers, shareholders, and business. As a large financial institution, our business is highly regulated at the federal, state, and local levels. We believe it is critically important to take a constructive role in the political process that will shape the future of business, our industry, and our community.

The Nominating and Corporate Governance Committee of the Board meets annually with a member of KeyCorp's Government Relations team to review KeyCorp's policies and practices regarding political contributions. Policies and practices reviewed by the Nominating and Corporate Governance Committee include KeyCorp's policies regarding doing business with public entities, the Government Relations pre-approval process for ballot issue support and the KeyCorp Advocates Fund (political action committee) annual report.

Corporate Responsibility Report

Our purpose is to help our clients and communities thrive, which we drive through our commitment to responsible banking, responsible citizenship, and responsible operations. We are more focused than ever on participating in the economic expansion, revitalization, and resurgence of the communities we so proudly serve, as well as helping to strengthen the financial wellness of every client. Beyond traditional banking, we do this best through philanthropy, community development, sustainability, and diversity and inclusion.

The Nominating and Corporate Governance Committee of the Board oversees KeyCorp's policies and practices on significant issues of corporate social responsibility. Detailed information regarding KeyCorp's (and its subsidiaries') and the KeyBank Foundation's corporate responsibility priorities and progress can be found in our annual Corporate Responsibility Report. We use the Global Reporting Initiative (GRI) framework to provide transparent disclosure of Key's most significant areas of impact in a manner comparable with peers and industry benchmarks.



Corporate Governance (Continued)

- Board access to management and professional advisors. (Section L)
• Director stock ownership requirements. (Section K.2)
• Prohibition on directors' hedging and pledging Company securities. (Section K.3)
• Annual Board and committee evaluations. (Section L)
• Policy on interested stockholder transactions. (Section O)

Stockholder Engagement

In 2011, we expanded the breadth and consistency of our stockholder engagement. In each of the past five years, we have engaged with institutional stockholders holding approximately 25% to 45% of the Company's common stock. Discussions with stockholders cover corporate governance, executive compensation and environmental and social topics. Feedback received during the stockholder engagement process is shared with senior executives, the Board and its committees. We are committed to ongoing engagement with our stockholders and intend to continue these outreach efforts.

Risk Oversight

It is the responsibility of the Company's senior management to assess and manage our exposure to risk and to bring to the Board's attention the most material risks facing the Company. The Board oversees risk management directly and through its committees.

Annually, the Board reviews management's assessment of the Company's key enterprise risks. Senior management then briefs the Board on its strategy with respect to each risk and provides a mid-year status update and a report at year-end. The Board receives updates from management on specific risks throughout the year, including on human capital management and cybersecurity.

The Audit Committee regularly reviews the Company's policies and practices with respect to risk assessment and risk management, including cybersecurity risk. The Directors and Governance Committee considers risks relating to CEO succession planning, and the Compensation Committee considers risks relating to the design of executive compensation programs and arrangements. See the discussion under "Committees" on page 11 for additional information about the Board's committees.

Environmental, Social and Governance (ESG) Oversight and Activities

With the creation of the Corporate Responsibility Committee in 2008, the Board has formally focused on key aspects of the Company's environmental, social and governance (ESG) initiatives for more than a decade. In 2018, the Company formed a cross-functional management committee to coordinate and communicate on the Company's ESG initiatives. Our Corporate Citizenship Report and related information is available on our website at http://www.mmc.com/esg.

The Board oversees the Company's ESG initiatives and strategies primarily through its committees.

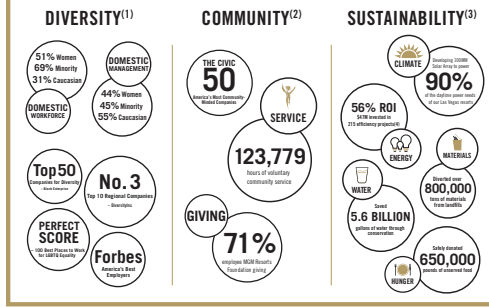
Corporate Responsibility Committee. The Corporate Responsibility Committee has responsibility for sustainability, diversity and inclusion and social responsibility, as well as corporate communications and government relations. It includes members from each of the Board's other committees. The Corporate Responsibility Committee receives reports at least annually on environmental matters from the Company's Chief Sustainability Officer and on diversity and inclusion and social responsibility matters from the Company's Chief Human Resources Officer.

Compensation Committee. The Compensation Committee has responsibility to review certain key human resource strategic activities, including those relating to diversity, training and recruitment. The Compensation Committee coordinates with the Corporate Responsibility Committee on diversity initiatives and receives annual reports on diversity and inclusion from the Company's Chief Human Resources Officer.

Directors and Governance Committee. The Directors and Governance Committee takes a leadership role in shaping the Company's corporate governance principles and practices. It receives regular updates on governance practices and developments from the Company's General Counsel.

Audit Committee. The Audit Committee has responsibility for the Company's policies, systems and controls designed to promote ethical behavior and compliance with applicable legal and regulatory requirements. It receives regular updates from the Company's Chief Compliance Officer.

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(1) Diversity statistics based on company records as of December 31, 2018. All recognitions noted were received in 2018. (2) Voluntary community service hours and foundation giving based on company records from January 1, 2018 through December 31, 2018. (3) Sustainability data points reflect (i) LED installations from 2013 through 2018, (ii) diversion of 800,000 tons of materials from landfills from 2008 through 2017, (iii) 5.6 billion in gallons of water saved from 2008 through 2017 and (iv) the donation of 850,000 pounds of unserved food from 2018 through 2018. (4) Projects occurred during fiscal years 2007 to 2017, and were comprised of (i) 200 capitalized lighting, mechanical and building systems upgrades and (ii) 15 property-level LED lighting upgrades. Our 2017 Corporate Social Responsibility Annual Report and information on our initiatives are maintained on our website at mgmresorts.com/en/company/csr.html. The 2017 Corporate Social Responsibility Annual Report and the information on, or accessible through, our website is not part of or incorporated by reference into this Proxy Statement.

required Section 16(a) reports were timely filed during the fiscal year ended December 31, 2018, except that two Forms 4, each reporting one transaction, were late filed for Mr. Salem. We have a program to oversee the compliance of our executive officers and directors in their reporting obligations.



WHERE TO FIND OUR CORPORATE GOVERNANCE DOCUMENTS

We encourage you to view our corporate governance materials on our website: http://mgmresorts.investor.com. The inclusion of our website address here and elsewhere in this Proxy Statement does not include or incorporate by reference the information on our website into this Proxy Statement. The information contained on, or that can be accessed through, our website is not a part of this Proxy Statement.

- Board Committee Charters - audit committee charter, compensation committee charter, nominating corporate governance committee charter, corporate social responsibility committee charter
• Corporate Governance Guidelines
• Code of Business Conduct and Ethics and Conflict of Interest Policy

RISK OVERSIGHT

Our Board has overall responsibility for overseeing the management of the most significant risks facing the Company. As part of its decision-making processes and meetings, our Board engages in regular discussions regarding risk related to the enterprise and management, focusing particularly on the areas of financial risk, regulatory and compliance risk and operational and strategic risk. Our management's assessment of material risks facing the Company is presented by our officers and our legal counsel to the Board at our regularly scheduled Board meetings for the Board's discussion and consideration in its oversight of the Company. When necessary, our Board convenes for special meetings to discuss important decisions facing the Company. The Board considers short-term and long-term risks when providing direction to the Company in connection with these important decisions, and risk planning is a central part of the calculus in all of the Board's decision making.

CORPORATE SOCIAL RESPONSIBILITY

Philosophy

Our aspiration to be the best of the best at whatever we do fuels our social and environmental responsibility commitments as well as our industry-leading hospitality and entertainment business. We strive to maximize long-term sustainable growth in profit and shareholder value through ethical competition, cutting-edge innovation and first-rate service and products. Just as important is our realization that we, our communities and society, and our planet continuously interact as parts of the dynamic, interconnected global economic value chain. The privilege of doing business and generating returns on our shareholders' investment comes with immense responsibility toward our stakeholders, our communities and stewardship of our environmental resources.

Governance

We are an industry and national leader in progressive CSR practices. Through a circle of continuous, collaborative interaction among our Board, executive leadership and other levels of management and our employees, we constantly seek new pathways, new strategies and new practices that realize our CSR vision. Our Chairman and CEO and the CSR Committee of our Board guide our CSR policy and priorities, and monitor our performance across the Company each year. Our senior management CSR Committee serves as a bridge between our board and management, and steers practical implementation of our CSR policies and metrics. Our dedicated diversity and inclusion and community engagement teams, and our environmental sustainability division - spearheaded by our Chief Diversity and Corporate Responsibility Officer, and our Chief Sustainability Officer, respectively - are charged with strategy formulation, CSR program execution and operations, collaboration across our business units and reporting to

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**Microsoft corporate social responsibility**

*"We must ensure technology's benefits reach people more broadly across society and that the technologies we create are trusted by the individuals and organizations that use them."*

Satya Nadella, CEO

- Operating Ethically**  
Microsoft has been identified as one of the World's Most Ethical Companies by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices, every year since 2011.
- Enhancing Privacy**  
We believe privacy is a fundamental human right. Privacy is also the foundation for trust. That's why we were early supporters of the landmark privacy legislation in Europe, the General Data Protection Regulation (GDPR), and why we extended the privacy rights at the heart of GDPR to all our consumer customers globally, not just those in the EU.
- Promoting Cybersecurity**  
Growing cyber threats require bold new measures to defend and protect technology users around the world. In fiscal year 2018 we launched the Defending Democracy Program to help governments safeguard electoral processes. In addition, we have joined more than 60 technology companies in signing the Cybersecurity Tech Accord to advance online security and resiliency globally.
- Empowering People**  
Technology can be a powerful force for economic opportunity and inclusion in the emerging digital economy. Through Microsoft Philanthropies, we worked with more than 97 nonprofit organizations across 54 countries to bring digital skills and computer science education to millions of young people. In addition, our Technology Education and Literacy (TEALS) program paired over one thousand technology professional volunteers with classroom teachers in 348 high schools across the U.S.
- Strengthening Communities**  
We see great potential for technology to help transform nonprofit organizations, so they can better achieve their missions. In fiscal year 2017 we launched Microsoft Tech for Social Impact with a pledge to bring the benefits of the cloud to 300,000 nonprofits in three years. In addition, in 2017, our employees donated a record \$158 million to nonprofits serving our local communities and the world. We donated more than \$1.4 billion in software and services in fiscal year 2018 via Microsoft Philanthropies.
- Protecting Our Planet**  
Microsoft is committed to operating sustainably. Our operations are 100% carbon neutral, and we surpassed our goal of sourcing 50% of the electricity used by our datacenters from renewable energy sources by the end of 2018. We also announced the \$50 million, 5-year AI for Earth Program to put artificial intelligence in the hands of innovators who are working to solve the world's most pressing environmental challenges.

**For more information:**  
Our Corporate Social Responsibility website: [www.microsoft.com/csr](http://www.microsoft.com/csr)  
Nonprofit software donations: [www.microsoft.com/nonprofit](http://www.microsoft.com/nonprofit)



CORPORATE GOVERNANCE MATTERS

**Sustainability at Morgan Stanley**

Morgan Stanley endeavors to advance sustainability by considering ESG matters throughout our operations and businesses. We offer financial solutions and advisory services that provide positive long-term benefits for clients and shareholders, as well as for the environment and global communities. The Morgan Stanley Institute for Sustainable Investing's (Institute) advisory board helps to ensure that our sustainability strategy is comprehensive, rigorous and innovative. ESG initiatives are overseen by the Nominating and Governance Committee and reported to the Board. Key areas of focus and highlights for 2018 include:

|   |   |
|---|---|
| <b>Sustainable Finance and Investing</b>        | <ul style="list-style-type: none"> <li>Morgan Stanley is committed to harnessing the power of capital markets to create sustainable, long-term value for clients and stakeholders.</li> <li>We announced a public commitment to mobilize \$200 billion to support low-carbon solutions by 2030, and deployed nearly \$30 billion in the first year.</li> <li>Morgan Stanley Wealth Management Investing with Impact assets reached approximately \$25 billion, more than double our five-year goal of raising \$10 billion from 2013 to 2018.</li> <li>Morgan Stanley Sustainability Research published thematic client-facing research reports on plastic, data privacy and governance.</li> <li>Morgan Stanley Investment Management, a signatory to the UN's Principles for Responsible Investment, through its corporate governance team engaged with over 100 companies on ESG issues ranging from climate change to the opioid epidemic.</li> </ul> |
| <b>Institute for Sustainable Investing</b>      | <ul style="list-style-type: none"> <li>Established in 2013, the Institute focuses on accelerating the adoption of sustainable investing strategies. Chaired by Morgan Stanley's Chairman and CEO, an Advisory Board of prominent leaders from business, academia and leading non-governmental organizations guide the Institute's work and strategic priorities.</li> <li>We expanded the Morgan Stanley Sustainable Investing Fellowship to our London office, with the goal of developing the next generation of sustainable investing professionals.</li> <li>The Institute also continued to publish content for investors focused on the integration of ESG into investment decisions, including a paper entitled <i>Weathering the Storm: Integrating Climate Resilience into Real Assets Investing</i>, which provides investors with a framework for understanding climate risk in the investment life cycle.</li> </ul>                          |
| <b>Environmental and Social Risk Management</b> | <ul style="list-style-type: none"> <li>Environmental and social risk management is a priority for Morgan Stanley. The Company's due diligence and risk management processes are designed to identify, analyze and address potentially significant environmental and social issues that may confront us or our clients. Our processes include monitoring for emerging environmental and social risks and related trends, as well as engaging with clients and other stakeholders as appropriate.</li> <li>We met with leaders of indigenous tribes to discuss issues impacting their communities.</li> <li>We also participated in a roundtable with environmental non-governmental organizations to discuss how financial institutions are addressing climate change.</li> </ul>  |
| <b>Corporate Sustainability</b>                 | <ul style="list-style-type: none"> <li>Morgan Stanley is committed to responsible corporate citizenship, and views strong sustainability performance as a means to reduce risk and enhance value for key stakeholders.</li> <li>We announced a five-year carbon neutrality goal, committing to source 100% of our global energy needs from renewable energy by 2022, and in 2018 created a Corporate Services Global Sustainability Council to execute on our operational sustainability strategy, which focuses on resource efficiency, renewable energy and identifying innovative ways to shrink the environmental impacts of our operations globally.</li> <li>We also developed a Supplier Code of Conduct which outlines Morgan Stanley's expectations and requirements for vendors on sustainability and human rights issues.</li> </ul>   |

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**OUR INCLUSIVE GLOBAL TEAM**

Our more than 16,000 employees work every day to fulfill our mission of being our customers' lifeline. We strive to create a culture where every employee experiences engaging work, effective collaboration and is rewarded for their contributions. To build this culture, we have in place a range of programs that ensure all our employees share in the value created for our shareholders and customers. We regularly win awards for being a good place to work and get top marks from the leading Environmental, Social and Governance (ESG) scorecards.

- We provide a bonus program for every employee that is funded by the same financial performance outcomes as those we use to reward our CEO and his leadership team. As with our executive team, our employees have an opportunity to be paid individually based on performance.
- We provide a stock purchase plan that allows our employees to hold a stake in the Company.
- We provide comprehensive and competitive benefits in every geography where we operate including non-financial benefits such as flexible work options and professional development.

Further information on our compensation programs and benefits is provided in Compensation Discussion and Analysis.

We have a strong commitment to inclusion and diversity that includes corporate sponsorship of several councils including:

- Women's Council, Multicultural Business Council, LGBTIA Council, People with Disabilities and Allies Council, Veterans Business Council.
- In 2018, over 100 human resources professionals and hiring managers received several hours of specialized training on how to remove unconscious bias from the hiring process.

**OUR COMMITMENT TO COMMUNITY**

Motorola Solutions is committed to the communities where we live and work. More than 4,600 employees around the world contributed 39,000 hours of volunteer time to their communities last year, serving as mentors, tutors, firefighters, science fair judges and more.

In 2018, Motorola Solutions Foundation grants in 38 countries supported 2.5 million students, teachers, first responders and community members with science, technology, engineering and math education as well as public safety programs and disaster relief.

Our commitment to positive social impact, constructive corporate governance, managing environmental and social responsibilities, and community engagement has been recognized by a number of third parties with notable sustainability credentials.

- We have been included in the prestigious Dow Jones Sustainability Index (DJSI) for North America, the FTSE4Good Index, and ranked #1 on Barron's list of Top 100 Sustainable Companies.
- ISS has awarded us the highest possible score for our environmental and social programs.
- Sustainalytics gives us an overall "outperform" on ESG metrics.
- Points of Light has recognized us as one of the "Civic 50" – the 50 most community-minded companies in the United States.
- Bloomberg lists us on its Gender Equality Index – an index for companies that are committed to transparency in reporting the gender equality in their companies.
- MSCI gives us good – second quartile – ratings for human capital development, supply chain labor standards, corporate governance and sourcing of materials.

**OUR COMMITMENT TO THE ENVIRONMENT**

As a mission-critical communications and telecommunications equipment provider, we have a unique operating footprint within our sector, and limited exposure to environmental risks and opportunities. However, we are always looking for ways to run our operations more sustainably, and from 2016 to 2017 our comprehensive environmental policies and management systems drove the following savings:

- Energy use reduced by 19%
- Water use reduced by 25%
- CO2 emissions reduced by 20%
- Waste production reduced by 29%
- Electronic waste collection for recycling increased by 22%

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Enterprise-Wide Approach to ESG

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**Enterprise-Wide Approach to ESG**

Nasdaq is committed to integrating sustainability into our everyday actions to help create long-term value for our stockholders and the communities where we operate. We aim to operate the company responsibly while managing risks and using our resources wisely.

The information below describes our ESG program and policies, environmental initiatives, social initiatives and focus on entrepreneurship. To learn more about Nasdaq's corporate governance, visit page 25.

**ESG Program and Policies**

Our ESG Mission Statement is to ensure Nasdaq serves our clients, stockholders, employees and the communities we impact, through effective and sustainable ESG practices.

The Nominating & Governance Committee has formal responsibility and oversight of environmental and social policies and programs and receives regular reporting on key environmental and social matters and initiatives.

In 2018, we formed an internal ESG Working Group, which is co-chaired by executive leaders and comprised of geographically dispersed representatives from multiple business units. The ESG Working Group serves as the central oversight body for our environmental and social strategy. In 2018, the ESG Working Group formalized its mission statement, identified short- and long-term goals aligned with institutional investor and employee input, established a formal governance framework and deployed an employee awareness program and call to action.

Nasdaq's environmental and social policies, programs and practice statements include the following:

**Environmental and Social Policies, Programs and Practice Statements**

- Anti-Discrimination and Anti-Harassment Policy
- Employee Handbooks
- The Nasdaq Environmental Practices Statement
- The Nasdaq Human Rights Practices Statement
- The Nasdaq Information Protection and Privacy Practices Statement

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THE BOARD OF DIRECTORS AND CERTAIN GOVERNANCE MATTERS

**COMMUNICATIONS WITH DIRECTORS**

Any interested party who would like to communicate with, or otherwise make his or her concerns known directly to, the Executive Chairman of the Board or the Chairperson of any of the Audit Committee, Nomination and Corporate Governance Committee and Compensation Committee or to other directors, including the non-management or independent directors, individually or as a group, may do so by addressing such communications or concerns to the Company Secretary at companysecretary@nielsen.com or 40 Danbury Road, Wilton, Connecticut 06897. Such communications may be done confidentially or anonymously. The Company Secretary will forward communications received to the appropriate party as necessary and appropriate. Additional contact information is available on our website, [www.nielsen.com/investors](http://www.nielsen.com/investors), under Contact Us.

**GLOBAL RESPONSIBILITY AND SUSTAINABILITY**

Nielsen is committed to strengthening the communities and markets in which we live and operate our business, recognizing how important this is to a sustainable future. This commitment is supported and expressed at all levels of our organization. The Nomination and Corporate Governance Committee oversees the Company's strategy and initiatives to evaluate and measure our performance with respect to the advancement of environmental, social, and governance (ESG) issues. Highlights of our new and continuing efforts in 2018 include:

*Responsibility & Sustainability Strategy and Reporting*

- We remain focused on connecting our business with relevant ESG issues through responsible policies and practices, evaluating and measuring performance on these issues, and external reporting and transparency. Regularly reporting our progress to stakeholders supports proactive and useful engagement opportunities to drive continuous improvement and positive change for our company, our people and our world.
- In 2018, we published our second Nielsen Global Responsibility Report, which captures our performance and progress on our long-term, ESG-focused initiatives. The report covers 2016 and 2017, and contains our forward-looking strategy and goals as a company, it also clearly outlines how Nielsen's ESG issues connect to our most critical business issues, including diversity and inclusion, data privacy, security and integrity. Our Global Responsibility Report allows us to openly share our ESG approach and performance with our stakeholders—our employees, investors, clients, suppliers, and others—and to show our commitment to continuing our progress over the long-term.
- In 2018, Nielsen was included in both the FTSE4Good index and the Dow Jones Sustainability (DJS) North America index for the second year in a row. We were also included in the DJSI World Index for the first time. We were also honored to be recognized as the industry leader for media companies on JUST Capital's 2018 "JUST 100" for the second year, advancing more than 50 spots to #40 on the list from the prior year. Finally, Bloomberg included Nielsen as part of its 2019 Gender-Equality Index (GEI); the GEI recognizes the 230 global corporate leaders in advancing women through measurement and transparency.
- In recognition of the business imperative to more strategically engage our clients on meeting their own sustainability goals, we published new, thought leadership and complementary content about consumer preferences regarding the sustainability attributes of the products they purchase. We continue to empower our clients' sustainability journeys through leveraging Nielsen data and assets.

*Nielsen Green*

- We remain focused on creating more sustainable outcomes by leveraging operational efficiencies and harnessing the power of our employees' contributions. We continue to actively manage our impact on the environment in partnership with Green Teams, our employee engagement program. In 2018, 20,000 employees participated in Earth Week activities over five days in 55 locations around the world. Our associates also volunteered over 2,000 hours across more than 80 projects in celebration of our first annual World Cleanup Day.



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**CORPORATE RESPONSIBILITY**

For more than 100 years, our business has delivered natural gas to our customers. We will continue to focus on operating safely and responsibly, while creating shareholder value. For more information see our Corporate Responsibility report published on our website at [www.ONEgas.com](http://www.ONEgas.com).

**SAFETY AND HEALTH**

The safety of our employees, our customers and the communities where we operate is at the forefront of each business decision we make. By monitoring the integrity of our assets and promoting the safety and health of our employees, customers and communities, we are investing in the long-term sustainability of our businesses.

A substantial part of our workforce is comprised of operations specialists who work regularly in the field. We continuously assess the risks our employees face in their jobs, and we work to mitigate those risks through training, appropriate engineering controls, work procedures and other preventive safety and health programs. Reducing incidents and improving our safety incident rates is important, but we are not focused only on statistics. Low incident rates alone cannot prevent a large-scale incident, which is why we continue to focus on enhancing our preventive safety programs, such as near-miss reporting, vehicle-safety monitoring, risk assessment and others.

**2018 Safety and Health Performance Updates and Highlights**

- Since 2013 we have experienced a 57% reduction in our TRR.
- Since 2013 strains and sprains, our most prevalent type of injury, has declined by 85%.
- Since 2013 we have experienced a 75% reduction in our DART.
- Since 2013 we have experienced a 23% reduction in our PVIR.

**ENVIRONMENTAL PERFORMANCE**

**2018 Environmental Updates and Highlights**

- We retired or replaced approximately 430 miles of distribution and transmission facilities in 2018, including 21 miles of cast iron pipe, which will result in decreased emissions of methane. We have a total of four miles of cast iron pipe remaining to be replaced, which have committed to replace by the end of 2019.
- In 2018, our Energy Efficiency Program in Oklahoma and the Austin and Rio Grande Valley Conservation Programs in Texas combined to issue more than 122,750 rebates totaling approximately \$17 million through energy-efficiency and conservation programs that offered customers rebates on natural gas appliances and energy-efficient home improvements.
- We continue to be a partner in the EPA's Natural Gas STAR Program and the EPA's Methane Challenge program to voluntarily reduce greenhouse gas emissions. We anticipate reporting in 2019 our 2018 performance to the EPA. We exceeded our goal by achieving an overall replacement rate between 6 and 7 percent in both 2017 and 2018.

**COMMUNITY INVESTMENT**

We are committed to being active members of the communities where we operate. Investing in the areas where we have operations and where our employees live and work is not only the right thing to do—it's smart business. By contributing financially and through volunteer work, we can help build stronger communities and create a better environment for our employees, our customers and the general public.

We accomplish this in a number of ways, including grants from the ONE Gas Foundation, corporate sponsorships to nonprofit organizations and community volunteer efforts. Primary focus areas for our community investments are education, health and human services, arts and culture, environmental stewardship and community enrichment. We give priority consideration to educational programs and to health and human services organizations, particularly those with programs that help people become self-sufficient.

**2018 Community Investment Updates and Highlights**

- In 2018, we contributed approximately \$2.1 million to nonprofit organizations through the ONE Gas Foundation and corporate sponsorships, and our employees volunteered more than 9,500 hours in our communities.

ONE Gas, Inc. Notice of 2019 Annual Meeting of Shareholders and Proxy Statement

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**Corporate Sustainability**

ONEOK is engaged in the natural gas gathering and processing, natural gas liquids and natural gas pipelines businesses. As a major operator of midstream assets, we have maintained our focus on our stakeholders and our mission to operate in a safe, reliable and environmentally sustainable manner. As we have grown our business and expanded our operational footprint over the last several years, we also have strengthened our commitment to improve our companywide environmental, safety and health ("ESH") performance.

For additional information on our ESH performance and related matters, please review our 2017-2018 Corporate Sustainability, Environmental, Social and Governance ("ESG") report on our website at [www.ONEOK.com](http://www.ONEOK.com), the contents of which are expressly not incorporated herein by this reference.

**ENVIRONMENT, SAFETY AND HEALTH COMMITMENT**

Our goal is to always operate our assets safely, efficiently and environmentally responsibly. As our business grows, we remain committed to our ONEOK values and keeping our focus in the right place—on our investors and our mission to operate safely and responsibly.

We are committed to pursuing a zero-incident culture by continuously working toward mitigating risk and eliminating incidents that may harm our employees, contractors, the public and the environment. To meet corporate and operating ESH expectations, all employees and contractors must demonstrate a commitment to the following:

- all employees have the responsibility and ability to control operating exposures that may cause an incident, even if it means stopping work;
- all levels of management and all employees must have personal involvement and commitment to ESH management and compliance;
- all employees have the responsibility to report, or elevate to the proper level in the organization, potential ESH compliance risks, incidents and near misses;
- protection of human health, safety and the environment is a top priority, no matter how urgent the job, project or commercial interests; and
- all employees and contractors are responsible and accountable for understanding and complying with all laws, regulations, permits, requirements and procedures related to their roles and responsibilities, including those associated with ESH.

**SAFETY AND HEALTH**

The safety and health of our employees, customers and communities where we operate is at the forefront of each business decision we make. By monitoring the integrity of our assets and promoting the safety and health of our employees, customers and communities, we are investing in the long-term sustainability of our businesses.

We continuously assess the risks our employees face in their jobs, and we work to mitigate those risks through training, appropriate engineering controls, work procedures and other preventive safety and health programs. Reducing incidents and improving our safety incident rates is important, but we are not focused only on statistics. Low incident rates alone cannot prevent a large-scale incident, which is why we continue to focus on enhancing our ESH management systems and process safety programs, such as key risk/control identification and knowledge sharing.

We have an ESH Leadership Committee which provides vision, leadership, direction and oversight for our ESH programs, processes and management systems. This committee consists of senior leadership representatives from different business segments, as well as our ESH support group. The committee has several responsibilities including:

- Promoting and advocating expectations for ESH excellence across our organization;
- Supporting broad communication of ESH policies, standards, goals and objectives and promoting their consistent application throughout our company; and
- Overseeing the regulatory landscape with respect to changing ESH expectations and requirements.

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**Corporate Responsibility, Environmental and Sustainability Matters**

Patients are at the center of everything we do, and our work is focused on the development of innovative medical devices that deliver value to patients, physicians, and the broader society. In the communities where we have facilities, such as Lewisville, Texas, we are actively involved in community outreach and charitable efforts, donating time, resources and funds to veterans organizations, Habitat for Humanity, and medical aid organizations. In addition, through our grants programs, we support charitable patient programs around the world, medical research and philanthropic endeavors. We have long recognized the growing interest of our investors, associates and business partners in environmental, social and governance issues and principles of responsible investing. Accordingly, the Company has a long-standing commitment to our shareholders, patients, employees and communities to operate in a sustainable and socially responsible manner.

**Shareholder Communication with the Board**

To facilitate the ability of shareholders to communicate with the Board, we have established an electronic mailing address and a physical mailing address by which communications may be sent: [board@directors@orthofix.com](mailto:board@directors@orthofix.com). The Board of Directors, c/o Mr. Ronald A. Matricaria, Chairman of the Board, Orthofix Medical Inc., 3451 Plano Parkway, Lewisville, TX 75056.

Mr. Matricaria reviews all correspondence addressed to the Board and presents to the Board a summary of all such correspondence and forwards to the Board or individual directors, as the case may be, copies of all correspondence that, in the opinion of Mr. Matricaria, deals with the functions of the Board or committees thereof or that he otherwise determines requires their attention. Examples of communications that would be logged, but not automatically forwarded, include solicitations for products and services or items of a personal nature not relevant to us or our shareholders. Directors may at any time review the log of all correspondence received by Orthofix that is addressed to members of the Board and request copies of any such correspondence.

**Nomination of Directors**

As provided in its charter, the Nominating and Governance Committee identifies and recommends to the Board nominees for election or re-election to the Board and will consider nominations submitted by shareholders. The Nominating and Governance Committee Charter is available for review on our website at [www.orthofix.com](http://www.orthofix.com).

The Nominating and Governance Committee seeks to create a Board that is strong in its collective diversity of skills and experience with respect to finance, research and development, commercialization, sales, distribution, leadership, technologies and life science industry knowledge. The Nominating and Governance Committee reviews with the Board, on an annual basis, the current composition of the Board in light of the characteristics of independence, skills, experience and availability of service to Orthofix of its members and of anticipated needs. If necessary, we will retain a third party to assist us in identifying or evaluating any potential nominees for director. When the Nominating and Governance Committee reviews a potential new candidate, it looks specifically at the candidate's qualifications in light of the needs of the Board at that time given the then current mix of director attributes.

As provided for in our Corporate Governance Guidelines, in nominating director candidates, the Nominating and Governance Committee strives to nominate directors that exhibit high standards of ethics, integrity, commitment and accountability. In addition, our Corporate Governance Guidelines state that all nominations should attempt to ensure that the Board shall encompass a range of talent, skills and expertise sufficient to provide sound guidance with respect to our operations and activities. Others as set forth in the Corporate Governance Guidelines with respect to the Board's objective in seeking directors with a range of talent, skills

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Corporate Governance

General

We are committed to strong corporate governance principles. Effective governance protects the long-term interests of our stockholders, promotes public trust in the Company, and strengthens management accountability.

Corporate Social Responsibility

Our approach to corporate social responsibility is based on the foundational belief in the interconnection of our long-term business success and the strength of our communities and world. For nearly 20 years, we have partnered with nonprofit organizations to support our communities, respect the environment, and volunteer our time to those in need.

Governance

Our commitment to corporate social responsibility is embedded in every level of the Company, and oversight rests with the Board of Directors. We have taken a number of steps to promote gender diversity on our Board and the advancement of women in leadership roles generally.

Environment

Our technology plays a critical role in transitioning to a more resource-efficient world by addressing the harmful effects of climate change, increasing business resiliency, and improving daily lives. We take environmental stewardship seriously. We strive to ensure environmental and social initiatives that go beyond our direct impact.

Our commitment to promoting environmental stewardship is evidenced in numerous aspects of our corporate operations, from technology development to our workspace, including the following:

- Our headquarters, the Peace Coliseum, is LEED Gold-certified as an environmentally-conscious corporate headquarters.
• When moving into our new headquarters, we also repurposed over 200 thousand pounds of furniture with nearly a dozen non-profit organizations, extending the life of this furniture, reducing greenhouse gases and solid, and keeping this furniture out of our landfills.
• We also promote our recycling program and our energy savings programs and provide new employees with reusable water bottles and bottle filling stations to reduce the number of plastic bottles we dispose of.
• We also work with Rocky Mountain Power in buying energy through the BlueSky program.
• In 2001, we founded a fair-trade shopping site, Worldstock, which promotes market access for artisans across the globe. As part of this program, we work with Carbonfund.org to provide carbon neutral shipping on all Worldstock orders at no additional charge to customers. Carbon-neutral shipping is a process that balances the carbon emissions of shipping to promote clean energy and reforestation. Since the beginning of the relationship with Carbonfund.org, we have offset over 24 million pounds of carbon and supported projects in the United States and across the globe.

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Company Overview

Owens Corning is a global leader in insulation, roofing, and fiberglass composite materials. Its insulation products conserve energy and improve acoustics, fire resistance and air quality in the spaces where people live, work and play. Its roofing products and systems add to the curb appeal of people's homes and protect homes and commercial buildings alike.

The business is global in scope, with operations in 33 countries, and human in scale, with approximately 20,000 employees and longstanding, local relationships with its customers and communities. Based in Toledo, Ohio, Owens Corning posted 2018 net sales of \$7.1 billion. It has been a Fortune 500® company for 64 consecutive years.

The Commitment to Building a Sustainable Enterprise

As part of the Company's long-term strategy and governance model, Owens Corning leadership uses a decision framework that supports managing the Company as a sustainable enterprise, bringing value to its stockholders. The pillars of its sustainable enterprise framework are: financial strength, high-performance people, customer-inspired innovation, operational excellence, and world-class sustainability.

The Company's approach to enterprise-wide sustainability is widely recognized. Owens Corning has earned placement on the Dow Jones Sustainability World Index for nine consecutive years and the number one rating in the Construction and Building Materials industry for six consecutive years. The Company was recognized as one of the "2019 World's Most Ethical Companies" by the Ethisphere Institute and ranked 36th in the 2018 list of America's most JUST companies, leading the Building Materials and Packaging industry. Management is proud to be recognized for the contributions its thousands of employees around the world are making to advance the Company's goals while positively influencing the world.

Provided below is additional information on each pillar of the Company's Sustainable Enterprise Framework.

Financial Strength

Owens Corning seeks to maximize its financial strength through a disciplined financial strategy focused on long-term shareholder value. The Company is focused on improving the drivers of total shareholder return, including profit growth, free cash flow generation, and improvement in the resilience of our performance through the cycle. The Company's long-term capital allocation strategy also focuses on increasing shareholder return by promoting a strong balance sheet, safe and productive operations, and allocating capital to investments and stockholders.

High-Performance People

The employees of Owens Corning are central to its success. Their ideas, drive and expertise enable the Company to develop, manufacture and market insulation, roofing and composites that make the world a better place.

The Company is committed to helping employees reach their full potential by cultivating talent. It has established extensive training and development programs, learning opportunities, tools and incentive rewards to grow talent. These programs create meaningful opportunities, from interns who are early in their careers to experienced leaders at the highest levels of the organization. In doing so, employees develop leadership capabilities to build market-leading business and grow the Company. As a result, a strong pipeline of internal

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Environmental and Social Sustainability Oversight

Environmental and Social Sustainability Oversight 31

PayPal recognizes its responsibility as a global citizen to operate in a responsible and sustainable manner aligned with our mission, vision, and values to build a more financially inclusive and interconnected world. The management of key non-financial risks and opportunities, such as workforce inclusion and development, social impact, and environmental sustainability, are critical components in the Company's long-term performance and strategy.

Over the past year, we formalized the Board's oversight, executive leadership and operationalization of our Environmental, Social and Governance (ESG) efforts:

- The Corporate Governance and Nominating Committee of the Board is responsible for overseeing general ESG activities.
• Our Chief Business Affairs and Legal Officer directs and manages the execution of our overall ESG strategy.
• We implemented an internal governance framework to facilitate cross-functional ESG program development.

In 2018, we published our first annual ESG report, the 2017 Global Impact Report, which highlights four key priority areas of our ESG program:

- Social Impact — including reporting on annual impact metrics, product and service enhancements, and partnerships to improve financial health, power charitable giving and strengthen local communities
• Employees and Culture — including executing an effective human capital management strategy to ensure the recruitment, retention and development of our workforce, and diversity and inclusion metrics that demonstrate our commitment to equality and inclusion
• Environmental Responsibility — including conducting our first enterprise-wide environmental footprint assessment and committing to further action in this area
• Responsible Business Practices — including establishing policies and practices to safeguard trust, ensuring ethical and compliant business operations, and securing and protecting customer information

To access the full 2017 Global Impact Report, visit: www.paypal.com/us/webapps/mpp/about/responsible-practices

The Company is committed to regular communication of corporate governance and sustainability topics. As our ESG efforts continue to evolve, we are committed to sharing progress through subsequent reports and updates.



www.paypal.com

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EXECUTIVE COMPENSATION

Looking ahead, we continue to believe the U.K. uncertainty will be a short-term phenomenon, and we remain focused on operational excellence. Our performance in this area reflects a common purpose and desire across PPL to deliver without fail for our customers, exceed their expectations and create long-term value for our shareholders.

As we move forward, we remain steadfast in pursuit of our long-term strategy to drive best-in-sector operational performance, invest responsibly in a sustainable energy future, maintain a strong financial foundation, and engage and develop our people. Additional highlights of our 2018 performance are noted below.

Develop best-in-sector operational performance

- Both PPL Electric Utilities Corporation, or PPL Electric, and Kentucky Utilities Company, or KU, received J.D. Power awards for residential customer satisfaction. PPL Electric ranked highest among large utilities in the East region, while KU ranked highest among mid-sized utilities in the Midwest.
• WPD finished the 2017/2018 regulatory year as the top-performing Distribution Network Operator, or DNO, group in Ofgem's broad measure of customer satisfaction. WPD was once again rated best at engaging stakeholders and addressing vulnerable customers. WPD also received the U.K. government's Customer Service Excellence Award for the 29th consecutive year.
• Across our utilities, we took additional steps to strengthen reliability and grid resilience for our customers. All three of our U.S. utilities were recognized in the top quartile of public utilities nationwide in limiting the frequency of power outages for our customers.

Investing responsibly in a sustainable energy future

- Throughout 2018, we remained focused on reinvesting in our business to grow value for shareholders and improve service to customers. This included \$3.3 billion in infrastructure investments to modernize the grid and advance a cleaner energy future.
• In Pennsylvania, we remained well on pace to complete our 1.4 million advanced metering project in 2018, topping 1.2 million new meter installations through December 2018. The advanced meters will give customers more usage information, enable us to more quickly detect and respond to power outages, and deliver additional customer benefits. PPL Electric also continued to strengthen its transmission system infrastructure through capital improvements that will support long-term efficient and lower cost operation.
• In Kentucky, we continued to make progress on more than \$45 million in environmental upgrades as part of a five-year project to cap and close ash ponds at our coal-fired power plants. We ramped up investment in smart grid technology on our distribution and transmission systems to more quickly detect outages and restore power. Through the end of 2018, we had installed more than 600 electronic reclosers on the electric distribution grid, enabling avoidance of just under 47,000 customer service interruptions. In addition, we completed a \$148 million modernization of our Ohio Falls hydroelectric facility, a project that included overhauling eight generating units and increasing the facility's generating capacity from 92 to 100 megawatts.
• In the U.K., we implemented our asset replacement and fault management plans. We continued to incorporate more automation on our networks to strengthen reliability and support our evolution from passive network manager to distribution system operator. In addition, we advanced nearly two dozen low-carbon network initiatives to enable more distributed energy resources on the grid. This included our Electric Nation electric vehicle charging program, the largest pilot program of its kind in the U.K.
• Across PPL, we continued to advance sustainability, governance and disclosure initiatives, setting a goal to cut PPL's carbon dioxide emissions 70 percent from 2010 levels by 2050 and responding to the 2018 CDP, formerly the Carbon Disclosure Project, survey.
• We acquired Safar Energy, LLC, a leading provider of solar energy solutions for commercial customers in the U.S., providing PPL a low-risk opportunity to help advance a cleaner energy future, support the growth of distributed energy resources, including energy storage; and gain additional experience with technologies that will shape the future energy grid.



## Environmental Stewardship, Social Responsibility and Governance (ESG)

“At Prologis, ESG is good business — a part of our strategy since our inception. Our longstanding commitment to ESG is a competitive differentiator that keeps us ahead of what’s next.”

— Hamid R. Moghadam, Chairman & CEO

|   |  |   |
|---|--|---|
| <p><b>#1 REIT in Corporate Governance</b></p> <p>Green Street Advisors</p> <p>16th consecutive year</p> | <p><b>Top U.S. Company and #6 Overall</b></p> <p>2019 Corporate Knights Global 100 Most Sustainable Corporations in the World</p> <p>10th year on Global 100</p> | <p><b>Strong ESG Practices</b></p> <p>Recognized by Dow Jones Sustainability Index</p> <p>11th consecutive year</p> |
|---|--|---|



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### Environmental Stewardship, Social Responsibility and Governance

#### Building Partnerships to Strengthen our Business

##### CUSTOMERS

Supporting **5,100** customers utilizing our global scale

- 8.4% higher retention rates with our top customers (covering 30% of our total square footage) that engage with us through our outreach programs
- Strong engagement through our Customer Advisory Board and Customer Sustainability Advisory Council, including customers occupying nearly 155 MSF across 3 countries in 18 countries
- 88% of our top 25 customers rent sustainably certified space, and 78% of our top 25 customers align with us in supporting the UN Sustainable Development Goals.

##### INVESTORS

**#1** Investor Relations program by Institutional Investor

- Members of our executive team had more than 500 in-person meetings with our investors in 2018, of which ESG was a topic of focus.
- Outreach to 300K of our strategic capital investors regarding ESG. Hosted three ESG-focused forums in the U.S. and Europe.
- ESG reporting for transparency and alignment through GRESB, GEP, ISS and others, as well as an annual ESG report that follows GRI Standards and demonstrates our commitment to the UN Sustainable Development Goals.

##### EMPLOYEES

**100%** of employees completed ethics training

- Inclusion and diversity incorporated as part of our bonus metrics for all employees
- More than 600 online learning and development courses offered plus workshops on technical software skills, diversity and career training, as well as tuition reimbursement.
- Top-of-the-line employee health and parental leave programs, access to 24/7 telemedicine advice, health insurance advocacy, financial planning advice and promotion of employee health and wellness through programs encouraging fitness and health monitoring.

##### COMMUNITIES

Over **1M** customer employees in our facilities globally

- Enhancement of communities with nearly 20 MSF of brownfield industrial redevelopment to high-quality, Class-A real estate and infrastructure since 2017
- Over 50,000 employee volunteer hours sponsored in the last five years
- \$13 million donated to local nonprofits in the last five years



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## PRUDENTIAL'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE FRAMEWORK

Prudential's integrated ESG framework builds on our 140-year tradition of creating financial opportunities for individuals, families, institutions and communities.



- Social Capital:** Creating societal impact has been core to Prudential since its founding more than 140 years ago.
- Human Capital:** Prudential is committed to building a fully inclusive culture and equity in all talent hiring and management decisions.
- Business Model & Innovation:** Prudential's business model manages risk and deploys capital while creating solutions that put financial security within reach for all customers.
- Corporate Governance:** The Prudential Board is built on a foundation of sound governance practices and commitment to its shareholders.
- Environment:** Prudential's proactive engagement with employees, customers, vendors, investors and environmental groups informs its sustainability policies and practices.

“Our culture is one of our best assets. I would distill our culture down to our values, our practices and our people. It is a competitive advantage, and vital to the creation and protection of Prudential's long-term value.”

Thomas J. Baltimore, Prudential Lead Independent Director

**Gender Equality**  
Named to Bloomberg's Gender Equality Index

**Low-Risk**  
Sustainalytics ESG Risk Rating

**1** Environment, Social, and Governance ISS QualityScore

**A** ESG Rating MSCI  
**B** CDP Score

### Performance Highlights

and Board members engaged with shareholders who hold a majority of our shares. During these efforts were encouraged to identify potential Board candidates and share feedback on the Company, our governance practices and policies, and our compensation framework and programs. Our 2018 corporate performance included attendance at a Board meeting where investors shared their views regarding Prudential's performance.

In 2018, management and Board members met with shareholders who own a majority of our shares included attendance at a Board meeting where investors shared their views regarding Prudential's performance. Our average Board tenure is 6.7 years.

Nominated for the National Association of Corporate Directors (NACD) Directorship 100 in recognition of the inclusion commitment, Gilbert F. Casellas honored by the NACD's Directorship 100 in recognition of strong practices and performance.

Named Corporate Secretary Magazine nominee for Best Use of Technology, Best Large Cap Proxy ESG Reporting.

Shareholder Program: Received 96% shareholder support in 2018 on Say-on-Pay proposal.

### Board of Directors Nominees and Committees<sup>(1)</sup>

|     | Independent Director Since | Committee Membership  | Other Public Boards                  |
|-----|----------------------------|---|--------------------------------------|
| Yes | Oct. 2008                  | Executive (Chair)<br>• Compensation<br>• Lead Independent Director (since 2017) | Investment (Chair)<br>• Risk (Chair) |
| Yes | Jan. 2001                  | Corporate Governance & Business Ethics (Chair)                                  | Executive<br>• Risk                  |
| No  | Jan. 2008                  | Risk  | 0                                    |
| No  | Jan. 2010                  | Audit   | 0                                    |
| Yes | Jan. 2004                  | Compensation (Chair)  | Facilities<br>• Risk                 |
| Yes | Mar. 2016                  | Corporate Governance & Business Ethics  | Investment                           |
| No  | Dec. 2018                  | Executive   | 0                                    |
| Yes | Mar. 2016                  | Audit   | 1                                    |
| Yes | Jul. 2015                  | Corporate Governance & Business Ethics  | Finance                              |
| Yes | Sep. 2006                  | Executive<br>• Finance (Chair)  | Investment<br>• Risk                 |
| Yes | Nov. 2013                  | Audit (Chair)   | Risk                                 |
| Yes | Mar. 2016                  | Compensation  | Finance                              |

Non-Executive Chairman, will step down from the Board on April 5, 2019 and is not a nominee. Elected as a Director upon the retirement of Mark B. Gier in August 2019.

### Proposals

|  | Recommendation of Board  |
|--|--------------------------|
| Director                                   | FOR each of the nominees |
| Named executive officer compensation       | FOR                      |
| Giving the right to act by written consent | AGAINST                  |

of Shareholders and 2019 Proxy Statement

### Summary Information

### Corporate Governance

#### INVESTOR STEWARDSHIP GROUP'S (ISG) CORPORATE GOVERNANCE COMPANIES

**Prudential Practice**

- All directors stand for election annually
- Proxy access with limited terms
- Board and Lead Independent Director letters and videos provide large and small investors insight into Board strategy and oversight objectives, and corporate governance practices

its in proportion to their

- No dual class structure, each shareholder gets one vote per share
- Majority voting in uncontested director elections, and directors not receiving majority support must tender their resignation for consideration by the Board

its and perspectives.

- Management and Board members met with investors owning a majority of shares outstanding in 2018
- Engagement topics included sustainability and social strategy, Board composition, leadership and retirement, succession planning, and executive compensation program

leadership structure.

- Strong Lead Independent Director with clearly defined duties that are disclosed to shareholders
- Board considers appropriateness of its leadership structure at least annually
- Strong Independent Committee Chairs
- Proxy, discloses why Board believes current leadership structure is appropriate

its that enhance their

- As of April 5, 2019, 83% of Board members are independent
- 80% of our independent Board members are diverse
- Annual Board evaluation by independent third party results and next steps summarized in proxy statement
- Active Board refreshment plan: five new Board members
- Director election and proxy statement
- Director election (95% of combined total Board and applicable committee meetings in 2018, and all directors attended the 2018 Annual Meeting)

its structures that are primarily

- Executive Compensation program received approximately 96% shareholder support in 2018
- Compensation Committee annually reviews and approves executive compensation and business strategies
- Annual and long-term incentive programs are designed to reward financial and operational performance that furthers short- and long-term strategic objectives

of engagement, communication, and transparency in a variety of ways, including the

and members, Thomas J. Baltimore, our Lead Independent Director, and Douglas A. Amabile, sharing their views on Prudential's Board and corporate governance

its with our institutional shareholders on corporate governance issues by engaging with a majority of our shares;

tion by facilitating interaction between our directors and shareholders; and shareholders to communicate with the Company and the Board, and have received and sent. Shareholders also continued to use the mechanisms available through to provide input.

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Corporate Governance

continuing to contribute to the future success of our Company by promoting a corporate culture and values based on our core commitments of safety, integrity, continuous improvement, diversity and inclusion and customer service.

Sustainability and Corporate Citizenship

The Board understands that its continued oversight of our Company's commitment to principles of sustainability and corporate citizenship is of increasing importance to stockholders, as well as other constituencies. For more than 100 years we have been operating our business with a focus on sustainability, which reflects a deep recognition that our continued ability to prosper as a business depends on building strong relationships with our stakeholders. We produce an annual Sustainability Report, in accordance with the provisions of the Global Reporting Initiative, highlighting our commitments in the areas of Environmental, Social and Governance. In 2018, PSEG established an enhanced business function devoted to Sustainability and Corporate Citizenship, with the senior leader reporting directly to the CEO. This change recognizes the integral role of citizenship to the strategic business objectives of our company. In 2018, we also adopted a human rights practice, formalizing longstanding commitments.

Environmental

We have recognized for several decades that climate change is a real phenomenon that impacts our planet. PSEG is proud to be a leader in low carbon energy and have long advocated for comprehensive legislative solutions and public policies to cost-effectively reduce greenhouse gases. Over the past two decades, we have established and achieved carbon reduction goals through energy efficiency programs, deployment of renewable energy, increasing carbon-free nuclear output, building clean and efficient natural gas plants and shifting output from coal to natural gas. We believe that nuclear power, which currently meets approximately 40 percent of New Jersey's electric power needs, is a critical component of New Jersey's clean energy portfolio. We are also replacing aging cast-iron and unprotected steel natural gas infrastructure with new, more durable plastics to reduce leaks of methane, and we continue to enhance our water management practices to reduce potable water usage and concentration of pollutants in discharges.

Social

We invest in the communities we serve with a focus on the environment, safety, STEM education and workforce development and diversity and inclusion. Employee citizenship is reflected both on and off the job, through both dedicated service to and volunteerism in our communities.

Our commitment to health and safety is our foremost priority, underscored through our emphasis on a strong safety culture and continuous striving for excellence in every part of our operations. Through our human capital management practices, we promote an environment where employees are engaged, develop and utilize skills, feel comfortable sharing their ideas and concerns, and directly support key business objectives. PSEG provides employee benefits to promote physical, financial and emotional well-being.

PSEG sees diversity and inclusion as a business imperative, as we operate and invest in our communities, and as we build a diverse, inclusive and purpose-driven workforce and culture essential to achieving business success. More than one third of the PSEG Foundation giving is focused on diversity and inclusion priorities in our communities and nearly one fifth of PSEG's total supplier spend is with minority, women and veteran-owned suppliers. PSEG enforces a zero-tolerance policy on harassment and fosters a culture of accountability, empathy and understanding. Unconscious bias education, courageous conversation and continuous improvement are areas of enterprise-wide focus.

Governance

The Board remains focused on shareholder value, long-term sustainability and strategic vision, in the context of our business environment, competitive landscape and regulatory climate. The organizational and leadership structures we have established, including the responsibilities of our Lead Director and the Board's oversight of our risk management program, executive compensation, talent management and succession planning, political contributions and adherence to company values and sustainability practices, serve to ensure that our Board and management operate effectively while maintaining a keen focus on long-term success.

Political Participation and Board Oversight

We are committed to participating in an ethical manner and in full compliance with all federal, state and local laws. We have established a Corporate Political Participation Practice that sets forth a controls process pursuant to which our senior management monitors, reviews and approves certain political contributions. The Corporate Governance Committee also oversees our political activities and contributions in accordance with this Practice. Stockholders may view our Practice at [https://investor.pseg.com/sites/pseg.investor/businesswire.com/files/doc\\_library/efile/corp\\_political\\_participation\\_practice.pdf](https://investor.pseg.com/sites/pseg.investor/businesswire.com/files/doc_library/efile/corp_political_participation_practice.pdf).

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COMMITMENT TO BEST PRACTICES IN CORPORATE GOVERNANCE

SUSTAINABILITY OF OUR BUSINESS, COMMUNITY AND ENVIRONMENT

Our sustainability programs start with compliance with laws and regulations. But we know that compliance is only the starting point, and that our employees, customers, investors and communities expect more. They expect us to be a responsible steward of the business. For us, stewardship means managing forests responsibly; mitigating the environmental impact of our plant operations; engaging with indigenous communities; other community stakeholders and our workforce to identify opportunities for continuous improvement; and driving best practices through the supply chain. Stewardship is at the heart of our sustainability practices.

To translate our ideals into action, our Board of Directors chartered the RYAM Sustainability Council. The Sustainability Council is comprised of members of our senior management who represent the diverse aspects of our operations and services. The Sustainability Council's role is to identify and assess the sustainability issues that directly affect our business and the communities in which we operate.

As stakeholder expectations have changed through the years, our approach to sustainability has also evolved. We are committed to doing business the right way and, because we understand that sustainability is important to our stakeholders, we are committed to doing more to measure, report and communicate our performance and progress to meet their expectations. The 2017 acquisition of Tembec expanded our products and markets from our core strength in specialty cellulose to include lumber and paper-related products and provided an opportunity to refresh and refocus our sustainability objectives.

In 2018 the Sustainability Council embarked on a multi-year program to identify the sustainability issues most critical to our business and our stakeholders, recommend programs to advance the Company's sustainability objectives, and identify the data we need to collect to measure and report our progress in identified areas. The Sustainability Council completed the assessment phase at year end 2018 and will make its policy and program recommendations to the Board in the first half of 2019.

Based on the 2018 assessment, the Sustainability Council will recommend three focus areas:

- Climate and Energy
Talent and Diversity
Community Engagement



As part of its responsibility to understand and monitor all material risks to the Company's business and operations, and to stay abreast of the issues important to our investors and other stakeholders, the Board reviews progress on the Sustainability Council's work and on all environmental and social issues several times a year.

Additional information on our sustainability programs and objectives can be found on our website at www.rayonieram.com.



CORPORATE GOVERNANCE—CONTINUED

Sustainability and Corporate Social Responsibility

Corporate social responsibility and sustainability have always been important to us, and are integral components of our corporate culture. We believe that our commitment to these values benefits all of our stakeholders, including our shareholders, communities and environment. Recently, shareholder interest in companies' involvement in these matters has increased. Highlights of our long-standing commitment to corporate social responsibility and environmental sustainability programs are discussed below.

Risk Mitigation, Environmental Sustainability and Climate Change

We are known for our strengths in financial protection and services related to meteorologically derived disaster risks such as hurricanes, storms and floods, and we prioritize the assessment of risks related to disaster risk coverages and seek opportunities to help homeowners and businesses adapt to manage those risks. Our principal economic exposures arise from our coverages for natural disasters and catastrophes. We believe, and believe the consensus view of current scientific studies substantiates, that changes in climate conditions, primarily global temperatures and expected sea levels, are likely to increase the severity, and possibly the frequency, of weather-related natural disasters and catastrophes relative to the historical experience over the past 100 years. We believe that the expected increase in severe weather, coupled with currently projected demographic trends in catastrophe-exposed regions, contributes to factors that will increase the average economic value of expected losses, increase the number of people exposed per year to natural disasters and in general exacerbate disaster risk, including risks to infrastructure, global supply chains and agricultural production. For more than two decades, Renaissance has taken a leadership role in researching and modeling atmospheric hazards and the economic impact of catastrophic storms and proactively engaging with stakeholders to promote resiliency and adaptation to climate-related events.

- We established RenaissanceRisk Sciences Foundation, Inc. (the "Foundation") in 2009 to support advanced scientific research of natural catastrophes, the development of risk mitigation and adaptive techniques to safeguard communities, efforts that reduce the economic turmoil following disasters, and organizations that preserve coastal and other risk-exposed habitats. The Foundation promotes education, preparation, adaptation and mitigation of catastrophic risks.
Among other things, under the aegis of the Foundation we have conceived, organized and hosted an award-winning series of Risk Mitigation Leadership Forums, focused on promoting improved understanding of preparation for and recovery from natural disasters and other severe risks. Since 2008, we have hosted more than 4,000 attendees and almost 300 expert speakers over 13 award-winning forums. The events are free of charge to attendees, and the Foundation has published the content presented to the public on its website at www.ribscience.com.
Most recently, in 2018, we hosted "The Community Recovery and Resilience Leadership Forum" in Kansas City, Missouri, at

which, in the context of successive years of devastating natural catastrophes, insurance industry experts, policymakers, scientists and environmentalists from across the country gathered to discuss community-focused strategies for improving natural disaster resilience and closing the protection coverage gap. The forum covered a number of important issues raised by the increasing risks that communities across the country face from disasters, including examining the importance of preventative measures to prepare communities for future disasters and keep people safe, as well as exploring how governments and community leaders can collaborate to close the protection gap for earthquake and flood risk, and to advance best practices for risk mitigation and reduction.

- In 2017, we sponsored the "Improving Natural Catastrophe Resiliency: Insurance vs. Intervention" forum at Lloyd's of London to discuss strategies for improving natural catastrophe resiliency and closing the protection coverage gap in the context of the record-setting large catastrophe events in 2017.
In 2016, we hosted the New York Recovery & Resiliency Leadership Forum, a post-Superstorm Sandy gathering of leading environmentalists, policy makers, scientists and insurance industry experts, held at the NYSE.
Previous events have focused on issues ranging from the special needs of lower income populations to prepare for natural disasters, seismic risk and preparation and regional climate risk and preparedness in Florida, the Gulf Coast and New England.
We have made significant commitments to reducing the natural disaster protection gap and mitigating the impact of natural disasters on populations and economies in the developing world through the work of the Foundation and the forums it hosts. We also play leading roles in industry initiatives formed to develop solutions that address natural catastrophe risks in emerging and developing economies. These include the Insurance Development Forum, which we were integral in forming and on which we have a leading operational role, and the Lloyd's Disaster Risk Financing initiative, which we played a leading role in developing.
Our executives serve in leadership roles at multiple environmental organizations, including the Insurance Development Forum, the ClimateWise Insurance Advisory Council of the Cambridge Institute for Sustainability Leadership, the National Wildlife Foundation's President's Advisory Council and the Bermuda Institute of Ocean Science.

By offering this scientific expertise to policymakers and community leaders to inform decision-making and keep people safer in extreme weather, we have been recognized as a trusted voice in risk mitigation. Recognition of our leadership in these areas includes:
2008 Florida Governor's Hurricane Conference award for hurricane mitigation and awareness;
2011 recipient of the National Hurricane Conference Outstanding Achievement Award; and
2014 National Wildlife Federation Award for Corporate Leadership.

Total of 2 pages in section



Sustainability, Corporate Responsibility, People and Talent

In addition to being committed to our customers, employees, and shareholders, we are also committed to the communities we serve and to the environment. As part of our ongoing Blue Planet® sustainability initiative, we continue to build durable practices and programs across our sustainability platform with the goal of a cleaner, safer, and healthier world.

Board and Committee Oversight of Sustainability

Our Board is directly involved in the oversight of Republic's environmental and sustainability initiatives and conducts a comprehensive review of the Company's recycling and sustainability performance on an annual basis. Republic's commitment to corporate sustainability also led to the formation of a dedicated Sustainability & Corporate Responsibility Committee of the Board in 2015. This committee has oversight responsibility with respect to our environmental, social and governance risks, our role as a socially responsible employer, our risk, including cyber security, climate change, environmental, and reputational risks. The Sustainability & Corporate Responsibility Committee is focused on reviewing the Company's sustainability performance and progress toward sustainability strategic goals and objectives as well as providing guidance to management with respect to significant sustainability and corporate responsibility initiatives.

Sustainability Focus

We believe we have a responsibility to regenerate our planet with the materials we are entrusted to handle every day by driving increased recycling, generating renewable energy, and helping our customers be more resourceful. Additionally, regulatory and market developments that are related to concerns about potential impacts from climate change present us with a strategic business opportunity to reduce our own emissions while also providing our customers with sustainable solutions that reduce their greenhouse gas emissions. Leading by example, we continue to work diligently to improve our relationship with the environment and society in our operations through decreased vehicle emissions, innovative landfill technologies, use of renewable energy, community engagement, and employee growth opportunities. Sustainability contributes to a cleaner world, while also providing opportunities to improve brand awareness, increase customer loyalty, grow our business, reduce costs, motivate our employees, and differentiate Republic from our competitors.

To maximize our efforts, we have chosen to focus our sustainability platform around the following five areas:



Each of these areas has a significant effect on the environment and society and contributes to preserving our Blue Planet, while strengthening the foundation of our business going forward. We set initial sustainability goals in 2014, outlined below, and developed programs that enabled us to advance toward these goals. These achievements resulted in the reduction of 2.5 million tons of carbon dioxide equivalent over a five-year period, primarily due to the life-cycle benefits of increased recycling. Additionally, from 2013 through 2017, Republic reduced its own scope 1 and 2 greenhouse gas emissions by 16%. We plan to introduce new sustainability goals in 2019.

Total of 4 pages in section



## Our People, Our Environment and Our Community

### Our Culture

As a new company, Resideo has a unique opportunity to define our culture. By listening intently to our Board, shareholders, employees and customers, we have defined who we want to be – this aspirational vision is called our Performance Signature. We will keep doing what works, get rid of what does not and start new elements that we will need to be successful in the smart home market.

For us to succeed, we need to build a business with a clear purpose that we can all be proud of, we need to innovate in new ways, we need to operate with high velocity and agility to get the job done, and we need to be vested in our people.

## Our Resideo Performance Signature®

### Driven by Purpose

We are high-energy, committed and passionate. Obsessed about making a difference in the lives of our customers, we consistently strive to build a winning business that is consistently growing and of which we are immensely proud.

We care deeply. Listen attentively, engage confidently and come up with creative solutions that create true value, adding significant to our customer lives. We share value authentically between our customers, our partners, our people, and our shareholders.

### Vested in Our People

Winning in our world requires a different way of being better and more genuine.

Building trust between us is key. We share openly, what we mean, and listen to the other side of the story. We respect and expect constructive disagreement, embracing this without fear of negative consequences.

We break down hierarchy. Regardless of the other person's position, we take time to truly listen and ask, "to learn from, and challenge one another."

We work hard and celebrate our successes - both big and small. While setbacks and mistakes are seen as opportunities to learn and thrive in the growth and experiences of our people.

### Breakout Innovators

We wait for nobody, think ahead and around corners to shape our reality, and do not simply accept the interconnectedness of all aspects of our business.

We will only settle for solutions that are a magnitude better than the status quo. Since we know that we don't have all the answers, we actively look outside, and outside our own offices, for us, the only way to reach our goals is to work with, and through others.

We focus only on what matters and courageously ignore what doesn't. Constantly being deliberate risks, we move fast, fail fast, and learn.

### High Velocity Operators

We are relentlessly about what we want to achieve and never give up.

We have a Resideo way. Our own way of doing things, where we learn and deliver at a high-paced rhythm across the short, medium, and long term. We get a lot done with speed and focus, yet know how to respect other resource constraints.

We give people what they need to get the job done, hold them accountable, and then get out of their way. We take ownership that runs the business as a whole, confidently acting on imperfect information. We stop when those who need to be involved, no more and no less.

Achievement is defined by both what, and how, we do it. We measure our success by the results we get, and the recognition we receive.

Total of 2 pages in section



### Corporate Governance

#### Policy Against Lobbying and Political Contributions

Schlumberger has a strong culture of being politically neutral, and has a long-standing policy against lobbying and making financial or in-kind contributions to political parties or candidates, even when permitted by law. This policy, as set forth in Schlumberger's code of conduct, entitled The Blue Print and The Blue Print in Action (our "Code of Conduct"), prohibits the use of Company funds or assets for political purposes, including for contributions to any political party, candidate or committee, whether federal, state or local. In addition, the Company does not lobby. As a result of the Company's policy of political neutrality, Schlumberger does not have a political action committee, nor does it contribute to any third-party political action

committees or other political entities organized under Section 527 of the Internal Revenue Code.

In 2018, the Center for Political Accountability ("CPA"), a non-profit, non-partisan organization, assessed our disclosure for its annual CPA-Zicklin Index of Corporate Political Disclosure and Accountability ("CPA-Zicklin Index"). The CPA-Zicklin Index measures the transparency, policies and practices of the Standard & Poor's 500. As a result of our enhanced disclosure regarding our prohibitions on political lobbying and contributions, we achieved a perfect score of 100% in the 2018 CPA-Zicklin Index.

#### Our Commitment to Stewardship

Our Board, along with our customers, investors, employees and other stakeholders, understands that a modern approach to running our Company must be aligned with a commitment to global stewardship. Our stewardship journey, which has evolved over the past decades, is gaining momentum as we continue to work with our customers to address their environmental, social, and governance objectives, mitigate social and environmental risks, and lower their greenhouse gas emissions in field operations. We endeavor to be at

the forefront of change, leading technology innovation and training and development of our employees. For example, most recently, we adopted a requirement that all of our employees receive sustainability and stewardship training every two years.

We believe our more than 90 years of industry experience and leadership will be invaluable to the ongoing worldwide energy transition. We have engaged three main strategies to this end:

#### Endeavoring to make stewardship a part of our operations

We do this through several risk assessment and mitigation programs in aspects of our operations where we have determined that we can have the most effective impact. For example, to assist us in an environmental impact review of our operations in one country where we have sizable operations, we engaged an independent consultant specializing in helping companies implement positive change in response to climate and carbon challenges, while also driving commercial performance. The independent consultant analyzed the various climate risks, including sea level change, that would reasonably be expected to affect the location, and provided us with mitigation options to address those risks.

Global Stewardship Program, and how we seek to align ourselves with the United Nations SDGs, see our annual Global Stewardship Report, which is available at [www.slb.com/globalstewardship](http://www.slb.com/globalstewardship).



(Bolded items are part of Schlumberger portfolio of goals)

Similarly, we chose 11 of the 17 United Nations Sustainable Development Goals ("SDGs") at the corporate level that we believe we can impact as a company. From this portfolio of 11 SDGs that we chose, each of our GoMarket regions will select SDGs to focus on and will further set targets related to each SDG that we expect will measurably improve environmental and social conditions in the countries and regions where we operate. To find out more about our

SDG strategy, see our annual Global Stewardship Report.

**Promoting technological growth with positive environmental outcomes**

We believe that our ability to develop cutting-edge technology differentiates us from our competitors. We have a global network of scientists and engineers who are developing new products and processes that both maximize the recovery from a given well, as well as reduce the impact of our operations on the environment. For example, we began our research on geologic storage of carbon

in the mid 1990's. An environmental benefit of carbon sequestration is that it can help reduce carbon dioxide emissions. Our carbon services employees have published 229 technical papers and journal articles. They also currently lead or participate in more than 60 carbon sequestration projects globally, including nine of the 13 projects under development by the U.S. Department of Energy's

Total of 2 pages in section



### Schnitzer

### Proxy Summary

#### Providing Sustainable Value Through Recycling

As one of North America's largest recyclers of ferrous and nonferrous scrap metal and a manufacturer of finished steel products made from recycled scrap metal, Sustainability is at the center of our business model. At Schnitzer, we are diverting and recycling materials that might otherwise be destined for a landfill, conserving natural resources, and reducing greenhouse gas emissions.

Steel, our largest traded material, is the world's most recycled product. As compared to using newly mined ore, using recycled metal in steel manufacturing:

- Saves approximately 75% in energy input,
- Reduces water use by approximately 40%,
- Shrinks virgin material use by 90%, and
- Minimizes mining waste generation by 97%.

In fiscal 2018, we accomplished the following:

#### What We Do:

- ✓ Acquire and recycle millions of tons of scrap metal including automobiles, rail cars, home appliances, industrial machinery, manufacturing scrap, and construction and demolition scrap through our 96 auto and metals recycling facilities.
- ✓ Sell our recycled metal products for reuse by steel mills and other manufacturers located in 26 countries, including the U.S.
- ✓ Manufacture finished steel products such as reinforced bar (rebar), merchant bar, and wire rod at our electric arc furnace mini-mill in Oregon using recycled scrap metal primarily sourced from our own metals recycling operations.
- ✓ Sell millions of serviceable used parts from end-of-life vehicles at our 52 retail self-service auto parts stores, providing affordable parts to customers while saving resources that would be consumed in producing new parts.



#### Sustainability Report

We recently issued our fifth annual Sustainability Report, which details our environmental, social and governance achievements in fiscal 2017 and 2018. We have enhanced our Sustainability Report to cross-reference against the Global Reporting Initiative (GRI) Index.

Because we highly value the perspective of our stakeholders, we conducted a Sustainability Materiality Assessment in fiscal 2018 to identify key Sustainability-related topics relevant to our people, communities, shareholders, customers, and the

environment. Aligned with the findings of this Sustainability Materiality Assessment, our Sustainability Report shares progress across five areas:

1. Integrity, Ethics, and Compliance;
2. Safety, Health, and Wellness;
3. Diversity, Inclusion and Cultural Awareness;
4. Community Engagement and Partnerships; and
5. Environmental Performance and Protection.



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### Corporate Governance

In addition, the board's Environmental, Health, Safety and Technology Committee is devoted to issues affecting the environment and is regularly briefed on the progress the company has made on environmental and sustainability matters. This committee also oversees the company's overall safety policies, reinforcing our strong commitment to safety. Finally, this committee oversees cybersecurity and other information technology risks and keeps abreast of technology advancements of importance to the business.

With respect to investments where we do not operate or control the related entity or operations, we closely monitor these investments and mitigate risk by carefully selecting our business partners. In addition, we may have representation on the entity's governing body, or we may negotiate contractual protections such as limiting our liability, having independent audit rights or prohibiting certain actions without our consent; or we may utilize a combination thereof.

The risks inherent in our businesses, which primarily involve utilities, the transmission and distribution of energy and natural gas, the development of LNG liquefaction facilities, and the construction and operation of natural gas and liquefied petroleum gas pipelines in the United States and Mexico and liquid fuels storage terminals in Mexico, are periodically reviewed by our board and the appropriate board committees. In addition, a review of Sempra Energy's major risks and mitigation strategies is presented to the full board annually.

#### Board and Management Approach to Sustainability

The board takes an active role in providing oversight of sustainability through its Environmental, Health, Safety and Technology Committee. This includes reviewing business strategies on safety and reliability, system modernization, and electrification and decarbonization, while overseeing efforts that minimize the impact of company operations on the environment. We rigorously track performance on environmental, social and governance-related topics and issues and incorporate many elements of sustainability into our risk management approach.

Our annual sustainability report includes goals and results in the areas of emissions reduction, renewable energy, energy efficiency, water use, employee and public safety, electric reliability, customer assistance programs, diversity and inclusion, employee engagement and community giving. We also publicly report detailed information annually on our greenhouse gas emissions and climate-related risks and opportunities.

#### Succession Planning and Management Development

Our Compensation Committee oversees and regularly evaluates leadership succession planning practices and results. The committee reports annually to the Board of Directors on succession planning, including policies and principles for executive officer selection. In connection with this review and Debra L. Reed's retirement as President and Chief Executive Officer effective May 1, 2018, and as Chairman and a director effective December 1, 2018, the board appointed Jeffrey W. Martin as Chief Executive Officer and a director effective May 1, 2018 and as Chairman effective December 1, 2018. In addition, the board appointed Joseph A. Housholder as President and Chief Operating Officer effective May 1, 2018 and Trevor L. Mihalik, who had been serving as Senior Vice President, Controller and Chief Accounting Officer, as Executive Vice President and Chief Financial Officer effective May 1, 2018.

#### Review of Related Person Transactions

SEC rules require us to disclose certain transactions involving more than \$120,000 in which we are a participant and any of our directors, nominees as directors or executive officers, or any member of their immediate families, has or will have a direct or indirect material interest. The charter of our Corporate Governance Committee requires the committee to review and approve or ratify any such "related person transaction" that is required to be disclosed. There were no transactions requiring review during 2018 or 2019 through the date of the mailing of this proxy statement.

#### Director Orientation and Education Programs

Every new director participates in an orientation program and receives materials and briefings to acquaint him or her with our business, industry, management and corporate governance policies and practices. Continuing education is provided for all directors through board materials and presentations, discussions with management, visits to corporate facilities and other sources. Several directors, at the company's expense, also attend third-party offered education courses and participate in the National Association of Corporate Directors (NACD), of which the company is a member. In 2018, one of our directors, Ms. Schenk, chair of our Environmental, Health, Safety and Technology Committee, completed the NACD Cyber-Risk Oversight Program and received a CERT Certificate in Cybersecurity Oversight.



CORPORATE RESPONSIBILITY

**Corporate Responsibility**  
SpartanNash understands that its business decisions, products and operations have a direct impact on the environment and on communities, customers and associates. The Company's social responsibility and environmental sustainability programs together make up the broader SpartanNash Corporate Responsibility commitment.

The SpartanNash Corporate Responsibility vision states the Company will engage in business practices that promote in a fiscally responsible manner the long-term well-being of the environment, the communities and customers that it serves, and SpartanNash and its associates.

The Company developed a Corporate Responsibility strategic dashboard in 2017. This dashboard guides corporate responsibility efforts, and the Company believes it has made progress in each of five focus areas — cultivating local relationships and product development, advancing diversity and inclusion, volunteering, minimizing waste and reducing energy consumption.

For more information, including a copy of the Company's Corporate Responsibility Report, please visit [www.spartannash.com/corp-responsibility](http://www.spartannash.com/corp-responsibility).



GLOBAL SOCIAL IMPACT HIGHLIGHTS

What is the Role and Responsibility of a For-Profit, Public Company?

We believe Starbucks can—and should—have a positive impact on the communities we serve: one person, one cup and one neighborhood at a time. As we have grown to more than 29,000 stores in more than 78 international markets, so too has our ability to lead and create global social impact. It is our vision that together we will elevate our partners, customers, suppliers and neighbors to create positive change. Doing good is so much a part of who we are as people, a company and a brand that our mission and values are ingrained in our business strategy.

Be Globally Responsible

Helping people thrive supports the long-term sustainability and availability of the premium products we provide. Whether it's arabica coffee, tea, cocoa or manufactured goods, we're committed to offering ethically sourced and responsibly produced sustainable high-quality products.

Here are a few examples of how we try to bring to life our goal of being globally responsible:

- We continue to work towards making coffee the world's first sustainable agricultural product to improve the lives of at least 1 million people in coffee communities around the world
  - Since 2015, 99% of our coffee has been ethically sourced
  - We are committed to our goal of reaching 100% ethically sourced coffee, not just in our supply chain, but working with others to make coffee the world's first sustainable agricultural product
  - Thanks to our partners and customers, more than 25 million disease-resistant trees have been donated to coffee farmers
  - We aim to provide 100 million rust-resistant coffee trees to farmers by 2020
  - Our Global Agronomy Center at Hacienda Alasca in Costa Rica and nine Farmer Support Centers in coffee growing regions across the globe provide open-sourced training to farmers around the world
  - We are investing \$50 million in the Starbucks Global Farmer Fund to provide farmer loans to strengthen farms through coffee tree renovation and infrastructure
- We are committed to minimizing our environmental footprint and inspiring others to do the same
  - We expect to build and operate 10,000 Greener Stores by 2025
  - Powered by renewable energy
  - Deploying technologies that deliver 25-30% energy and water savings
  - Operated by partners (employees) who are certified sustainability experts
  - We are working across our industry to develop an open-sourced solution to provide a more recyclable cup (through the Next Gen Cup Challenge)
  - We are committed to eliminating the use of plastic straws from our products, globally, by 2020

Create Opportunities

Starbucks has and continues to look to create opportunities for our partners and customers in the communities we serve. From the neighborhoods where our stores are located to those where our coffee is grown, we are committed to creating and investing in opportunities for people around the world.

- Starbucks College Achievement Plan is helping partners complete their education through Arizona State University online—we aim to have 25,000 partners graduate by 2025
- Since 2013, we have hired more than 21,000 veterans and military spouses—we expect to hire 25,000 by 2025
- We expect to employ 10,000 refugees globally by 2022
- We have hired over 65,000 Opportunity Youth (young people who are not working or in school)—we strive to employ 100,000 by 2020

Strengthen Communities

Each Starbucks store is a part of a community, and we're committed to strengthening neighborhoods wherever we do business.

We are committed to helping end hunger by **DONATING 100%** of food available for donation in our U.S. company-owned stores by 2020

By 2020, we aim to have **100% OF OUR STORES** worldwide participating in community service annually

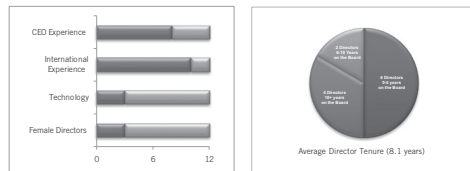
For more information, please visit [www.starbucks.com/responsibility](http://www.starbucks.com/responsibility)



Corporate Governance (continued) 2019 NOTICE OF MEETING AND PROXY STATEMENT

Diversity

State Street recognizes the importance of diversity with regard to the composition of the Board and strives to have a Board that provides diversity of thought and a broad range of perspectives. In an effort to achieve these objectives, the Nominating and Corporate Governance Committee and the Board consider a wide range of attributes when determining and assessing director nominees and prospective candidates including, but not limited to, gender, race, personal and professional backgrounds, tenure of Board service, national origin and age. The Nominating and Corporate Governance Committee and the Board believe the current Board composition reflects these desired attributes, which collectively best serve State Street and our key stakeholders. As noted above, the Nominating and Corporate Governance Committee considers diversity in its director candidate recommendations. However, the Committee does not assign specific weight to the various factors it considers and no particular criterion is a prerequisite for nomination.



State Street's Governance Standards Relative to the Investor Stewardship Group's (ISG) Corporate Governance Framework<sup>1</sup>

| ISG Principle (for U.S. Listed Companies)   | State Street's Governance Standards   |
|---|---|
| Principle 1<br><b>Boards are accountable to shareholders</b>  | <ul style="list-style-type: none"> <li>• All directors stand for shareholder election annually</li> <li>• Majority voting standard in uncontested director elections, and incumbent directors not receiving majority support must tender their resignation for consideration by the Board</li> <li>• Proxy access for shareholders</li> <li>• Board annually reviews and approves Corporate Governance Guidelines to assist in the exercise of duties and responsibilities. These Guidelines, along with Board committee charters, standards of conduct and other governance information, are posted on State Street's website</li> </ul> |
| Principle 2<br><b>Shareholders should be entitled to voting rights in proportion to their economic interest</b> | <ul style="list-style-type: none"> <li>• One class of common stock, with each share carrying equal voting rights (a "one-share, one-vote" standard)</li> </ul>  |

<sup>1</sup> ISG is an investor-led effort that includes some of the largest U.S. based institutional investors and global asset managers, along with several of their international counterparts, State Street Global Advisors. State Street is investment management firm of business, is a member of ISG. The corporate governance framework articulates the principles that ISG believes are fundamental to good corporate governance at U.S. listed companies. The Principles reflect the common corporate governance beliefs of each ISG member and are designed to establish a foundational set of investor expectations about corporate governance practices in U.S. publicly-listed companies.



CORPORATE RESPONSIBILITY

STORE defines its success by its ability to make a positive difference for its many stakeholders. STORE's beginning was inspired by its belief that it could make a positive difference for real estate intensive businesses across America by delivering innovative and superior real estate capital solutions. In that process, STORE has sought to add an important tool to middle market company capital formation while improving the liquidity of middle market businesses.

For its many customers, STORE's real estate lease solutions have contributed to their prospects for wealth creation and to their ability to grow, create jobs and contribute to many communities across the country. In turn, meeting the needs of its customers provides an extraordinary investment opportunity that STORE believes holds the promise of sustainable long-term wealth creation for its stockholders. In fulfilling this mission, STORE has grown its staff to 90 associates, many of whom have worked together through predecessor companies. From the earliest of these predecessor companies in 1980, STORE's leadership team has shown a commitment to employee development, employee engagement and personal growth central to the creation of a quality business.

Customers, stockholders and employees: these are our three most integral stakeholders. Through them, we can make a positive difference to our many other important stakeholders, including our creditors, suppliers and the many communities we serve.

Corporate Governance and Ethical Business Practices

We believe that effective corporate governance is critical to our ability to create long-term value for our stockholders. The following highlights certain key aspects of our corporate governance framework:

- **We Have An Independent Board.** Seven of our nine director nominees are independent.
- **We Value Board Refreshment.** Five of our nine director nominees have joined the Board since the beginning of 2016.
- **We Proactively Adopted Proxy Access.** We have adopted proxy access on market terms, which permits eligible stockholders to submit director nominees for up to 20% of the Board for inclusion in our Proxy Statement if the eligible stockholder(s) and the nominee(s) meet the requirements in our bylaws.
- **We Do Not Have a Staggered Board.** We hold annual elections for our directors.
- **We Assess Board Performance.** We conduct regular assessments of our Board and Committees.
- **We Have an Independent Board Chairman.** We separate the roles of Chairman and Chief Executive Officer and have an independent, non-executive Chairman of the Board.
- **Our Independent Directors Meet Without Management.** Our independent directors hold regular executive sessions without management present.
- **We Value Transparency.** We are a leader in providing detailed disclosures about our business to our stockholders.
- **We Maintain Stock Ownership Guidelines.** We have adopted a stock ownership policy applicable to our executive officers and outside directors under which they are expected to maintain beneficial ownership of shares of our common stock with a value equal to a specified multiple of their cash compensation.
- **We Value Stockholder Input.** We have a proactive stockholder program that includes direct engagement with our stockholders, use of a "virtual" annual meeting so that more stockholders can attend, and biennial Investor Day events.
- **We Have Opted Out of MUTA.** We have opted out of the control share acquisition statute and the business combination provisions in the Maryland General Corporation Law (the "Maryland



ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As we fulfill the Company's overall purpose of continuously satisfying the world's ever-evolving demand for technology, we also remain committed to being a responsible corporate citizen. Our commitment to ESG matters contribute to our designation as one of Fortune magazine's "World's Most Admired Companies" for 10 consecutive years. The programs described below are consistent with our shared values of Integrity, Excellence, Accountability, Collaboration and Inclusion.

Environmental

We recognize that a healthy environment and safe workplaces are critical to our business, strategy, society, and people. We address environmental issues in an integrated manner to encompass protection of the environment as well as colleague health and safety. The environmental, health and safety ("EHS") systems, processes and tools in place across our footprint enable us to meet or exceed governmental and industry requirements. We are also committed to continuous improvement in our performance. Notable Environmental/EHS highlights include:

- We seek to reduce waste and increase energy efficiency across our footprint. Energy efficiency efforts include: a LEED-certified San Antonio facility, selective installation and retrofitting of LED lighting at logistics centers and large offices, solar panel installation at one of our main offices, and expanded recycling programs for pallets, cardboard, batteries and electronics.
- We maintain certification to ISO 9001:2015 (Quality Management Systems) for all of our logistics centers in the U.S., and most of our logistics centers in Europe, as well as ISO 14001:2015 (Environmental Management Systems) for our facilities in Georgia, Spain, Sweden and Singapore. In addition, our facility in Ohio has earned OHSAS 1801:2017 Health Safety Management Systems Certified.
- Risk reduction through implementation of our Injury and Illness Prevention Program, as well as enhanced safety training and new safety software programs across our footprint.
- A focus on leading indicators of safety performance, such as behaviors and minor incidents, enables us to drive continuous improvement, which is important for sustaining our corporate culture and reducing risk.

Social

The Company is proud to be recognized as a great place to work, a leader in the promotion and practice of diversity and inclusion, and an involved, positive member of the local communities where we live and work. We take a holistic approach to our social strategy, striving to create a culture where talented people want to come to work, develop their careers, become leaders, and make a difference for all our stakeholders and communities. Notable social highlights include:

- We have long engaged in supporting workforce diversity and formally established an Office of Diversity and Inclusion in 2014. We believe that diversity and inclusion ("D&I") in our global workforce produces more innovative results and provides a competitive advantage.
- We are focused on driving continuous improvement in the diversity of our senior leadership ranks. We require that for all positions of vice president and above, at least one woman and one ethnic minority must be interviewed for openings in the U.S., and at least one woman for openings outside of the U.S.
- We have five business resource groups (BRGs) – with groups dedicated to i) empowering women; ii) supporting military veterans and their families; iii) driving recruitment, retention,

Total of 2 pages in section



PROPOSAL 1—ELECTION OF DIRECTORS  
The Board's Role in Risk Oversight

While the Board has primary responsibility for overseeing the Company's risk management function, each committee of the Board also considers risk within its area of responsibility and the Company's management team continuously identifies and manages the Company's risks:

|   | Responsibilities   |
|---|--|
| Board                                   | <ul style="list-style-type: none"> <li>• Primary responsibility for overseeing the Company's risk management function and reviewing the steps management has taken to monitor and control the Company's significant business risks, including potential financial, operational, privacy, cybersecurity, business continuity, legal and regulatory, and reputational exposures.</li> </ul>  |
| Individual Board Committees             | <ul style="list-style-type: none"> <li>• Consider and evaluate risks within its area of responsibility.</li> <li>• Chairs of each committee update the Board on significant risks and management's response to those risks via periodic reports.</li> </ul>  |
| Audit                                   | <ul style="list-style-type: none"> <li>• Reviews risks relating to accounting and financial controls.</li> <li>• Oversees the Company's enterprise risk management program.</li> <li>• Reviews the steps management has taken to monitor and control risk exposures.</li> </ul>  |
| Leadership Development and Compensation | <ul style="list-style-type: none"> <li>• Reviews risks relating to compensation matters.</li> <li>• Coordinates with independent compensation consultant to review the Company's executive compensation program and determine if it creates any risks which are likely to have a material adverse effect on the Company.</li> <li>• Oversees and evaluates risks associated with the development of the Company's executives and succession planning.</li> </ul> |
| Nominating and Governance               | <ul style="list-style-type: none"> <li>• Oversees the Company's risks associated with its corporate governance practices.</li> </ul>   |
| Public Policy and Regulation            | <ul style="list-style-type: none"> <li>• Oversees the Company's risk exposure associated with media, antitrust and data privacy laws, rules and regulations, and public policy and corporate social responsibility matters.</li> </ul>   |
| Management                              | <ul style="list-style-type: none"> <li>• Responsible for implementing day-to-day risk management processes.</li> <li>• Reports to the Board and its committees on risk management matters.</li> </ul>  |

With respect to risks relating to compensation matters, the Leadership Development and Compensation Committee, with the assistance of its independent compensation consultant, has reviewed the Company's executive compensation program and has concluded that the program does not create risks that are reasonably likely to have a material adverse effect on the Company. The Leadership Development and Compensation Committee views the design of the Company's annual cash and long-term equity incentives as providing an effective and appropriate mix of incentives to help ensure the Company's performance is focused on long-term profitability and shareholder value creation and does not encourage unnecessary or excessive risk taking at the expense of long-term results.

CORPORATE SOCIAL RESPONSIBILITY

TEGNA is driven by our strongly-held purpose to serve the greater good of our communities. Our culture is defined by our values of inclusion, integrity, innovation, impact and results. Through impactful journalism, local community engagement, sustainability initiatives, diversity and inclusion efforts and workforce development, we believe we can drive business results while making a positive difference in our communities.

Our Board supports these efforts and has delegated the oversight of the Company's corporate social responsibility efforts to its Public Policy and Regulation Committee. The Public Policy and Regulation Committee reviews and reports to our Board on a periodic basis on the Company's corporate social responsibility and sustainability efforts, which include:

- **Ethics and Journalistic Integrity:** Given the nature of our business, integrity is one aspect of corporate citizenship that is particularly relevant and central to what we do; we educate our journalists on proper ethical conduct and have adopted five core Principles of Ethical Journalism which guide our production and reporting of news.

Total of 2 pages in section



CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Our Mission

We transform how businesses work and people live through the power of data.

Our Commitment

At Teradata, we are committed to fostering a corporate culture, anchored in our core values, that intentionally fosters inclusion and diversity, operating in a sustainable manner and giving back to the communities in which we operate. We are committed to a diverse and inclusive workplace. We believe that all our stakeholders – our stockholders, employees, customers, suppliers, the people in the communities in which we operate, and the environment – must be considered in our daily operations. As a result of our focus on our culture and our communities, we are committed to giving back to the places in which we operate. We are achieving these commitments through a number of initiatives, including those listed below.



Our People and Culture

Teradata's strength is our people. We are an equal opportunity employer, committed to sustaining a world-class team by empowering an environment that is intentionally inclusive and fully leverages diversity in all aspects of our business. We champion each other, share our expertise and learn from each other to multiply our collective value for Teradata's competitive advantage. We continuously strive to create an environment where differences are valued, supported and encouraged.

Teradata is committed to providing a working environment free from discrimination and harassment. We are actively engaged in nurturing an inclusive culture, one that seeks out, welcomes and values diverse people, inclusive actions and diverse solutions for our business.

- We are providing training on unconscious bias and will frequently monitor our metrics for progress. We are committed to leverage our insights to uncover unconscious bias and take action to catalyze change. In 2019, there will be additional emphasis in this area through the development of a Teradata Diversity Council.
- Our hiring managers and our talent acquisition team are committed to ensuring a diverse slate of candidates for all job openings. In 2019, there will be additional focus on improving inclusive interviewing skills for recruiters and hiring managers.
- Through our Leadership Team Mentoring Program, we leverage diversity to create our next generation of leaders by pairing high potential diverse employees with members of our executive management team.
- We believe transforming our world begins one community at a time. We support diverse groups and interests within the Company through our employee community groups. We also promote policies and programs that support working families.
- We support local STEM education programs to ensure emerging leaders in our communities have opportunities to explore their interests.
- Through our commercial and government supplier diversity programs, we seek to integrate supplier diversity into all areas of procurement by identifying, partnering with and purchasing from small businesses and minority and women-owned businesses to support their growth and development.



Sustainable Practices

- **Products** – We design technology for the future, and the future demands powerful analytic solutions that are intended to meet increasingly stringent standards to support the earth's precious resources, including efficient usage of power and water, as well as space efficiency. Therefore, we focus on providing customers with best-in-class products that are not only highly scalable, but environmentally sustainable as well. To that end, we continuously search to find and leverage technology alternatives that can improve performance-per-watt, reduce cooling requirements, and shrink floor space needs in data center requirements as part of our product design initiatives.

Corporate Responsibility and Sustainability

- **Supply Chain** - Our suppliers and business partners are expected to meet or exceed the standards of our Code of Conduct which includes adherence to ethical, responsible and environmentally sustainable business practices with respect to all of their Teradata-related activities. We have also established a managed inventory program that requires suppliers to ship bulk quantities of product to local hubs near our manufacturing site, rather than discrete customer shipments. This not only reduces our inventory costs, but also greatly reduces the environmental impact of our manufacturing supply chain.

- **Facilities** - We have designed our facilities to reduce Teradata's environmental impact and have implemented many programs in the areas of video conferencing, virtual employment, recycling and energy conservation that get the job done while using and re-using resources at the most efficient level possible. From printing all corporate business cards on stock that is 100% recycled/post-consumer waste material, to recycling all of our non-hazardous waste and providing 100 charging stations for electric cars at our San Diego headquarters, to installing a cutting-edge building automation system to optimize efficiency in lighting and HVAC systems, to sending our annual report and proxy statement electronically to reduce unnecessary paper usage, we adopt sustainable policies and procedures at every opportunity.

Doing Good with Data™

- We are committed to giving back to the communities in which we operate. Our Teradata Cares program empowers our employees to help build strong and vibrant communities, improve quality of life and make a positive difference where we live and where we work through volunteerism and giving. Through this program, our employees volunteered more than 25,000 hours of service in 2018.
- In line with our mission of transforming how businesses work and people live through the power of data, we are committed to making societal change utilizing the power of what we know best, data. We encourage our employees to partner with charitable organizations by offering data skills since non-profits often lack the resources and human capital needed to analyze volumes of data that could help transform their organizations.
- We support our employees' giving and volunteer efforts by providing matching donations for employee contributions, project grants, an Annual Day of Caring, and affording every employee four days a year during normal working hours for volunteer efforts of their choice.
- Most importantly, our customers across the globe are using our offerings to do great things through data - from supporting the data that provides groundbreaking discoveries in medical research to facilitating lifesaving telecommunications during the recent California wildfires.

Ethical Business Conduct

Teradata has been included on the Ethisphere Institute's list of the World's Most Ethical Companies every year since 2010. We have a zero-tolerance policy for non-ethical behavior and expect the highest standards of compliance throughout the world. Our ethical standards run from top to bottom in our company. All employees, including our Leadership Team and directors, are bound by our Code of Conduct which establishes the minimum standards of proper conduct that must be met. We have also adopted our new core values that help establish and maintain our company culture where Teradata people and Teradata organizations constantly strive to exceed standards and expectations and always strive to "Dig Deep and Aim High, Rise as One, Raise up our Customers and our World." At Teradata, we refer to this as doing the right thing - always.

we believe we can build a better world by working together and improving lives through the power of data.

For more information:

visit our Corporate Social Responsibility website: <https://www.teradata.com/About/Corporate-Social-Responsibility-en>

Total of 2 pages in section



Sustainability Highlights

Our Board of Directors is focused on integrating sustainability into our Company's long-term strategy. We are committed to operating in a sustainable manner and being a responsible corporate citizen for the benefit of our customers, investors, employees, the environment and the communities in which we operate. We focus on environmental stewardship, the health and safety of our workforce, the recruitment, development and retention of our workforce, and community engagement.

|  |  |
|--|--|
| <p><b>Environmental Stewardship</b></p> <ul style="list-style-type: none"> <li>Our water management solutions help meet customer's increasing water requirements by recycling, treating, and delivering an optimized fluid for frac operations, thereby minimizing the need for additional fresh water resources.</li> <li>We deliver innovative products to further the sustainability goals of many of our customers. For example, TETRA CS Neptune® fluids are more environmentally friendly, cost-effective alternatives to zinc brines and cesium formate.</li> <li>We strategically position our compression fleet field service technicians and use a satellite-based system to monitor the performance of our compression fleet. Both these actions reduce engine emissions and overall driving risks as a result of our employees having shorter distances to drive to repair and maintain compression equipment.</li> <li>We utilize electronic proxy delivery to minimize the impact of our Annual Meeting on the environment by reducing the production and delivery of large quantities of printed proxy material.</li> </ul>                                 | <p><b>Health, Safety, Environment and Quality ("HSEQ")</b></p> <ul style="list-style-type: none"> <li>We are firmly committed to the health and safety of our employees, the protection of the environment, and to product and service quality. Our commitment focuses on controlling risks to employees and others with whom they interact, maintaining safe work practices, minimizing adverse impacts to the environment, meeting customer requirements, and ensuring customer satisfaction.</li> <li>Our focus on HSEQ, an approach we call "Drive to ZERO", is a concerted effort to achieve ZERO health, safety, environmental, and quality incidents every day, "stop the job" when necessary, follow HSEQ and ethics guidelines at all times, and live by our Code of Business Conduct everywhere.</li> <li>We continually train and educate our employees on their responsibility to identify work that is unsafe or environmentally unsound and to help mitigate negative impacts.</li> <li>Our HSEQ policy has been endorsed by our CEO and communicated throughout the company, and to our suppliers and contractors.</li> </ul> |
| <p><b>Our People</b></p> <ul style="list-style-type: none"> <li>We offer our employees the opportunity to advance in their professional careers through training and development programs. Further training for certain positions includes leadership development and management skills for individuals to progress within the organization.</li> <li>Our health and wellness program provides for preventive care and is designed to support our employees' health and overall well-being.</li> <li>Our Board of Directors and executive leadership team is committed to enhancing diversity at TETRA. The executive leadership team sponsors the TETRA Diversity Committee, which is focused on promoting gender diversity and inclusion in our workforce and workplace. Our board recognizes the benefit and value of diverse perspectives and experience and in 2018 welcomed its first female board member.</li> <li>We are committed to helping transitioning military service members and veterans lead successful lives after their military service and have a military hire initiative that is dedicated to welcoming more veterans into our company.</li> </ul> | <p><b>Communities</b></p> <ul style="list-style-type: none"> <li>We are committed to being a responsible corporate citizen in the communities where we operate and our employees live. We engage in philanthropic activities that support TETRA's values, fostering strong community relationships and enhancing employee satisfaction and engagement.</li> <li>Primary focus areas for our community investments are health, education, and community enrichment. For example, we partner with the American Heart Association and CASA Child Advocates of Montgomery County, Texas and provide numerous opportunities for our employees to participate in activities to support these organizations. We also support an internship program for underprivileged high school students.</li> </ul>   |



Board Self-Evaluation

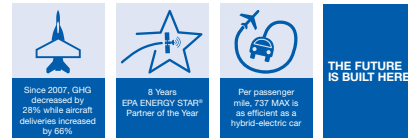
The Board and its standing committees perform through self-evaluations each year. These self-evaluations are overseen by the GON Committee and are designed to ensure that the Board functions effectively and identifies areas of potential improvement. In 2018, these self-evaluations included the distribution of questionnaires to each director, wide-ranging Board and committee discussions in executive session led by the Independent Lead Director or relevant committee chair, and opportunities for discussions between individual directors and the Corporate Secretary, the Independent Lead Director, and/or any relevant committee chair. Topics covered by these self-evaluations included:

- whether the structure of the Board and its committees is appropriate in light of the Company's strategic objectives;
- the Board's effectiveness in overseeing and monitoring Boeing's long-term strategy, including its long-range business plan;
- the effectiveness of the Board's oversight of key strategic, operational, and compliance risks;
- the adequacy of the written materials and presentations prepared by management for the Board;
- the quality of the Board's deliberations, as well as whether there are adequate open lines of communication between directors and members of management;
- whether executive sessions are held with the appropriate frequency and cover an appropriate range of topics;
- the extent to which the mix of skills, attributes, and qualifications of the individual directors enable the Board to perform effectively; and
- whether individual directors are prepared for each meeting and contribute substantively to the deliberations of the Board and any relevant committees.

Following these self-evaluations, the GON Committee Chair discusses areas for potential improvement with the Board and/or relevant committees and, if necessary, identifies steps required to implement these improvements. The Board has made several changes to how it operates based on the results of recent self-evaluations, including adding opportunities for one-on-one director interaction with senior management succession candidates, enhancing director orientation procedures, and increasing frequency of reviews of key risks such as cybersecurity.

Environmental Stewardship and Global Engagement

Environmental Stewardship



Boeing's commitment to innovation means more than just game-changing aerospace products and services. We extend that commitment to how we take care of the environment and engage with the communities in which we operate as well as the processes that govern our environmental strategy and policy. Boeing is pursuing innovation and leadership that will build a brighter, more sustainable future for our employees, customers, industry, and communities. Our strategy and actions reflect goals and priorities that address the most critical environmental challenges facing our company, customers, and industry. For a link to our most recent Environment Report and additional information on the progress we have made at improving the environmental performance of our products and services, as well as our operations, visit [www.boeing.com/principles/environment](http://www.boeing.com/principles/environment).



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As a result of the director retirement age policy and our ongoing board refreshment initiative, three of our long-serving directors did not stand for re-election in 2017, one long-serving director did not stand for re-election in 2018, and Dr. Britell, our current Chairman, will not stand for re-election this year. In addition, Mr. Singh and Ms. Martore joined the Board as new directors in 2017, Mr. Bruno, Ms. Kelly and Ms. Harris Jones joined the Board as new directors in 2018, and Mr. Flannery is being nominated as a new director this year.

Direct Communications with Directors

We have adopted procedures to enable our security holders and other interested parties to communicate with the Board or with any individual director or directors. If you wish to send a communication, you should do so in writing. Security holders and other interested parties may send communications to the Board or the particular director or directors, as the case may be, in the manner described in the Company's written policy available on its website at <http://www.unitedrentals.com> (go to "Company" tab → "Investor Relations" → "Corporate Governance").

Environmental and Social Highlights

Management and our Board understand the importance of acting responsibly as a business, an employer and a corporate citizen, and we are committed to incorporating environmental and social and governance considerations into how we do business. In furtherance of this commitment, the N&CG Committee amended its charter in 2018 to take formal responsibility for oversight of the Company's environmental, social and governance policies and practices, including review of related metrics.

Each year, we publish a corporate responsibility report showcasing our commitment to balancing the social, economic and environmental aspects of our business. The 2017 report is available on our website at <http://www.unitedrentals.com> under the "Company—About Us" tab or using the following link: <https://www.unitedrentals.com/sites/default/files/2018-11/2017CSR.PDF>. The information presented below is intended to be a summary. For further details about our commitment to improving the social, economic and environmental aspects of our business, please see our corporate responsibility report.

Environment

We believe that our primary business—the rental of equipment—is an environmentally friendly model because it reduces ownership of assets and allows for the maximum utilization of assets that have already been manufactured. Additionally, as highlighted in our corporate responsibility report, we are focused on improving our environmental performance, and the environmental performance of our customers, in a variety of ways. For example, every Company branch uses a Company-provided scorecard to track energy use and identify potential areas of improvement. In addition, the Company's FAST (field automation systems technology) initiative helps optimize routes and loads, thus reducing fuel consumption. Further, each Company driver's idle time is measured and documented on an individual driver scorecard. These scorecards are a key part of each driver's performance evaluation, which ties to individual compensation. We also have an ongoing lighting retrofit program aimed at reducing energy use at our branch locations and improving work conditions for our employees. UR Control®, our online rental management platform, assists customers in renting only the equipment they need and off-renting equipment they do not need, thus reducing underutilized equipment at jobsites and in transit. Additionally, we have invested in telematics as a way to increase the efficiency of our larger equipment. We believe there are substantial benefits to using telematics, including: (i) visibility into runtime and equipment utilization; (ii) the ability to locate equipment; and (iii) proactive fuel alerts.

Social

Safety is one of our core values and 92% of our branches were injury-free in 2018. We lead our industry in safety performance and rank in the top quartile across all industry sectors. United Academy®, the safety training curriculum we use to train our own employees, is also used by our customers to leverage our expertise and to help them establish a safety culture of their own. Also, safety performance is included as a qualitative goal used to assess the CEO's and other senior executives' individual performance.

Total of 2 pages in section



SUSTAINABILITY



Sustainability is a way of business and of life at Unitil, and requires engagement at all levels in order to ensure long-term value creation benefiting our customers, employees, investors and all stakeholders. Simply put, sustainability refers to our ability to achieve our mission and create value over the long term. Sustainability is also a way of defining and executing our business strategies in alignment with the economic, environmental and social expectations of our customers and communities to create long-term value for our shareholders and other stakeholders. We believe that financial success, environmental stewardship, and social responsibility are all hallmarks of a healthy, thriving business.

Our Approach to Sustainability

Our approach to corporate sustainability reflects a broad set of objectives including superior customer service, affordable rates, service to our communities, environmental stewardship, a steadfast commitment to safety, and the growth and well-being of our employees. Our leadership integrates our beliefs in Respect, Integrity, Stewardship and Excellence (RISE) into our strategic planning. Our values state clearly that sustainability is a key, central concept, meaning that all environmental, social and governance initiatives are firmly rooted in our culture. This top-to-bottom emphasis on the very nature of sustainability assures long term benefits and value creation for employees, our customers, and reflects our commitment to our corporate responsibilities to both our investors and society at large.

The Board's Sustainability Goals

Long-term value creation is the foundation of the Board's goals for the sustainability of Unitil. Embedding sustainability into our business strategies and using it as a lens to guide our direction is essential to achieving our long-term operational and financial goals within a changing environmental and social landscape. The Board is committed to continued focus on our mission, vision, values and goals, and to managing the critical success factors outlined in our strategic plan. The Board believes this focus will ensure ongoing profitability and long-lasting growth for the benefit of our customers, employees, investors, and all stakeholders.

Inaugural Corporate Sustainability and Responsibility Report

On March 27, 2019, we issued our Inaugural Corporate Sustainability and Responsibility Report in which we share our vision for sustainability as well as the values that are ingrained in all of our business practices. The Inaugural Corporate Sustainability and Responsibility Report can be viewed in its entirety on our website [unitil.com/company/sustainability](http://unitil.com/company/sustainability).





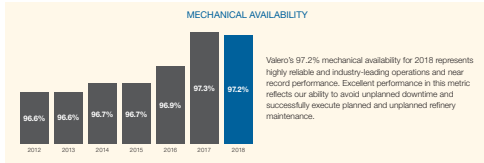
COMPENSATION DISCUSSION AND ANALYSIS

Company Performance

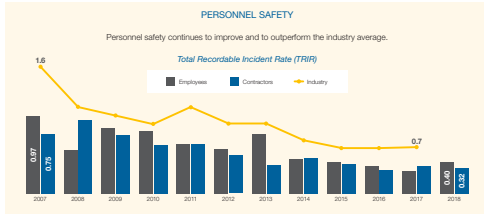
While 2018 ended in a challenging environment for the refining and fuels marketing industry, Valero's 2018 achievements and operational performance demonstrated sustained excellence in several key areas. This performance reflects Valero's continuing commitment to being the premier operator within the industry.

OPERATIONAL AND SAFETY PERFORMANCE DRIVES PROFITABILITY

Operating safely and reliably is Valero's highest priority and is critically important to maximizing profitability. Ongoing improvement and excellent performance in key operational and safety measures have enabled Valero to improve its earnings capabilities and realize industry-leading returns. The following charts demonstrate Valero's multi-year improvement in performance resulting from strategic investments and a disciplined focus on operational improvement, maintenance and safety programs.



Valero's 97.2% mechanical availability for 2018 represents highly reliable and industry-leading operations and near record performance. Excellent performance in this metric reflects our ability to avoid unplanned downtime and successfully execute planned and unplanned refinery maintenance.



2018 PROXY STATEMENT

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Sustainability at Verizon

Verizon gives people the ability to do more through technology, investments and actions designed to educate the 21st century workforce and promote environmental sustainability.



We are taking action in support of the United Nations' Sustainable Development Goals:

**Improving Global Resource Efficiency**  
**Reducing Environmental Impact** Verizon is committed to delivering a lasting, positive impact on the environment by cutting our own carbon intensity – the amount of carbon our business emits divided by the terabytes of data we transport over our networks – in half over the 2016 baseline by 2025. We're also working towards sourcing renewable energy equivalent to 50% of our total electricity usage by 2025.

**Supporting Carbon Abatement** Verizon's products and services – ranging from high speed internet that allows people to work remotely, to smart grids that increase the efficiency of our power system, to telematics that improve fleet routing – help our customers use less energy and therefore create fewer greenhouse gas emissions.

**Supporting Quality Education**  
 Through the Verizon Innovative Learning initiative, we provide free technology, free internet access and hands-on immersive curricula in science, technology, engineering and math to students in need.



Verizon received an A- on the Carbon Disclosure Project's 2018 evaluation

and is ranked in CDP's Leadership scoring band. CDP runs a global voluntary disclosure system by which companies and cities disclose their environmental impacts to inform marketplace decision-making.



Verizon chairs the Global e-Sustainability Initiative

a consortium of ICT companies that collaborate to develop and share resources for achieving social and environmental sustainability through technology.



2018 marks six consecutive years

as a named EPA ENERGY STAR Partner of the Year for Sustained Excellence

**Reducing Waste and Supporting Recycling**  
 We continue to work to reduce the environmental impact of our products through:

- Managing the materials we use in making them
- Reducing packaging volume
- Recycling, refurbishing and/or reusing our products, including the responsible management of out-of-service lead batteries
- Providing recycling information on product labels, and supporting public recycling

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 We continue to work to reduce the environmental impact of our products through:

- Managing the materials we use in making them
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- Recycling, refurbishing and/or reusing our products, including the responsible management of out-of-service lead batteries
- Providing recycling information on product labels, and supporting public recycling

Total of 3 pages in section



Political Engagement and Disclosure

Public sector decisions significantly affect our business and industry, as well as the communities in which we operate. For this reason, we participate in the political process through regular and constructive engagement with government officials and policy-makers, by encouraging the civic involvement of our employees, and by contributing to candidates and political organizations where permitted by applicable law. We are committed to conducting these activities in a transparent manner that reflects responsible corporate citizenship and best serves the interests of our stockholders, employees, and other stakeholders. Additional information regarding our political activities and oversight may be found at <https://usa.visa.com/about-visa/operating-responsibly.html>.

Visa has a Political Participation, Lobbying and Contributions Policy that prohibits our directors, officers and employees from using Company resources to promote their personal political views, causes or candidates, and specifies that the Company will not directly or indirectly reimburse any personal political contributions or expenses. Directors, officers and employees also may not lobby government officials on the Company's behalf absent the pre-approval of the Company's Government Relations department. As such, our lobbying and political spending seek to promote the interests of the Company and its stockholders, and not the personal political preferences of our directors or executives.

Under the Policy, the Nominating and Corporate Governance Committee must pre-approve the use of corporate funds for political contributions, including contributions made to trade associations to support targeted political campaigns and contributions to organizations registered under Section 527 of the U.S. Internal Revenue Code to support political activities. The Policy further requires the Company to make reasonable efforts to obtain from U.S. trade associations whose annual membership dues exceed \$25,000 the portion of such dues that are used for political contributions. This information must then be included in the annual contributions report that is posted on our website.

We endeavor to maintain a healthy and transparent relationship with governments around the world by communicating our views and concerns to elected officials and policy-makers. As an industry leader, we encounter challenges and opportunities on a wide range of policy matters. These issues may include regulations and policies on interchange fees, cybersecurity, data security, privacy, intellectual property, surcharging, payroll and prepaid cards, mobile payments, tax, international trade and market access, and financial inclusion, among others.

The Nominating and Corporate Governance Committee annually reviews our political contributions and lobbying expenditures, which includes information regarding memberships in, or payments to, tax-exempt organizations that write and endorse model legislation. Additional information on our political contributions and lobbying expenditures can be found on our website, including our annual contributions report and links to our quarterly U.S. federal lobbying activities and expenditures reports.

In 2018, the Center for Political Accountability assessed our disclosures for its annual CPA-Zicklin Index of Corporate Political Disclosure and Accountability, and designated Visa a "trendsetter" (the highest designation in the CPA-Zicklin Index).

Corporate Responsibility and Sustainability

The Nominating and Corporate Governance Committee of our Board oversees Visa's corporate responsibility initiatives. We believe that as a trusted brand in payments, Visa has a tremendous opportunity and responsibility to use our business to connect the world – enabling economic growth and strengthening economies while also helping improve lives and create a better world. We are committed to managing the risks and opportunities that arise from environmental, social and governance (ESG) issues.

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CORPORATE RESPONSIBILITY

Corporate responsibility is a business imperative woven throughout our enterprise. We regard corporate responsibility as an investment in society and in the success of the Company. As a responsible corporate citizen, we simultaneously consider our impacts on the marketplace, society and the environment. We have an unwavering commitment to conduct business in a way that is ethically, economically, socially and environmentally responsible.

As such, we implement initiatives that integrate responsible and sustainable thinking into our operations, positively impact our communities and minimize our impact on the planet. Our work is guided by corporate responsibility standards and frameworks and informed by analysis of key impacts, identification of risks and opportunities and stakeholder input. We report publicly in our corporate responsibility annual report and on our website the progress on our corporate responsibility commitments, and disclose our environmental, social and governance data to investors on an ongoing basis. Corporate responsibility is governed by our Corporate Responsibility Executive Council, composed of our most senior leaders and headed by our CEO. We report our corporate responsibility performance to the Nominating and Governance Committee on an annual, and as needed, basis.

Political Contributions Oversight and Disclosure

Our Nominating and Governance Committee, a committee comprised solely of independent directors, provides oversight of the Company's political contributions and lobbying expenses. As part of its oversight role, it reviews our political activity policy and monitors our ongoing political strategy as it relates to the overall public policy objectives for the Company. The Committee also reviews an annual report on our political contributions and lobbying expenses. This report is available at [investors.voya.com/financial-reporting/annual-reports](https://investors.voya.com/financial-reporting/annual-reports). Political contributions made by Voya Financial Political Action Committee (PAC) provide a voice for the Company and its employees so that they may participate in the American democratic process. The PAC supports candidates from both major political parties and Independents who understand the importance of helping people responsibly save for retirement and manage their financial assets. PAC disbursement decisions are made by the officers of the PAC consistent with the PAC's bylaws and based upon a candidate's state or Congressional district. Candidates are vetted by the Company's Corporate Communications team for public statements inconsistent with the Company's corporate values. The PAC relies on outside legal expertise to address new or emerging issues and an outside vendor for the administration of the PAC.

Community Investment

We conduct our community investment work through Voya Foundation whose primary work focuses on financial resilience: STEM (science, technology, engineering and mathematics) education for K-8th graders; financial literacy for 9-12th graders; teacher training and employee matching gifts. Through Voya Foundation, employees receive dollar-for-dollar matches to eligible nonprofits of their choice. The annual maximum match is \$5,000 for employees and \$25,000 for our senior management and directors. In 2018, employees donated more than \$3 million to over 3600 nonprofit organizations in the U.S. In addition, full-time employees receive 40 hours of paid volunteer-time away at eligible nonprofits per year and part-time employees receive 20 hours per year. Voya employees volunteered more than 41,000 hours in 2018. On Voya's fifth annual National Day of Service in 2018, employees volunteered over 13,600 hours in one day supporting 130 local nonprofit organizations.

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**CORPORATE GOVERNANCE AND BOARD MATTERS**

The table below outlines ESG areas the Company considers to be of strategic importance:

| ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES |  |
|---|--|
| Human Capital Management                    | <ul style="list-style-type: none"> <li>Employment practices</li> <li>Employee engagement</li> <li>Professional and leadership training and development</li> <li>Diversity, inclusion and anti-discrimination</li> <li>Employee well-being</li> </ul>               |
| Community Involvement and Engagement        | <ul style="list-style-type: none"> <li>Volunteerism and charitable giving</li> <li>Collaboration with community organizations</li> <li>Leadership in charitable organizations</li> </ul>   |
| Ethics & Compliance                         | <ul style="list-style-type: none"> <li>Anti-money laundering, corruption, and bribery policies</li> <li>Code of Ethics and Business Conduct</li> <li>Whistleblower and non-retaliation policies and hotlines</li> <li>Training and compliance resources</li> </ul> |
| Customer Privacy & Data Security            | <ul style="list-style-type: none"> <li>Data security and privacy policies</li> <li>Training and compliance</li> <li>Data protection systems</li> <li>Governance and controls</li> </ul>  |
| Public Policy                               | <ul style="list-style-type: none"> <li>Policies on lobbying and political involvement</li> <li>Membership and senior leadership positions in trade organizations</li> <li>Corporate federal government affairs function</li> </ul>                                 |
| Environment and Energy                      | <ul style="list-style-type: none"> <li>Energy and water conservation</li> <li>Recycling programs</li> <li>Physical plant</li> <li>Travel</li> </ul>  |
| Climate Risk                                | <ul style="list-style-type: none"> <li>Risk management governance</li> <li>Weather risk measurement and management</li> <li>Climate change risk modeling and analysis</li> <li>Loss control services for clients</li> <li>Disaster recovery plans</li> </ul>       |
| Products and Services                       | <ul style="list-style-type: none"> <li>Operating units that specialize in ESG areas</li> <li>Insurance products that address client ESG risks</li> <li>Small business insurance</li> <li>Educational, engagement or loss control programs</li> </ul>               |
| Responsible Investing                       | <ul style="list-style-type: none"> <li>Investment policies</li> <li>Risk mitigation and reporting</li> <li>Exclusions for investing in certain countries or issuers</li> <li>ESG sector investments</li> </ul>   |

We anticipate releasing an inaugural ESG report later this year that we can build upon in the years to come. We also expect to expand the initial boundary to other parts of the organization in each subsequent year.

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## Our Commitment to Corporate Citizenship

### Our Commitment and Strategic Priorities

Corporate citizenship is included among our Company's Vision, Values & Goals

We understand our role as a community partner and the positive impact we can have on society, local, and global economies, and the environment. We strive to be the financial services leader in corporate citizenship by making positive contributions to every community we serve — through our products and services, operations and culture, and our philanthropy. A strong, thriving economy is good for our communities, our business, and our shareholders.

The Corporate Responsibility Committee of our Board of Directors has primary oversight for Wells Fargo's policies, programs, and strategies regarding significant corporate citizenship matters and our relationship with stakeholders as outlined in the committee's charter. Three key priorities guide our strategy:

|   |  |   |
|---|--|---|
| <b>Diversity and social inclusion</b><br>Help ensure that all people feel valued and respected and have equal access to resources, services, products, and opportunities to succeed | <b>Economic empowerment</b><br>Strengthen financial self-sufficiency and economic opportunities in underserved communities | <b>Environmental sustainability</b><br>Accelerate the transition to a low-carbon economy and help reduce the impacts of climate change on our communities |
|---|--|---|

For each of our three key priorities, we have made commitments to be accomplished by 2020. We are committed to being transparent with key stakeholders about our progress and performance, and disclose our progress annually through our Corporate Responsibility Report prepared in accordance with Global Reporting Initiative (GRI) Standards Sustainability Reporting Guidelines. Learn more at <https://www.wellsfargo.com/about/corporate-responsibility-goals-and-reporting/>

### Stakeholder Engagement

The constructive and candid feedback we receive from our key stakeholders is important and informs our priorities, strategy, and progress throughout the year. In 2017, the Company formed an external Stakeholder Advisory Council to provide insights to our Board and our Company. This advisory group includes individuals with expertise in a variety of areas affecting Wells Fargo, including expertise in serving the financial needs of underserved communities, diversity and social inclusion, climate change and sustainability, and governance matters. Since 2013, we have conducted periodic materiality assessments to obtain input and feedback from internal and external stakeholders to help us identify both asset- and company-level risks and prioritize topics with the highest importance to our business and our stakeholders. To learn more about our materiality assessment, and the methodology we employ to prioritize topics most relevant to our Company and our stakeholders, please view "Shaping our CSR Priorities" on our website at <https://www.wellsfargo.com/assets/pdf/about/corporate-responsibility/corporate-social-responsibility-priorities.pdf>.

### Environmental and Social Risk Management (ESRM)

We seek to do business with customers who demonstrate responsible management of their environmental and social risks. We expanded our ESRM Policy and ESRM Framework, which supplement our traditional due diligence practices, across all lines of business to help us more deeply understand how customers in certain sectors are managing these risks. As a result of our enhanced ESRM Framework, in 2016 we began implementing an industry-leading, robust modular carbon risk tool to account for general portfolio emissions, percentage of coal generation, and related risk factors for all regulated corporate utilities engaged in both electricity and natural gas activities. To learn more about our ESRM Framework and our other environmental, social, and governance (ESG) initiatives, we encourage you to visit our ESG Guide at <https://www.wellsfargo.com/about/investor-relations/environmental-social-governance-guide/>.

Wells Fargo & Company

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### SUSTAINABILITY AND CORPORATE CITIZENSHIP

**Our Communities**

Our commitment to supporting people extends beyond our employees. We are also deeply connected to the communities where we operate and have a long history of doing our part to help them thrive. We began making charitable donations in the earliest days of the company, and today we donate money, time, skills and resources to support hundreds of important organizations and programs in the rural and urban communities in which we operate. We develop and maintain positive relationships with communities near our lands, especially in areas where our forests are shared resources with neighbors and tribal communities.

EMPLOYEES LED  
**270**  
COMMUNITY PROJECTS  
AND VOLUNTEERED  
**28,327**  
HOURS  
IN 2018

**2018 COMMUNITY INVESTMENT**  
BY FOCUS AREA THROUGH OUR WYERHAUSER FOUNDATION

|  |   |   |   |
|--|---|---|---|
| <b>14%</b><br>Ecosystem<br>Restoration | <b>6%</b><br>Wildlife<br>Habitat<br>Restoration | <b>38%</b><br>Education<br>and Youth<br>Initiatives | <b>42%</b><br>Human Services,<br>Disaster<br>and<br>Global Services |
|--|---|---|---|

**ETHICS AND TRANSPARENCY**

We have a strong culture of ethics and integrity at every level of our company. Our Code of Ethics expresses our commitment and shared responsibility to conduct our business affairs ethically with stakeholders, including employees, communities, customers, suppliers, contractors and shareholders. Our Code of Ethics applies to all Weyerhaeuser employees and to each member of our board of directors.

We believe transparency is a key component of ethical business conduct. We strive to provide industry-leading disclosures about our business activities that are comprehensive, accessible and helpful for our investors and other stakeholders.

**THIRD-PARTY RECOGNITIONS**

AWARDED BY  
**Dow Jones Sustainability Indices**  
in Collaboration with RobecoSAM

**ISS QualityScore**  
2019 ESG Sustainability

**EURONEXT**

**ECPI**  
Europe's Sustainability

**vigeoqiris**

**Bloomberg**  
Gender-Equality Index

ETHISPHERE NAMED US ONE OF THE **WORLD'S MOST ETHICAL COMPANIES®**

CR MAGAZINE NAMED US ONE OF THE **100 BEST CORPORATE CITIZENS**

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### CORPORATE GOVERNANCE AND BOARD MATTERS

perspectives on the Company and the industry. Investors occasionally travel to our headquarters and meet with our management. We also regularly engage with investors who request information about our environmental, social and governance ("ESG") programs. These various engagements allow us to receive in-person feedback concerning our operational, financial and strategic results, as well as ESG factors deemed important to stockholders. In addition, we host a quarterly earnings call during which our executive management team responds to analyst questions regarding both historical results and forward-looking information. Transcripts of our quarterly earnings calls, including the question and answer sessions, are posted to our website. In addition to the required reports which we file with the SEC, we make publicly available on our website earnings analyst packages, investor presentations and other reports with supplementary financial and operational information, as well as ESG-related information. In addition to having a dedicated Investor Relations group which receives and responds to stockholder telephone calls and other communications, we also provide a means for stockholders to communicate directly with our Board, as provided under "Communications with Directors" below.

**Communications with Directors**

Any stockholder or other interested party may communicate with our directors, individually or as a group, by contacting our Corporate Secretary or the Chairman of the Board. The contact information is maintained through the Investors page of our website at [www.williams.com](http://www.williams.com).

The current contact information is as follows:

|  |  |
|--|--|
| The Williams Companies, Inc.<br>One Williams Center, MD 49<br>Tulsa, Oklahoma 74172<br>Attn: Chairman of the Board | The Williams Companies, Inc.<br>One Williams Center, MD 47<br>Tulsa, Oklahoma 74172<br>Attn: Corporate Secretary |
|--|--|

Communications will be forwarded to the relevant director(s) except for solicitations or other matters not related to the Company.

**Code of Ethics**

We have adopted a code of ethics specific to the CEO, Chief Financial Officer, and Chief Accounting Officer, which was filed with the SEC as Exhibit 14 to our annual report on Form 10-K for the year ended December 31, 2003. In addition, we have adopted a code of business conduct that is applicable to all employees and directors.

**How to Obtain Copies of our Governance-Related Documents**

The following documents are available through the Investors page of our website at [www.williams.com](http://www.williams.com):

- Corporate Governance Guidelines;
- Code of Ethics for Senior Officers;
- Williams Code of Business Conduct; and
- Charters for the Audit Committee, the Compensation and Management Development Committee, the Nominating and Governance Committee, and the Environmental, Health and Safety Committee.

If you want to receive these documents in print, please send a written request to our Corporate Secretary at The Williams Companies, Inc., One Williams Center, MD 47, Tulsa, Oklahoma 74172.

**Environmental, Social and Governance ("ESG") Matters**

In 2018 the Company took significant steps to enhance its ESG policies and practices. Oversight for the Company's ESG efforts resides with Board's various committees. In particular, the Nominating and Governance Committee has responsibility for ensuring that the Board, its respective committees, and management are devoting adequate attention to ESG matters. It accomplishes this task through directing on committees

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**Financial Results**

Our strategy has allowed us to deliver strong results for shareholders, customers and policymakers alike. 2018 results extend our track record of solid performance.

**Strong Total Shareholder Return**

| Period     | Xcel Energy | 21-Member Peer Group Average | EEL Investor-Owned Electrics | S&P 500 |
|------------|-------------|------------------------------|------------------------------|---------|
| One Year   | 5.8%        | 4.1%                         | 3.7%                         | 4.4%    |
| Three Year | 51.1%       | 34.6%                        | 36.0%                        | 30.4%   |
| Five Year  | 109.5%      | 65.9%                        | 68.5%                        | 50.3%   |

**Proven Track Record**

Met or exceeded ongoing EPS guidance for 14 consecutive years  
Increased dividend for 15 consecutive years

|                                   | 2017 - 2018 | 2005 YE - 2018 YE CAGR <sup>(1)</sup> |
|-----------------------------------|-------------|---------------------------------------|
| Ongoing EPS Growth <sup>(1)</sup> | 7.4%        | 6.1%                                  |
| Dividend Growth                   | 5.6%        | 4.5%                                  |
| Stock Price                       | 2.4%        | 7.6%                                  |

(1) Ongoing EPS is a non-GAAP number and is defined in Exhibit A, which reconciles this amount to GAAP EPS for each period.  
(2) Compound Average Growth Rate.

**Positioned for the Future**

**\$3.7B** Planned Wind Investment      **\$1.3B** Planned Advanced Grid Investment

Additional growth opportunities in clean energy electrification, and economic development support a 5 to 7 percent growth rate

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**Corporate Responsibility**

We are proud to play a unique and important role in supporting customers and communities as we transition to a cleaner energy supply mix.

**Environmental Responsibility**

**Cleaner Air**

- 91% reduction in mercury emissions
- 77% reduction in SO<sub>2</sub> emissions
- 78% reduction in NO<sub>x</sub> emissions
- 28% reduction in coal ash

**Energy Efficiency**

- Saved enough energy to supply 149,000 homes with a year's worth of electricity

**Social Responsibility**

**Active Support for Communities**

- 50,000 employee volunteer hours
- 400 community board seats
- \$11 million contributed to nonprofits

**Engaging and Rewarding Workplace**

- 100 Best Corporate Citizens, Corporate Responsibility Magazine
- Human Rights Campaign Best Place to work for LGBTQ Equality, achieving 100 points on the Corporate Equality Index
- Military Times Best for Vets employer

**Governance**

**Strong Governance and Clear and Transparent Disclosure**

- Regular updates on emerging environmental, social, and governance issues
- Early adopter of Edison Electric Institute environmental reporting
- Carbon report confirming carbon goals and strategies via scientific analysis (issued March 2019)
- Political contributions policy and annual reporting

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**COMMITMENT TO SUSTAINABILITY**

At Xylem, sustainability is at the center of who we are and what we do. As a leading global water technology company, we address one of the world's most urgent sustainability challenges - responsible stewardship of our shared water resources. Technology is playing an increasingly important role in helping the world solve water issues. We have a long history of innovation, and are focusing on the powerful capabilities of smart technology, integrated management and data analytics. These solutions allow our customers to transport, treat, test and use water more sustainably than in the past. This also enables our customers to realize greater water and energy efficiencies, to have access to more affordable solutions and to build communities that are more resilient against the adverse impacts of climate change.

Our Board of Directors, primarily through its Nominating & Governance Committee, provides oversight of our overall approach to sustainability and corporate citizenship. In addition, our Leadership Development and Compensation Committee oversees our approach to diversity and inclusion as well as talent development. The Committees as well as the full Board discuss sustainability-related risks and opportunities with management on a regular basis.

Xylem Watermark is our corporate citizenship and social investment program and it plays an integral part of our sustainability approach. The program's twofold mission is to provide and protect safe water resources for communities in need around the world and educate people about water issues. Through Xylem Watermark, we engage with local communities via employee and stakeholder volunteerism and work with nonprofit organizations to address a range of water and sanitation challenges by providing financial support, water technology and sanitation and hygiene education.

In 2018, Xylem was rated by and named to several indices used to track performance of companies in measuring and reporting on their sustainability performance: Sustainalytics' ESG Report, the MSCI Global Sustainability Index Series, the FTSE4Good Index Series, the CDP (formerly the Carbon Disclosure Project), Euronext Vigeo Index: US 50, ISS-otekom and the NASDAQ OMX CDP Global Sustainability Index.

In addition, we are signatories to the U.N. Global Compact, the U.N. CEO Water Mandate, the Global Business Coalition Human Rights Campaign and the American Business Act on Climate Pledge.

**COMPENSATION HIGHLIGHTS**  
(see page 28 for our Compensation Discussion and Analysis)

- A significant portion of our executive pay is performance-based and not guaranteed; approximately 97% for our CEO and approximately 74% for our other named executive officers ("NEOs")
- Compensation for our NEOs is aligned with shareholder interests through a balanced and competitive equity program (mix of restricted stock units, performance share units and stock options)
- We conduct regular compensation benchmarking and an annual compensation risk assessment
- We have a cap on our incentive compensation payouts
- We have only double-trigger change-in-control vesting for our long-term incentive awards
- Our Leadership Development and Compensation Committee is advised by an independent compensation consultant
- In 2018, as in prior years, we received strong support in our say-on-pay advisory vote (94%)
- Our policy is to conduct an annual say-on-pay shareholder vote

**2018 NEO Total Direct Compensation Mix\*:**

\*Percentage of pay is based on annual target compensation (base salary, target annual incentive compensation and target long-term incentive compensation) and excludes any one-time awards granted upon hire.

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# Human Capital Management (HCM)

Human capital management (HCM) is the comprehensive set of practices for recruiting, managing, developing, and optimizing the human resources of an organization. It connotes an approach to human resource management (HRM) that views employees as assets that can be invested in and managed to maximize their business value, as opposed to their traditional view as costs of production.

According to SASB, HCM “addresses the management of a company’s human resources (employees and individual contractors) as key assets to delivering long-term value. It includes issues—such as labor practices, employee health and safety and employee engagement, diversity and inclusion—that affect the productivity of employees, management of labor relations, and management of the health and safety of employees and the ability to create a safety culture.”

This section includes general HCM disclosures. Subsequent sections include disclosures focused primarily on one or more of the primary sub-components of HCM.

## BANK OF AMERICA CORPORATION



**RESPONSIBLE GROWTH**

**Being a Great Place to Work**

Central to sustainable Responsible Growth are the actions we take to be a great place to work for our teammates. Our culture reflects how we run our company every day. We put the customer first, emphasize integrity and responsibility, and actively encourage all employees to bring their whole selves to work. When we create a workplace where our colleagues are engaged, empowered, and committed for the long term, we are better positioned to help our clients improve their financial lives.

**Being an Inclusive workplace for our employees around the world**

- Our **Global Diversity & Inclusion Council**, chaired by our CEO, is comprised of leaders representing every line of business and region, and is responsible for setting and upholding diversity and inclusion goals and practices
- We are a **diverse and inclusive company**. Currently, our global workforce is more than **50% female**, and more than **45% of the U.S.-based workforce are people of color**. Our **senior leadership is also diverse**—seven of our 16 Board members and seven of our CEO’s 13 direct reports are women and/or people of color
- Our most recent global campus recruiting class was more than 40% female; and more than 40% of the U.S. recruiting class was people of color
- We host **courageous conversations**, group and one-on-one discussions that encourage employees to have open dialogue on topics that are important to them. These dialogues foster inclusion, understanding, empathy, and positive action by creating awareness of employees’ experiences and perspectives related to differences in thought, style, sexual orientation, gender identity, race, ethnicity, disability, culture, and experience
- We have a range of programs to connect employees, executives, and thought leaders across our company, including **11 Employee Networks with more than 250 chapters made up of over 120,000 members worldwide**
- Our company was recognized for the second year in a row by *Fortune Magazine* on its **100 Best Workplaces for Diversity List**, by *Euromoney* as the **Best Bank for Diversity**, and by *Catalyst* with the **2019 Catalyst Award** for our efforts focused on investing in women

**Recognizing and rewarding performance**

- All of our compensation plans are **reviewed and certified annually** by our risk management function
- We have an **enhanced performance review process** for senior leaders and employees who have the ability to expose our company to material risk
- We have been an **industry leader in establishing an internal minimum rate of pay for our U.S. hourly employees** and have made regular increases over many years. Two years ago, we raised our minimum wage to \$15 per hour and our minimum wage is higher today. Our average rate for all U.S. hourly employees is significantly above this level
- We **pay our employees competitively** based on market rates for their roles and how they perform, and we regularly benchmark against other companies both within and outside our industry to ensure our pay is competitive in the market for comparable roles
- Our company is **committed to compensating all of our employees fairly and equitably** based on performance, with equal pay for equal work, regardless of race or gender. See page 34
- In addition to merit-based salary increases and applicable incentive compensation, to **share our success** in 2018, we again provided special compensation awards to recognize the contributions of our employees to our progress and record performance, and reflect the continuing benefits of last year’s U.S. tax reform. **Approximately 95% of our teammates received special awards** as a result of 2018 performance. Over the last 2 years, we **awarded more than \$1 billion in shared success awards** to our teammates
- We use a standard U.S. practice restricting how we solicit compensation information when hiring, so **we determine compensation levels for new hires based on individual qualifications and roles**, rather than how they may have been compensated in the past

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## BLACKROCK INC.



Corporate Governance | Corporate Governance Practices and Policies

executives, along with a review of any development plans for these individuals. In the fourth quarter of 2017, we granted long-term incentive awards in the form of performance-based stock options to a select group of senior leaders who we believe will play critical roles in BlackRock’s future. We do not consider these awards to be part of our regular annual compensation. For more information about these awards, see “Performance-Based Stock Options” on page 62.

**BlackRock’s Approach to Human Capital Management**

BlackRock’s purpose to help our clients build better financial futures is fulfilled by our people. This is what informs our differentiated approach to talent and culture.

Each year, we set corporate objectives specifically related to talent and culture. We achieve these objectives through our commitment to fostering a unifying culture and encouraging innovation, ensuring that we are developing, retaining and recruiting the best talent, and incorporating inclusion and diversity into all levels of our organization.

Our Board plays a critical role in the oversight of talent and culture at BlackRock and devotes one full meeting annually to an in-depth review of the Company’s culture, talent development, retention and recruiting initiatives, inclusion and diversity strategy, leadership and succession planning, and employee feedback.

BlackRock’s talent initiatives are executed by our Human Capital Committee, which is comprised of fifty senior leaders who help design, drive, and sponsor everything we do around talent and culture in partnership with Human Resources.

**Culture**

As BlackRock transformed from an organization of 8 founders to more than 14,900 employees, a focus on autonomy and inclusion has helped foster a culture of emotional ownership and innovation among BlackRock employees around the world. Our culture is what unifies our employees across our diverse business model, ensures we are best positioned to serve our diverse clients globally and propels BlackRock’s continuous evolution. Our culture is rooted in four guiding principles, which you can read about on the back cover of this Proxy Statement.

**Talent Development**

It is the capabilities of our employees and our leaders that enable us to deliver for our clients, and we are focused on career development and total rewards programs that meet our employees’ needs. As we continue to grow, and our clients’ challenges become more complex, this focus becomes even more important.

We provide developmental opportunities for our employees through a robust set of formal and informal programs. **The BlackRock Academies**, for example, focus on enabling employees to build skills and thought leadership in specific facets of our business including client relationships, technology, investments, leadership and management and professional development. **Knowing BlackRock Core** is a set of resources and immersive experiences built around a series of Harvard Business School case studies about the Company that is designed to help employees explore our history and engage in shaping our future. Our **leadership programs** make a differentiated investment in our high potential, strong performing employees as we strive to deepen, enhance and diversify our leadership bench. These programs are intense, year-long experiences that include structured learning, assessments, external coaching, sponsorship, and hands-on work and provide a blend of full cohort, small group and individually tailored development.

We deliberately align employee incentives with the risk and performance frameworks of the firm. BlackRock’s Pay for Performance philosophy connects individual, business and company results to employee compensation, providing employees with opportunities to share in the firm’s growth and success. We offer employees a comprehensive Total Rewards package that meets the varying needs of our talent across the firm, including health and wellness, financial, educational and life management benefits. Also, we support employees in making an impact in their local communities and globally through environmental and social efforts that are meaningful to them.

**Inclusion & Diversity**

BlackRock is committed to cultivating and advancing diversity in all forms because we believe a wide range of perspectives is crucial to creating a richer culture for our employees and better results for our diversified global client base. We hold our businesses accountable for progress in inclusion and diversity. During our Quarterly Business Reviews, we have focused conversations with each business about its plans and progress and we report our progress against our inclusion and diversity initiatives regularly to our Board.

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SECTION I - CORPORATE GOVERNANCE AT CAPITAL ONE

Environmental, Social and Governance Practices

While our approach to corporate social responsibility continues to evolve, each year we remain focused on three core elements: our people, our community, and our environmental footprint. In 2018, the Governance and Nominating Committee of the Board of Directors, which already leads Capital One's corporate governance policies and practices, assumed oversight responsibility for the Corporation's policies, programs and strategies related to environmental and social practices, as well as governance ("ESG") matters. Highlights of our environmental and social programs are summarized below.

Our People

As part of our mission, we aim to bring ingenuity, simplicity and humanity to banking. It is fundamental to every aspect of our business operations and it underscores our commitment to putting people first. For our customers, our products are innovative, simple to use, and deliver tremendous value for individuals of all backgrounds. For our associates, our culture is built on openness, collaboration, and diversity of backgrounds, perspectives, and experiences.



49% diverse races & ethnic backgrounds



53% women



100% of our associates and third-party vendors participated in training

Highlights of "Our People" programs include the following:

- **Delivering Innovative Products and Helping Customers Succeed.** We seek our customers' insights and stay attuned to their candid feedback to ensure we are delivering innovative products and tools that meet their changing needs. Our customers face a wide range of financial circumstances, and we want to help them succeed when it comes to managing their finances. We are making it easier for our customers to use credit wisely with customer alerts, our CreditWise tool that helps them understand, monitor, and improve their credit scores, and our Capital One Mobile application which includes purchase alerts and enhanced controls for security and fraud prevention. Building on these tools and resources, we launched Eno, a text-based chatbot to help manage a customer's finances in a conversational way.
- **Diversity & Inclusion.** Capital One has embedded diversity and inclusion throughout our talent acquisition, talent management and supplier practices. We have developed Diversity & Inclusion forums to keep a focus on enterprise diversity and align local goals with that strategy; we have a Chief Diversity & Inclusion Officer who oversees our efforts; and we sponsor seven business resource groups of associates with 97 chapters across the Company which provide career development programs and support workforce diversity.
- **Women in Tech.** With our Women in Tech Program, we bring Capital One women and men together to focus on developing a love of technology in women and girls, improving the representation of women in the technology field, and supporting the career development of women in tech roles. Each year, we sponsor the Grass Hopper Celebration of Women in Computing and send hundreds of Capital One associates to attend so that they can enhance their skills and inspire the next generation of technologists.
- **Competitive Benefits.** Offering competitive benefits helps us attract and retain exceptional talent. We offer family-friendly leave, nine on-site health centers, flexible work solutions, market-leading company contributions to associates' 401(k) plans, educational assistance and other health, wellness and financial benefits.

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ANNEX A

Corporate and Social Responsibility

Health, environmental, safety and security

The Boards of Directors of Carnival Corporation & plc established Board-level Health, Environmental, Safety & Security ("HESS") Committees comprised of four independent Directors. The principal function of the HESS Committees is to:

- assist the Boards in fulfilling their responsibility to supervise and monitor Carnival Corporation & plc's health, environmental, safety, security and sustainability-related policies, programs, initiatives at sea and ashore; and
- comply with related legal and regulatory requirements relating to health, environmental, safety, security and sustainability.

The HESS Committees and our management team review all significant risks or exposures and associated mitigating actions. Each of the Chief Executive Officers of our brands attends the meetings of the HESS Committees.

Carnival Corporation & plc recognizes our responsibility to provide industry leadership and to conduct our business as a responsible global citizen. Our corporate leadership is manifested in our Code of Business Conduct and Ethics, which requires that every employee and member of the Board use sound judgment, maintain high ethical standards and demonstrate honesty in all business dealings. As a responsible global citizen, Carnival Corporation & plc is committed to achieving and maintaining the highest standards of professional and ethical conduct.

In addition, Carnival Corporation & plc's HESS Policy describes our commitments to:

- protecting the health, safety and security of our passengers, guests, employees and all others working on our behalf, thereby promoting an organization that strives to be free of injuries, illness and loss;
- protecting the environment, including the marine environment in which our vessels sail and the communities in which we operate, striving to prevent adverse environmental consequences and using resources efficiently and sustainably;
- complying with or exceeding all legal and statutory requirements related to health, environment, safety, security and sustainability throughout our business activities; and
- assuring health, environment, safety, security and sustainability matters the same priority as any other critical business matters.

The HESS Policy is published on the Carnival Corporation & plc website at [www.carnivalcorp.com](http://www.carnivalcorp.com) or [www.carnivalplc.com](http://www.carnivalplc.com).

The Boards recognize that Carnival Corporation & plc needs to ensure that there is a consistent standard of operation throughout their fleet in keeping with their leading position in the cruise industry. In this regard, the Carnival Corporation & plc Maritime Operations Department is headed by a Chief Maritime Officer, with a full-time professional and administrative staff, and is responsible for providing a common, integrated approach to management of HESS matters and for reporting to the HESS Committees on such matters. The Chief Maritime Officer reports to the Chief Executive Officer and to the Chair of the HESS Committees.

Risk Advisory & Assurance Services ("RAAS") is Carnival Corporation & plc's internal audit department and is headed by the Chief Audit Officer, who reports directly to the Chairs of the Audit and HESS Committees. The Chief Audit Officer also has a "blotted" reporting line to the General Counsel. RAAS conducts annual HESS audits of each brand's head office and of each ship in our fleet. These audits are in addition to the audits performed by external third-party certification and regulatory auditors.

Total of 2 pages in section



Commitment to Our People and to Our Community

CBS is committed to the issues and causes that are important to our community and that our employees care about. From using the power of the CBS Television Network to drive awareness through our CBS Cares® public service announcements ("PSAs"), to supporting our employee resource groups and business divisions in their volunteer and philanthropic efforts, to working with our divisions to conserve energy, CBS takes seriously its role as a socially responsible corporate citizen.

Our CBS employees are at the heart of this effort. We want to attract and retain the best and brightest and are committed to promoting a strong workplace culture where people at all levels of our Company feel valued, respected and empowered. Our common goal is to come together to make a positive impact in our workplace and in our community, and we continue to use the immense power of our media platforms, particularly the CBS Television Network, to heighten social awareness on important issues through our CBS Cares PSA campaigns.

In 2018, the CBS Television Network scheduled CBS Cares PSAs with an estimated value of \$237 million. They featured a wide array of CBS talent on a variety of important topics, including heritage and history moments, child advocacy, support for the military, veterans and their families, and awareness of health issues. A few examples include:

- CBS expanded its annual commitment to honoring the victims of the Nazi Holocaust on International Holocaust Remembrance Day by initiating a partnership with the United States Holocaust Memorial Museum and featuring several PSAs with Scott Pilgrim.
- To mark Women's History Month, CBS Cares produced PSAs that honored notable women in history and featured Maria Bello, Aisha Tyler, The Leoni, Sara Ramirez and the hosts of "The Talk."
- For Black History Month, CBS Cares, CBS Diversity and The Smithsonian Channel partnered with the National Museum of African-American History and Culture to create special PSAs honoring Muhammad Ali, Harriet Tubman, Marian Anderson, Paul Robeson, the Tuskegee Army and the Harlem Renaissance.
- For Memorial Day, CBS Cares partnered with the CBS Veterans Network to create PSAs that called upon viewers to support TAPS, an organization that provides assistance and resources to the families of fallen heroes. CBS Cares also aired PSAs for Veterans Day honoring the service and sacrifice of our nation's 22 million living veterans, featuring Medal of Honor recipient and Vietnam War veteran Paul "Bud" Bucha.
- In the wake of the wildfires that ravaged California and the hurricanes that devastated the South, CBS Cares created special PSAs urging viewers to help with disaster relief efforts.

In addition, as part of the Company's separation agreement with its former chief executive officer, in December 2018, CBS announced grants totaling \$20 million to 18 organizations that support the #MeToo movement and equality for women in the workplace. The organizations, which include Catalyst, Girls for Gender Equality/me too. movement, National Women's Law Center, and TIME's UP Entertainment, represent different approaches to eliminating sexual harassment, including efforts to improve gender equity in the workplace and provide victims with services and support.

We view diversity and inclusion as integral components of our workplace culture initiatives as well as our overall business strategy. The CBS Diversity Council assists the Company in helping to build representation of diverse groups across our divisions. In addition, we have programs that aim to encourage diversity in our programming, both in front of and behind the camera, as well as in our supplier base. We also have a number of employee resource groups that offer support and professional development for underrepresented groups. These include RAD, our diversity employee resource group that was founded under the principles of Respect, Appreciation and Development to promote an environment of inclusion at CBS that is reflective of the community at large; the Women's Networking Group, which seeks to strengthen connections and foster professional growth for women who work across our Company; the CBS Veterans Network, which offers much-needed support for veterans and their families who work at the Company, mentoring and career counseling for transitioning veterans through internships and our supplier diversity program, and guidance to CBS producers to help ensure that the military and veteran communities are accurately, authentically and respectfully portrayed; and ANGLE, which seeks to foster career development for gay, lesbian, bisexual, transgender and queer employees and support LGBTQ youth in our community. Our employee resource groups, along with many of our business divisions and television stations, all participate in volunteer and fundraising efforts for programs and nonprofits that are important to them. A few examples from 2018 include:

- CBS Diversity and Inclusion sponsored the Big Sunday Thanksgiving Stuffing Event, where nearly 250 CBS employees volunteered to pack Thanksgiving dinners for more than 2,000 families in the Los Angeles area.

Total of 2 pages in section



corporate governance

independent lead director

Your Board recognizes the importance of independent Board oversight of the CEO and management and has developed policies and procedures designed to ensure independent oversight. In addition to conducting an annual review of the CEO's performance, the independent Directors meet in executive session at each Board meeting and discuss management's performance and routinely formulate guidance and feedback, which the independent Lead Director provides to the CEO and other members of management.

Further, when the Board selects the CEO to also serve as Chairman, the independent Directors annually select an independent Lead Director, currently Dr. Sujar.

As described in the "Board Leadership and Lead Director" section of Chevron's Corporate Governance Guidelines, the Lead Director's responsibilities are to:

- chair all meetings of the Board in the Chairman's absence;
- chair the executive sessions;
- lead non-management Directors in an overall evaluation of the performance of the CEO as well as communicate that evaluation to the CEO;
- oversee the process for CEO succession planning;
- lead the Board's review of the Board Nominating and Governance, Compensation, and Nominations and recommendations from the Board self-evaluation process;
- serve as liaison between the Chairman and the independent Directors;
- consult with the Chairman on and approve agendas and schedules for Board meetings and other matters pertinent to the Corporation and the Board;
- be available to advise the Committee Chairs of the Board in fulfilling their designated roles and responsibilities;
- participate in the interview process for prospective directors with the Board Nominating and Governance Committee;
- call meetings of the independent Directors; and
- be available as appropriate for consultation and direct communication with major stockholders.

The Board routinely reviews the Lead Director's responsibilities to ensure that these responsibilities enhance its independent oversight of the CEO and management and the flow of information and interactions between the Board, management, and other Company personnel. Accordingly, in 2017, the Board further enhanced the description of the Lead Director's role in the Corporate Governance Guidelines. The Lead Director and Chairman collaborate closely on Board meeting schedules and agendas and information provided to the Board. These consultations and agendas and the information provided to the Board frequently reflect input and suggestions from other members of the Board and management. You can read more about these particular processes in the "Board Agenda and Meetings" section of Chevron's Corporate Governance Guidelines.

Any stockholder can communicate with the Lead Director or any of the other Directors in the manner described in the "Communicating With the Board" section of this Proxy Statement.

Also, as discussed in more detail in the "Environmental, Social, and Governance Engagement" section of this Proxy Statement, the Board encourages a robust investor engagement program. During these engagements, Board leadership is a frequent topic of discussion. In general, investors, including those that are philosophically opposed to combining the positions of Chairman and CEO, have overwhelmingly communicated to Chevron that they have minimal, if any, concerns about your Board or individual Directors or about Chevron's policies and leadership structure. More specifically, these investors have voiced confidence in the strong counterbalancing structure of the robust independent Lead Director role.

human capital management

Human capital management is critical to ongoing business success. At Chevron "human energy" is the most important element of delivering reliable, affordable and ever-cleaner energy - which requires investing in our people. We strive to create a highly engaged and motivated workforce where employees are inspired by leadership, engaged in

purpose-driven, meaningful work, have growth opportunities, and thrive in an environment that embraces diversity and inclusion. Diversity and inclusion are cornerstones of Chevron's corporate values, and set the tone for an inclusive work environment that values the diversity of our employees' talents, experiences and ideas.

Total of 2 pages in section

Corporate Governance

Board Oversight of Strategy

One of the Board's primary responsibilities is overseeing management's establishment and execution of the Company's strategy. At least quarterly, the CEO, our executive leadership team and other business leaders provide detailed business and strategy updates to the Board. At least annually, the Board conducts an even more in-depth review of the Company's overall strategy. At these reviews, the Board engages with our executive leadership team and other business leaders regarding business objectives, the competitive landscape, economic trends and other developments. At meetings occurring throughout the year, the Board also assesses mergers and acquisitions and other capital allocation topics, the Company's budget and Company performance, among other topics. The Board looks to the focused expertise of its committees to inform strategy oversight in their areas of focus.

Spotlight: oversight of strategic acquisitions

The Board oversees Danaher's strategic acquisition and integration process. Danaher views acquisitions as an important element of our strategy to deliver long-term shareholder value. Our Board includes eight members with extensive business combination experience. That depth of experience allows the Board to constructively engage with management and effectively evaluate acquisitions for alignment with our strategy, culture and financial goals. Management is charged with identifying potential acquisition targets, executing transactions, and managing integration, and our Board's oversight extends to each of these elements. Management and the Board regularly discuss potential acquisitions and their role in the Company's overall business strategy. These discussions address acquisitions in process and potential future acquisitions, and cover a broad range of matters, including valuation, risk and potential synergies with Danaher's businesses and strategy. The Board's acquisition oversight also extends across transactions and over time, as the Board regularly reviews and provides feedback regarding the operational and financial performance of our historical acquisitions.

Spotlight: oversight of human capital management and CEO succession planning

- **The Board and Compensation Committee engage with our senior leadership team and human resources executives on a regular basis across a range of human capital management issues.** Danaher is focused on creating a respectful, rewarding, diverse, and inclusive work environment that allows our employees (whom we refer to as associates) to build meaningful careers. The success of these human capital management objectives is essential to our strategy and our shared purpose to Help Realize Life's Potential. Working with management, the Board and Compensation Committee oversee matters including culture, succession planning and development, compensation, benefits, talent recruiting and retention, associate engagement and diversity and inclusion. Additionally, each year, the Compensation Committee evaluates management's annual assessment of risk related to our compensation policies and practices.
- **With the support of our Nominating and Governance Committee, our Board also maintains and annually reviews both a long-term succession plan and emergency succession plan for the CEO position.** The foundation of the long-term succession planning process is a CEO development model consisting of two dimensions, leadership behaviors and development experiences. The Board uses the development model as a guide in preparing candidates, and also in evaluating candidates for the CEO and other executive positions at the Board's annual talent review and succession planning session. At the annual session, the Board evaluates and compares candidates using the development model, and reviews each candidate's development actions, progress and performance over time. The candidate evaluations are supplemented with periodic 360-degree performance appraisals, and the Board also regularly interacts with candidates at Board dinners and lunches, through Board meeting presentations and at the Company's annual leadership conference.

III. Corporate Responsibility and Sustainability

We recognize our responsibility towards the environment and to the communities in which we operate. Our commitment to socially responsible and sustainable practices is an integral part of how we do business. We believe that this is not only the right way to do business, but also that it will benefit our employees, clients, vendors, stockholders, communities and environment. We fulfill this responsibility in many ways, a few of which are highlighted below. More information can be found in the Sustainability, Caring For Our Community and Supplier Information sections of our Website at [www.firstam.com](http://www.firstam.com).

- **Environmental**—The Company measures greenhouse gas emissions, water and energy consumption and solid waste generation in an ongoing commitment to reduce our environmental impact while making our operations more efficient. A few highlights include:
  - o A "Green Team" that oversees and directs improvements in energy efficiency, water reduction, waste elimination and carbon management. Since its start, the Green Team has implemented improvement projects such as green cleaning, lighting retrofits, an energy demand response program, restroom fixture upgrades and a recycling program. The Green Team directs the activities of the Company's Planet First council, which works to reduce our carbon footprint and improve communications about our sustainability initiatives and corporate stewardship.
  - o Environmental impact audits conducted by third parties we engage for that purpose provide feedback about the areas in which we excel and the opportunities for improvement.
  - o Renewable energy, electric vehicle charging stations, reshare, recycling, locally-sourced food programs and water reduction fixtures and technologies help us to collectively reduce our environmental impact.
- **Social**—The Company strives to be socially responsible by supporting the professional development and well-being of our employees and contributing to the communities in which we operate. We are proud to support our employees as they give back to the communities in which they live and work. Our employees contribute their passion, time and money to dozens of food banks, charity walks, children's causes, veterans support and more every year. Our employees make a difference in our core causes through a variety of activities nationally and locally, including:
  - o **Community Development**—We give to organizations that work to create and sustain affordable housing, revitalize low- to moderate-income neighborhoods and support community services and economic development, including, for example:

Some of Our Recent Success Stories

|   |  |
|---|--|
| Our data center reduced electricity consumption by <b>9%</b> through the optimization of cooling control systems                        | <b>38 U.S. facilities</b> saved enough energy to reduce their annual combined greenhouse gas emissions by <b>19%</b> , enough to power <b>2,652 homes' electricity</b> for one month |
| New energy-saving HVAC equipment in our corporate campus cafeteria annually saves enough energy to power <b>156 homes</b> for one month | We have been tracking environmental data, such as electricity, natural gas, waste, and water since <b>2015</b>   |

Total of 3 pages in section

CORPORATE GOVERNANCE

This structure allows the Company to pursue its risk management vision of:

- ▶ Creating a risk-aware culture across the enterprise to facilitate open transparent dialogue;
- ▶ Striving to focus on strategic and cross-functional analysis to identify future and emerging risks; and
- ▶ Making sure risks are taken into consideration before critical decisions are made.

As part of the risk management process, each of the Company's business units and functions is responsible for identifying key risks that could affect the achievement of business goals and strategies or impact our customers or the environment, for assessing and prioritizing the risks, and for proposing actions to be taken to manage and mitigate such risks, as appropriate. In 2018, the Company launched a new forum, which includes the CEO and CFO, to encourage and monitor risk at a business and functional level. Each business unit and functional head reports on various risk management issues, including the integration of risk management practices into its area of responsibility, key risks to its business area, and any emerging risks. By the end of 2018, each of the Company's business units and functions will have conducted such a review. Highlights of these reviews are provided to the Risk Committee on a quarterly basis.

Your Board believes that its structure for risk oversight provides for open communication between management and the Board and its Committees, which effectively supports management's enterprise risk management program. In addition, strong independent directors each of the Committees involved in risk oversight, and all directors are involved in the risk assessment and ongoing risk reviews.

People Development

Your Board believes that one of its primary responsibilities is to oversee the development of executive-level talent to successfully execute GM's strategy. Management succession is regularly discussed by the directors with the CEO and during the Board's executive sessions. The Board reviews candidates for all senior executive positions to confirm that qualified and diverse successor-candidates are available for all positions and that development plans are being utilized to strengthen the skills and qualifications of successor-candidates.

Board oversight drives culture and increases diversity and inclusive behaviors.

The Board's investment in people development does not stop with management succession planning. It actively takes an interest in making sure all employees are fully engaged and realizing their potential. To accomplish this, the Board annually reviews the diversity pipeline at all levels of the Company and receives an update on various hiring initiatives for diversity groups supported by the Company. At this time, the Board believes it has a deep and diverse talent pipeline from which to promote employees at all levels of the Company. Since 2012, another tool the Board has used to monitor people development is review of results from the Company's salaried and hourly Workplace of Choice survey. This provides the Board with feedback and enables it to hold leaders accountable for developing talent and maintaining a winning culture.

The Board also believes that visits to Company facilities enable it to judge the Company's cultural journey first-hand. For example, within the past year, the Board has visited the Company's Global Propulsion Engineering Center, its Performance and Racing Center, its Research and Development laboratories, and its autonomous vehicle subsidiary, Cruise. These experiences enable the Board to judge whether the Company is adopting business practices that create the engaged and stable workforce that is needed to create competitive advantage.

For additional information on human capital management initiatives and actions to create an inclusive culture, see our Sustainability Report at [gm.com/sustainability](http://gm.com/sustainability) and Diversity and Inclusion Report at [gm.com/content/dam/company/na/en/na/en/gmcom/GM\\_Diversity\\_and\\_Inclusion.pdf](http://gm.com/content/dam/company/na/en/na/en/gmcom/GM_Diversity_and_Inclusion.pdf)

CEO Succession Planning

Our Independent Lead Director oversees the process for CEO succession and leads, at least annually, the Board's discussion of CEO succession planning. Our CEO provides the Board with recommendations for and evaluations of potential CEO successors and reviews with the Board development plans for these successors. Directors engage with potential CEO and senior management talent at Board and Committee meetings and in less formal settings to enable directors to personally assess candidates. The Board reviews management succession in the ordinary course of business as well as contingency planning in the event of an emergency or unanticipated event.

Board and Committee Evaluations

The Board and each Committee conduct an annual self-evaluation to assess effectiveness and consider opportunities for improvement. As part of the evaluation process, each director completes a written questionnaire and is also interviewed by the Chairman and, if requested

1) 2018 COMPANY PERFORMANCE

2018 marks our fourth consecutive year of record-breaking growth while remaining a world's best workplace and launching bold corporate responsibility goals. We believe the success of our business is directly linked to the success of our communities — from the local owners who build our hotels, to the local talent who operate them, to the local businesses we support through the products we source and the guests we serve. Our performance against our key strategic priorities and corporate responsibility strategy, Travel with Purpose, are highlighted on the following two pages.

MAXIMIZED PERFORMANCE

|   |   |   |  |
|---|---|---|--|
| Net Income of <b>\$769M</b> exceeded expectations | Grew Adjusted EBITDA to <b>\$2,101M</b> nearly 103% of target | Increased system-wide comparable RevPAR <sup>1</sup> by <b>3.0% YoY</b> | Returned approximately <b>\$1.9B TOTAL CAPITAL TO STOCKHOLDERS</b> approximately 9% of our market capitalization |
|---|---|---|--|

EXPANDED GLOBAL NETWORK

We achieved record net unit growth, approvals and construction starts. As of 2018 year-end, we had nearly 29% of hotel rooms under construction globally, nearly 4 times our existing market share, which is the highest multiple in the industry.

|   |   |   |  |
|---|---|---|--|
| Opened more than <b>1 Hotel</b> daily over <b>450</b> hotels to surpass <b>6,000</b> total hotels across <b>113 COUNTRIES &amp; TERRITORIES</b> | Net Unit Growth of approximately <b>7% or 57,000</b> YoY net new rooms. Conversions represented nearly <b>25%</b> of new rooms opened | <b>364K</b> rooms in the pipeline <b>6% YoY</b> | Accelerated growth in <b>EMERGING MARKETS</b> <b>650</b> hotels in the pipeline. <b>China</b> has nearly <b>400</b> in <b>THE PIPELINE</b> |
|---|---|---|--|

IMPROVED OUR CUSTOMER EXPERIENCE

|  |   |  |  |
|--|---|--|--|
| Established industry-leading <b>2030 Goals</b> for our Travel with Purpose Strategy (outlined in the following page)   | Launched <b>TWO NEW BRANDS</b> <b>MOTTO</b> and <b>LXR</b> Our 15 <sup>th</sup> & 16 <sup>th</sup> brands                               | Scaled the industry's first <b>DIGITAL KEY TECHNOLOGY</b> into <b>7.6M DOWNLOADS</b> in over <b>410</b> hotels globally around the world             | Launched new campaign <b>"EXPECT BETTER. EXPECT HILTON."</b> Honors members <b>GREW BY 20% YoY</b> to over <b>65M MEMBERS</b> (Hilton) Introduced <b>"EXPLORE"</b> a new Honors App feature enabling guests to explore local neighborhoods based on recommendations from Hilton Team Members |
| <b>THE HILTON EFFECT</b> Research showcased the positive, world-changing impact Hilton has had over the last 100 years | Announced a strategic alliance with <b>PLAYA</b> We have the highest rated <b>TRAVEL APP</b> which is downloaded <b>EVERY 8 SECONDS</b> | Robbed out <b>CONNECTED ROOM</b> + <b>1,800 ROOMS</b> First-of-its-kind, high-tech room where guests control their entire stay from their Honors App |  |

CULTIVATED OUR PURPOSE-LED CULTURE "FOR ALL"

Our exceptional workplace culture received record-breaking external recognition. Through our Team Member Value Proposition, (Travel)@Hilton, we are committed to evolving the way we work and focusing on Team Member wellbeing.

RECOGNITION FOR OUR "FOR ALL" AWARD-WINNING CULTURE

|                                     |   |   |   |  |  |
|-------------------------------------|---|---|---|--|--|
| <b>World's Best Workplaces 2018</b> | <b>WOMEN'S AWARDS</b> People magazine's 2018 LIST OF COMPANIES TO WATCH | <b>FORTUNE 100 BEST COMPANIES TO WORK FOR</b> | <b>RANKED #1 BEST COMPANY TO WORK FOR IN THE U.S.</b> | <b>RECOGNIZED GREAT PLACE TO WORK™</b> (Stanley 1st, Delta 1st, Hilton 1st, Hyatt 1st, Marriott 1st, Hilton 1st) | <b>RECEIVED 34 DIVERSITY &amp; INCLUSION AWARDS</b> including Top 10 Company for Gender Diversity, Hispanic Leadership, Employee Resource Groups, Disability |
|-------------------------------------|---|---|---|--|--|

<sup>1</sup> RevPAR stands for Revenue Per Available Room and represents total room revenue divided by room nights available for guests.



02 | CORPORATE GOVERNANCE

Both the Audit Committee and the full Board review the results of the annual ERM assessment. During the review, Honeywell's CFO and General Counsel jointly present the results of the ERM assessment in a manner designed to provide full visibility into the risks facing Honeywell and how management is mitigating those risks, thereby enabling the Board to effectively exercise its oversight function. To facilitate continued monitoring and oversight by the Board, key risk areas identified during the ERM process and management's associated mitigation activities become part of Board and/or committee meeting agendas for the following year.

Every three years, the ERM process includes one-on-one meetings with each Board member to discuss each director's "top down" view of risks facing the enterprise, to solicit the director's recommendations for improving the ERM process, and to ensure that the universe of risks and the metrics for identifying key risks, in terms of likelihood of occurrence and potential financial impact, is both realistic and appropriate. Feedback from the one-on-one interviews with the individual Board members is presented to the full Board and incorporated in our ERM program and risk mitigation efforts.

OVERSIGHT OF STRATEGY

One of the Board's primary responsibilities is overseeing management's establishment and execution of the Company's strategy and the associated risks. The full Board oversees strategy and strategic risk through robust and constructive engagement with management, taking into consideration our key priorities, global trends impacting our business, regulatory developments, and disruptors in our industries. The Board's oversight of our strategy primarily occurs through deep dive annual reviews of the long-term strategic plans and annual operating plans of each of our businesses. During these reviews, management provides the Board with its view of the key commercial and strategic risks faced by each business unit, and the Board provides management with robust feedback on whether management has identified the key risks and is taking appropriate actions to mitigate risk. In addition to the review of each business' strategic and annual plans, specific areas of risk and opportunity are tabled for further Board and/or committee discussion as specific risks arise or as requested by management or individual Board members to ensure additional Board engagement on the areas of risk that are most impactful to Honeywell's strategic direction.

The Board's oversight of strategy was prominent during the portfolio review process that ultimately led to the Garrett and Resideo spins. With the ultimate goal of achieving an outcome that would promote long-term shareholder value, the Board engaged in a rigorous, thorough, and unbiased review of our portfolio, devoting a substantial amount of time and resources to reviewing and pressure testing the financial and strategic analyses prepared by management and external advisors. The Board then monitored management's execution of the spin transactions to ensure world-class execution.

OVERSIGHT OF HUMAN CAPITAL AND CULTURE

The Board and the MDCC provide oversight over human capital, with particular focus on culture, talent development and assessment as well as succession planning. Honeywell fosters a performance culture where all directors, officers, and employees are expected to uphold our foundational principles of integrity and ethics, Supporting Diversity, and Workplace Respect, and build meaningful careers based on our 8 Behaviors: Have a Passion for Winning, Be a Zealot for Growth, Think Big - Then Make It Happen, Act With Urgency, Be Courageous, Go Beyond, Inspire Greatness, and Become Your Best. The strength of our culture is essential to fulfilling our strategic vision, and the Board and the MDCC work with management to monitor compliance with the foundational principles and measure progress against the 8 Behaviors. The Board also is closely engaged in the development and management of human capital. The Board's involvement in leadership development and succession planning is systematic and ongoing, and the Board provides input on important decisions in each of these areas. The Board has primary responsibility for succession planning for the CEO and oversight of succession planning for other executive officer positions. The MDCC oversees the development of the process and protocols regarding succession plans for our executive officers, and annually reviews and updates these protocols to reflect input from Board members. To assist the Board, the CEO annually provides an assessment of senior managers and their potential to succeed to the position of CEO. In addition, the Board meets regularly with high-potential executives, both in small group and one-on-one settings.

BOARD PRACTICES AND PROCEDURES

BOARD AND COMMITTEE MEETINGS

- Agenda.** The Board and its committees perform an annual review of the agenda items to be considered for each meeting. During that review, each Board and committee member is free to raise topics that are not on the agenda at any meeting and to suggest items for inclusion on future agendas.
- Number of Meetings and Attendance.** In 2018, the Board held seven meetings and the committees of the Board collectively held 26 meetings. The Board had 100% meeting attendance, and the directors' average attendance rate at meetings of the committees on which they have been appointed was 96%. Each of the directors participated in at least 75% of the aggregate of the total number of Board meetings held during the period for which he or she was a director, and the total number of meetings held by all Board committees on which he or she served (during the period that he or she served).



EXECUTIVE COMPENSATION

IV. Investing in our people

Our employees' effectiveness, career development and ability to adapt to a changing landscape enables continued delivery of sustained shareholder value. We believe the most effective workforce is a diverse workforce, and as such, we maintain Firmwide inclusion and diversity initiatives to attract and retain the highest quality talent. In order to attract and retain diverse employees, we believe in providing well-paid jobs with strong benefits and wellness programs.

Diversity

Diversity and inclusion are of strategic importance to the Firm. We are committed to a culture of openness and meritocracy and believe in giving all individuals an opportunity to succeed. We believe diversity with an inclusive environment fosters innovation, creativity and productivity, which is critical to our success, and we are deeply committed to hiring and retaining employees from different backgrounds, experiences and locations.

We continue to invest significant time and effort toward executing diversity and inclusion best practices Firmwide. Our Business Resource Groups ("BRGs") are communities of employees who voluntarily work together to advance the Firm's priorities and its position in the global marketplace by leveraging the unique perspectives of their members. We have ten BRGs globally, with over 91,000 employees participating from all LOBs. In addition to BRGs, we have developed other diversity and inclusion strategies such as:

|   |   |
|---|---|
| <b>Women on the Move ("WOTM")</b>   | <ul style="list-style-type: none"> <li>WOTM is a global, Firmwide effort designed to support women in their personal and professional lives</li> <li>The initiative was expanded in 2018 to empower female employees, clients and consumers to build their careers, grow their businesses and improve their financial health</li> <li>An executive was appointed to serve as a dedicated leader for the expanded initiative</li> <li>The third annual Women on the Move Leadership Day took place in 2018 with nearly 2,000 attendees</li> </ul>                                |
| <b>Advancing Black Leaders ("ABL") &amp; Advancing Black Pathways ("ABP")</b> | <ul style="list-style-type: none"> <li>ABL is a Firmwide commitment to increasing representation of black talent across all businesses</li> <li>In 2018, we saw meaningful headcount growth in black senior management and increased representation of black talent in our incoming 2019 class</li> <li>In February 2019, we launched ABP to provide more support for black people in their pursuit of educational, career, business and personal financial success and appointed an executive to serve as a dedicated leader for the initiative</li> </ul>                     |
| <b>Office of Disability Inclusion ("ODI")</b>                                 | <ul style="list-style-type: none"> <li>ODI is dedicated to providing globally consistent standards and processes to better accommodate employees with disabilities</li> <li>Launched the MyAccessibility team to fulfill requests for technology and physical accommodations for employees with disabilities</li> <li>Initiated the Firm's first global disability inclusion Standards to provide managers and team leaders with resources to recruit, hire and advance people with disabilities</li> <li>Hired over 1,000 people with disabilities globally in 2018</li> </ul> |
| <b>Military and Veterans Affairs Programs</b>                                 | <ul style="list-style-type: none"> <li>The Office of Military &amp; Veterans Affairs drives Firmwide initiatives to position veterans, service members and their families for long-term, post-military success</li> <li>Hired over 1,200 U.S. veterans in 2018</li> <li>Continued our acclimation and development initiatives to support veterans' transitions and career success into the financial services industry and appointed a new executive to lead the organization</li> </ul>  |

Tracking our progress

We are proud of the external recognition we received in 2018, some of which is listed below:

- 100% rating on the Corporate Equality Index (Human Rights Campaign) and a top score of 100% on the Disability Equality Index survey (Disability: IN and American Association of People with Disabilities)
- 50 Best Companies for Diversity by Black Enterprise
- Top Company for Multicultural Women by Working Mother Magazine
- Best for Vets Employer by the Military Times
- Best Practice for Promoting Asian Pacific American Women by the Asia Society

Total of 2 pages in section



HUMAN CAPITAL

Given the highly technical nature of our business, our success depends on our ability to attract and retain talented and skilled employees to create the technology of the future and to design and effectively execute our business strategy. Our global workforce of 107,400 is highly educated, with approximately 85% of our people working in technical roles. We invest in creating a diverse, inclusive, and safe work environment where our employees can deliver their workplace best every day. This environment fosters a rich and powerful culture that allows us to make a profound impact on the world.

All employees are responsible for upholding the Intel Values, Intel Code of Conduct, and Intel Global Human Rights Principles, which form the foundation of our policies and practices. We also place value on providing a wide range of opportunities to support the ongoing career development of employees. For over a decade, we have tracked and publicly reported on key human capital metrics, including workforce demographics, diversity and inclusion data, turnover, and training data.

"In 2018, we met our U.S. diversity and inclusion goal—two years ahead of schedule. We are proud of our progress but not satisfied. We view diversity and inclusion as a business imperative that drives innovation and future growth. Every voice matters."

—Barbara Whye, Intel's Chief Diversity and Inclusion Officer and Vice President of Human Resources

DIVERSITY AND INCLUSION

Building an inclusive workforce, industry, and ecosystem is critical to helping us drive our business forward. We committed \$300 million to advance diversity and inclusion in our workforce and in the technology industry, and met our goal to achieve full representation of women and underrepresented minorities in our U.S. workforce in 2018—two years ahead of schedule. We have a long-standing commitment to inclusive workplace policies. For example, to help ensure employee concerns are openly and transparently resolved, Intel does not seek arbitration of sexual harassment and other employment claims.



GROWTH AND DEVELOPMENT

We invest significant resources to develop the talent needed to keep the company at the forefront of innovation and make Intel an employer of choice. We deliver training annually and provide rotational assignment opportunities. During 2017 and 2018, we trained our managers in inclusive management practices. Over the past five years, our undesired voluntary turnover rate has been below 5%.

COMMUNICATION AND ENGAGEMENT

Our success depends on employees understanding how their work contributes to the company's overall strategy. We use a variety of channels to facilitate open and direct communication, including open forums such as quarterly Organizational Health Polls; and engagement through more than 30 different employee resource groups, including the Women at Intel Network, the Network of Intel African American Employees, the Intel Latino Network, and others.

COMPENSATION AND BENEFITS

We strive to provide pay, benefits, and services that help meet the varying needs of our employees. Our generous total rewards package includes market-competitive pay, broad-based stock grants and bonuses, a popular Employee Stock Purchase Plan, healthcare and retirement benefits, paid time off, flexible work schedules, sabbaticals, fertility assistance, and on-site services. For more than a decade, we've performed an annual compensation analysis in the U.S. to ensure pay equity by gender and race/ethnicity. In 2018, we began globalizing our analytics and recently announced that we've achieved gender pay equity globally.

HEALTH, SAFETY, AND WELLNESS

Our ultimate goal is to achieve zero serious injuries through continued investment in and focus on our core safety programs and injury-reduction initiatives. We provide access to a variety of innovative, flexible, and convenient employee health and wellness programs, including on-site health centers.

Total of 2 pages in section



|   |  |
|---|--|
| <b>Audit</b>                                    | Oversees the company's financial management and accounting, as well as financial reporting processes and practices, and monitors risks related to financial disclosure, tax and treasury through frequent engagements with management and our external auditor.  |
| <b>Compensation &amp; Benefits</b>              | Reviews the company's employee compensation policies and practices to assess whether such policies and practices could lead to unnecessary risk-taking behavior.   |
| <b>Nominating &amp; Corporate Governance</b>    | Oversees the company's governance structure and other corporate governance matters, including succession planning to ensure that the company has the leadership and oversight required to manage current and future business risks.  |
| <b>Regulatory Compliance</b>                    | Oversees the company's non-financial regulatory compliance in the areas of healthcare compliance, anti-corruption laws, the manufacture and supply of products consistent with applicable high-quality standards, and compliance with applicable laws and regulations related to medical product safety, environmental regulations, employee health and safety, privacy, cybersecurity and political expenditures. |
| <b>Science, Technology &amp; Sustainability</b> | Oversees the company's policies and programs designed to promote sustainable business practices, mitigate risks related to employee health and safety, and environmental compliance and stewardship, including the company's Health for Humanity 2020 Goals, the key performance indicators of the company's external citizenship and sustainability commitments.  |

Board Oversight of Talent Development and Human Capital Management

The Board and Committees are actively engaged in overseeing the company's talent development and human capital management strategies designed to attract, develop and retain global business leaders who can drive financial and strategic growth objectives and build long-term shareholder value. The Board's involvement in leadership development and succession planning is systematic and ongoing, and the Board provides input on important decisions in each of these areas. The Board has primary responsibility for succession planning for the CEO and oversight of succession planning for other executive officer positions. The Nominating & Corporate Governance Committee oversees the development of the process and protocols regarding succession plans for the CEO, and other executive officer positions. The Nominating & Corporate Governance Committee reviews succession plans for the Executive Committee on an annual basis with the CEO and Chief Human Resources Officer.

To improve the Board's understanding of the company's culture and talent pipeline, the Board conducts meetings and schedules site visits at the company's locations and meets regularly with high-potential executives in formal and informal settings. More recently, the Board is regularly updated on key talent indicators for the overall workforce, including diversity and inclusion, recruiting and development programs, and is updated on the company's human capital development strategy. For more information on Johnson & Johnson's approach to talent development and engagement, please see [healthforhumanityreport.jnj.com/our-people](http://healthforhumanityreport.jnj.com/our-people).

The Compensation & Benefits Committee, along with the Management Compensation Committee, oversees the design and management of corporate compensation programs, including long-term incentive compensation programs, as well as the design of the pension, savings, and health and benefit plans covering the company's employees. The Compensation & Benefits Committee provides Board-level oversight regarding these matters. Product quality and safety are top business priorities embodied in Our Credo. Johnson & Johnson's business apply a scientific, evidence-based approach in decisions about the research, marketing and use of their products.

A Note About Talc Litigation:

Personal injury claims alleging that talc causes cancer have been made against Johnson & Johnson and its affiliates arising out of the use of body powders containing talc, primarily JOHNSONS® Baby Powder. Johnson & Johnson is committed to defending the safety of JOHNSONS® Baby Powder, based on extensive scientific evidence that demonstrates:

- JOHNSONS® Baby Powder is safe;
- The talc used in JOHNSONS® Baby Powder does not increase the risk of cancer; and
- JOHNSONS® Baby Powder does not contain asbestos.

There has been extensive media coverage of talc product liability cases, including instances of inaccurate and misleading reporting, and this media coverage adversely impacted our share price during a period in which the stock market as a whole dropped significantly. Johnson & Johnson's management, in concert with diligent Board oversight, has taken proactive steps to assure all stakeholders that the company views product quality and safety to be a top priority. Please see [www.factsabouttalc.com](http://www.factsabouttalc.com) for information about the safety of talc.

Total of 3 pages in section



**Corporate Governance**

senior management and our Board. Our CSR principles guide our values and daily cultural life, our annual strategic planning and business operations, our customer focus and our stakeholder relationships.

**STRATEGIC PRIORITIES**  
We embed responsible people, community and environmental practices into sustainable business operations that maximize shareholder value. Four strategic priorities guide our work.

|  |   |  |  |
|--|---|--|--|
| <p><b>Fostering Diversity &amp; Inclusion</b></p> <ul style="list-style-type: none"> <li>Talent management</li> <li>Diverse and inclusive work culture</li> <li>Customer, supply chain &amp; stakeholder engagement</li> </ul> | <p><b>Investing in Community</b></p> <ul style="list-style-type: none"> <li>Workforce development</li> <li>Community development</li> <li>Responsible gaming</li> </ul> | <p><b>Caring for One Another</b></p> <ul style="list-style-type: none"> <li>Volunteerism</li> <li>Employee giving</li> <li>Corporate philanthropy</li> </ul> | <p><b>Protecting the Planet</b></p> <ul style="list-style-type: none"> <li>Climate leadership</li> <li>Sustainable design &amp; construction</li> <li>Responsible operating practices</li> </ul> |
|--|---|--|--|

**Current Initiatives**

|   |   |
|---|---|
| <p><b>Fostering Diversity &amp; Inclusion</b></p> <ul style="list-style-type: none"> <li>Cultivate a best-quality global workforce that reflects our communities.</li> <li>Create welcoming, inclusive environments everywhere we operate.</li> <li>Cultivate diversity and inclusion in our customer markets, supply chain and external stakeholder relationships to accelerate business growth and expand Company goodwill around the world.</li> </ul> | <p><b>Investing in Community</b></p> <ul style="list-style-type: none"> <li>Expand pathways to economic security for our workforce.</li> <li>Provide economic opportunity and enhance the social and cultural fabric in the communities where we operate.</li> <li>Promote responsible gaming practices and tools that keep gambling safe, fun and entertaining.</li> </ul> |
| <p><b>Caring for One Another</b></p> <ul style="list-style-type: none"> <li>Drive positive social impact and boost employee engagement through volunteerism.</li> <li>Instill philanthropic commitment and pride in our employees through The MGM Resorts Foundation.</li> <li>Support our host communities' unique challenges through Company giving.</li> </ul>   | <p><b>Protecting the Planet</b></p> <ul style="list-style-type: none"> <li>Leverage our actions and advocacy to be a global leader on climate change.</li> <li>Design and build with tomorrow in mind.</li> <li>Reduce negative environmental impacts of our operations.</li> </ul>   |

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|  |                             |   |                                  |   |  |
|--|-----------------------------|---|----------------------------------|---|--|
| <b>1</b> CORPORATE GOVERNANCE AT MICROSOFT | <b>2</b> BOARD OF DIRECTORS | <b>3</b> NAMED EXECUTIVE OFFICER COMPENSATION | <b>4</b> AUDIT COMMITTEE MATTERS | <b>5</b> PROPOSALS TO BE VOTED AT THE MEETING | <b>6</b> INFORMATION ABOUT THE MEETING |
|--|-----------------------------|---|----------------------------------|---|--|

**Spotlight: oversight of human capital management**

The Board, the Compensation Committee, and the Regulatory and Public Policy Committee engage with the Senior Leadership Team and human resources executives on a regular basis across a broad range of human capital management issues. Microsoft is focused on creating a respectful, rewarding, diverse, and inclusive work environment that allows our people to build meaningful careers. Key to this environment is cultivating a growth mindset, where our workforce is focused on learning, listening, and growing. The success of this human capital management objective is essential to the fulfillment of Microsoft's mission, and the Board works with management to provide oversight on matters including culture, succession planning and development, compensation, benefits, employee recruiting and retention, and diversity and inclusion. Employee feedback is considered in designing talent programs, rewards, benefits, and building the overall employee experience. Additionally, each year, the Compensation and Audit Committees evaluate management's annual assessment of risk related to our compensation policies and practices. The Compensation Committee also oversees our sales incentive programs through engagement with management's Sales Incentive Compensation Governance Committee. The Board and the Compensation Committee work with the CEO and our head of Human Resources to review CEO and senior executive succession plans, considering the qualifications and experience of potential leadership candidates.

**Spotlight: oversight of cybersecurity risk**

The Board, the Audit Committee, and the Regulatory and Public Policy Committee are each involved in oversight of the Company's management of cybersecurity risk. Cybersecurity protection is vital to maintaining the trust of our customers. Microsoft is committed to building security into its products and cloud services from the ground up. We must also secure our own data and systems from potential breach. Management provides regular updates, including information about cybersecurity governance processes, the status of projects to strengthen internal cybersecurity, security features of the products and services we provide our customers, and the results of security breach simulations. The Board and its committees also discuss recent incidents throughout the industry and the emerging threat landscape, in part identified through Microsoft's own intelligent security graph. (For more information, see [www.microsoft.com/en-us/security/intelligence-security-igp](http://www.microsoft.com/en-us/security/intelligence-security-igp)). Microsoft's commitment to mitigating cybersecurity risk also extends to our global effort to foster the development of laws, international norms, and public/private partnerships addressing cybersecurity risk. The Board and the Regulatory and Public Policy Committee work closely with management to provide oversight for these public policy initiatives and activities.

**Spotlight: oversight of strategic acquisitions**

The Board provides oversight of Microsoft's strategic acquisition and integration process, which supports alignment with our strategic objectives, provides accountability across acquisitions, and enables insight for future acquisitions. Our Board includes 11 members with extensive regulation, acquisition, integration, and other business combination experience. That depth of experience allows the Board to constructively engage with management and effectively evaluate acquisitions for alignment with our strategy, culture, and mission. Microsoft views strategic acquisitions as an important element in delivering long-term shareholder value. While management is charged with identifying potential acquisition targets, executing transactions, and managing integration, our Board's oversight extends to each phase. Management and the Board regularly discuss potential acquisitions and their role in the Company's overall business strategy. These discussions include acquisitions in process and potential future acquisitions, focusing on valuation, strategic risk, and potential synergies with Microsoft's businesses and strategy. When management considers potentially significant acquisitions, the Board receives updates and discusses with management a broad range of matters, including negotiations, due diligence findings, valuation, tax impacts, integration planning, talent retention, communications plans, risk, and regulatory impacts. Throughout the acquisition process, the Board has access to the Senior Leadership Team, appropriate business leaders, subject matter experts, and external advisors. As part of the entire strategic acquisition lifecycle, the Board also receives regular updates and provides feedback on ongoing integration, operational success, and financial performance of our acquisitions, which allows the Board to provide oversight across transactions and over time.

2018 PROXY STATEMENT 15

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THE BOARD OF DIRECTORS AND CERTAIN GOVERNANCE MATTERS

- We remain committed to fully calculating and managing our carbon emissions. To that end, in 2018, we have expanded our data collection and reporting to include all Nielsen sites globally. In addition, we onboarded a new data management platform that allows for more accurate and efficient representation of our global footprint and other ongoing measurements. We have also expanded our GHG emissions reporting to include Scope 3 (business travel), and we continue to explore the relevance and applicability of all 15 Scope 3 categories.
- In recognition of both the reality of climate change and the opportunities for increased efficiency and effectiveness that it presents, we completed our first global climate risk assessment in early 2018 to identify Nielsen's climate-related physical and transitional risks. By investigating physical risks, we aimed to uncover how business assets integral to our operations, such as our facilities, may be affected by extreme weather events (e.g., "super storms," hurricanes, etc.) and changing climate patterns (e.g., increasing drought, heat waves, sea-level rise, etc.). By looking at transitional risks, we aimed to identify the potential financial implications associated with regulatory pressures related to climate change (e.g., carbon taxes, emission caps, investing in new technology, etc.) as well as potential reputational risk.

**Supply Chain Sustainability:**

- We recognize that our institutional spend with suppliers around the world comes with risks and impacts that are of concern to our company and our stakeholders—risks relating to climate change, energy use, human rights, conflict minerals and data privacy and security, among others. Like the immense purchasing power of individual consumers, as a global company, our institutional spend of over \$2 billion can be a demand signal in the marketplace. Our Supply Chain Sustainability program had a productive third year in our goal to establish a best-practice program with these responsibilities and opportunities in mind.
- At the end of 2018, we identified or added more than 400 impact sourcing jobs in our supply chain, representing a 20% increase compared to 2017. We continue to move toward our goal of 500 impact sourcing jobs in our supply chain by 2020.
- Meaningful supplier engagement is the primary means by which we collaborate with suppliers to meet our program's sustainability goals. We do this through measurement and disclosure, continuous improvement and capacity building. In 2018 we added a contractual provision to our Supplier Code of Conduct requiring sustainability assessments from suppliers meeting spend, critically and/or risk exposure criteria. In 2018, we engaged close to 200 of our key suppliers across North America, Europe, Latin America, Asia and the Middle East and exceeded our goal of assessing 100 of our key suppliers with a third party supplier assessment covering ESG issues. In 2017, we engaged over 150 of our key suppliers on ESG issues, covering 40% of our spend, up from 60 suppliers and a third of our spend in 2016. We observed an average ESG score increase of 17% in our lowest scoring supplier sustainability assessments, exceeding our goal of an average 10% score increase. We also began measuring product/service level impacts in 2017. We defined over 40 baseline key performance indicators on our most material purchasing categories in 2017, and in 2018, published the baselines and will publish our primary targets to improve them.
- In 2017 and 2018, we raised awareness of our program internally with Nielsen with presentations to over 100 corporate buyers outside of our centralized Global Procurement team. Externally, our program leaders spoke to combined audiences of 3,500 about our supply chain sustainability program, and its alignment with the United Nations Sustainable Development Goals, including a presentation at the United Nations.
- As part of our commitment to create industry-wide impact, we actively participated as a corporate member with the Responsible Business Alliance, the Responsible Minerals Initiative, the Global Impact Sourcing Coalition (as a Founding Member), and the Sustainable Purchasing Leadership Council.

**Nielsen Cares:**

- Nielsen Cares mobilizes our data, expertise and associates to positively impact the communities in which we live and work around the world. Nielsen Cares programs, in operation since 2010, aim to commit Nielsen resources and time to social causes where we can make a difference. Focused on the priority areas of Education, Hunger & Nutrition, Technology, and Diversity & Inclusion. Our employees share skills, time, data, and insights through our volunteering and our in-kind giving programs.

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THE BOARD OF DIRECTORS AND CERTAIN GOVERNANCE MATTERS

**Data for Good**

- Data is the foundation of our work and we believe it can be leveraged to advance social good. We've committed to enhancing the use of data to increase impact in reducing discrimination, easing global hunger, promoting STEM education and building stronger leadership in the social sector.
- Since 2012, Nielsen has pledged to donate at least \$10 million each year of our data, products and services through pro bono work and skills-based volunteering with nonprofits in our priority cause areas. Nielsen donated a record \$2.2 million of data, products and services in 2018, again surpassing our \$10 million annual commitment of data, products and services. This is part of a larger goal to contribute a cumulative \$50 million in-kind from 2016 to the end of 2020.
- We license the use of select Nielsen market research data to the Villa Center at the University of Chicago's Booth School of Business. Through this arrangement, eligible academic researchers can apply to access a warehouse of Nielsen data to advance their academic and social research.

**Nielsen Foundation:**

- The Nielsen Foundation, a private foundation funded by Nielsen, began grantmaking to nonprofit organizations in 2016. The Nielsen Foundation seeks to enhance use of data by the social sector to reduce discrimination, ease global hunger, promote effective education, and build strong leadership.
- In 2018, the Nielsen Foundation distributed \$1.67 million in grants. One of the Foundation's grant programs is Data for Good. In 2018, \$304,299 in Data for Good grants were distributed to four organizations.
- The Nielsen Foundation also launched two signature programs in 2018: the TechDiversity Accelerator and Discover Data. The TechDiversity Accelerator, in collaboration with Tampa Bay Wave, is a program specifically dedicated to fostering the growth of diverse startups in the central Florida region and across the country. Discover Data, an education initiative in collaboration with Discovery Education and The AfterSchool Alliance, provides resources to students ages 11 to 14 that create excitement about the power of data analysis, as well as volunteer guides to visit classrooms in person or virtually.

**DIRECTOR EDUCATION**

Educating our directors about Nielsen and our industry is an ongoing process that begins when a director joins our Board. All new directors take part in a comprehensive orientation about Nielsen which includes meetings with senior leaders to discuss our business and strategy as well as our control functions, including finance, operations and legal. We also conduct in-depth training sessions on the work of our committees for both new directors and those directors who are newly appointed to a committee. For a new member of the audit committee, this may include training with our independent registered public accounting firm.

We encourage our directors to participate in external continuing director education programs and provide reimbursement for expenses associated with this participation. Continuing director education is also provided during Board meetings and other Board discussions as part of the formal meetings and as stand-alone information sessions outside of meetings. Among other topics, during 2018, in connection with our strategic review, we conducted several "deep dive" education sessions on the latest developments and trends in our Connect and Media businesses. Our Board also regularly reviews developments in corporate governance to continue enhancing our Board's effectiveness.

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Social

We demonstrate our commitment to corporate social responsibility and community involvement through our S.A.V.E. program, which focuses on four important societal needs that align with our culture, products, and people: Sourcing Responsibility, Associate Development, Volunteering & Community, and Environmental Stewardship.

Through Overstock Cares, our philanthropic arm, we have supported hundreds of non-profit organizations with millions of dollars' worth of in-kind and monetary contributions. Some of these organizations include The Road Home, American Heart Association, Hope Refugee, The Inn Between, Make a Wish, Habitat for Humanity, and Operation Underground Railroad.



Total of 2 pages in section



Environmental and Social Sustainability Oversight

PayPal recognizes its responsibility as a global citizen to operate in a responsible and sustainable manner aligned with our mission, vision, and values to build a more financially inclusive and interconnected world.

Over the past year, we formalized the Board's oversight, executive leadership and operationalization of our Environmental, Social and Governance (ESG) efforts:

- The Corporate Governance and Nominating Committee of the Board is responsible for overseeing general ESG activities.
Our Chief Business Affairs and Legal Officer directs and manages the execution of our overall ESG strategy.
We implemented an internal governance framework to facilitate cross-functional ESG program development.

In 2018, we published our first annual ESG report, the 2017 Global Impact Report, which highlights four key priority areas of our ESG program:

- Social Impact - including reporting on annual impact metrics, product and service enhancements, and partnerships to improve financial health, power charitable giving and strengthen local communities.
Employees and Culture - including executing an effective human capital management strategy to ensure the recruitment, retention and development of our workforce, and diversity and inclusion metrics that demonstrate our commitment to equality and inclusion.
Environmental Responsibility - including conducting our first enterprise-wide environmental footprint assessment and committing to further action in this area.
Responsible Business Practices - including establishing policies and practices to safeguard trust, ensuring ethical and compliant business operations, and securing and protecting customer information.

To access the full 2017 Global Impact Report, visit: www.paypal.com/us/webapps/mpp/about/responsible-practices

The Company is committed to regular communication of corporate governance and sustainability topics. As our ESG efforts continue to evolve, we are committed to sharing progress through subsequent reports and updates.

Proxy Statement



PRUDENTIAL'S ENVIRONMENTAL, SOCIAL AND GOVERNANCE FRAMEWORK

Prudential's integrated ESG framework builds on our 140-year tradition of creating financial opportunities for individuals, families, institutions and communities.



Social Capital: Creating societal impact has been core to Prudential since its founding more than 140 years ago.
Human Capital: Prudential is committed to building a fully inclusive culture and equity in all talent hiring and management decisions.
Business Model & Innovation: Prudential's business model manages risk and deploys capital while creating solutions that put financial security within reach for all customers.
Corporate Governance: The Prudential Board is built on a foundation of sound governance practices and commitment to its shareholders.
Environment: Prudential's proactive engagement with employees, customers, vendors, investors and environmental groups informs its sustainability policies and practices.

Our culture is one of our best assets. I would distill our culture down to our values, our practices and our people. It is a competitive advantage, and vital to the creation and protection of Prudential's long-term value.

Thomas J. Baltimore, Prudential Lead Independent Director

Gender Equality: Named to Bloomberg's Gender Equality Index.
Low-Risk: Sustainability ESG Risk Rating.
1 Environment, Social, and Governance ISS QualityScore.
A ESG Rating MSCI.
B CDP Score.

...al, social and governance practices underscore our determination to ... problems to help shape our changing world for the better.



Human Capital

- Senior vice president and above compensation tied to long-term diversity performance objectives.
WORKFORCE DEMOGRAPHICS (U.S.):
52% of U.S. employees are women.
29% of U.S. employees are people of color.

- EMPLOYEE TURNOVER (U.S.):
11% Turnover Rate - below national Finance and insurance industry's average rate of 22%.
CORPORATE & COMMUNITY ENGAGEMENT:
Prudential CARES aligns with our talent focus by enabling employees to leverage their business skills and expertise through participation in corporate-sponsored initiatives.

- Since 1976, The Prudential Foundation has provided more than \$195.5 million in Matching Gifts to non-profit organizations. In 2018, the Foundation provided more than \$8.5 million in Matching Gifts.
Employees have provided nearly \$1 million in pro bono consulting to 42 non-profits and small businesses.



Business Model & Innovation

SOLVING FINANCIAL CHALLENGES

- Prudential solves the financial challenges of a changing world - leading to better outcomes for people, employees and communities.
Prudential reaches 50 million people in more than 40 countries through the workplace, and individually with savings, protection, retirement and investment solutions.

- FINANCIAL WELLNESS:
Financial wellness platform helps customers across all incomes achieve financial goals and protect against risks.
Prudential Pathways\* provides financial education to Prudential's extensive U.S. customer base including more than 350 employers representing 4 million employees.
Pension Risk Transfer business enhances the retirement well-being of workers by helping companies fulfill pension promises.



Environment

GLOBAL ENVIRONMENTAL COMMITMENT

- Advancing toward a global commitment with quantitative & qualitative targets.
Global emissions data third-party-verified by Lloyd's Register Quality Assurance.

- CLIMATE CHANGE:
CDP score increased from C to B in 2018.
Business continuation plans outline recovery strategy for natural disasters.
Task Force on Climate-Related Financial Disclosure's (TCFD's) voluntary recommendations supporter.
GREEN INVESTMENTS:
Green programs constituted 29% of PGIM Real Estate Finance's FIA/Agency multifamily originations.
PGIM Fixed Income's green bond market value totaled \$1.54 billion as of December 31, 2018.
Prudential's \$5 million investment in the world's first "Blue Bond" funds sustainable marine and fisheries projects.

2018 MILESTONES

- Fortune Magazine's World's Most Admired Companies ranks Prudential number 1 in the Insurance: Life and Health category.
Ethisphere includes Prudential in its 2018 and 2019 World's Most Ethical Companies\* list - for the fifth consecutive year.
Barron's lists Prudential as one of the "100 Most Sustainable Companies".
DiversityInc includes Prudential in its Top 50 Companies for Diversity.
Military Times names Prudential a "Best for Veterans" employer in 2018.
Points of Light names Prudential to its Class 50 for the fourth time.
Prudential completes its 23rd annual Prudential Spirit of Community Awards National group volunteerism.
Prudential is nominated for the National Association of Corporate Directors' NACD Initiative.
Prudential is named to Corporate Responsibility Magazine's 100 Best Corporate Citizens.
Named to Fortune's 2018 Change the World List.
Prudential included in the Disability Equality Index® (DEI®) Best Places to Work, receiving a top score of 100%.
Prudential of Korea celebrates the 20th anniversary of its Spirit of Community Awards program.
Prudential awarded the 2018 Leading Disability Employer Seal by the National Organization on Disability.
Working Mother includes Prudential in its "100 Best Companies for Working Mothers".
Latina Style Magazine lists Prudential as one of the "50 Best Companies for Latinas".
Prudential featured in Catalyst's ESG Champions for Change Report.
Forbes and JUST Capital rank Prudential the no. 1 company in the insurance industry on their America's Most JUST Companies list.

Total of 4 pages in section



**PSEG VISION:**  
People providing safe, reliable, economic and greener energy.

**CORE COMMITMENTS**

**SAFETY**  
We put safety first.

**INTEGRITY**  
We do what's right.

**CONTINUOUS IMPROVEMENT**  
We aspire to achieve excellence.

**DIVERSITY AND INCLUSION**  
We treat all individuals with dignity and respect.

**CUSTOMER SERVICE**  
We keep customers at the heart of everything we do.

**ACHIEVEMENTS**

**ENVIRONMENT AND SUSTAINABILITY**

- Dow Jones Sustainability Index for 11th consecutive year
- New Jersey's largest source of carbon-free electricity
- Commitment to energy efficiency initiatives
- Largest estuary enhancement program in the world

**DIVERSITY AND INCLUSION**

- Human Rights Campaign Corporate Equality Index 2018 – 100% rating
- One of Forbes' Best Employers for Diversity
- Hosted PSEG Diversity and Inclusion Summit
- Signed the CEO Action Pledge for Diversity and Inclusion
- Joined EEO Diversity and Inclusion Initiative

**COMMUNITIES AND THE ECONOMY**

- PSEG Foundation and corporate charitable giving
- March of Dimes No. 1 fundraising utility for 18 years
- Major contributor to New Jersey's economy

**EMPLOYEES**

- One of America's Best Employers by Forbes magazine
- Top 100 Military-Friendly Employer

**CUSTOMER SERVICE AND RELIABILITY**

- PA Consulting Mid-Atlantic Reliability One Award for the past 17 years; 2018 Outstanding Customer Reliability Award
- Top 10 U.S. utility for overall customer value and reliability by the Wired Group
- Cogent Reports 2018 Most Trusted Brand by business customers and 2018 Customer Champion among residential customers
- First U.S. public utility to obtain SAFETY Act recognition from the U.S. Department of Homeland Security for anti-terror measures
- Investing to upgrade and strengthen our electric and gas systems

**Corporate Governance**

The Company has established a comprehensive cybersecurity program designed to protect and preserve the confidentiality, integrity and availability of our and our customers' information and our systems. The cybersecurity program is built on technical, procedural, and people-focused measures to detect, protect against, respond to, and recover from cyber threats to our systems and information including company, employee and customer data. Features of our program include: identifying critical information and systems, conducting cyber risk assessments of our and third party systems, maintaining awareness of cyber threats and vulnerabilities through partnerships with public and private entities, as well as industry groups, periodic industry best practice review and operational benchmarking; maintaining and testing our cybersecurity incident response plans and systems; training personnel on cybersecurity issues; and raising cybersecurity awareness throughout our Company with electronic notices and seminars. We have incorporated a cybersecurity escalation process into our cybersecurity program to ensure that senior management is promptly made aware of material cyber events that impact the Company and kept updated during the life of the event.

**Talent Management and Succession Planning**

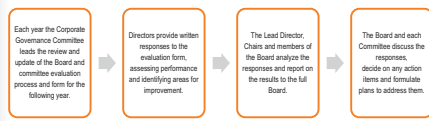
Our business planning process includes key aspects of workforce planning and development. We believe that we utilize a rigorous and disciplined process to evaluate talent and provide for succession planning in relation to our business objectives. This starts at the local level and continues through senior management, with direct involvement of our CEO and Board. We periodically review our workforce priorities, progress on achieving our commitment to diversity and effectiveness of our organizational structure and staffing.

The Board takes very seriously its responsibility to provide for an orderly process of succession within the ranks of our senior management. Periodically, the Board reviews with the CEO succession plans for key leadership positions and periodically meets with succession candidates to ensure that highly qualified candidates are available, should the need arise to fill vacancies. The Board evaluates succession plans and organizational structure in the context of overall business strategy. Potential leaders are visible to Board members through formal presentations and informal events to allow the directors to personally assess individuals. We seek to maintain a continuity of management through appropriate recruitment and retention methods, including market-based and performance-measured compensation and career advancement and training opportunities.

**Director Education and Board Evaluation**

New directors receive comprehensive materials and an in-person orientation program that includes visits to corporate facilities and presentations by senior management to familiarize them with our strategic plans, operations, significant financial, accounting, and risk management issues, regulatory strategy, governance practices, compliance programs, including the standards, principal officers and internal and independent auditors. Each year, the Board is briefed and continuing education is provided to all directors on corporate governance trends and best practices and topics of importance to our business, which may include the matters noted above, as well as regular appraisals of new developments and requirements that may impact us and emerging trends facing us and our industry. The Board is also provided with presentations and materials from external consultants and experts, including regulators, investors and legislators. Directors are encouraged to take advantage of other relevant educational programs.

The Board believes that a robust and constructive evaluation process is an important component of good corporate governance. The Board and each committee conduct an annual assessment to evaluate the effectiveness of their processes and practices, including Board and committee performance, Board composition and culture, Board meetings and risk management. Among the items considered are the monitoring and oversight of policies, evaluation of the CEO and senior officers, consideration of stockholder value, understanding of the business, access to information and resources and opportunity to inquire of, or challenge, management. The process includes a survey of the directors and discussions at Board and committee meetings, as applicable, led by the Lead Director and each respective committee chair.



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**Sustainability, Corporate Responsibility, People and Talent**

In addition to being committed to our customers, employees, and shareholders, we are also committed to the communities we serve and to the environment. As part of our ongoing Blue Planet® sustainability initiative, we continue to build durable practices and programs across our sustainability platform with the goal of a cleaner, safer, and healthier world.

**Board and Committee Oversight of Sustainability**

Our Board is directly involved in the oversight of Republic's environmental and sustainability initiatives and conducts a comprehensive review of the Company's recycling and sustainability performance on an annual basis. Republic's commitment to corporate sustainability also led to the formation of a dedicated Sustainability & Corporate Responsibility Committee of the Board in 2015. This committee has oversight responsibility with respect to our sustainability performance, our corporate responsibilities, our role as a socially responsible organization, and our enterprise risk, including cyber security, climate change, environmental, and reputational risks. The Sustainability & Corporate Responsibility Committee is focused on reviewing the Company's sustainability performance and progress toward sustainability strategic goals and objectives as well as providing guidance to management with respect to significant sustainability and corporate responsibility initiatives.

**Sustainability Focus**

We believe we have a responsibility to regenerate our planet with the materials we are entrusted to handle every day by driving increased recycling, generating renewable energy, and helping our customers be more resourceful. Additionally, regulatory and market developments that are related to concerns about potential impacts from climate change present us with a strategic business opportunity to reduce our own emissions while also providing our customers with sustainable solutions that reduce their greenhouse gas emissions. Leading by example, we continue to work diligently to improve our relationship with the environment and society in our own operations through decreased vehicle emissions, innovative landfill technologies, use of renewable energy, community engagement, and employee growth opportunities. Sustainability contributes to a cleaner world, while also providing opportunities to improve brand awareness, increase customer loyalty, grow our business, reduce costs, motivate our employees, and differentiate Republic from our competitors.

To maximize our efforts, we have chosen to focus our sustainability platform around the following five areas:

**SAFETY**

Nothing is more important than safety. The nature of our business model requires us to be uncompromising on safety. A sustainable planet is only possible if everyone works and lives together... safely.

**PEOPLE**

We believe an engaged and diverse workforce is the greatest indicator of our success. Our people make the communities we serve strong and vibrant.

**OPERATIONS**

With the 7th largest fleet in the nation and more than 4.9 million pickups per day, we know it's important for us to continuously leverage technology to reduce emissions while increasing efficiency.

**MATERIALS MANAGEMENT**

Our experience, passion, and ethical standards drive us to do more, solve more, innovate more and turn waste into solutions that deliver a valuable product or service while also protecting our planet.

**COMMUNITIES**

Investing in the communities in which we live and work is important to us. We provide financial support, volunteer our time and provide in-kind donations to sustain our planet.

Each of these areas has a significant effect on the environment and society and contributes to preserving our Blue Planet, while strengthening the foundation of our business going forward. We set initial sustainability goals in 2014, outlined below, and developed programs that enabled us to advance toward these goals. These achievements resulted in the reduction of 0.3 million tons of carbon dioxide equivalent over a five-year period, primarily due to the life-cycle benefits of increased recycling. Additionally, from 2013 through 2017, Republic reduced its own scope 1 and 2 greenhouse gas emissions by 16%. We plan to introduce new sustainability goals in 2019.

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**PROGRESS ON INITIAL SUSTAINABILITY GOALS**

|  |   |
|--|---|
| <p><b>Safety</b></p> <p>Reduce our Occupational Safety and Health Administration (OSHA) recordable rates by 7% YoY</p> <p><b>ON TRACK</b></p>    | <p><b>Energy</b></p> <p>Develop at least two landfill gas-to-energy projects per year by 2018</p> <p><b>ACHIEVED</b></p>            |
| <p><b>Recycled Commodities</b></p> <p>Add an additional 150,000 tons or more per year of recycling capability by 2018</p> <p><b>ACHIEVED</b></p> | <p><b>Fleet</b></p> <p>Reduce absolute fleet emissions by 3% from our direct operational impacts by 2018</p> <p><b>ACHIEVED</b></p> |

**Industry Leadership**

Republic Services has been consistently recognized for its sustainability progress and performance. We were named to the North American and World Dow Jones Sustainability Index (DJSI) for a third consecutive year in 2018. We earned the Gold Award from RobecoSAM in 2018 for our DJSI scores. We are the DJSI is the gold standard for corporate sustainability. In addition, we earned the CDP Climate and Supply Chain Management Level A rating. All of these achievements demonstrate our ability to connect financial performance with environmental and social performance, addressing various risks and opportunities posed by climate change. The rankings also highlight Republic's leadership in corporate finance, environmental, social, and financial aspects of sustainability. Finally, we released our fourth Sustainability and GRI Reports in 2018. They are available on our website at [www.republicservices.com/sustainability](http://www.republicservices.com/sustainability).

**People and Talent**

People continue to be the most critical component in successfully executing our Profitable Growth through Differentiation strategy. Republic's agenda includes creating an Employer of Choice environment to attract, retain and engage top talent.

| ENGAGEMENT AND RETENTION  | LEARNING AND DEVELOPMENT   | DIVERSITY AND INCLUSION  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Genuine connection with employees</li> <li>• Competitive compensation and benefits</li> <li>• Focus on driver and technician staffing</li> <li>• Inclusive culture where employees have a voice</li> </ul> | <ul style="list-style-type: none"> <li>• Experiential new employee onboarding</li> <li>• Learning solutions aligned with business outcomes</li> <li>• Invest in the development of high potential, high-performing talent</li> </ul> | <ul style="list-style-type: none"> <li>• Inclusive leadership behaviors</li> <li>• Programs drive diversity and inclusion</li> <li>• Women of Republic business resource group</li> <li>• Diversity recruiting strategy</li> </ul> |

Creating an Employer of Choice environment to attract, retain and engage top talent

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## Our People, Our Environment and Our Community

### Our Culture

As a new company, Resideo has a unique opportunity to define our culture. By listening intently to our Board, shareholders, employees and customers, we have defined who we want to be – this aspirational vision is called our Performance Signature. We will keep doing what works, get rid of what does not and start new elements that we will need to be successful in the smart home market.

For us to succeed, we need to build a business with a clear purpose that we can all be proud of, we need to innovate in new ways, we need to operate with high velocity and agility to get the job done, and we need to be vested in our people.

## Our Resideo Performance Signature®

### Driven by Purpose

We are high-energy, committed and passionate. Obsessed about making a difference in the lives of our customers, we confidently strive to build a winning business that is consistently growing and of which we are immensely proud.

We can deeply listen attentively, engage confidently and come up with distinctive solutions that create true value, adding significantly to our customers' lives. We share value steadily between our customers, our partners, our people, and our shareholders.

### Vested in Our People

Winning in our world requires a different way of being together and more grace.

Building trust between us is key. We share openly, bring what we mean, and backing this up with aligned action. We respect and expect constructive disagreement, embracing this without fear of negative consequences.

We break down hierarchy. Regardless of the other person's position, we take time to truly listen and act, to learn from, and challenge one another.

We work hard and celebrate our successes – both big and small, while setbacks and mistakes are seen as opportunities to learn and invest in the growth and experiences of our people.

### Breakout Innovators

We want for reality, think ahead and around corners to shape our reality, and anticipate doing the unexpectedness of all aspects of our business.

We will only settle for solutions that are magnitude better than the status quo. Since we know things will not have all the answers, we already look outside, and embrace input from others. For us, the only way to reach our goals is to work with, and through others.

We focus only on what matters and courageously ignore what doesn't. Consistently being distinctive risks, we move fast, but sustainably and here.

### High Velocity Operators

We are something about what we want to achieve and how we go.

We have a Resideo way. Our own way of doing things, where we seem to be more and deliver at high speed. Rhythm across the short, medium, and long term. We get it all done with speed and focus, get into here to move fast, but sustainably and here.

We give people what they need to get the job done, hold them accountable, and then get out of their way.

We take decisions that serve the business as a whole, confidently acting on imperfect information.

We enjoy what we do and we are motivated, not just by money and no risk.

Achievement is defined by both what, and how, we deliver. Our intention is to reward us, get, and the recognition we receive.

### Inclusion and Diversity

Resideo is committed to establishing a diverse and inclusive environment that helps attract and retain the global talent needed to drive our business forward. With the creation of our Company, we adopted a Code of Business Conduct ("Code") that requires our employees to respect each other and promote a positive workplace. Per our Code, Resideo respects and values the diversity reflected in our employees' various backgrounds, experiences and ideas, and our workplace is one that reflects the diversity of the communities in which we operate. Similarly, as part of our commitment to our communities and our world, Resideo respects a broad range of human rights. Per our Code, Resideo does not condone or employ child labor, trafficking in persons or forced labor in any form. In addition, a supplier code of business conduct is available on our website at [www.resideo.com](http://www.resideo.com).

### Employee Engagement through Total Rewards

Our compensation and benefits programs provide us with a solid foundation to attract, motivate and retain a technically-skilled workforce. As we transition to a balanced-growth technology company, we emphasize a strong pay-for-performance bias. Our total rewards program will provide incentives to drive "top line" growth profitably, efficiently generate the cash needed to invest in innovative solutions and reward achievement of near and long-term business performance targets. We will accomplish this in a manner consistent with good governance practices.

We have expanded the use of stock-based incentives to strengthen the alignment of manager interests with that of our shareholders and to encourage managers to think like owners of Resideo.

We provide comprehensive, competitive and contemporary benefits that recognize the diversity of our workforce. We provide benefits and services that help meet the varying needs of our employees and promote choice. Our package includes generous paid time off, flexible work schedules, education assistance programs and more. We believe the combination of our competitive pay-for-performance compensation programs and our comprehensive health and welfare benefits demonstrate our commitment to a compelling total rewards value proposition for our employees.

### Environmental Sustainability and Health and Safety Overview

As a new, stand-alone public company, we are customizing our global health, safety and environmental ("HSE") management system to reflect what is important to our business. We understand the external and internal issues that are relevant to our organization and continue to integrate HSE considerations in all aspects of our business and supporting management systems. Resideo's HSE program is managed by a global team of trained, experienced professionals. They are led by Resideo's Global HSE Director, who has overall responsibility for all global HSE programs and initiatives and reports to the Company's Executive Vice President, General Counsel and Corporate Secretary, who reports our progress to the Board.

### Environmental Sustainability

Resideo's leadership is committed to and accountable for our sustainability efforts to ensure that sufficient resources are deployed to manage our commitments and maintain appropriate controls. To support this focus, we have established a Corporate Sustainability Committee, led by our HSE team and consisting of representatives from leadership, government relations and product stewardship. The Committee's purpose is to evaluate the holistic sustainability agenda including water, waste, energy and greenhouse gas emission. We communicate with internal and external stakeholders to promote awareness of their responsibilities and how they can contribute to improving sustainability performance.

A primary area of focus for our environmental sustainability program is to further improve Resideo's energy efficiency and other resources and reduce greenhouse gas generation. In 2018, we implemented global environmental projects at our sites that saved energy and reduced our carbon footprint. For example, we implemented an LED lighting upgrade project in Nagykanizsa, Hungary that resulted in an energy reduction of 1.15 BBTU (billion British thermal units) and also reduced our carbon footprint by 23 metric tons. We received the Energy Efficient Company Award from the Virtual Powerhouse Program for this project.



## CORPORATE RESPONSIBILITY AND SUSTAINABILITY

### Our Mission

We transform how businesses work and people live through the power of data.

### Our Commitment

At Teradata, we are committed to fostering a corporate culture, anchored in our core values, that intentionally fosters inclusion and diversity, operating in a sustainable manner and giving back to the communities in which we operate. We are committed to a diverse and inclusive workplace. We believe that all our stakeholders – our stockholders, employees, customers, suppliers, the people in the communities in which we operate, and the environment – must be considered in our daily operations. As a result of our focus on our culture and our communities, we are committed to giving back to the places in which we operate. We are achieving these commitments through a number of initiatives, including those listed below:



### Our People and Culture

Teradata's strength is our people. We are an equal opportunity employer, committed to sustaining a world-class team by empowering an environment that is intentionally inclusive and fully leverages diversity in all aspects of our business. We champion each other, share our expertise and learn from each other to multiply our collective value for Teradata's competitive advantage. We continuously strive to create an environment where differences are valued, supported and encouraged.

Teradata is committed to providing a working environment free from discrimination and harassment. We are actively engaged in nurturing an inclusive culture: one that seeks out, welcomes and values diverse people, inclusive actions and diverse solutions for our business.

- We are providing training on unconscious bias and will frequently monitor our metrics for progress. We are committed to leverage our insights to uncover unconscious bias and take action to catalyze change. In 2019, there will be additional emphasis in this area through the development of a Teradata Diversity Council.
- Our hiring managers and our talent acquisition team are committed to ensuring a diverse slate of candidates for all job openings. In 2019, there will be additional focus on improving inclusive interviewing skills for recruiters and hiring managers.
- Through our Leadership Team Mentoring Program, we leverage diversity to create our next generation of leaders by pairing high potential diverse employees with members of our executive management team.
- We believe transforming our world begins one community at a time. We support diverse groups and interests within the Company through our employee community groups. We also promote policies and programs that support working families.
- We support local STEM education programs to ensure emerging leaders in our communities have opportunities to explore their interests.
- Through our commercial and government supplier diversity programs, we seek to integrate supplier diversity into all areas of procurement by identifying, partnering with and purchasing from small businesses and minority and women-owned businesses to support their growth and development.



### Sustainable Practices

• Products - We design technology for the future, and the future demands powerful analytic solutions that are intended to meet increasingly stringent standards to support the earth's precious resources, including efficient usage of power and water, as well as space efficiency. Therefore, we focus on providing customers with best-in-class products that are not only highly scalable, but environmentally sustainable as well. To that end, we continuously search to find and leverage technology alternatives that can improve performance-per-watt, reduce cooling requirements, and shrink floor space needs in data center requirements as part of our product design initiatives.



### CORPORATE GOVERNANCE

### Sustainability Highlights

Our Board of Directors is focused on integrating sustainability into our Company's long-term strategy. We are committed to operating in a sustainable manner and being a responsible corporate citizen for the benefit of our customers, investors, employees, the environment and the communities in which we operate. We focus on environmental stewardship, the health and safety of our workforce, the recruitment, development and retention of our workforce, and community engagement.

| Environmental Stewardship  | Health, Safety, Environment and Quality ("HSEQ")  |
|--|---|
| <ul style="list-style-type: none"> <li>• Our water management solutions help meet customer's increasing water requirements by recycling, treating, and delivering an optimized fluid for frac operations, thereby minimizing the need for additional fresh water resources.</li> <li>• We deliver innovative products to further the sustainability goals of many of our customers. For example, TETRA CS Neptune® Fluids are more environmentally friendly, cost-effective alternatives to zinc brines and cesium formate.</li> <li>• We strategically position our compression fleet field service technicians and use a satellite-based system to monitor the performance of our compression fleet. Both these actions reduce engine emissions and overall driving risks as a result of our employees having shorter distances to drive to repair and maintain compression equipment.</li> <li>• We utilize electronic proxy delivery to minimize the impact of our Annual Meeting on the environment by reducing the production and delivery of large quantities of printed proxy material.</li> </ul>   | <ul style="list-style-type: none"> <li>• We are firmly committed to the health and safety of our employees, the protection of the environment, and to product and service quality. Our commitment focuses on controlling risks to employees and others with whom they interact, maintaining safe work practices, minimizing adverse impacts to the environment, meeting customer requirements, and ensuring customer satisfaction.</li> <li>• Our focus on HSEQ, an approach we call "Drive to ZERO", is a concerted effort to achieve ZERO health, safety, environmental, and quality incidents every day, "stop the job" when necessary, follow HSEQ and ethics guidelines at all times, and live by our Code of Business Conduct everywhere.</li> <li>• We continually train and educate our employees on their responsibility to identify work that is unsafe or environmentally unsound and to help mitigate negative impacts.</li> <li>• Our HSEQ policy has been endorsed by our CEO and communicated throughout the company, and to our suppliers and contractors.</li> </ul> |
| Our People   | Communities   |
| <ul style="list-style-type: none"> <li>• We offer our employees the opportunity to advance in their professional careers through training and development programs. Further training for certain positions includes leadership development and management skills for individuals to progress within the organization.</li> <li>• Our health and wellness program provides for preventive care and is designed to support our employees' health and overall well-being.</li> <li>• Our Board of Directors and executive leadership is committed to enhancing diversity at TETRA. The executive leadership team sponsors the TETRA Diversity Committee, which is focused on promoting gender diversity and inclusion in our workforce and workplace. Our board recognizes the benefit and value of diverse perspectives and experience and in 2018 welcomed its first female board member.</li> <li>• We are committed to helping transitioning military service members and veterans lead successful lives after their military service and have a military hire initiative that is dedicated to welcoming more veterans into our company.</li> </ul> | <ul style="list-style-type: none"> <li>• We are committed to being a responsible corporate citizen in the communities where we operate and our employees live. We engage in philanthropic activities that support TETRA's values, fostering strong community relationships and enhancing employee satisfaction and engagement.</li> <li>• Primary focus areas for our community investments are health, education, and community enrichment. For example, we partner with the American Heart Association and CASA Child Advocates of Montgomery County, Texas and provide numerous opportunities for our employees to participate in activities to support these organizations. We also support an internship program for underrepresented high school students.</li> </ul>   |





# Sustainability at Verizon

Verizon gives people the ability to do more through technology, investments and actions designed to educate the 21st century workforce and promote environmental sustainability.

## SUSTAINABLE DEVELOPMENT GOALS

We are taking action in support of the United Nations' Sustainable Development Goals:

- Improving Global Resource Efficiency**  
Reducing Environmental Impact: Verizon is committed to delivering a lasting, positive impact on the environment by cutting our own carbon intensity – the amount of carbon our business emits divided by the terabytes of data we transport over our networks – in half over the 2016 baseline by 2025. We're also working towards sourcing renewable energy equivalent to 50% of our total electricity usage by 2025.
- Supporting Carbon Abatement**: Verizon's products and services – ranging from high speed internet that allows people to work remotely, to smart grids that increase the efficiency of our power systems, to telematics that improve fleet routing – help our customers use less energy and therefore create fewer greenhouse gas emissions.
- Supporting Quality Education**  
Through the Verizon Innovative Learning Initiative, we provide free technology, free internet access and hands-on immersive curricula in science, technology, engineering and math to students in need.



Verizon received an **A-** on the Carbon Disclosure Project's 2018 evaluation

and is ranked in CDP's Leadership scoring band. CDP runs a global voluntary disclosure system by which companies and cities disclose their environmental impacts to inform marketplace decision-making.



Verizon chairs the **Global e-Sustainability Initiative**

a consortium of ICT companies that collaborate to develop and share resources for achieving social and environmental sustainability through technology.

### Reducing Waste and Supporting Recycling

We continue to work to reduce the environmental impact of our products through:

- Managing the materials we use in making them
- Reducing packaging volume
- Recycling, refurbishing and/or reusing our products, including the responsible management of out-of-service lead batteries
- Providing recycling information on product labels, and supporting public recycling



2018 marks **six** consecutive years

as a named EPA ENERGY STAR Partner of the Year for Sustained Excellence



"Verizon is delivering the promise of the digital world by enabling people, businesses and society to innovate and drive positive change."

### Governance

Corporate Responsibility and Board Oversight

#### Corporate Responsibility and Board Oversight

At its core, our business connects people with each other and the world around them. Our technology powers connections that enable people to do amazing things. That is why we are committed to helping our customers turn innovative ideas into reality and help build a brighter future. Verizon is ever conscious of our global impact. Our **Corporate Responsibility Report** discusses our programs and practices designed to promote ethical business practices, good corporate governance, and the well-being and health of our environment, employees, customers and communities. The Report and other information on Verizon's commitment to responsibility and sustainability are posted on our website at [www.verizon.com/about/responsibility](http://www.verizon.com/about/responsibility).

Our Board recognizes the importance of our corporate responsibility and sustainability policies and practices and the need to provide effective oversight in these areas. Our **Corporate Governance and Policy Committee** maintains formal oversight responsibilities by periodically reviewing Verizon's position and engagement on important public policy issues that may affect our business and reputation, including those relating to corporate responsibility, sustainability, political contributions, lobbying activities and others, and reports to the full Board on these matters. The Committee also formally reviews the state of corporate responsibility at Verizon with our **Chief Corporate Responsibility Officer** each year.

In 2018, Verizon established a new management body called the **Responsible Business Council**, chaired by the CEO, to oversee the **integration of responsible practices as a core operating principle**. Mr. Vestberg believes that a corporation that is purposefully operating at the intersection of economic, environmental and societal accountability creates greater long-term value for its shareholders. The Chief Corporate Responsibility Officer reports on the Council's activities to the full Board at least annually.

#### Diversity and Inclusion

Verizon, we understand that our success as a company is grounded in a respect for and encouragement of diverse viewpoints. In order to connect people across the world, we know we need to tap into the diversity of thoughts, capabilities, background and cultures among our team members, suppliers and customers. We are committed to diversity and equality in all areas of our business, including hiring and compensation. Since Verizon was founded, our **Human Resources Committee** has included a **diversity target as one of the performance measures for employees' short-term incentive awards**. As a company, we believe in pay equity. Toward that end, we have adopted a **Pay Equity Commitment** that can be found on our website at [www.verizon.com/about/our-company/company-policies](http://www.verizon.com/about/our-company/company-policies). As part of this commitment, Verizon pledges to identify and promote best practices in compensation, hiring, promotion and career development, to develop strategies to reduce unconscious bias, and to make hiring, promotion and compensation decisions that promote pay equity.

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### Human Capital Management

Attracting, developing and retaining the best people globally is crucial to all aspects of Visa's activities and long-term success, and is central to our long-term strategy. We are investing in our employees to ensure we remain the employer of choice, and to continue to build an inclusive culture that inspires leadership, encourages innovative thinking and welcomes everyone.

To elevate our leadership culture, in 2017 we introduced the following Visa Leadership Principles, a set of behaviors that guide the way we act:



### Employee Development and Engagement

Visa understands that becoming the industry employer of choice requires providing best-in-class training and development opportunities, while creating innovative programs that enable a vibrant and engaged learning culture to flourish. We strive to achieve this through a number of forums, including establishing the Visa University Digital Campus to curate development and learning resources in a single platform, utilizing content specifically developed at Visa (such as Payments and Leadership Curriculum) and complemented by recognized external sources.

Through structured online learning and live curricula, we are extending the reach of these learning programs. For example, Visa leaders have designed "learning paths" that help employees identify content matching their professional development needs. Skills based learning is also being led, created and delivered through functional colleges, such as Technology and Sales. Finally, early career employees can choose from a wide array of practical subjects, such as presentation skills and time management, to set a foundation for their long-term success.

We recognize that building an inclusive and high performance culture requires an engaged workforce, where employees are motivated to do their best work every day. We communicate with our employees in a number of ways, and we seek their input on a variety of subjects through our employee survey. In 2017, we received a 94 percent response rate and our scores improved across all categories.

### Diversity and Inclusion

Visa is committed to cultivating a diverse and inclusive environment that supports the development and advancement of all. We foster a feeling of connectedness in the workplace, support diversity of background, experience and thought, support important initiatives like Equal Pay and actively work to eliminate unconscious biases that hold us all back.

reflect diversity to understand how to tailor our products and services to meet those expectations. With that mission in mind, Visa's approach to diversity and inclusion involves focus:

First, Our goal at Visa is to attract, develop and retain a workforce that is reflective of the communities we support. We are looking for teams that bring diversity of thought, skills and backgrounds to the table at every level.

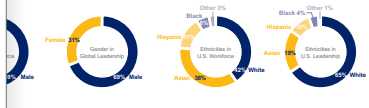
Second Key: We are focused on fostering an inclusive organizational environment that recognizes and encourages unique perspectives.

Can Make a Difference: We are promoting cultural agility among all Visa leaders to workforce engagement and ensure a more robust talent pipeline and leadership and engagement.

Third, We harness the innovative potential of an inherently diverse workforce. At the same time, we drive our business initiatives.

### Demographics

Visa and evaluates our workforce representation and impact as part of our strategic efforts to build a diverse and inclusive organization. We are committed to reporting our progress annually.



As of 2018, leadership percentages do not equal 100% due to rounding, Visa VP and above. Visa/Alaska Native, Native Hawaiian/Other Pacific Islander and two or more races. Ethnicity data does not include Black.

Our compensation practices and conduct through analyses to ensure alignment with pay equity.

For more information, please see our 2017 Corporate Responsibility & Sustainability Report.

### Political Disclosure

Political contributions affect our business and industry, as well as the communities in which we operate. We believe in the political process through regular and constructive engagement with policymakers by encouraging the civic involvement of our employees, and by supporting organizations where permitted by applicable law. We are committed to reporting in a transparent manner that reflects responsible corporate citizenship and best serves our employees, and other stakeholders. Additional information regarding our political contributions is available at <https://usa.visa.com/about-visa/operating-responsibly.html>.

Our Lobbying and Contributions Policy that prohibits our directors, officers and employees to promote their personal political views, causes or candidates, and not directly or indirectly reimburse any personal political contributions or expenses also may not lobby government officials on the Company's behalf through its Government Relations department. As such, our lobbying and political contributions are the Company and its stockholders, and not the personal political activities of our employees.

Our Corporate Governance Committee must pre-approve the use of corporate funds for contributions made to trade associations to support targeted political initiatives registered under Section 527 of the U.S. Internal Revenue Code to further requires the Company to make reasonable efforts to obtain from U.S. membership dues exceed \$25,000 the portion of such dues that are used for political purposes must then be included in the annual contributions report that is posted on our website.

Our relationship with governments around the world by means of elected officials and policy-makers. As an industry leader, we believe in a wide range of policy matters. These issues may include regulations cybersecurity, data security, privacy, intellectual property, surcharging, payroll taxes, international trade and market access, and financial inclusion, among others.

Our Governance Committee annually reviews our political contributions and lobbying activities regarding memberships in, or payments to, tax-exempt organizations. Additional information on our political contributions and lobbying activities, including our annual contributions report and links to our quarterly U.S. disclosures reports.

Our accountability assessed our disclosures for its annual CPA-Zicklin Index of Accountability, and designated Visa a "trendsetter" (the highest designation in the industry).

### Environmental and Sustainability

Our Governance Committee of our Board oversees Visa's corporate responsibility strategy and brand in payments, Visa has a tremendous opportunity and responsibility to lead the world – enabling economic growth and strengthening economies while also better world. We are committed to managing the risks and opportunities that relate to environmental and sustainability (ESG) issues.

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**CORPORATE RESPONSIBILITY**

Corporate responsibility is a business imperative woven throughout our enterprise. We regard corporate responsibility as an investment in society and in the success of the Company. As a responsible corporate citizen, we simultaneously consider our impacts on the marketplace, society and the environment. We have an unwavering commitment to conduct business in a way that is ethically, economically, socially and environmentally responsible.

As such, we implement initiatives that integrate responsible and sustainable thinking into our operations, positively impact our communities and minimize our impact on the planet. Our work is guided by corporate responsibility standards and frameworks and informed by analysis of key impacts, identification of risks and opportunities and stakeholder input. We report publicly in our corporate responsibility annual report and on our website the progress on our corporate responsibility commitments, and disclose our environmental, social and governance data to investors on an ongoing basis. Corporate responsibility is governed by our Corporate Responsibility Executive Council, composed of our most senior leaders and headed by our CEO. We report our corporate responsibility performance to the Nominating and Governance Committee on an annual, and as needed, basis.

**Political Contributions Oversight and Disclosure**

Our Nominating and Governance Committee, a committee comprised solely of independent directors, provides oversight of the Company's political contributions and lobbying expenses. As part of its oversight role, it reviews our political activity policy and monitors our ongoing political strategy as it relates to the overall public policy objectives for the Company. The Committee also reviews an annual report on our political contributions and lobbying expenses. This report is available at investors.voya.com/financial-reporting/annual-reports. Political contributions made by Voya Financial Political Action Committee (PAC) provide a voice for the Company and its employees so that they may participate in the American democratic process. The PAC supports candidates from both major political parties and Independents who understand the importance of helping people responsibly save for retirement and manage their financial assets. PAC disbursement decisions are made by the officers of the PAC consistent with the PAC's bylaws and based upon a candidate's state or Congressional district. Candidates are vetted by the Company's Corporate Communications team for public statements inconsistent with the Company's corporate values. The PAC relies on outside legal expertise to address new or emerging issues and an outside vendor for the administration of the PAC.

**Community Investment**

We conduct our community investment work through Voya Foundation whose primary work focuses on financial resilience: STEM (science, technology, engineering and mathematics) education for K-8th graders; financial literacy for 9-12th graders; teacher training and employee matching gifts. Through Voya Foundation, employees receive dollar-for-dollar matches to eligible nonprofits of their choice. The annual maximum match is \$5,000 for employees and \$25,000 for our senior management and directors. In 2018, employees donated more than \$3 million to over 3600 nonprofit organizations in the U.S. In addition, full-time employees receive 40 hours of paid volunteer-time away at eligible nonprofits per year and part-time employees receive 20 hours per year. Voya employees volunteered more than 41,000 hours in 2018. On Voya's fifth annual National Day of Service in 2018, employees volunteered over 13,600 hours in one day supporting 130 local nonprofit organizations.



# Human Capital Management

## Our Culture

Last year, we provided information in our proxy statement about how we were working to strengthen and monitor our culture. We acknowledged that the process to build a strong, deliberate culture would take time. Our work then focused on recommitting to our Vision and Values, seeking feedback from and listening to our team members, industry experts, and others, conducting internal and third-party reviews to identify necessary changes, establishing a consistent understanding of and expectations for our culture, enhancing ways for our team members to raise concerns and making sure that they feel safe doing so, and aligning our incentive and performance management programs to support our desired culture.

Our Board and Human Resources Committee are overseeing our culture efforts, which are being led by our Operating Committee, and receive reporting from management on our progress. The Human Resources Committee also oversees our performance management and compensation programs and how those align with our desired culture. More information about those programs is provided below.

## Creating an Intentional, Healthy, and Consistent Culture

Creating an intentional, healthy, and consistent culture, aligned to our values as a company, is central to our long-term success and viability. After extensive internal research that included surveys and other forms of team member feedback, we determined that our culture – while admirably rooted in our traditional Vision and Values – was experienced differently by team members depending on where they worked and in what business. Based on these learnings, senior executives worked to identify actions we are now taking to foster a single company-wide culture. The goals are to be clear in our expectations for leaders, managers, and team members, and to improve the overall team member experience.

We define culture as those basic assumptions and beliefs shared by our team members that unconsciously produce collective behaviors.



## Culture Program

Wells Fargo has not traditionally had a formal program focused on identifying culture gaps and addressing issues. During 2018, Wells Fargo established a culture program to define our strategy, purpose, guiding principles, and resources for our One Wells Fargo culture. The culture program reports into our Head of Human Resources, who reports to our CEO and President and is a member of our Operating Committee. As part of our culture efforts to date, we have established our culture program, defined and implemented behavioral expectations aligned to our vision and values for all team members, published our culture methodology (defines the managerial structures, programs, and processes in place to cultivate the desired culture), and established additional ways to listen to our team members, analyze trends, and communicate results.

## Aligning What We Say With How We Act

To provide team members with clarity and consistency in putting our principles into practice, we introduced in early 2018 a clear set of behavioral expectations that are aligned with our Vision, Values & Goals. These behavioral expectations are intended to address one of our key learnings: Our history of decentralization sometimes resulted in different – and disconnected – workplace cultures across Wells Fargo. To create a consistent culture, we understood the need to be deliberate and intentional about defining and measuring how we expect team members to behave. The expectations apply to all team members, regardless of role or location, and are aligned with our five values. We created the expectations using input from team members. To further make sure that our behavioral expectations are relevant to team members, we conducted several rounds of research with U.S.-based and international team members and sought diverse perspectives from our team member affinity groups (known as Team Member Networks) and the Enterprise Diversity and Inclusion Council, which is chaired by our CEO and President, Timothy J. Sloan.

# Corporate Culture

Increasingly, corporate culture including the “tone at the top” is discussed when evaluating root causes of scandal (risk) but also as an important catalyzer of success (opportunity).

Strong organizational culture is important for companies because it keeps a company’s core values front and center in all aspects of its day-to-day operations and organizational structure; as with strategy it helps ensure that all are rowing in the same direction.

It is important for employees to enjoy their time in the workplace and to feel that they fit in with the company culture. Employees tend to enjoy work when their needs and values are consistent with the values and culture of their company.

## AMN HEALTHCARE SERVICES



**CORPORATE GOVERNANCE**

**Our Board's Actions in Response to Shareholder Feedback**

|  |   |
|--|---|
| <b>Corporate Social Responsibility</b>   | <ul style="list-style-type: none"> <li>Included a new disclosure in our 2018 proxy statement to highlight our commitment to Corporate Social Responsibility (“CSR”), and</li> <li>Changed our CSR Report’s publication from a bi-annual to an annual basis</li> </ul>   |
| <b>Board Composition and Refreshment</b> | <ul style="list-style-type: none"> <li>Revised our Governance Guidelines to affirm our commitment to a diverse Board;</li> <li>Appointed Ms. Daphne Jones to the Board;</li> <li>Committed to maintain an aggregate board tenure for independent directors with an average tenure of less than ten years beginning in 2020; and</li> <li>Incorporated individual interviews into the director evaluation process on a bi-annual basis for increased accountability</li> </ul> |
| <b>Human Capital Strategy</b>            | <ul style="list-style-type: none"> <li>Implemented company-wide retention and investment initiatives; and</li> <li>Established a formal Diversity, Equality &amp; Inclusion philosophy and multifaceted program</li> </ul>  |
| <b>Executive Compensation</b>            | <ul style="list-style-type: none"> <li>Instituted “double trigger” mechanics for newly granted equity awards</li> </ul>   |
| <b>Equity Ownership Guidelines</b>       | <ul style="list-style-type: none"> <li>Broadened the group of employees covered under our equity ownership policy and increased ownership thresholds</li> </ul>   |
| <b>Pay Equality</b>                      | <ul style="list-style-type: none"> <li>Revised the Company’s Executive Compensation Philosophy to clearly articulate our commitment to equal pay principles and a values-based culture; and</li> <li>Implemented a process to ensure pay equality without regard to legal classification across our organization</li> </ul>   |

**Our Culture, Ethics, Engagement and Governance Guidelines**

Another essential element that drives our approach to effective corporate governance is our commitment to promoting a culture of ethics and integrity, which guides the manner in which we do business. The Board and executive management are committed to fostering a strong ethical corporate culture and expect all team members to fulfill their responsibilities in accordance with the highest standards of professional and personal conduct.

To uphold this commitment, AMN has adopted:

- A Code of Conduct and Ethics (**Code of Conduct**), that is based on the Company’s core values of respect, trust, passion, innovation, customer focus and continuous improvement. The content and format of our Code of Conduct is designed to provide a practical and user-friendly guide for our team members to refer to on a daily basis. It contains examples and questions that help them put our core values into practice. In 2018, we continued to review and refresh our Code of Conduct to reinforce guidance and training on hot topics such as information security and privacy, and highlight our commitment to diversity, equality and inclusion, and corporate social responsibility.
- An Annual Ethics and Engagement Survey of our team members. We also share the results of this survey with the Board to ensure we are delivering on the AMN Difference, which includes our core values, leader and coworker quality, collegial work environment, development and career opportunities.
- A supplementary Code of Ethics for the Principal Executive Officer and Senior Financial Officers (**Financial Officers Code of Ethics**).
- The Governance Guidelines, which function as a critical component to the overall framework for the governance of our Company and was recently revised to reflect the Board’s commitment to a diverse board, and
- Our Executive Compensation Philosophy, which we revised in early 2018 to reflect our commitment to equal pay.

As discussed above, our Board and its committees regularly and carefully review these key governance documents to ensure they contain what we believe to be the best governance practices for the Company. We publish these documents, among others, under the

**CORPORATE GOVERNANCE**

Corporate Governance” section of the “Investors Relations” page on the Company’s website at [www.amnhealthcare.com](http://www.amnhealthcare.com). We also make these materials available in print to any shareholder upon request. Our Board closely monitors corporate governance developments and modifies the Governance Guidelines, Executive Compensation Philosophy, the Code of Conduct and the Financial Officers Code of Ethics regularly.

**Our Corporate Social Responsibility Program**

We are committed to establishing an industry-leading CSR program. Our strategy integrates relevant environmental, social and governance (“ESG”) criteria to better manage risk and generate sustainable, long-term value for our shareholders, clients, healthcare professionals and team members. Our Board recognizes the integral role that our corporate purpose and culture plays in the Company’s long-term success, and we believe our ability to proactively manage relevant risks and opportunities demonstrates the effective leadership and governance principles that long-term investors desire.

In 2018, we enhanced our human capital management strategy by focusing on diversity and promoting an inclusive culture that respects all voices and reflects our core values. Our multifaceted Diversity, Equality and Inclusion program focuses on the workplace, workforce and marketplace. In 2019, we enhanced the Company’s core values to reflect its commitment, because we believe diversity, equality and inclusion should be part of the foundation upon which our core values are built.

**Our Corporate Culture**

**We Value: Respect, Passion, Continuous Improvement, Trust, Customer Focus and Innovation**

**Diversity, Equality & Inclusion**

More than 65% of our corporate team members are female

More than 62% of supervisors and managers are women

45% of company-level directors or above are women

33% of workforce self-reported as diverse team members

**Corporate Social Responsibility**

Our commitment to building an industry-leading CSR program is demonstrated by our overall “AA” ESG rating from ESI Research, placing us in the top 15% of companies within our industry. By taking an integrated approach that focuses on both opportunities and risks, we believe our efforts to date and evolving CSR strategy allows us to proactively address key reputational and operational risks that threaten the sustainability of our business. The illustration below provides a summary of some of the CSR-related efforts we have taken to mitigate ESG risks that are relevant to our business. To learn more about our sustainability efforts, please visit our Company website where we have our first annual publication of a Global Reporting Initiative compliant Corporate Social Responsibility Report posted at [www.amnhealthcare.com/csr](http://www.amnhealthcare.com/csr).

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### Environmental, Social & Governance ("ESG") Overview

Build upon the pillars of your Company's Mission Statement, our ESG strategy to inform, engage and achieve results is rooted in strong corporate governance practices and policies. In 2018, FirstEnergy reinforced its focus on ESG efforts by enhancing the responsibilities of the Corporate Governance, Sustainability and Corporate Responsibility Committee, as well as forming a Sustainability Group in our Strategy Organization. In 2019, we're focusing on additional initiatives to inform, engage and achieve our sustainability goals, and to demonstrate our commitment to delivering Energy for a Brighter Future to all of our stakeholders.

**Inform**

We recognize it is vitally important to keep our stakeholders informed on corporate responsibility-related issues, including ESG activities and disclosures. We keep stakeholders informed about your Company's efforts through key reports and disclosures, such as:

- Climate Report: Energy for a Brighter Future
- CDP (formerly Carbon Disclosure Project) Climate and CDP Water Reports
- Eaton Electric Institute (EEI) ESG/Sustainability Template
- Corporate Responsibility Report Update Expected in 2019

**Engage**

It is our responsibility to educate and engage stakeholders on corporate responsibility initiatives and achievements, including sustainability. Through our commitment in these areas, we have opportunities to reinforce the FirstEnergy brand and build our reputation as a good corporate citizen. This is accomplished through:

- Internal efforts centered around the pillars of our Mission Statement (employees, customers, communities and the environment), including a program that tracks our employees' volunteer efforts as well as a waste reduction initiative.
- Further developing our relationships with external ESG/sustainability rating and reporting groups.

**Achieve**

A key component of FirstEnergy's success is our ability to measure the progress and impact of our efforts and initiatives through the development and tracking of internal and external goals as well as providing oversight and governance. Developing goals and tracking our progress toward achieving those goals demonstrates our commitment to corporate responsibility and our mission, including:

- Continuing to make progress toward our goal of reducing carbon dioxide (CO2) emissions companywide by at least 90 percent below 2005 levels by 2045. Through 2018, we have achieved 62 percent of that goal, primarily due to plant retirements and asset sales.
- Incentivized our workforce to achieve ESG related goals. Many of the operational goals in our short-term incentive compensation programs are linked to ESG factors, for example:
  - Enhanced safety related goals in the short-term incentive program in 2018 by incorporating Days Away Restricted or Transferred ("DART") Rate and Life Changing Events ("LCEs"), while also maintaining Occupational Safety and Health Administration ("OSHA") reportable incidents as a metric.
  - Diversity & Inclusion ("DI") goals in the short-term incentive program in 2018 focus on diverse succession planning, diverse professional hiring, and improvement on inclusion as measured through a survey score.
  - Our Operations Index in the short-term incentive program continues to focus on quality customer service and reliability, first call resolution and environmental excursions.

**Ensuring Strong ESG Related Corporate Governance Practices and Policies**

A key driver and component of our success is a strong foundation of Corporate Governance practices and policies that promotes transparency, accountability and engagement exemplified by your Board. As further discussed earlier in the Proxy Statement Summary and in the Corporate Governance and Board of Directors Information section your Board has:

- Since 2014, elected seven new directors, six of whom are standing for re-election at the Annual Meeting, and continued to increase your Board's ethnic and gender diversity.
- Added responsibilities to the Corporate Governance, Sustainability and Corporate Responsibility Committee to reflect efforts on sustainability and corporate responsibility, specifically including ESG topics.
- Ensured risk oversight is conducted by the full Board and its committees.

Proxy Statement Summary



### We Are General Motors: Accelerating GM's Strategic and Cultural Transformation

**Boardroom perspectives from Mary Barra and Tim Solso**




**MARY T. BARRA**  
Chairman & Chief Executive Officer

**THEODORE M. SOLSO**  
Independent Lead Director

**How would you describe GM's purpose and vision?**

**MARY:** Our vision is to create a world with zero crashes, zero emissions, and zero congestion. Today's technologies give us a unique opportunity to make personal mobility better, safer, and more sustainable. Each year, more than one million people are killed in crashes around the world—40,000 in the U.S. alone. When you consider that human error is behind more than 90% of these crashes, we believe autonomous vehicles ("AVs") will save lives.

We are fully committed to an all-electric future, and we are already building on the momentum of the groundbreaking Chevrolet Bolt EV. In January, we announced that our Cadillac brand will lead the way on our next-generation electric vehicle ("EV") technology. At the same time, we are improving the efficiency of today's vehicles with lightweighting and sophisticated new transmissions and engines. To redefine the future of transportation, we must execute with speed and discipline, and I am confident we have the team and the technology to lead.

**How do you think about culture at GM?**

**MARY:** Our culture will determine the long-term success of the Company. I've heard from many employees who feel that they are part of something bigger and who are excited about making a positive impact on the world.

We have been on a cultural journey since 2014, when the ignition switch recall threatened our recovery from bankruptcy. At our senior leadership team meeting that year, we realized that to

transform our culture, we needed to address the underlying issues that were holding us back. So as a team we aligned ourselves around a shared set of behaviors built on our core values that continue to guide our actions today. Since that time, we have introduced various initiatives to create a workplace and culture in which our team members can thrive, get accountable for their performance.

**TIM:** Your Board of Directors ("Board") believes that culture is key to realizing GM's vision of zero crashes, zero emissions, and zero congestion. By sharing our outside perspectives, your Board has helped GM reshape its behaviors and ultimately, its culture, as it continues its transformation.

In November 2018, GM announced a comprehensive plan to accelerate its strategic transformation. Can you discuss why you took these actions?

**TIM:** We have been navigating the dramatic changes facing our industry and taking decisive actions to stay in front of this change. Over the years we have strengthened our core business by deploying resources in regions and franchises where we see high-return opportunities over the long term.

**MARY:** Our focus all along has been to reposition the Company from one of trying to be all things to all people in all markets to one that is strategic, agile, and profitable. By accelerating GM's transformation, we can more rapidly invest in the future of personal mobility our transformation plan involves tough but necessary actions. We took these actions following significant feedback and input from the Board — input that began during our annual strategic review in 2017 and continued throughout 2018. This is a dynamic transformation process, and we will continue to look around corners and over the horizon to make strategic decisions that strengthen our business today and position it for long-term success.

**What is GM doing to create a more sustainable future?**

**TIM:** Your Board understands that for GM to remain a compelling investment opportunity, the Company must contribute to a safer, more sustainable future, particularly through continued efforts to reduce emissions from vehicles and facilities. GM is committed to an all-electric future as well as maintaining a sustainable supply chain. For example, in 2018, GM sourced 20% of its total power from renewable sources — leading the automotive sector and progressing towards our commitment to source 100% of our power from renewable sources by 2050.

**MARY:** We believe in the science of climate change, and we recognize that the transportation sector is a contributor to global greenhouse gas emissions. We have called on lawmakers to establish a National Zero Emission Vehicle program — a comprehensive approach to drive the scale and infrastructure investments needed to enable the U.S. to lead the way to a zero-emissions future — as well as enact complementary policies to spur market acceptance and commercialization of EVs.

GENERAL MOTORS 2018 PROXY STATEMENT



Corporate Governance | Board Oversight of the Firm

### Culture & Conduct

Our Board places significant focus in its oversight duties on reputational risk and management's operation of the firm responsibility for the long-term.

- Oversight of the firm's culture is an important element of our Board's oversight of the firm's reputation, particularly because our people are our greatest asset. Our culture and the conduct we expect from our people is embedded in, and stems from, our Business Principles and our Code of Business Conduct and Ethics (which are available on our website at [www.gs.com](http://www.gs.com)).
- Our Board sets the "tone at the top," and holds senior management accountable for embodying, maintaining and communicating a culture that emphasizes the importance of compliance with both the letter and spirit of the laws, rules and regulations that govern us.
- This is carried out at our Board and across our Committees through a variety of means, including oversight of strategy, the receipt of metrics (such as with respect to conduct and business integrity matters, voluntary attrition and complaints, if any, in the retail consumer business), regular discussions with the firm's Compliance, Legal, Risk and Internal Audit functions, oversight of CEO and senior management performance and compensation, and discussion of "lessons learned" from firm or industry events, as appropriate.
  - These are topics on which our firm regularly engages with our shareholders, regulators and other constituents.

**Chairman's Forum:** 44 sessions in 8 cities globally between September 2017 and November 2018 focusing on conduct, culture and reputational risk management.

**Spotlight on Diversity:** Under Board oversight, our firm is committed to greater diversity in our hiring and promotion decisions to sustain and enhance our culture.

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## 02 CORPORATE GOVERNANCE

Both the Audit Committee and the full Board review the results of the annual ERM assessment. During the reviews, Honeywell's CFO and General Counsel jointly present the results of the ERM assessment in a manner designed to provide full visibility into the risks facing Honeywell and how management is mitigating those risks, thereby enabling the Board to effectively exercise its oversight function. To facilitate continued monitoring and oversight by the Board, key risk areas identified during the ERM process and management's associated mitigation activities become part of Board and/or committee meeting agendas for the following year.

Every three years, the ERM process includes one-on-one meetings with each Board member to discuss each director's "top down" view of risks facing the enterprise, to solicit the director's recommendations for improving the ERM process, and to ensure that the universe of risks and the metrics for identifying key risks, in terms of likelihood of occurrence and potential financial impact, is both realistic and appropriate. Feedback from the one-on-one interviews with the individual Board members is presented to the full Board and incorporated in our ERM program and risk mitigation efforts.

### OVERSIGHT OF STRATEGY

One of the Board's primary responsibilities is overseeing management's establishment and execution of the Company's strategy and the associated risks. The full Board oversees strategy and strategic risk through robust and constructive engagement with management, taking into consideration our key priorities, global trends impacting our business, regulatory developments, and disruptors in our industries. The Board's oversight of our strategy primarily occurs through deep-dive annual reviews of the long-term strategic plans and annual operating plans of each of our businesses. During these reviews, management provides the Board with its view of the key commercial and strategic risks faced by each business unit, and the Board provides management with robust feedback on whether management has identified the key risks and is taking appropriate actions to mitigate risk. In addition to the review of each business' strategic and annual plans, specific areas of risk and opportunity are tabled for further Board and/or committee discussion as specific risks arise or as requested by management or individual Board members to ensure additional Board engagement on the areas of risk that are most impactful to Honeywell's strategic direction.

The Board's oversight of strategy was prominent during the portfolio review process that ultimately led to the Garrett and Resideo spins. With the ultimate goal of achieving an outcome that would promote long-term shareholder value, the Board engaged in a rigorous, thorough, and unbiased review of our portfolio, devoting a substantial amount of time and resources to reviewing and pressure testing the financial and strategic analyses prepared by management and external advisors. The Board then monitored management's execution of the spin transactions to ensure world-class execution.

### OVERSIGHT OF HUMAN CAPITAL AND CULTURE

The Board and the MDCC provide oversight over human capital, with particular focus on culture, talent development and assessment as well as succession planning. Honeywell fosters a performance culture where all directors, officers, and employees are expected to uphold our foundational principles of Integrity and Ethics, Supporting Diversity, and Workplace Respect, and build meaningful careers based on our 8 Behaviors: Have a Passion for Winning, Be A Zealot for Growth, Think Big — Then Make It Happen, Act With Urgency, Be Courageous, Go Beyond, Inspire Greatness, and Become Your Best. The strength of our culture is essential to fulfilling our strategic vision, and the Board and the MDCC work with management to monitor compliance with the foundational principles and measure progress against the 8 Behaviors.

The Board also is closely engaged in the development and management of human capital. The Board's involvement in leadership development and succession planning is systematic and ongoing, and the Board provides input on important decisions in each of these areas. The Board has primary responsibility for succession planning for the CEO and oversight over succession planning for other executive officer positions. The MDCC oversees the development of the process and protocols regarding succession plans for our executive officers, and annually reviews and updates these protocols to reflect input from Board members. To assist the Board, the CEO annually provides an assessment of senior managers and their potential to succeed to the position of CEO. In addition, the Board meets regularly with high-potential executives, both in small group and one-on-one settings.

### BOARD PRACTICES AND PROCEDURES

#### BOARD AND COMMITTEE MEETINGS

- Agenda.** The Board and its committees perform an annual review of the agenda items to be considered for each meeting. During that review, each Board and committee member is free to raise topics that are not on the agenda at any meeting and to suggest items for inclusion on future agendas.
- Number of Meetings and Attendance.** In 2018, the Board held seven meetings and the committees of the Board collectively held 24 meetings. The Board had 100% meeting attendance, and the directors' average attendance rate at meetings of the committees on which they have been appointed was 98%. Each of the directors participated in at least 75% of the aggregate of the total number of Board meetings held during the period for which he or she was a director, and the total number of meetings held by all Board committees on which he or she served (during the period that he or she served).

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EXECUTIVE COMPENSATION

The Audit Committee of the Board of Directors is updated at least annually on the Firm's Information Security Program and any recommended changes, cybersecurity policies and practices, ongoing efforts to improve security, as well as on our efforts regarding significant cybersecurity events.

Continued focus on culture and conduct risk management

Our "How We Do Business" principles are embedded throughout the employee life cycle, starting with the onboarding process and extending to training, compensation, promoting and rewarding employees; and our performance development and compensation processes are designed to hold employees accountable for their conduct, where appropriate.

We strive to clearly and frequently communicate our expectations that all employee conduct must adhere to the highest ethical standards encompassed by our business principles; including through town hall meetings and senior leadership messages and by including culture and conduct related themes in our employee surveys.

Culture

The Firm endeavors to promote a culture of respect that allows every employee to feel safe and empowered at work. To that end, the Firm has in place employee training and protocols for preventing, reporting and addressing sexual, discriminatory or other misconduct and prohibits retaliation against an individual because the person reported a concern or assisted with any inquiry or investigation.

We use a principles-based approach to reinforce and communicate our Firmwide culture expectations and initiatives, with management and execution occurring at the LOB and Corporate level. Management teams are expected to drive culture activities and initiatives that are consistent with our business principles and to escalate issues when appropriate.

Conduct risk management

In 2016, the Firm developed a Conduct Risk Program in conjunction with the Firm's overall effort to enhance our qualitative risk appetite. This program is governed by the Conduct Risk Governance Policy which establishes the framework for ownership, assessment, management and escalation of conduct risk within the

Firm. Each LOB and Corporate is responsible for completing a quarterly assessment of conduct risk, reviewing metrics and issues which may involve misconduct and for providing business conduct training as appropriate.

In 2018, a senior management Conduct Risk Steering Committee ("CRSC") was formed. The CRSC provides holistic oversight of conduct-related initiatives and risks across the Firm and connects key programs being executed at the LOB and Corporate level in order to identify opportunities and emerging areas of focus. The CRSC may escalate systemic conduct risk issues to the Firmwide Risk Committee, when appropriate.

The actual or potential misconduct of individuals who may be involved in material risk and control issues is escalated through the HR Control Forum process, which is discussed in further detail on page 62 of this proxy statement.

We also continue to engage our regulators around the globe to seek their input and feedback on culture and conduct related matters, and we benchmark across the industry to inform ourselves about any evolving practices in this important area.

III. Enhancing the customer & client experience and investing in our communities

Our performance reflects our ongoing commitment to invest in our businesses, further strengthens the market leadership of our franchisees and help strengthen the broader economy. Our future success rests on our ability to satisfy the needs of our customers and clients and to continually improve upon their experience and promote economic growth and opportunity in our communities.

Enhancing our customer and client experience

The customer is at the center of everything we do. We strive to deliver value by offering our customers and clients choice through a full set of products and services, security by protecting their data and transactions, ease of doing business in a fast and simple way, and personalization through tailored customer solutions and integrated experiences. Our LOBs are able to leverage the unique scale advantage of our Firm in order to benefit our customers and clients, as illustrated in the examples below.



KANSAS CITY SOUTHERN

KCS Vision, Values and Culture

Legacy and Purpose

We will honor and carry forward the unique legacy of KCS — its vision, entrepreneurial and ambitious spirit, resilience in the face of adversity, independence and willingness to challenge "conventional wisdom" as we carry out our purpose of making a meaningful contribution to the economic growth and prosperity of the nations and communities we serve.

Vision

KCS strives to consistently be the fastest-growing, best-performing, most customer-focused transportation provider in North America.

Strategic Intent

Capitalize on the strategic location of the KCS cross-border rail network and the diverse and growing North American markets, while maintaining a commitment to operational excellence. We embrace new and emerging technologies and a strong cost discipline within a safe and reliable environment. We strive to provide service that consistently exceeds our customers' expectations, challenging careers to our employees and industry-leading returns to our stockholders.

Our Values

The KCS Culture is a set of values, beliefs and behaviors that define our Company, and create a foundation for our growth and success. Our strong culture and core values will allow KCS to fulfill its Vision and continue to endure in times of stress.

- **Safety:** First and foremost, we will demonstrate a commitment to safety, for ourselves and our fellow employees, customers, contractors and any other guests on our property. At KCS, safety is an obligation, not an option.
- **Customer focus:** We will recognize that we are in the business of serving customers and will strive to consistently meet or exceed their expectations and deliver on our commitments. We will do what we say we are going to do.
- **Communication:** We will support an environment of open and honest communication in which transparency of information and diversity of perspective are valued.
- **Teamwork:** We will encourage and reward initiative and cross-functional teamwork. We will treat our fellow employees, and other business associates, with dignity and respect. Railroadroing is a team sport!
- **Initiative & Innovation:** We will nurture an environment which encourages and rewards resourcefulness, innovation and creativity, and where all individuals' contributions are encouraged and respected.
- **Diversity & Civility:** We will embrace our cross-cultural heritage and promote a work environment that is inclusive of everyone. We will honor the rights of all individuals to be treated with respect and dignity.



We committed to investing in profitable growth, with a goal of 10% or greater ROIC.

Capital Allocation

A key area of focus for the Board and management in 2018 was capital deployment. We committed to investing in profitable growth, with a goal of 10% or greater ROIC.

We raised our quarterly dividend from \$0.38 in the first quarter of 2018 to \$0.44 in the following three quarters of the year. We also focused on maintaining our investment grade status, with a program to deleverage to a mid-2X ratio. Finally, our commitment to returning capital to stockholders has resulted in Nasdaq buying back more than \$1 billion of our shares since 2015, including \$294 million in repurchases in 2018 funded by the proceeds received from the divestiture of our Public Relations Solutions and Digital Media Services businesses.

Our Commitment to Market Reform

Both management and the Board recognize that Nasdaq plays an important role within our society. Nasdaq's blueprint to ensure the U.S. markets remain attractive gained significant momentum during the year. Known as "Revitalize," this campaign launched in 2017 and seeks to maintain healthy equity markets to ensure job growth, fuel the economy and create long-term wealth. As a result of our efforts, and with bipartisan support, the campaign has spurred discussions on the proxy process by the SEC, movement in Congress to enhance transparency in the proxy advisory industry and growing support among the business community to streamline the quarterly reporting obligations for small and medium growth-sized companies. More information is available at [nasdaq.com/revitalize](https://nasdaq.com/revitalize).

Our Focus on People Practices (Human Capital Management) & Workplace Culture

Nasdaq remains committed to its diverse and inclusive culture, which we believe is a core strength of our company, particularly as we focus not only on long-term outcomes, but how they are achieved. In 2018, we were pleased with management's notable successes to attract and retain our talented workforce. We encouraged Nasdaq leadership to keenly focus on engaging our current workforce, empowering it to become actively involved in implementing our strategy and advancing our dynamic corporate culture. We also supported the expansion of Nasdaq's highly-competitive intern program, partnering with many prestigious universities to attract new talent. As our business and the industry evolve, we continue to remain focused on creating a corporate culture that is agile, innovative and able to adapt to meet the needs of our customers.

Corporate Sustainability

ESG remains a major focus for Nasdaq, at both the Board and management levels, for our own company and our clients. The Nominating & Governance Committee of our Board expanded its responsibilities in 2019 to include oversight of environmental and social policies, practices, initiatives and reporting. We launched several new ESG products, including our ESG Data Portal and the ESG Pilot Program, aimed at supporting global markets in achieving better ESG reporting. During 2018, Nasdaq reinforced its own commitment to green office space with the Nasdaq MarketSite transitioning to 100% renewable energy sourcing. Nasdaq was also the only stock exchange operator on the prestigious Dow Jones Sustainability North America Index for a third consecutive year.

**Integrity**

- Annual Code of Ethics Training and Certification Program for all employees.
- SpeakUp! Program enables employees to report concerns with the option of anonymity.
- "Ethics in Action" educational webinars offered on current ethics topics.

**Employee Experience**

- Global office "Listening Tour" to obtain employee feedback.
- New hires provided input on the Nasdaq recruitment, orientation and onboarding experience.
- Orientation program to welcome our colleagues who joined through recent M&A transactions.

**Professional Development**

- Launched a company-wide mentoring program and innovation training.
- Nasdaq Next "Innovation Days" took place in several global offices.
- Innovation Champions organized local brainstorming sessions.

**Talent Management**

- A high potential leadership program builds our leadership pipeline for the future.
- Our Nasdaq leadership competencies were defined for all leaders, aligned with our corporate values.
- Nasdaq Listed Leader Certificate Program launched.

**Diversity, Inclusion and Belonging**

- Nasdaq Diversity, Inclusion and Belonging Council launched.
- Nasdaq leaders participated in mandatory training on micro-inequities and unconscious bias.
- Non-profit organizations showcased at MarketSite through events and daily bell ringing ceremonies.

Total of 2 pages in section



Social

We demonstrate our commitment to corporate social responsibility and community involvement through our S.A.V.E program, which focuses on four important societal needs that align with our culture, products, and people: Sourcing Responsibly, Associate Development, Volunteering & Community, and Environmental Stewardship. We have also participated in the Adopt-A-Highway program and work with local law enforcement as it pertains to See Something/Say Something programs and programs associated with fire safety, active shooter, and similar community safety programs. We encourage our employees to contribute to the community by giving each employee eight hours of paid volunteer time off annually. Employees can use this time to serve the community in a number of ways, some of which have included volunteering at homeless shelters and animal shelters, sponsoring a highway cleanup, donating time to philanthropic projects, and serving on boards of various non-profit organizations. Through Overstock Cares, our philanthropic arm, we have supported hundreds of non-profit organizations with millions of dollars' worth of in-kind and monetary contributions. Some of these organizations include The Road Home, American Heart Association, Hope Refugee, The Inn Between, Make a Wish, Habitat for Humanity, and Operation Underground Railroad. Overstock Cares also supports three major corporate philanthropic partners: Best Friends Animal Society (BFAS), Special Operations Warrior Foundation (SOWF), and American Red Cross (ARC). We have also provided support to organizations such as these on our website, at checkout, where customers are given the opportunity to donate. One-hundred percent of customer donations made through our website are given directly to our charitable partners. Finally, we donate excess food from our on-site cafe at our corporate to Wasteless Solutions, a Utah-based organization committed to connecting surplus food with local non-profit organizations to help those in need and reduce food waste.



Why our Board Structure Is Right for Prudential and its Shareholders

Prudential's Board leadership structure is reviewed by our Corporate Governance and Business Ethics Committee regularly. Upon John Strangfield's retirement, the Board again gave careful deliberation to its structure and determined that a combined Chairman-CEO role continues to be in the best interest of our firm and shareholders. As independent directors, we believe the current structure promotes an effective Board that enables us to provide strategic guidance, challenge management's perspectives, and meet with relevant internal and external constituents important to the Company's operational and regulatory initiatives.

The independent directors annually select an independent member to serve as the Lead Independent Director. As required by the Lead Independent Director Charter, the Lead Independent Director is precluded from serving longer than three consecutive years.

Charles Lowrey, former executive vice president and chief operating officer of Prudential's International Businesses, was appointed CEO on December 1, 2018. He will be appointed Chairman on April 5, 2019. Charles' successful leadership of the Company's asset management, U.S. and international businesses enables him to bring a broad perspective of Prudential's operations, a deep understanding of our people, and leadership skills that will serve the Company well as it continues to grow.

The Board believes a Chairman-CEO structure provides Prudential with a clear and effective leadership role to communicate the Company's business and long-term strategy to its clients, shareholders and the public. The combination also provides for robust and frequent communication between the Board's independent directors and Company management. On behalf of our shareholders, the Board is committed to advancing our momentum in the market. This transition is the result of a thoughtful, phased and long-term approach to succession planning.

Lead Independent Director: Key Responsibilities

- Calls meetings of the independent directors
• Facilitates communication between the independent directors and our Chairman
• Provides independent Board leadership
• Elected annually to serve no more than three years
• Sets agenda for all Board meetings and approves all Board material
• Communicates with shareholders and other key constituents, as appropriate
• Meets directly with the management and non-management employees of our firm
• Engages with our other independent directors to identify matters for discussion at executive sessions of independent directors and advises our Chairman of any decisions reached, and suggestions made at the executive sessions
• In collaboration with the Corporate Governance and Business Ethics Committee, addresses Board effectiveness, performance and composition
• Authorized to retain outside advisors and consultants who report directly to the Board on Board-wide issues

Culture at Prudential

At Prudential, nearly 50,000 employees from around the globe bring their diverse backgrounds and perspectives to work every day in pursuit of the company's shared purpose: making lives better by solving the financial challenges of a changing world. Drawing on a wide range of expertise and experience across a multitude of disciplines, we are bound by our commitment to what we do and how we work together.

This means that culture is a unique differentiator and a long-term competitive advantage for Prudential. It fuels our ability to execute in differentiated ways and is a critical underpinning of our talent strategy. Therefore, we invest in understanding and developing our culture. We want to ensure that it is as inclusive and collaborative as it can be, and that it supports how we compete in an evolving marketplace.

In July 2018, Prudential asked thousands of employees across the United States to share their vision for our culture and for Prudential. Solicited in a spirit of candor and continual improvement, the results provided valuable guidance for our approach to business challenges and talent opportunities. These results were shared with the Board of Directors and senior leadership, and the feedback will help the company support a fully inclusive culture that unlocks the best-in-class execution, collaboration, and performance of our talent.



Our People, Our Environment and Our Community

Our Culture

As a new company, Resideo has a unique opportunity to define our culture. By listening intently to our Board, shareholders, employees and customers, we have defined who we want to be — this aspirational vision is called our Performance Signature. We will keep doing what works, get rid of what does not and start new elements that we will need to be successful in the smart home market. For us to succeed, we need to build a business with a clear purpose that we can all be proud of, and we need to innovate in new ways, we need to operate with high velocity and agility that get the job done, and we need to be vested in our people.

Our Resideo Performance Signature®

Driven by Purpose

We are high-energy, committed and passionate. Obsessive about making a difference in the lives of our customers, we confidently strive to build a winning business that is consistently growing and of which we are intensely proud.

We care deeply. Listen attentively, engage confidently and come up with distinctive solutions that create true value, adding significantly to our customers' lives. We drive value actively between our customers, our partners, our people, and our shareholders.

Vested in Our People

Winning in our world requires a different way of being lighter and more joyful.

Building trust between us is key. We share openly, saying what we mean, and backing this up with aligned action. We respect and expect constructive disagreement, embracing this without fear of negative consequences.

We break down hierarchy. Regardless of the other person's position, we take time to truly listen and ask, "to learn from, and challenge one another."

We work hard and celebrate our successes — both the big and small, while setbacks and mistakes are seen as opportunities to learn and invest in the growth and experiences of our people.

Breakout Innovators

We work furiously, think ahead and around corners to shape our reality, and understand clearly the interconnectedness of all aspects of our business. We will only settle for solutions that are magnificent better than the status quo. Since we know that we don't have all the answers, we bravely look outside, and embrace input from others. For us, the only way to reach our goals is to work, with, and through others.

We focus only on what matters and consciously ignore what doesn't. Confidently taking calculated risks, we move fast, fail fast, and learn fast.

High Velocity Operations

We are demanding about what we need to achieve and never give up.

We have a Resideo way, our own way of doing things, where we seem to know and deliver at a high-speed rhythm across the short, medium, and long term. We get it done with speed and focus, yet know how to operate within resource constraints.

We give people what they need to get the job done, hold them accountable, and then get out of their way. We take decisions that serve the business as a whole, confidently acting on imperfect information. We align with those who need to be convinced, not those who do not.

Achievement is defined by both what, and how, we deliver and that determines the reward we get, and the recognition we receive.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As we fulfill the Company's overall purpose of continuously satisfying the world's ever-evolving demand for technology, we also remain committed to being a responsible corporate citizen. Our commitment to ESG matters contribute to our designation as one of Fortune magazine's "World's Most Admired Companies" for 10 consecutive years. The programs described below are consistent with our shared values of Integrity, Excellence, Accountability, Collaboration and Inclusion.

Environmental

We recognize that a healthy environment and safe workplaces are critical to our business, strategy, society, and people. We address environmental issues in an integrated manner to encompass protection of the environment as well as colleague health and safety. The environmental, health and safety ("EHS") systems, processes and tools in place across our footprint enable us to meet or exceed governmental and industry requirements. We are also committed to continuous improvement in our performance. Notable Environmental/EHS highlights include:

- We seek to reduce waste and increase energy efficiency across our footprint. Energy efficiency efforts include: a LEED-certified San Antonio facility, selective installation and retrofitting of LED lighting at logistics centers and large offices, solar panel installation at one of our main offices, and expanded recycling programs for pallets, cardboard, batteries and electronics.
• We maintain certification to ISO 9001:2015 (Quality Management Systems) for all of our logistics centers in the U.S., and most of our logistics centers in Europe, as well as ISO 14001:2015 (Environmental Management Systems) for our facilities in Georgia, Spain, Sweden and Singapore. In addition, our facility in Ohio has earned OHSAS 1801:2017 Health Safety Management Systems Certified.
• Risk reduction through implementation of our Injury and Illness Prevention Program, as well as enhanced safety training and new safety software programs across our footprint.
• A focus on leading indicators of safety performance, such as behaviors and minor incidents, enables us to drive continuous improvement, which is important for sustaining our corporate culture and reducing risk.

Social

The Company is proud to be recognized as a great place to work, a leader in the promotion and practice of diversity and inclusion, and an involved, positive member of the local communities where we live and work. We take a holistic approach to our social strategy, striving to create a culture where talented people want to come to work, develop their careers, become leaders, and make a difference for all our stakeholders and communities. Notable social highlights include:

- We have long engaged in supporting workforce diversity and formally established an Office of Diversity and Inclusion in 2014. We believe that diversity and inclusion ("D&I") in our global workforce produces more innovative results and provides a competitive advantage.
• We are focused on driving continuous improvement in the diversity of our senior leadership ranks. We require that for all positions of vice president and above, at least one woman and one ethnic minority must be interviewed for openings in the U.S., and at least one woman for openings outside of the U.S.
• We have five business resource groups ("BRGs") — with groups dedicated to i) empowering women; ii) supporting military veterans and their families; iii) driving recruitment, retention,





PROXY STATEMENT SUMMARY

Dramatic Cost Reductions

The Company has been focused on sustainable cost reductions since late 2017, when we set a goal to decrease expenses by \$150 million across all three business units. We later increased our target to \$250 million, implementing a program to remove unnecessary processes, integrate functions and streamline management layers. By the end of 2018, we had achieved our goal, including a 28% reduction in corporate overhead expense, by operating more efficiently and effectively without compromising our service to patients and customers. Our cost savings initiative continues in 2019, with a new plan to reduce costs by an additional \$200 million.

Improved Care Delivery Platform

Last year, we made significant progress on initiatives to better integrate our care delivery platforms, continue our investments in high-growth areas, and divest non-core operations. To that end, in 2018:

- We completed our acquisition of 95% of the equity interests in USPI ahead of schedule—with our increased stake, more of the value of USPI's growth will benefit our shareholders, and we can accelerate our work combining operations throughout the enterprise.
- We have actively pursued a thorough review of strategic alternatives for Conifer to best position the business for long-term success and enhance shareholder value.
- We divested operations that we identified as non-core, including 17 hospitals and facilities in 2018 and an additional three hospitals in early 2019.
- We also invested in attractive opportunities, including approximately \$240 million in acquisitions and joint ventures in ambulatory care.

Upgraded Leadership and Implemented a "Culture of Accountability"

The most important investment Tenet has made to execute our turnaround is in our people. We have upgraded talent across all levels of management and revamped our approach to developing talent internally. In late 2017, the Board appointed Ron Rittenmeyer as Chief Executive Officer to lead the Company's transition, and as Mr. Rittenmeyer has proven his ability to drive significant improvements throughout the Company, the Board has extended his term of service. In 2018, Mr. Rittenmeyer strengthened the senior management team with a new Chief Information Officer, Executive Vice President of Marketing and Communications, Chief Medical Operations Officer and Chief Executive Officer of USPI, among others. Moreover, we restructured our senior leadership team to support Dr. Saam Sutaria to the newly created role of Chief Operating Officer for the entire enterprise. Dr. Sutaria is a trained cardiologist and an expert healthcare operator with over 20 years of clinical, operational and strategic experience in healthcare delivery systems.

More broadly, through internal promotions and external hiring we brought onboard dozens of new executives after transitioning approximately 20% of our corporate leadership positions and approximately 35% of our hospital leadership positions. With a flatter organizational structure and an infusion of new energy and skillsets, we have helped shift the mindset of our employees to create a "Culture of Accountability" that has taken hold throughout the organization.

2019 Priorities

| Growth   | Operational Excellence  | Talent & Culture   |
|--|---|--|
| <ul style="list-style-type: none"> <li>• Earn patient loyalty</li> <li>• Preferred by physicians</li> <li>• Ambulatory acquisitions</li> <li>• Growing Conifer sales pipeline</li> </ul> | <ul style="list-style-type: none"> <li>• Deliver on new \$200 million cost reduction initiative</li> <li>• Improve Adjusted EBITDA margins</li> <li>• Enhance agility and consistency in execution</li> </ul> | <ul style="list-style-type: none"> <li>• Deepen bench of future leaders</li> <li>• Strengthen Culture of Accountability</li> <li>• Activate marketing campaigns centered around our Community Built on Care</li> </ul> |



CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Our Mission

We transform how businesses work and people live through the power of data.

Our Commitment

At Teradata, we are committed to fostering a corporate culture, anchored in our core values, that intentionally fosters inclusion and diversity, operating in a sustainable manner and giving back to the communities in which we operate. We are committed to a diverse and inclusive workplace. We believe that all our stakeholders – our stockholders, employees, customers, suppliers, the people in the communities in which we operate, and the environment – must be considered in our daily operations. As a result of our focus on our culture and our communities, we are committed to giving back to the places in which we operate. We are achieving these commitments through a number of initiatives, including those listed below:



Our People and Culture

Teradata's strength is our people. We are an equal opportunity employer, committed to sustaining a world-class team by empowering an environment that is intentionally inclusive and fully leverages diversity in all aspects of our business. We champion each other, share our expertise and learn from each other to multiply our collective value for Teradata's competitive advantage. We continuously strive to create an environment where differences are valued, supported and encouraged.

Teradata is committed to providing a working environment free from discrimination and harassment. We are actively engaged in nurturing an inclusive culture: one that seeks out, welcomes and values diverse people, inclusive actions and diverse solutions for our business.

- We are providing training on unconscious bias and will frequently monitor our metrics for progress. We are committed to leverage our insights to uncover unconscious bias and take action to catalyze change. In 2019, there will be additional emphasis in this area through the development of a Teradata Diversity Council.
- Our hiring managers and our talent acquisition team are committed to ensuring a diverse slate of candidates for all job openings. In 2019, there will be additional focus on improving inclusive interviewing skills for recruiters and hiring managers.
- Through our Leadership Team Mentoring Program, we leverage diversity to create our next generation of leaders by pairing high potential diverse employees with members of our executive management team.
- We believe transforming our world begins one community at a time. We support diverse groups and interests within the Company through our employee community groups. We also promote policies and programs that support working families.
- We support local STEM education programs to ensure emerging leaders in our communities have opportunities to explore their interests.
- Through our commercial and government supplier diversity programs, we seek to integrate supplier diversity into all areas of procurement by identifying, partnering with and purchasing from small businesses and minority and women-owned businesses to support their growth and development.



Sustainable Practices

- Products - We design technology for the future, and the future demands powerful analytic solutions that are intended to meet increasingly stringent standards to support the earth's precious resources, including efficient usage of power and water, as well as space efficiency. Therefore, we focus on providing customers with best-in-class products that are not only highly scalable, but environmentally sustainable as well. To that end, we continuously search to find and leverage technology alternatives that can improve performance-per-watt, reduce cooling requirements, and shrink floor space needs in data center requirements as part of our product design initiatives.



SUSTAINABILITY AND CORPORATE CITIZENSHIP

SOCIAL RESPONSIBILITY

Our Culture and Our People

The success of our company depends on the success of our people. Our highest priority is the safety of our employees, contractors, and all others who come into contact with our daily operations. We also focus our energy and resources on training and development. Our board of directors is actively engaged in this effort and oversees all of our people development activities. We feel so strongly about this that we made people development a critical focus area in our company vision. Our human capital and talent management practices strive to attract, engage, develop and retain talented employees who feel valued, have opportunities to grow and are driven to succeed. We do this by offering:

- A strong culture of core values: safety, integrity, citizenship, sustainability, and inclusion.
- Competitive pay and benefits.
- An industry-leading focus on individual development.
- Formal leadership development programs for front-line, mid-level, and future executive leaders.
- Rigorous internal talent assessment and succession planning.

We also believe that embracing diverse experiences and points of view leads to better decision making and makes for a stronger company. We are committed to building a diverse and inclusive workforce where everyone feels

welcome, valued, and empowered to reach their full potential. We do this through:

- Policies and practices that ensure equal compensation regardless of gender, race, religion, sexual orientation and other characteristics protected by law, including a prescribed salary band for every job.
- Transparent processes that ensure all hiring, promotion and termination decisions are based on clear performance criteria.
- Training on unconscious bias, harassment prevention, affirmative action and creating an inclusive workplace.
- Anti-discrimination and anti-harassment policies, and a "no tolerance" approach to discrimination or harassment of employees, suppliers, customers and visitors.
- An Inclusion Council that provides insight, ideas and action to help make our company a great place to work for all people, regardless of race, gender, religion, sexual orientation, gender identity, age, tenure, disability, veteran status, socio-economic background, geographic location, political beliefs, breadth of experience, or any of the other hundreds of factors that contribute to a person's unique perspective on the world.

We monitor and regularly review our strategies and action plans to address any workforce gaps in our organization, including gender, race and other underrepresented groups.

We also care about how our people feel about the place where they work. In 2018, we conducted a company-wide employee survey (including salaried and hourly employees). Here are some of the things we learned.

90%

OF ALL EMPLOYEES AGREE WE ALWAYS PUT SAFETY FIRST

95%

OF ALL EMPLOYEES AGREE I'M PROUD OF THE WORK I DO

86%

OF ALL EMPLOYEES AGREE UNETHICAL BEHAVIORS ARE NOT TOLERATED HERE

93%

OF ALL EMPLOYEES AGREE I KNOW HOW MY WORK CONTRIBUTES TO WEYERHAUSER'S VISION

82%

OF ALL EMPLOYEES AGREE MY LEADER HAS WORKED TO BUILD TRUST WITH ME

88%

OF ALL EMPLOYEES AGREE WE ARE GOOD STEWARDS OF THE ENVIRONMENT



PROXY SUMMARY

Board Oversight of Corporate Culture

Please see page 44 for additional information.

Please see our video, *The Berkley Story*, on [www.berkley.com](http://www.berkley.com).



Our Board of Directors believes that our corporate culture has been the most important intangible value driver of our sustainable long-term growth in stockholder value. The Board has identified the elements of corporate culture necessary to achieving this goal and their key drivers. With full board oversight of Risk Management, among other activities, and regular interactions with employees beyond corporate senior management, Board members have visibility into and receive timely feedback on cultural issues that may affect our business.

As meaningful stockholders, our directors have an independent ownership perspective and a vested interest in perpetuating a culture that facilitates the execution of our long-term objectives. The contributions to long-term value creation component of our Annual Incentive Compensation Plan ties culture to NEO compensation.

# Employee Protections

Workplace Fairness, which not only includes employee rights but also meaningful company enforcement of these rights, forms the basis for these protections. These protections include but are not limited to:

- Hiring & Classifications
- Termination & Unemployment
- Employment Discrimination
- Unpaid Wages/Wage & Hour Problems
- Benefits & Leaves

## CARNIVAL CORPORATION & PLC



### ANNEX A

#### Corporate and Social Responsibility

Health, environmental, safety and security

The Boards of Directors of Carnival Corporation & plc established Board-level Health, Environmental, Safety & Security ("HESS") Committees comprised of four independent Directors. The principal function of the HESS Committees is to:

- assist the Boards in fulfilling their responsibility to supervise and monitor Carnival Corporation & plc's health, environmental, safety, security and sustainability-related policies, programs, initiatives at sea and ashore, and
- comply with related legal and regulatory requirements relating to health, environmental, safety, security and sustainability.

The HESS Committees and our management team review all significant risks or exposures and associated mitigating actions. Each of the Chief Executive Officers of our brands attends the meetings of the HESS Committees.

Carnival Corporation & plc recognizes our responsibility to provide industry leadership and to conduct our business as a responsible global citizen. Our corporate leadership is manifested in our Code of Business Conduct and Ethics, which requires that every employee and member of the Boards use sound judgment, maintain high ethical standards and demonstrate honesty in all business dealings. As a responsible global citizen, Carnival Corporation & plc is committed to achieving and maintaining the highest standards of professional and ethical conduct.

In addition, Carnival Corporation & plc's HESS Policy describes our commitments to:

- protecting the health, safety and security of our passengers, guests, employees and all others working on our behalf, thereby promoting an organization that strives to be free of injuries, illness and loss;
- protecting the environment, including the marine environment in which our vessels sail and the communities in which we operate, striving to prevent adverse environmental consequences and using resources efficiently and sustainably;
- complying with or exceeding all legal and statutory requirements related to health, environment, safety, security and sustainability throughout our business activities; and
- assigning health, environment, safety, security and sustainability matters the same priority as other critical business matters.

The HESS Policy is published on the Carnival Corporation & plc website at [www.carnivalcorp.com](http://www.carnivalcorp.com) or [www.carnivalplc.com](http://www.carnivalplc.com).

The Boards recognize that Carnival Corporation & plc needs to ensure that there is a consistent standard of operation throughout their fleet in keeping with their leading position in the cruise industry. In this regard, the Carnival Corporation & plc Maritime Operations Department is headed by a Chief Maritime Officer, with a full-time professional and administrative staff, and is responsible for providing a common, integrated approach to management of HESS matters and for reporting to the HESS Committees on such matters. The Chief Maritime Officer reports to the Chief Executive Officer and to the Chair of the HESS Committees.

Risk Advisory & Assurance Services ("RAAS") is Carnival Corporation & plc's internal audit department and is headed by the Chief Audit Officer, who reports directly to the Chairs of the Audit and HESS Committees. The Chief Audit Officer also has a "dotted" reporting line to the General Counsel. RAAS conducts annual HESS audits of each brand's head office and of each ship in our fleet. These audits are in addition to the audits performed by external third-party certification and regulatory authorities.

Carnival plc Directors' Report | A-5

## HONEYWELL INTERNATIONAL INC.



### 03 | CORPORATE RESPONSIBILITY AND SUSTAINABILITY

Honeywell's foundational principles reflect our vision and values and help our employees, representatives, contractors, consultants, and suppliers comply with a high standard of conduct globally. At their core is the Company's Code of Business Conduct (the Code) that applies to all of our directors, officers and employees across the Company in all businesses and in all countries. The Code is a baseline set of requirements that enables employees to recognize and be aware of how to report integrity, compliance, and legal issues. In addition, the Code outlines our pledge to recognize the dignity of each individual, respect each employee, provide compensation and benefits that are competitive, promote self-development through training that broadens work-related skills, and value diversity of perspectives and ideas. All employees are required to complete Code of Business Conduct training and certify each year that they will comply with the Code.

#### I INTEGRITY AND ETHICS

The Code provides guidance and outlines expectations in a number of key integrity and compliance areas, including how employees should treat each other, conflicts of interest, Health, Safety, Environment, Product Stewardship and Sustainability (HSEPS), books and records, anti-corruption and proper business practices, trade compliance, insider trading, data privacy, respect for human rights, and the appropriate use of information technology and social media. In addition to the Code, Honeywell provides comprehensive training on key compliance topics, develops training scenarios, provides mechanisms for employees and third parties to report concerns (including anonymously), and ensures timely and fair reviews of integrity and compliance concerns through a best-in-class process to report and investigate allegations. Honeywell responds to 100% of reported allegations.

Moreover, the integrity and compliance program includes, among other elements, a Supplier Code of Conduct that flows down to Honeywell's global supply chain to reinforce Honeywell's expectation that its suppliers also will abide by our high standards of integrity and compliance, including our Conflict Minerals, Anti-Human Trafficking, Business Integrity, and Health, Safety, and Environmental policies. Suppliers are monitored via quality, ethics, and good manufacturing practices. When a supplier is found to be in violation of any Honeywell standard, they are either replaced or issued a corrective action plan. If the violation is related to unethical or illegal activities, the supplier is removed as a viable supply source.

Honeywell's Code of Business Conduct applies to all directors, officers (including the Chief Executive Officer, Chief Financial Officer, and Controller) and employees. Amendments to or waivers of the Code of Business Conduct applicable or granted to any of Honeywell's directors or executive officers will be published on our website. We foster a culture of integrity, ethics, and workplace respect by setting the tone at the top and by unambiguously and repeatedly reinforcing our expectations.

#### I SUPPORTING DIVERSITY

The Board believes that diversity (three women, three Hispanic, one African-American and two non-U.S.) and the diversity of Honeywell's executive leadership (over 50% diverse by gender or ethnicity) supports our evolving business strategy. The Company's commitment to inclusion and diversity enables better decision making, helps build competitive advantages, and furthers long-term success.

Honeywell has many inclusion and diversity councils and is involved in several professional organizations including the Society of Women Engineers, the National Society of Black Engineers, the Society of Hispanic Engineers, Anita Borg Institute, the Leadership Council on Legal Diversity, and NJ LEEP, a college access and success program serving students in the greater Newark, New Jersey, area. Honeywell leaders have won several prestigious diversity awards from the Society of Women Engineers, Diversity Journal, and NJ LEEP, as well as many others. The Company also introduced a new company-wide diversity program this January at our annual senior leadership meeting that focuses on the development and advancement of women leaders at Honeywell.

#### I WORKPLACE RESPECT

Fostering a respectful workplace environment is a key priority for Honeywell. While the Company's Code of Business Conduct and other policies have long prohibited harassment, in 2018, the Company issued a revised global harassment policy to reaffirm our commitment to maintain a respectful workplace for all. This new policy provides more explicit guidance on the expectations for each employee and makes clear that all employees who experience or witness harassment are expected to report such conduct. Our Chairman and CEO and our General Counsel communicated the launch of this updated policy in a video distributed to all employees, as well as through town hall meetings. The message continues to be reinforced through training programs, such as a sexual harassment training program that was developed in tandem with the revised policy and is being deployed globally.



**CORPORATE RESPONSIBILITY**

For more than 100 years, our business has delivered natural gas to our customers. We will continue to focus on operating safely and responsibly, while creating shareholder value. For more information see our Corporate Responsibility report published on our website at [www.ONEGas.com](http://www.ONEGas.com).

**SAFETY AND HEALTH**

The safety of our employees, our customers and the communities where we operate is at the forefront of each business decision we make. By monitoring the integrity of our assets and promoting the safety and health of our employees, customers and communities, we are investing in the long-term sustainability of our businesses.

A substantial part of our workforce is comprised of operations specialists who work regularly in the field. We continuously assess the risks our employees face in their jobs, and we work to mitigate those risks through training, appropriate engineering controls, work procedures and other preventive safety and health programs. Reducing incidents and improving our safety incident rates is important, but we are not focused only on statistics. Low incident rates alone cannot prevent a large-scale incident, which is why we continue to focus on enhancing our preventive safety programs, such as near-miss reporting, vehicle-safety monitoring, risk assessment and others.

**2018 Safety and Health Performance Updates and Highlights**

- Since 2013 we have experienced a 57% reduction in our TRIR.
- Since 2013 strains and sprains, our most prevalent type of injury, has declined by 85%.
- Since 2013 we have experienced a 75% reduction in our DART.
- Since 2013 we have experienced a 23% reduction in our PVIR.

**ENVIRONMENTAL PERFORMANCE**

**2018 Environmental Updates and Highlights**

- We retired or replaced approximately 420 miles of distribution and transmission facilities in 2018, including 21 miles of cast iron pipe, which will result in decreased emissions of methane. We have a total of four miles of cast iron pipe remaining to be replaced, which we have committed to replace by the end of 2019.
- In 2018, our Energy Efficiency Program in Oklahoma and the Austin and Rio Grande Valley Conservation Programs in Texas combined to issue more than 122,750 rebates totaling approximately \$17 million through energy-efficiency and conservation programs that offered customers rebates on natural gas appliances and energy-efficient home improvements.
- We continue to be a partner in the EPA's Natural Gas STAR Program and the EPA's Methane Challenge program to voluntarily reduce greenhouse gas emissions. We anticipate reporting in 2019 our 2018 performance to the EPA. We exceeded our goal by achieving an overall replacement rate between 6 and 7 percent in both 2017 and 2018.

**COMMUNITY INVESTMENT**

We are committed to being active members of the communities where we operate. Investing in the areas where we have operations and where our employees live and work is not only the right thing to do—it's smart business. By contributing financially and through volunteer work, we can help build stronger communities and create a better environment for our employees, our customers and the general public.

We accomplish this in a number of ways, including grants from the ONE Gas Foundation, corporate sponsorships to nonprofit organizations and community volunteer efforts. Primary focus areas for our community investments are education, health and human services, arts and culture, environmental stewardship and community enrichment. We give priority consideration to educational programs and to health and human services organizations, particularly those with programs that help people become self-sufficient.

**2018 Community Investment Updates and Highlights**

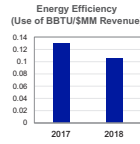
- In 2018, we contributed approximately \$2.1 million to nonprofit organizations through the ONE Gas Foundation and corporate sponsorships, and our employees volunteered more than 9,500 hours in our communities.



**Boosting Energy Efficiency Worldwide**



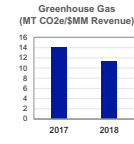
We invested in electricity projects that resulted in an overall reduction in energy usage by more than 4.3 BBTU (billion British thermal units). The chart below shows our continued reduction in energy consumption.



**Reducing Global Greenhouse Gases**



We implemented specific projects that reduced our carbon footprint by more than 434 metric tons of CO<sub>2</sub>e (CO<sub>2</sub> equivalent). The chart below shows the overall greenhouse gas reduction at our sites.

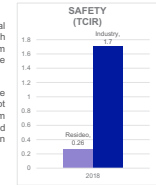


We regularly evaluate our existing sustainability goals performance to ensure company-wide environmental targets are appropriate for our business. We are currently evaluating our water and waste data to determine improvement targets for 2020. We continue to invest in conservation projects and measure our progress through periodic management review and make course corrections as necessary.

**Health and Safety**

Our global Total Case Incident Rate or "TCIR" (the number of occupational injuries and illnesses per 100 employees) was 0.26 at the end of 2018 which is significantly lower than the North American Industry Classification System injury rate for Automatic Environmental Controls of 1.7 as reported by the U.S. Bureau of Labor Statistics.

We monitor our safety through a balanced scorecard of key performance indicators. In addition to reactive incident management investigation and root cause analysis indicators, we measure and analyze the data generated from our hazard observation and internal audit programs to provide insights and intelligence that help us proactively mitigate issues before they result in incidents.



**Social Responsibility**

**Committed to a Sustainable Future**

Resideo is working to address some of the fundamental global challenges we face. We are starting at home – with our neighborhoods and communities – and committing to making a difference.

As a company, we provide people with tools to effortlessly manage their whole home to keep it more comfortable, safe, secure and healthy. We are currently seeking global and local non-profit partners who align with our Company's safety and environmental goals to help develop programs and initiatives that will drive continuous improvement in our communities and in the world.

# Diversity and Inclusion (D&I)

Diversity often focuses on the differences in a group, often referred to as “the mix.” Relevant groups can include the board, C- Suite, senior managers, and employees at large. Inclusion is the deliberate act of welcoming diversity and creating an environment where diverse people can interact, thrive and succeed, working as a collective whole. In short, Diversity is what you have. Inclusion is what you do.

## AT&T INC.



**CORPORATE SOCIAL RESPONSIBILITY**

**Progress Toward 2020 Goals<sup>2</sup>**

- 60% Energy Intensity Reduction  
75% of goal completed
- 30% Fleet Emissions Reduction  
66% of goal completed
- Refurbish, reuse or recycle 200M devices  
73% of goal completed

**Social** AT&T is focused on issues important to our business and our communities, including safety, education, diversity and inclusion, and the welfare of our fellow citizens.

**RESPONSIBLE USE**

One of our top priorities is empowering customers to use our products and services in a safe and responsible manner.

Since inception, our It Can Wait<sup>®</sup> campaign has generated more than 33 million pledges to never drive distracted.

The AT&T Digital You<sup>®</sup> website includes a collection of resources that educate customers about online safety. Our #LaterHaters movement helps teens find positive reinforcement and the tools they need to boost positivity online and offline. We're working to elevate the gaming experience through technology, and in doing so, our new iGreatestGame campaign encourages good sportsmanship among gamers. And in 2018 we launched ScreenReady, an online safety pilot program, in our greater New York City retail stores.

**EDUCATION AND UPSKILLING**

We are building a stronger business and a more dynamic workforce for all companies as we prepare individuals for the workforce demands of tomorrow.

**\$450 million** In 2018, we celebrated 10 years of our Aspire program, through which we've provided more than \$450M toward student success and career readiness, with an emphasis on STEM-related fields.

Internally, we invested approximately \$200 million and 16 million hours training our employees last year, and we contributed \$23 million to their tuition aid.

**DIVERSITY AND INCLUSION**

Our efforts to create a culture in which all employees can learn and grow are led by the Chairman's Diversity Council and our Chief Diversity Officer.

AT&T's 24 Employee Resource Groups and Employee Networks help advance our professional development and represent cultures, genders, generations, veterans, individuals with disabilities, and members of the LGBTQ+ community. Our ERG and EN membership totals more than 133,000. Additionally, in 2018 WarnerMedia announced a new Diversity & Inclusion Policy that is an industry-pioneering commitment to give more opportunities to more women and people of color – both in front of and behind the camera. This is aided by WarnerMedia's OneTriby initiative, a platform that disrupts the way content is developed and places diverse storytellers in the spotlight.

**AT&T U.S. workforce diversity:**

- 31% women
- 44% people of color

**COMMUNITY ENGAGEMENT**

AT&T employees donated \$20 million to more than 30,000 charities in 2018 to help make our communities stronger and have pledged to give \$27.8 million in 2019. Our culture of giving provides resources to support employees' charitable interests through AT&T Foundation grants, resulting in an additional \$4.4 million in 2018. Employees also donated time in their communities, volunteering more than 1 million hours valued at more than \$25 million.

<sup>1</sup>AT&T missed the 90% threshold standard for "zero waste" as defined by the Zero Waste International Alliance. <http://www.zwa.org/standards/new-business-principles/>  
<sup>2</sup>Represents progress through and of year 2017  
<sup>3</sup>Represents total U.S. workforce numbers, excluding WarnerMedia, through end of year 2018

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## CARNIVAL CORPORATION & PLC



**ANNEX A**

**Employees**

Carnival Corporation & plc own and operate a portfolio of brands in North America, Europe, Australia and Asia comprised of nine cruise lines: Carnival Cruise Line, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK). Our corporate office and individual brands employ a variety of methods, such as intranet sites, management briefings, newsletters and reward programs to encourage employee involvement and to keep employees informed of the performance, development and progress of Carnival Corporation & plc.

We believe that diversity and inclusion issues, such as the attraction, retention, development and promotion of women and people of color, are not only important topics in corporations and boardrooms world-wide, they are issues critically important to sustaining the success of our business. For years, we have partnered with organizations focused on improving the diversity and inclusiveness of work places and by extension, society in general. We strive to achieve greater performance through capturing the power of employee diversity across all elements such as race, ethnicity, gender and sexual orientation. Accordingly, our President and Chief Executive Officer has committed to Catalyst's "Catalyst CEO Champions for Change" initiative to support the advancement of women's leadership and diversity in the workplace and the Executive Leadership Council's "CEO Action for Diversity and Inclusion" initiative to support and encourage diversity in the workplace.

Senior employees within Carnival Corporation & plc are eligible to participate in either the Carnival plc 2014 Employee Share Plan or the Carnival Corporation 2011 Stock Plan, further details of which are provided in Carnival plc's Directors' Remuneration Report attached as Annex B to the Proxy Statement. These plans reinforce the philosophy of encouraging senior employees to contribute directly to the achievement of Carnival Corporation & plc's goals and of rewarding individual and collective success.

It is the policy of Carnival Corporation & plc that disabled persons should receive full and fair consideration for all job vacancies for which they are suitable applicants. Training and career development is encouraged for all employees. It is the policy of Carnival Corporation & plc to seek to retain employees who become disabled while in their service whenever possible and to provide specialist training, where appropriate.

Information regarding gender mix can be found in the Strategic Report that accompanies the Carnival plc consolidated IFRS financial statements.

**Political Contributions**

Carnival plc did not make any political contributions to any political organization during the year ended November 30, 2018 (2017—nil). Carnival plc's subsidiaries made political contributions to organizations outside the European Union of \$0.3 million (2017—\$0.5m).

**Directors' Statement as to Disclosure of Information to Auditors**

Each Director is satisfied that, as far as he or she is aware, the auditors are aware of all information relevant to the audit of Carnival plc's consolidated IFRS financial statements for the year ended November 30, 2018 and that he or she has taken all steps that ought to have been taken by him or her as a Director in order to make the auditors aware of any relevant audit information and to establish that Carnival plc's auditors are aware of that information.

**Corporate Governance Statement**

The corporate governance statement, prepared in accordance with rule 7.2 of the UK Listing Authority's Disclosure Guidance and Transparency Rules sourcebook, can be found in the Carnival plc A8 | Carnival plc Directors' Report



Corporate Responsibility

At Citrix, we are committed to improving the lives of our employees, customers, partners, shareholders, and the communities in which we live and work. We believe that a strong focus on corporate responsibility and conducting our business in an ethical, transparent and accountable way generates value for all our stakeholders.

Our approach to corporate responsibility encompasses the following initiatives: Diversity, Inclusion and Belonging, Corporate Citizenship, Sustainability, Supply Chain Oversight and Trust.

**Diversity, Inclusion and Belonging.** At Citrix, diversity, inclusion and belonging is about leveraging the innovative power of human difference. We believe that including different backgrounds, beliefs, perspectives and capabilities in our workforce fuels innovation and creates value for our employees, customers, partners and shareholders. We have incorporated diversity, inclusion and belonging into our policies and practices, education and events, and executive and community programs, which include:

- Executive Oversight Committee: Provides guidance, sponsorship, and thought leadership for company-wide diversity, inclusion and belonging initiatives;
- Diversity, Inclusion and Belonging Team: Team focused on diversity, inclusion and belonging strategy development, initiative execution and measurement of outcomes that support our values and culture;
- Attracting Talent: A number of programs and initiatives enhance the diversity and inclusion experience for candidates and employees, including: attending National Society of Black Engineers, Fairygodboss Women in Sales, and Gaze Hyster conferences for employee development and talent attraction;
- Employee Resource Groups: 16 employee-run chapters around the globe that address career development, mentoring, advocacy, and networking for groups such as women, LGBTQ, Latino, veterans and black professionals;
- Community Programs: Supporting and sponsoring diversity-focused scholarships, as well as programs designed to support women and students. Our global workforce of 107,400 is highly educated, with approximately 85% of our people working in technical roles. We invest in creating a diverse, inclusive, and safe work environment where our employees can deliver their workplace best every day. This environment fosters a rich and powerful culture that allows us to make a profound impact on the world.
- Metrics: Leveraging industry benchmarks and third-party data to better analyze our workforce representation, hiring

and retention trends, and workforce composition to identify focus areas and improvement opportunities;

- Executive and Employee Training: Offering a number of inclusion, diversity and unconscious bias programs for senior leaders and employees including an Inclusion Architects Program to drive engagement and culture change and developing a diversity, inclusion and belonging toolkit to assist people in mitigating bias and behaving more inclusively; and
- External Website: Highlighting our diversity and inclusion and oversight committee mission statement, metrics, programs and achievements in a dedicated section on Citrix.com, for customers, partners, shareholders and potential employees.

We have been publicly recognized for our commitment to inclusion and diversity initiatives. Most recently, in 2017, 2018 and 2019, Citrix was designated as one of the "Best Places to Work for LGBTQ Equality" by the Human Rights Campaign Foundation and received a score of 100 percent on the foundation's Corporate Equality Index survey.

To ensure that our President and Chief Executive Officer drives a diverse and inclusive culture, as part of our President and Chief Executive Officer's annual evaluation, he is evaluated on, among other things, his leadership of the business, which includes driving a diverse and inclusive culture.

Board diversity is also a top priority at Citrix. We believe that a diverse membership with varying perspectives and breadth of experience is an important attribute of a well-functioning Board of Directors and will enhance the quality of the Board of Directors' deliberations and decisions. As a result, the Nominating and Corporate Governance Committee of our Board of Directors considers the diversity of background and experience of a director nominee inclusive of diversity of knowledge, skills, experience and expertise, as well as, diversity of personal characteristics, such as diversity of gender, race, ethnicity, culture, thought and geography among its members in the overall context of the composition of the Board of Directors as documented in our Corporate Governance Guidelines and our Nominating and Corporate Governance Committee Charter. The Nominating and Corporate Governance Committee and the Board of Directors discuss the composition of our Board of Directors, including diversity of background and experience, as part of the annual Board of Directors evaluation process. In 2018, we added two new directors to the Board of Directors, Ms. Hogan and Ms. Kikoye, as part of the continuing evolution and diversification of our Board of Directors.

Proxy



Corporate Citizenship

DIVERSITY AND INCLUSION

At HI, our employees are our most important assets and are critical to our success. We value relationships that are based upon mutual respect and appreciation of differences as a formative part of the inclusive culture that is essential to our success as a company. Within this inclusive culture we promote character, civility and community.

We believe we gain a key competitive advantage by building a community that values contributions and perspectives from a variety of backgrounds, skills and experiences regardless of race, ethnicity, color, religion, sex, disability, nationality and other differentiation. Our leaders leverage the differences within their teams. Our corporate values—Integrity, Safety, Honesty, Engagement, Responsibility and Performance—and our Code of Ethics and Business Conduct guide us and serve as reminders that trust and respect are the foundation for an inclusive environment.

Additional information about our employee resource groups, diversity and inclusion in action, supplier diversity programs and highlights from a number of programs in which we have been involved are available on our website at [www.huntingtoningalls.com](http://www.huntingtoningalls.com).

MILITARY AND VETERANS

We have a commitment to the men and women of the Armed Forces—and their families—that extends well beyond the ships we build and maintain for the U.S. Navy, the U.S. Marine Corps and the U.S. Coast Guard. We employ more than 7,100 military veterans—about 18% of our workforce—as well as current members of the Reserves and National Guard, and we are committed to filling more than 20% of new jobs with veterans. We are also proud of our ongoing corporate partnership with the United Service Organizations. We are certified by Virginia Values Veterans, a program that helps employers implement nationally recognized best practices in recruiting, hiring and retaining highly skilled and dependable veterans. We also have dedicated veteran recruiters and support more than 30 military- and veteran-specific job fairs every year.

D&I



Given the highly technical nature of our business, our success depends on our ability to attract and retain talented and skilled employees to create the technology of the future and delight our customers. Our global workforce of 107,400 is highly educated, with approximately 85% of our people working in technical roles. We invest in creating a diverse, inclusive, and safe work environment where our employees can deliver their workplace best every day. This environment fosters a rich and powerful culture that allows us to make a profound impact on the world.

All employees are responsible for upholding the Intel Values, Intel Code of Conduct, and Intel Global Human Rights Principles, which form the foundation of our policies and practices. We also place value on providing a wide range of opportunities to support the ongoing career development of employees. For over a decade, we have tracked and publicly reported on key human capital metrics, including workforce demographics, diversity and inclusion data, turnover, and training data.

DIVERSITY AND INCLUSION

Building an inclusive workforce, industry, and ecosystem is critical to helping us drive our business forward. We committed \$300 million to advance diversity and inclusion in our workforce and in the technology industry, and met our goal to achieve full representation of women and underrepresented minorities in our U.S. workforce in 2018—two years ahead of schedule. We have a long-standing commitment to inclusive workplace policies. For example, to help ensure employee concerns are openly and transparently resolved, Intel does not seek arbitration of sexual harassment and other employment claims.

GROWTH AND DEVELOPMENT

We invest significant resources to develop the talent needed to keep the company at the forefront of innovation and make Intel an employer of choice. We deliver training annually and provide rotational assignment opportunities. During 2017 and 2018, we trained our managers in inclusive management practices. Over the past five years, our undesired voluntary turnover rate has been below 5%.

COMMUNICATION AND ENGAGEMENT

Our success depends on employees understanding how their work contributes to the company's overall strategy. We use a variety of channels to facilitate open and direct communication, including open forums with executives; quarterly Organizational Health Polls; and engagement through more than 30 different employee resource groups, including the Women at Intel Network, the Network of Intel African American Employees, the Intel Latino Network, and others.

COMPENSATION AND BENEFITS

We strive to provide pay, benefits, and services that help meet the varying needs of our employees. Our generous total rewards package includes market-competitive pay, broad-based stock grants and bonuses, a popular Employee Stock Purchase Plan, healthcare and retirement benefits, paid time off, flexible work schedules, sabbaticals, fertility assistance, and on-site services. For more than a decade, we've performed an annual compensation analysis in the U.S. to ensure pay equity by gender and race/ethnicity. In 2018, we began globalizing our analytics and recently announced that we've achieved gender pay equity globally.

HEALTH, SAFETY, AND WELLNESS

Our ultimate goal is to achieve zero serious injuries through continued investment in and focus on our core safety programs and injury-reduction initiatives. We provide access to a variety of innovative, flexible, and convenient employee health and wellness programs, including on-site health centers.

"In 2018, we met our U.S. diversity and inclusion goal—two years ahead of schedule. We are proud of our progress but not satisfied. We view diversity and inclusion as a business imperative that drives innovation and future growth. Every voice matters."

—Barbara Whyte, Intel's Chief Diversity and Inclusion Officer and Vice President of Human Resources



We believe in the power of diversity

Fundamentally, we believe that in order to best help our clients and employees get most out of life, our workforce should reflect the diversity of people and perspectives of today's evolving society.

Our business success relies on engaging a highly diverse team of people across the globe who are client-focused, innovative and draw on a range of backgrounds and experiences to contribute their unique perspective. Ensuring a broad range of different experiences and backgrounds helps us create the diversity of thought needed to deliver a compelling investment experience for clients and ensure an engaging work environment for our people. This approach is a core attribute of our firm's culture, which actively encourages our people to collaborate to find the best ideas and solutions for clients, leveraging the tremendous diversity of thought that exists across our global organization.

At Invesco, we're committed to improving diversity at all levels and in all functions across our global business. Although diversity is very country and culturally specific, the need for greater gender diversity is a constant across the globe, which is why we are focusing on gender at the enterprise level. Today we have a diverse, talented pool of women across our global firm, but we aspire to have more women at senior levels and across all functions within our firm.

The CEO and senior managing directors of Invesco - the most senior leaders for key parts of our business - have adopted several principles for achieving our gender diversity targets. To demonstrate our commitment to senior-level accountability globally, the firm has adopted a four-point pledge (modeled on the UK Women in Finance charter). Specifically, the CEO and senior managing directors have pledged that:

- We are supportive of this initiative and will apply the initiative to Invesco globally with the CEO and each senior managing director responsible and accountable for gender diversity and inclusion;
- Globally, we have set a target for female representation of senior managers to be between 30% - 40% by 2020 (27% as of December 31, 2018);
- We will share high-level diversity and inclusion activities that will aid our achievement of the target and support having greater diversity across the globe; and
- Goals on gender diversity will be included for our CEO and the senior managing directors, as part of their overall performance goals, and to be in support of gender diversity and inclusion activities.

In support of our wider diversity and inclusion aspirations beyond gender, we have a variety of activities focused on engaging and developing the many talented people who work for Invesco, while also ensuring that we attract new talent from a broad range of backgrounds. These initiatives include programs focused on developing the next generation of leaders, training efforts intended to strengthen our inclusive culture and more robust recruitment practices to attract diverse talent into the firm.

All of these efforts are sponsored by the senior managing directors, supported by our senior leaders across the business, cascaded to our employees and captured in the firm's business plans and leadership objectives.

Across the globe, we continue to build our partnerships and networks to optimize our diversity and inclusion activity. We are leveraging the efforts and success of our Invesco Women's Network, which provides development and mentorship opportunities, creates networking events for women and men and partners with the business on its broader diversity and inclusion efforts.

Additionally, we work with a variety of external partners with the goal of improving diversity and inclusion within Invesco and across our industry. For example, we are active members in a number of local or regional public or industry initiatives such as the UK and North America Asset Management Diversity Project.



EXECUTIVE COMPENSATION

**IV. Investing in our people**

Our employees' effectiveness, career development and ability to adapt to a changing landscape enables continued delivery of sustained shareholder value. We believe the most effective workforce is a diverse workforce, and as such, we maintain Firmwide inclusion and diversity initiatives to attract and retain the highest quality talent. In order to attract and retain diverse employees, we believe in providing well-paid jobs with strong benefits and wellness programs.

**Diversity**  
Diversity and inclusion are of strategic importance to the Firm. We are committed to a culture of openness and meritocracy and believe in giving all individuals an opportunity to succeed. We believe diversity with an inclusive environment fosters innovation, creativity and productivity, which is critical to our success, and we are deeply committed to hiring and retaining employees from different backgrounds, experiences and locations.

We continue to invest significant time and effort toward executing diversity and inclusion best practices Firmwide. Our Business Resource Groups ("BRGs") are communities of employees who voluntarily work together to advance the Firm's priorities and its position in the global marketplace by leveraging the unique perspectives of their members. We have ten BRGs globally, with over 91,000 employees participating from all LOBs. In addition to BRGs, we have developed other diversity and inclusion strategies such as:

|   |   |
|---|---|
| <b>Women on the Move ("WOTM")</b>   | <ul style="list-style-type: none"> <li>WOTM is a global, Firmwide effort designed to support women in their personal and professional lives, grow their businesses and improve their financial health</li> <li>The initiative was expanded in 2018 to empower female employees, clients and consumers to build their careers</li> <li>An executive was appointed to serve as a dedicated leader for the expanded initiative</li> <li>The third annual Women on the Move Leadership Day took place in 2018 with nearly 2,000 attendees</li> </ul>                            |
| <b>Advancing Black Leaders ("ABL") &amp; Advancing Black Pathways ("ABP")</b> | <ul style="list-style-type: none"> <li>ABL is a Firmwide commitment to increasing representation of black talent across all businesses</li> <li>In 2018, we saw meaningful headcount growth in black senior management and increased representation of black interns in our incoming 2019 class</li> <li>In February 2019, we launched ABP to provide more support for black people in their pursuit of educational, career, business and personal financial success and appointed an executive to serve as a dedicated leader for the initiative</li> </ul>                |
| <b>Office of Disability Inclusion ("ODI")</b>                                 | <ul style="list-style-type: none"> <li>ODI is dedicated to providing globally consistent standards and processes to better accommodate employees with disabilities</li> <li>Launched the MyAccessibility team to fulfill requests for technology and physical accommodations for employees with disabilities</li> <li>Instated the Firm's first global disability inclusion standards to provide managers and team leaders with resources to hire, lead and advance people with disabilities</li> <li>Hired over 1,100 people with disabilities globally in 2018</li> </ul> |
| <b>Military and Veterans Affairs Programs</b>                                 | <ul style="list-style-type: none"> <li>The Office of Military &amp; Veterans Affairs drives Firmwide initiatives to position veterans, service members and their families for long-term, post-military success</li> <li>Hired over 1,200 U.S. veterans in 2018</li> <li>Continued our acclimation and development initiatives to support veterans' transitions and career success into the financial services industry and appointed a new executive to lead the organization</li> </ul>  |

**Tracking our progress**  
We are proud of the external recognition we received in 2018, some of which is listed below:

- 100% rating on the Corporate Equality Index (Human Rights Campaign) and a top score of 100% on the Disability Equality Index survey (Disability: IN and American Association of People with Disabilities)
- 50 Best Companies for Diversity by Black Enterprise
- Top Company for Multicultural Women by Working Mother Magazine
- Best for Vets Employer by the Military Times
- Best Practice for Promoting Asian Pacific American Women by the Asia Society

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Corporate Governance

senior management and our Board. Our CSR principles guide our values and daily cultural life, our annual strategic planning and business operations, our customer focus and our stakeholder relationships.

**STRATEGIC PRIORITIES**  
We embed responsible people, community and environmental practices into sustainable business operations that maximize shareholder value. Four strategic priorities guide our work.

|  |  |   |  |
|--|--|---|--|
| <b>Fostering Diversity &amp; Inclusion</b>   | <b>Investing in Community</b>  | <b>Caring for One Another</b>   | <b>Protecting the Planet</b>   |
| <ul style="list-style-type: none"> <li>Talent management</li> <li>Diverse and inclusive work culture</li> <li>Customer, supply chain &amp; stakeholder engagement</li> </ul> | <ul style="list-style-type: none"> <li>Workforce development</li> <li>Community development</li> <li>Responsible gaming</li> </ul> | <ul style="list-style-type: none"> <li>Volunteerism</li> <li>Employee giving</li> <li>Corporate philanthropy</li> </ul> | <ul style="list-style-type: none"> <li>Climate leadership</li> <li>Sustainable design &amp; construction</li> <li>Responsible operating practices</li> </ul> |

**Current Initiatives**

|   |  |
|---|--|
| <b>Fostering Diversity &amp; Inclusion</b>  | <b>Investing in Community</b>  |
| <ul style="list-style-type: none"> <li>Cultivate a best-quality global workforce that reflects our communities.</li> <li>Create welcoming, inclusive environments everywhere we operate.</li> <li>Cultivate diversity and inclusion in our customer markets; supply chain and external stakeholder relationships to accelerate business growth and expand Company goodwill around the world.</li> </ul> | <ul style="list-style-type: none"> <li>Expand pathways to economic security for our workforce.</li> <li>Provide economic opportunity and enhance the social and cultural fabric in the communities where we operate.</li> <li>Promote responsible gaming practices and tools that keep gambling safe, fun and entertaining.</li> </ul> |
| <b>Caring for One Another</b>   | <b>Protecting the Planet</b>   |
| <ul style="list-style-type: none"> <li>Drive positive social impact and boost employee engagement through employee volunteerism.</li> <li>Instill philanthropic commitment and pride in our employees through The MGM Resorts Foundation.</li> <li>Support our host communities' unique challenges through Company giving.</li> </ul>   | <ul style="list-style-type: none"> <li>Leverage our actions and advocacy to be a global leader on climate change.</li> <li>Design and build with tomorrow in mind.</li> <li>Reduce negative environmental impacts of our operations.</li> </ul>  |

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Total of 2 pages in section



Schnitzer Proxy Summary

**Highlights from the FY2017-FY2018 Sustainability Report include:**

**Integrity, Ethics, and Compliance.** We maintain a robust and effective independent corporate compliance program led by our Chief Compliance Officer who reports jointly to our CEO and to the Audit Committee of the Board of Directors. Our focus is on promoting our Code of Conduct, communicating and educating our employees on the importance of making ethical decisions, and fostering an environment where employees feel free to report concerns. We train 100% of our non-union employees annually on our Code of Conduct. In fiscal 2017, we began including unionized employees in this training and will have incorporated all employees by the end of fiscal 2019.

**Safety, Health, and Wellness.** The safety, health, and wellness of our employees are top priorities at Schnitzer, and our safety culture is an essential component of sustained success. While 76% of our facilities experienced zero lost time due to injuries in fiscal 2018, we are determined to continually improve our safety performance across all divisions and all facilities. Our Wellness Committee promotes healthy lifestyles and sponsored a number of events throughout the year such as offering free home smoke detector installation in conjunction with the American Red Cross Sound the Alarm campaign to ensure that all employees have working fire alarms.

**Diversity, Inclusion and Cultural Awareness.** With over 3,500 employees, we take pride in our diverse and inclusive workforce. We actively encourage a culture where everyone is treated with respect, fairness, and equal opportunity to reach their full potential within the organization. In 2017, to build on our progress in this area, we launched a formal Diversity and Inclusion Program and in 2018, appointed a Chief Diversity Officer reporting directly to our CEO. Also in 2018, we launched our cultural awareness campaign focused on increasing cultural awareness, inspiring employee engagement, and fostering an environment where open and safe conversations can exist.

**Community Engagement and Partnerships.** At Schnitzer, we are dedicated to positively impacting the over 100 communities in which we live and work, and we have a long legacy of volunteerism, partnership, and charitable giving. Our employees lead our local community engagement efforts through direct involvement in community initiatives and memberships in community organizations, as well as participation in philanthropic and charity events. Examples of community engagement and partnerships include:

- In April 2018, over 1,300 employees from 80 facilities participated in Earth Day activities from cleanups of local parks and beaches to scrap drives with local schools.
- Since 2008, we have been a partner in the Fishing for Energy partnership that has collected over 3.8 million pounds of derelict fishing gear for recycling and energy conversion.
- Since 2009, we have supported the Boston Police Department and 15 other local police departments by recycling the metal from more than 8,000 weapons taken off the streets.
- In fiscal 2018, our Pick-N-Pull stores raised more than \$250,000 in donations for local food banks.
- Our company and our employees contributed over \$120,000 in fiscal 2018 to Schnitzer's charitable foundation, "Recycling For A Better Tomorrow," to provide disaster relief funding to aid employees and their families impacted by natural disasters.

**Environmental Performance and Protection.** We actively promote and support sustainable practices throughout our operations and continue to show year-over-year improvement in our sustainability key performance indicators which have been externally verified and assured for accuracy. On a normalized (per-unit) basis in both fiscal years 2017 and 2018, we lowered our carbon emissions, energy consumption, water usage, and process waste generated. We also diverted more waste from landfills by recycling higher volumes of scrap metal and recovering other materials. In fiscal 2018, our Sustainability performance included the following:

|                                       |                                      |   |   |                        |
|---------------------------------------|--------------------------------------|---|---|------------------------|
| 7% reduction in normalized energy use | 6% reduction in normalized emissions | 3% reduction in normalized disposed waste | 79% electricity from hydro & other renewables | 60% of water is reused |
|---------------------------------------|--------------------------------------|---|---|------------------------|

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**ENVIRONMENTAL, SOCIAL AND GOVERNANCE**

As we fulfill the Company's overall purpose of continuously satisfying the world's ever-evolving demand for technology, we also remain committed to being a responsible corporate citizen. Our commitment to ESG matters contribute to our designation as one of Fortune magazine's "World's Most Admired Companies" for 10 consecutive years. The programs described below are consistent with our shared values of Integrity, Excellence, Accountability, Collaboration and Inclusion.

**Environmental**

We recognize that a healthy environment and safe workplaces are critical to our business, strategy, society, and people. We address environmental issues in an integrated manner to encompass protection of the environment, as well as colleague health and safety. The environmental, health and safety ("EHS") systems, processes and tools in place across our footprint enable us to meet or exceed governmental and industry requirements. We are also committed to continuous improvement in our performance. Notable Environmental/EHS highlights include:

- We seek to reduce waste and increase energy efficiency across our footprint. Energy efficiency efforts include: a LEED-certified San Antonio facility, selective installation and retrofitting of LED lighting at logistics centers and large offices, solar panel installation at one of our main offices, and expanded recycling programs for pallets, cardboard, batteries and electronics.
- We maintain certification to ISO 9001:2015 (Quality Management Systems) for all of our logistics centers in the U.S., and most of our logistics centers in Europe, as well as ISO 14001:2015 (Environmental Management Systems) for our facilities in Georgia, Spain, Sweden and Singapore. In addition, our facility in Ohio has earned OHSAS 1801:2017 Health Safety Management Systems Certified.
- Risk reduction through implementation of our Injury and Illness Prevention Program, as well as enhanced safety training and new safety software programs across our footprint.
- A focus on leading indicators of safety performance, such as behaviors and minor incidents, enables us to drive continuous improvement, which is important for sustaining our corporate culture and reducing risk.

**Social**

The Company is proud to be recognized as a great place to work, a leader in the promotion and practice of diversity and inclusion, and an involved, positive member of the local communities where we live and work. We take a holistic approach to our social strategy, striving to create a culture where talented people want to come to work, develop their careers, become leaders, and make a difference for all our stakeholders and communities. Notable social highlights include:

- We have long engaged in supporting workforce diversity and formally established an Office of Diversity and Inclusion in 2014. We believe that diversity and inclusion ("D&I") in our global workforce produces more innovative results and provides a competitive advantage.
- We are focused on driving continuous improvement in the diversity of our senior leadership ranks. We require that for all positions of vice president and above, at least one woman and one ethnic minority must be interviewed for openings in the U.S., and at least one woman for openings outside of the U.S.
- We have five business resource groups ("BRGs") – with groups dedicated to i) empowering women; ii) supporting military veterans and their families; iii) driving recruitment, retention,

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**Governance**  
Corporate Responsibility and Board Oversight

### Corporate Responsibility and Board Oversight

At its core, our business connects people with each other and the world around them. Our technology powers connections that enable people to do amazing things. That is why we are committed to helping our customers turn innovative ideas into reality and help build a brighter future. Verizon is ever conscious of our global impact. Our **Corporate Responsibility Report** discusses our programs and practices designed to promote ethical business practices, good corporate governance, and the well-being and health of our environment, employees, customers and communities. The Report and other information on Verizon's commitment to responsibility and sustainability are posted on our website at [www.verizon.com/about/responsibility](http://www.verizon.com/about/responsibility).

Our Board recognizes the importance of our corporate responsibility and sustainability policies and practices and the need to provide effective oversight in these areas. Our **Corporate Governance and Policy Committee** maintains formal oversight responsibilities by periodically reviewing Verizon's position and engagement on important public policy issues that may affect our business and reputation, including those relating to corporate responsibility, sustainability, political contributions, lobbying activities and others, and reports to the full Board on these matters. The Committee also formally reviews the state of corporate responsibility at Verizon with our **Chief Corporate Responsibility Officer** each year.

In 2018, Verizon established a new management body called the **Responsible Business Council**, chaired by the CEO, to oversee the **integration of responsible practices as a core operating principle**. Mr. Vestberg believes that a corporation that is purposefully operating at the intersection of economic, environmental and societal accountability creates greater long-term value for its shareholders. The Chief Corporate Responsibility Officer reports on the Council's activities to the full Board at least annually.

**"Verizon is delivering the promise of the digital world by enabling people, businesses and society to innovate and drive positive change."**

**Diversity and Inclusion**

At Verizon, we understand that our success as a company is grounded in a respect for and encouragement of diverse viewpoints. In order to connect people across the world, we know we need to tap into the diversity of thoughts, capabilities, background and cultures among our team members, suppliers and customers. We are committed to diversity and equality in all areas of our business, including hiring and compensation. Since Verizon was founded, our **Human Resources Committee** has included a **diversity target as one of the performance measures for employees' short-term incentive awards**. As a company, we believe in pay equity. Toward that end, we have adopted a **Pay Equity Commitment** that can be found on our website at [www.verizon.com/about/our-company/company-policies](http://www.verizon.com/about/our-company/company-policies). As part of this commitment, Verizon pledges to identify and promote best practices in compensation, hiring, promotion and career development; to develop strategies to reduce unconscious bias; and to make hiring, promotion and compensation decisions that promote pay equity.

Verizon 2019 Proxy Statement 3



**2018 Pay Decisions:** The Compensation Committee took the following compensation-related actions for fiscal 2018:

- **Base salaries:** In 2018, the CEO and other NEOs received increases ranging from 3.0% to 9.00%, except for Mr. Flannery, who received a 15.4% base salary increase in connection with his promotion from Executive Vice President to President.
- **Incentive compensation:** Consistent with the Company's record performance, funding for both our AICP and LTIP was above target. AICP bonuses were funded at 130.5% of target, and LTIP awards were earned at 163.1% of target.

**For specific details about the executive compensation program, please refer to the Compensation Discussion & Analysis ("CD&A") starting on page 37 of this Proxy Statement.**

**Company Awards**

| 2018 AWARDS AND RECOGNITIONS  |  |
|---|--|
| <b>National Diversity Excellence Award</b><br>Association of Builders and Contractors<br>(eighth consecutive year, supplier category)       | <b>Top 10 Military Friendly spouse employer</b><br>G.I. Jobs<br>(fifth consecutive year)   |
| <b>Best for Vets</b><br>Military Times<br>(fifth consecutive year)  | <b>Top Workplaces in CT for 2018</b><br>The Hearst Connecticut Media Group<br>(first submission/award)                                     |
| <b>#7 Top Military Friendly employer – Gold Award</b><br>G.I. Jobs<br>(tenth consecutive year, >\$1B revenue category)                      | <b>America's Best Employers</b><br>Forbes magazine<br>(first year)   |
| <b>Top Military Friendly Supplier Diversity – Gold Award, Over \$1B category</b><br>G.I. Jobs<br>(third consecutive year as a top employer) | <b>Global 2000: World's Best Employers</b><br>Forbes magazine<br>(first year)  |
| <b>Top Veteran Friendly Companies List, Best of Best Results List</b><br>U.S. Veterans Magazine<br>(third consecutive year)                 | <b>Proud Sponsor of the United Compassion Fund,</b><br>an employee-funded 501(c)(3) program for assisting United Rentals employees in need |
| <b>#3 Overall All-America Executive Team, Business, Education &amp; Professional Services Category</b><br>Institutional Investor            |  |

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### Human Capital Management

Attracting, developing and retaining the best people globally is crucial to all aspects of Visa's activities and long-term success, and is central to our long-term strategy. We are investing in our employees to ensure we remain the employer of choice, and to continue to build an inclusive culture that inspires leadership, encourages innovative thinking and welcomes everyone.

To elevate our leadership culture, in 2017 we introduced the following Visa Leadership Principles, a set of behaviors that guide the way we act:

**We lead by example**

- Be accountable
- Treat others with respect
- Demonstrate a passion for our business

**We excel with partners**

- Build strong relationships inside and outside of Visa
- Provide excellent customer service
- Take a solutions-oriented approach

**We communicate openly**

- Promote a shared vision
- Communicate effectively
- Value others' perspectives

**We act decisively**

- Challenge the status quo
- Decide quickly
- Learn from our mistakes

**We enable and inspire**

- Inspire success
- Remove barriers
- Value inclusivity and diversity

**We collaborate**

- Break down silos
- Engage with our colleagues
- Deliver as One Team at One Visa

### Employee Development and Engagement

Visa understands that becoming the industry employer of choice requires providing best-in-class training and development opportunities, while creating innovative programs that enable a vibrant and engaged learning culture to flourish. We strive to achieve this through a number of forums, including establishing the Visa University Digital Campus to curate development and learning resources in a single platform, utilizing content specifically developed at Visa (such as Payments and Leadership Curriculum) and complemented by recognized external sources.

Through structured online learning and live curricula, we are extending the reach of these learning programs. For example, Visa leaders have designed "learning paths" that help employees identify content matching their professional development needs. Skills based learning is also being led, created and delivered through functional colleges, such as Technology and Sales. Finally, early career employees can choose from a wide array of practical subjects, such as presentation skills and time management, to set a foundation for their long-term success.

We recognize that building an inclusive and high performance culture requires an engaged workforce, where employees are motivated to do their best work every day. We communicate with our employees in a number of ways, and we seek their input on a variety of subjects through our employee survey. In 2017, we received a 94 percent response rate and our scores improved across all categories.

### Diversity and Inclusion

Visa is committed to cultivating a diverse and inclusive environment that supports the development and advancement of all. We foster a feeling of connectedness in the workplace, support diversity of background, experience and thought, support important initiatives like Equal Pay and actively work to eliminate unconscious biases that hold us all back.

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Our workforce must reflect diversity to understand how to tailor our products and services to meet those demands and expectations. With that mission in mind, Visa's approach to diversity and inclusion involves three key areas of focus:

- **People First:** Our goal at Visa is to attract, develop and retain a workforce that is reflective of the business and communities we support. We are looking for teams that bring diversity of thought, experience and backgrounds to the table at every level.
- **Environment Is Key:** We are focused on fostering an inclusive organizational environment that celebrates differences and encourages unique perspectives.
- **Leaders Can Make a Difference:** We are promoting cultural agility among all Visa leaders to maximize workforce engagement and ensure a more robust talent pipeline and leadership alignment and engagement.

These goals will help us harness the innovative potential of an inherently diverse workforce. At the same time, they will help drive our business initiatives.

### Workforce Demographics

Visa tracks, measures and evaluates our workforce representation and impact as part of our strategic business imperative to build a diverse and inclusive organization. We are committed to reporting our workforce demographics annually.

Gender in Global Workforce

Gender in U.S. Workforce

Ethnicities in U.S. Workforce

Ethnicities in U.S. Leadership

\*Notes:  
• Data as of September 30, 2018.  
• Ethnicities in U.S. Leadership percentages do not equal 100% due to rounding.  
• Leadership: Defined as VP and above.  
• Other: American Indian/Alaska Native, Native Hawaiian/Other Pacific Islander and two or more races. Ethnicity data does not include undecoded and blanks.

We regularly review our compensation practices and conduct thorough analyses to ensure alignment with our commitment to pay equity.

For more information, please see our 2017 Corporate Responsibility & Sustainability Report.

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D&I



Our Commitment to Corporate Citizenship

**Diversity and Social Inclusion Highlights**

**Committed to Diversity and Inclusion**  
CEO, Timothy J. Sloan, signed the Statement of Support for the National Guard and Reserve for the 15<sup>th</sup> year in a row, pledging to develop and promote supportive work environments for service members and ensure their jobs are protected while serving.

**Top Military Employer** and Top Military Spouse Friendly Employer (2018) Victory Media

**Economic Empowerment Highlights**

**Revitalizing Neighborhoods**  
In 2018, we expanded our NeighborhoodIFT<sup>SM</sup> program, investing \$75 million to revitalize low-to-moderate income neighborhoods through down payment assistance, home lending, homebuyer education, and other support.

**Increasing affordable housing**  
In 2018, we financed 31,800 affordable rental units and created over 3,600 homeowners through NeighborhoodIFT<sup>SM</sup>.

**Environmental Sustainability Highlights**

**Commitment to Advancing Clean Technology and Renewable Energy**  
Wells Fargo committed to providing \$200 billion in financing to sustainable businesses and projects by 2030, with more than \$100 billion set aside to promote clean technology and renewable energy and the remainder to fund sustainable projects and businesses.

**Engaging Our Suppliers**  
We achieved 55% participation on our inaugural Supplier Climate Change Survey distributed to more than 200 suppliers who were invited to provide information on their progress in reducing greenhouse gas emissions.

**Building an Inclusive Culture**  
Approximately one-third of our team members actively participate in Company-sponsored business resource groups, based on shared backgrounds or interests, and offering career development, mentoring programs, networking, and community involvement activities.

**Perfect Score - 100** Disability Equality Index® (DEI®) Best Places to Work™ (2018, 3rd year)

**Supporting Economic Opportunity**  
In 2018, we launched Where We Live in collaboration with the National Community Reinvestment Coalition and local organizations. The new five-year program will invest more than \$1.8 billion in lending, investing and philanthropy to support affordable housing, small business growth, and job skills in underserved neighborhoods in Washington, D.C.

**Improving Financial Health**  
Reached 2.1 million people with financial education through our Hands on Banking® Program, including new content for veterans and people with disabilities.

**Recognized Leadership in Operational Sustainability**  
Ranked #4 on U.S. Environmental Protection Agency's Green Power Partnership National Top 100, and ranked #1 among financial services firms.

**Advancing Economic Equity and Inclusion**  
We donated \$216 million in 2018 to nonprofits that directly serve diverse and historically underserved groups, including women, people of color, military veterans, and people with disabilities.

**14th Top Company** For Diversity (2018) DiversityInc.

**Growing Diverse Small Businesses**  
During 2018, Wells Fargo exceeded its initial \$75 million commitment to grow diverse small businesses through the Wells Fargo Works for Small Business®. Diverse Community Capital Program, and committed an additional \$100 million in grants and lending capital by 2020.

**Supporting American Indian/ Alaska Native Communities**  
Expanded philanthropy programs to help address the needs and challenges facing tribal communities in the U.S., including nearly \$13 million in 2018 to support homeownership, energy sovereignty and workforce development on tribal lands, and the development of native-owned small businesses.

**Increasing Team Member Commitment**  
We continue to engage team members through our sustainable commitments initiative. As of December 31, 2018 we achieved 48% of our 2020 goal to reach 250,000 team member commitments.

**Met Aggressive Sustainability Goals**  
Achieved 47% reduction in greenhouse gas emissions in 2017, beating our 2020 goal three years ahead of schedule and meeting 100% of our electricity needs with renewable energy in 2017 and 2018.

Human Capital Management

on Governance Structure

**Board Committees**

HRC

Risk Committee

↑

**Management-Level Governance Committees**

Compensation Committee

Enterprise Risk & Control Committee

↑

**Strong Network of Risk and Compensation Programs**

ICRM Program

Conduct Management

Human Capital

Sales Practices Oversight

Following are the percentages of female and racial/ethnic diverse representation (down from our CEO) at Wells Fargo (the same as the leadership levels and all diversity scorecards to monitor our progress on a quarterly basis) and all representation over the last five years:

|        | Females    |            | Racial/Ethnic Diversity |            |
|--------|------------|------------|-------------------------|------------|
|        | Levels 2-4 | Levels 5-6 | Levels 2-4              | Levels 5-6 |
| (2018) | 41.6%      | 42.1%      | 19.1%                   | 21.3%      |
|        | +6.2%      | +5.2%      | +36.6%                  | +23.8%     |

**Executive Total Compensation**

Our CEO's total compensation of all Wells Fargo team members (other than our CEO) was \$18,426,734, as reflected in the "Total" column of the Summary in proxy statement.

CEO's annual total compensation was 283 times that of the annual total compensation of all team members.

Our annual total compensation of all our team members other than our CEO is the total gross amount of salary, wages, and other compensation (which depending on such as holiday and other paid time off, overtime pay, shift differentials), as of 2018, for our entire global workforce (other than our CEO) as of December 31, 2018, in local currency to U.S. dollars.

If all permanent team members who were newly hired during 2018, we combined all of the elements of each team member's compensation for the year with the same methodology used to calculate the "Total" column of the Summary in proxy statement with SEC rules and regulations.

These eight team members fell between two team members, we selected the team member whose value was closest to the median value of these eight team members, resulting in an estimated median annual

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# Health and Safety

Often included in discussions of “employee protections,” this includes programs aimed at maintaining a safe and healthy workplace. As with many other ESG considerations, the discipline that goes into creating and maintaining a safety program can spill over into production and quality control. Reducing sick days, injuries, and other accidents can improve productivity, quality and reduce costs.

## AK STEEL HOLDING CORPORATION



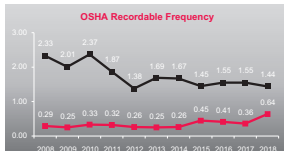
### SUSTAINABILITY AND CORPORATE RESPONSIBILITY

Under the leadership of our Board and Corporate Sustainability Committee, we are committed to operating in a sustainable manner and being a responsible corporate citizen for the benefit of our shareholders, customers, investors, employees, environment and the communities in which we live and work. Beyond ensuring that we are acting responsibly to serve these key stakeholders, operating sustainably also provides us opportunities to grow our business, lower our costs through the use of less energy and fewer natural resources, increase customer collaboration and loyalty, attract, retain and motivate employees, and differentiate us from our steel and non-steel competitors, among other benefits.

In April 2019, we issued our 2018 Sustainability Report, which provides significantly increased disclosure and transparency regarding our corporate-wide sustainability efforts and highlights our efforts to support our employees, encourage diversity and inclusion, contribute to our communities, and demonstrate our commitment to the environment. We also disclose our steelmaking operations' renewable and nonrenewable energy consumption, water usage and water recycle rates, air emissions, waste generation and waste recycle rates, as well as targets for reducing our environmental footprint. In addition, our Sustainability Report includes our scope 1 greenhouse gas emissions, which are generally direct emissions from owned or controlled sources, and reduction targets for those emissions. Our Sustainability Report (which is not incorporated into this Proxy Statement) can be found in the “Corporate Citizenship” section of our website at <https://www.aksteel.com/about-us/corporate-citizenship/sustainability>.

#### Commitment to Safety

At AK Steel, safety comes first and over time we have been the safest major steel company in America. Our occupational health and safety policies and programs are the cornerstone of our operating philosophy and are integrated into all of our daily operations and activities. We rigorously manage, control and focus on eliminating or minimizing potential exposure to the hazards associated with making and working with steel. Our 2018 performance at our steelmaking facilities (year-to-date through the third quarter, which is the latest industry information currently available), measured as the number of U.S. OSHA recordable injuries per 200,000 labor hours, was 0.64, which was more than two times better than the industry average.



Although our 2018 safety performance when measured in terms of Days Away, Restricted and Transfer (“DART”) cases was strong when compared to others in our industry, it did not meet our incredibly high expectations. DART cases occur when an employee misses work or is reassigned or transferred from normal work duties due to a workplace injury. In 2018, our DART performance, measured as the number of DART injuries per 200,000 labor hours, was 0.35, which was above our 2017 DART frequency of 0.21. We have redoubled our efforts on the safety front and, consistent with our focus on continuous improvement across all areas of the business, we are committed to improving our safety performance in 2019 and exceeding our own high standards.

In 2018, our operations were again recognized by a number of organizations for outstanding safety performance. In May, the American Coke and Coal Chemicals Institute, a leading industry trade organization, granted both our Middletown Works and our Mountain State Carbon coke plants the Max Eward Safety Award for operating the safest coking facilities in America. In July, our Coshocton Works and Zanesville Works both received the “Special Award for Safety” from the Ohio Bureau of Workers’ Compensation, division of Safety and Hygiene (“Ohio BWC”), recognizing more than 500,000 hours and at least six months without an injury resulting in a day or more away from work. Also during the year, Zanesville Works received the Ohio BWC’s “100% Award,” recognizing zero injuries or illnesses resulting in a day or more away from work during the previous year.

#### Commitment to the Environment and Sustainable Operations

We are unwavering in our commitment to responsible environmental performance throughout our operations. In 2018, we experienced another year of outstanding environmental performance overall, as well as setting records at several of our individual facilities. The International Organization for Standardization (“ISO”) has certified all of our steelmaking plants with the ISO 14001 environmental management certification, and our environmental affairs professionals oversee environmental compliance throughout our organization. In 2018, we achieved our goal of transitioning all of our steelmaking plants to the new, more demanding ISO 14001 standard by the end of the year. We also invest heavily in updated pollution control equipment to help meet our environmental objectives. For example, in 2018, we spent \$126.1 million to operate and maintain our environmental controls and invested \$7.2 million in environmental projects. The following sections provide additional details on aspects of our environmental performance and operations during 2018.

#### Clean Air

In 2018, we had over 2,000,000 air permit requirements under the Clean Air Act, and we measured our performance against every one of them. During the course of the year, we set new plant records for clean air compliance at three of our facilities: Coshocton Works, Mansfield Works and Zanesville Works. Our overall compliance rate as a company exceeded 99.99%. We are particularly proud of the achievements that we have made to improve the air permit performance of Dearborn Works since our acquisition. In 2013, the last year that Dearborn Works was operated under its former ownership and not AK Steel, it experienced over 24,000 air permit deviations. In 2018, the fourth full year of AK Steel’s ownership, Dearborn Works experienced only 23 deviations. Although we strive for zero deviations at all of our facilities, this performance represents over a 99.9% improvement for air permit performance at Dearborn Works since we acquired the plant.

#### Clean Water

Under the Clean Water Act, across all of our steelmaking facilities we recorded only five water discharge permit exceedances in 2018, which we believe was our second best performance in recent company history. Six different facilities set or tied their previous records with zero water discharge exceedances for the year. In particular, we reached significant achievements at our Mountain State Carbon coking plant. In 2013, the last year that Mountain State Carbon was operated under its former ownership and not by AK Steel, it experienced 30 water discharge exceedances. In 2018, the facility recorded zero exceedances.

Certain production units in our operations are inherently water-intensive. However, we continuously seek opportunities to reduce water usage and increase water reuse and recycling at our steelmaking plants. For example, our Middletown Works, which is one of our most water-intensive operations, reuses approximately 92% of its water. This facility reuses approximately 52 billion gallons of water annually, which equates to roughly 100,000 gallons every minute.

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ANNEX A

Corporate and Social Responsibility

Health, environmental, safety and security

The Boards of Directors of Carnival Corporation & plc established Board-level Health, Environmental, Safety & Security ("HESS") Committees comprised of four independent Directors. The principal function of the HESS Committees is to:

- assist the Boards in fulfilling their responsibility to supervise and monitor Carnival Corporation & plc's health, environmental, safety, security and sustainability-related policies, programs, initiatives at sea and ashore; and
- comply with related legal and regulatory requirements relating to health, environmental, safety, security and sustainability.

The HESS Committees and our management team review all significant risks or exposures and associated mitigating actions. Each of the Chief Executive Officers of our brands attends the meetings of the HESS Committees.

Carnival Corporation & plc recognizes our responsibility to provide industry leadership and to conduct our business as a responsible global citizen. Our corporate leadership is manifested in our Code of Business Conduct and Ethics, which requires that every employee and member of the Boards use sound judgment, maintain high ethical standards and demonstrate honesty in all business dealings. As a responsible global citizen, Carnival Corporation & plc is committed to achieving and maintaining the highest standards of professional and ethical conduct.

In addition, Carnival Corporation & plc's HESS Policy describes our commitments to:

- protecting the health, safety and security of our passengers, guests, employees and all others working on our behalf, thereby promoting an organization that strives to be free of injuries, illness and loss;
- protecting the environment, including the marine environment in which our vessels sail and the communities in which we operate, striving to prevent adverse environmental consequences and using resources efficiently and sustainably;
- complying with or exceeding all legal and statutory requirements related to health, environment, safety, security and sustainability throughout our business activities; and
- assigning health, environment, safety, security and sustainability matters the same priority as other critical business matters.

The HESS Policy is published on the Carnival Corporation & plc website at [www.carnivalcorp.com](http://www.carnivalcorp.com) or [www.carnivalplc.com](http://www.carnivalplc.com).

The Boards recognize that Carnival Corporation & plc needs to ensure that there is a consistent standard of operation throughout their fleet in keeping with their leading position in the cruise industry. In this regard, the Carnival Corporation & plc Maritime Operations Department is headed by a Chief Maritime Officer, with a full-time professional and administrative staff, and is responsible for providing a common, integrated approach to management of HESS matters and for reporting to the HESS Committees on such matters. The Chief Maritime Officer reports to the Chief Executive Officer and to the Chair of the HESS Committees.

Risk Advisory & Assurance Services ("RAAS") is Carnival Corporation & plc's internal audit department and is headed by the Chief Audit Officer, who reports directly to the Chairs of the Audit and HESS Committees. The Chief Audit Officer also has a "dotted" reporting line to the General Counsel. RAAS conducts annual HESS audits of each brand's head office and of each ship in our fleet. These audits are in addition to the audits performed by external third-party certification and regulatory authorities.

Carnival plc Directors' Report | A-5

ANNEX A

We are tracking our progress against our 2020 sustainability goals, which reinforce our commitment to the environment, our guests, our employees and the communities in which we operate. We are pleased to share that through the commitment of our dedicated and diverse workforce, we reached our carbon reduction goal ahead of schedule and are determining our next target. We are currently defining our sustainability strategy beyond 2020 and are using the United Nations' 2030 sustainable development goals as a framework.

| Environmental Goals              | • Reduce intensity of carbon dioxide equivalent ("CO <sub>2</sub> e") emissions from operations by 25% by 2020 relative to our 2005 baseline  |
|----------------------------------|---|
|                                  | • Continue to improve the quality of our emissions into the air by developing, deploying and operating advanced air quality systems across our fleet  |
|                                  | • Increase usage of ship-to-shore power connection capabilities   |
|                                  | • Increase Advanced Wastewater Purification Systems coverage of our fleet capacity by 10 percentage points by 2020 relative to our 2014 baseline  |
|                                  | • Continue to improve our shipboard operations' water use efficiency by 5% by 2020 relative to our 2010 baseline  |
|                                  | • Continue to reduce waste generated by our shipboard operations by 5% by 2020 relative to our 2010 baseline, as measured by kilograms of non-recycled waste per person per day                     |
| Health, Safety and Security Goal | • Continue to build on our commitment to protect the health, safety and security of guests, employees and all others working on our behalf  |
| Labor and Social Goals           | • Continue to build a diverse and inclusive workforce and provide all employees with a positive work environment and opportunities to build a rewarding career to further drive employee engagement |
|                                  | • Further develop and implement vendor assurance procedures ensuring compliance with Carnival Corporation & plc's Business Partner Code of Conduct and Ethics                                       |
|                                  | • Continue to work on initiatives and partnerships that support and sponsor a broad range of organizations for the benefit of the communities where we operate                                      |

Our ship fuel consumption and emission rates and our total ship fuel greenhouse gas emissions are as follows:

| Measure  | Units  | 2018 | 2017 |
|--|--|------|------|
| Total ship fuel greenhouse gas emissions (in millions) | Tonnes CO <sub>2</sub> e <sup>(1)</sup>        | 10.4 | 10.4 |
| Ship fuel greenhouse gas emission rate                 | Grams CO <sub>2</sub> e/ALB-kWh <sup>(2)</sup> | 251  | 256  |

(1) Greenhouse gas emission data collection and calculations were performed in accordance with our greenhouse gas inventory management plan, the Greenhouse Gas Protocol and ISO 14064-3:2006 standard. Ship fuel emissions represent over 99% of the combined scope 1 emissions (direct emissions from sources that are owned or controlled by Carnival Corporation & plc) and scope 2 emissions (indirect emissions from the consumption of purchased electricity, heat or steam).

(2) We measure and report the ship fuel greenhouse gas emission rate in terms of grams of CO<sub>2</sub>e per available lower berth kilometer ("ALB-kWh"). This indicator enables us to make meaningful greenhouse gas emission reduction comparisons that take into account changes in fleet size, itineraries and passenger capacity.

Further details of matters related to health, environmental, safety, security and sustainability reporting and community relations at Carnival Corporation & plc are available in the "Sustainability" section of the Carnival Corporation & plc website at [www.carnivalcorp.com](http://www.carnivalcorp.com) or [www.carnivalplc.com](http://www.carnivalplc.com) and our sustainability website at [www.carnivalsustainability.com](http://www.carnivalsustainability.com).

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CORPORATE SOCIAL RESPONSIBILITY AND POLITICAL ADVOCACY AND OVERSIGHT

- Cheniere has initiated engagements with our natural gas partners to better understand the GHG emissions of Cheniere's supply chain lifecycle
- Cheniere has engaged with several environmental, social and governance rating agencies and external stakeholders regarding sustainability issues

Health and Safety

Cheniere is committed to conducting its business in a way that protects the safety and well-being of our workforce, customers, and others on-site or who may be affected by our operations. Cheniere facilitates this commitment through the Health and Safety Policy that is aligned with the Company's vision, mission, and core values. This policy is an integral part of the Company's culture which promotes:

- A Generative Safety Culture where no job is so important that it cannot be done safely
- Performance measurement to drive continual improvement towards eliminating injuries and ill-health
- Proactive identification and management of risk
- Compliance with applicable legal and regulatory requirements
- Conformance with industry standards
- Proactive committed leadership and individual accountability for health and safety
- Employee engagement
- Training and competence in safe work practices and procedures
- Assurance assessments and reviews
- Investigation of health and safety incidents and the implementation of lessons learned
- Integration of health and safety into all aspects of the business

Cheniere's commitment to a robust Safety Culture and Committed Leadership is supported through the following key programs:

- An Executive Safety Committee that sets the strategic health and safety direction for Cheniere. It is chaired by a member of our senior leadership with attendance of other senior leaders, including the Chief Executive Officer. Representatives from our assets and office locations serve on the Committee.
- Asset location and Office Safety Committees that are chaired by and include Company employees. These Committees seek to deliver on safety practices and promote safety culture through locally established programs.

Cheniere utilizes a risk-based approach that establishes the processes through which health and safety excellence is delivered, and it defines the standards and procedures to enable delivery of critical processes, in a consistent approach.

To ensure that our employees can effectively implement safety processes relevant to their roles at Cheniere, we maintain a robust training program. It ensures compliance with all safety regulatory requirements while establishing the competency and training needed to deliver on the health and safety processes.

Governance and assurance programs are also in place which define the safety performance metrics and verification processes that are used to assess the effectiveness of the health and safety programs. In addition, these programs enable a proactive approach to safety through the collation and analysis of the safety performance metrics and determination of health and safety trends. An assurance process verifies that implemented programs are value-added, effective and meeting or exceeding the health and safety requirements.

Cheniere has established processes to share lessons learned and promote continuous improvement in systems and processes in meeting our commitment to our core value of safety.

The Health and Safety Policy is reviewed annually to ensure relevance, sustainability, and to adopt any changes to further enhance our commitments.



DEVON AT A GLANCE (cont'd)



WORKPLACE SAFETY

At Devon, we believe that *keeping people safe* is our moral obligation and, on this front, our work is never done.

- We set challenging corporate goals each year to drive safety performance improvements.
- We have an EHS Council with responsibility for setting strategy and ensuring implementation to continuously improve our safety systems.
- In 2018, we aggressively expanded our "Hearts and Minds" training, which is a leadership-focused, safety-related workshop covering topics such as safety culture, stop work for safety, communication, continuous improvement, integrity, attitude and situational awareness.
- We only work with approved contractors and vendors who complete our supplier qualification process and agree to meet policy, insurance, and health and safety requirements.
- 88% of our operational spending in 2018 was with contractors that earned our highest three safety ratings.
- We experienced positive year-over-year (YoY) trends across EHS performance from 2017 to 2018, highlighted by a 10% YoY improvement in recordables and 33% YoY improvement in SIF recordables (i.e., serious incidents or fatalities).
- In 2018, Devon drivers logged 19 million miles with only one vehicle SIF incident.



ENVIRONMENT

Our core values guide our approach to environmental stewardship: We are committed to preserving the quality of the environment for future generations as we find and produce oil and natural gas, and we monitor and report on how our investments in environmental stewardship are reducing our environmental impact.

- We have cut our GHG emissions intensity by 20% over the last three years.
- In 2018, we published our first climate change report that reviewed Devon's portfolio in light of various carbon-constrained demand scenarios.
- We have eliminated the use of fresh water for steam generation in our SAGD heavy oil operations.
- For our operations in the Delaware Basin, more than 80% of water use is reused water.
- We have reused 21 million barrels of water in southeast New Mexico alone in the last four years.
- In 2018, we only lost 0.0021% of barrels produced and continued our four-year trend of reducing the number of barrels of oil spilled.
- We have developed and implemented an environmental risk indicator that tracks leading and lagging indicators of our environmental performance every month.
- We have reported our greenhouse gas (GHG) emission reductions efforts to the CDP Climate Change Report for the past 14 years, and more recently our water conservation and protection investments to the CDP Water Report.



**CORPORATE GOVERNANCE**

**2018 Key Initiatives and Accomplishments**

| Environment   | Safety   | Social  |
|---|--|---|
| <ul style="list-style-type: none"> <li>We seek to improve the energy efficiency of our railcar maintenance facilities, offices, and vessels by investing in key facility enhancements, engaging employees, and incorporating sustainability principles into our operations.</li> <li>We strive to efficiently utilize water by seeking opportunities to reduce consumption and recycle water used by our railcar maintenance facilities, offices, and vessels.</li> <li>Our American Steamship Company subsidiary continues to partner with experts in the public and private sector to develop and test new technology to achieve higher levels of purity in ballast water with the goal of eliminating non-native species from the ballast water of Great Lakes vessels.</li> <li>We collaborate with our waste management vendors to reduce waste we send to landfills by identifying recycling opportunities and to ensure that the waste we produce is treated or disposed of in a safe and responsible manner.</li> <li>We are committed to maintaining compliance with air quality standards at railcar maintenance facilities and on vessels by monitoring emissions, using control technology to capture and reduce emissions, and identifying opportunities to further reduce emissions by improving efficiency or substituting materials.</li> </ul> | <ul style="list-style-type: none"> <li>GATX was the first U.S. railcar leasing company to achieve certification as a Responsible Care® Partner, as certified by the American Chemistry Council (ACC) and the Chemical Industry Association of Canada. Using the Responsible Care® framework, we have established an EHS management system that strives for continuous improvement. We continually measure our performance and set goals for improvement in many key metrics such as safety incident rate, community involvement and support, environmental emissions, workers' compensation, waste generation, and energy consumption. Our management team takes an active role in developing and communicating our annual EHS goals across the organization and monitoring the Company's efforts to achieve those goals.</li> <li>Our repair and maintenance facilities maintain an ongoing relationship with first responders in the communities where we operate to coordinate response plans in the event of an EHS incident involving our railcars or our facilities.</li> <li>GATX offers training on the proper use of our equipment and on regulations that impact our business. We hold training sessions at our headquarters and at locations across North America through the use of our TankTrainer™ mobile classroom. The TankTrainer mobile classroom is a 33,500-gallon tank car outfitted with a variety of fittings, coatings and configurations. Since 1993, the TankTrainer has provided a one-of-a-kind learning experience to thousands of employees, customers, rail and yard workers, first responders and others.</li> </ul> | <ul style="list-style-type: none"> <li>We encourage diversity and inclusiveness in our workforce, and our policies and programs are designed to provide fair treatment of all employees.</li> <li>Our operations worldwide are conducted in a manner consistent with internationally recognized principles regarding human rights, including the United Nations Universal Declaration of Human Rights and Global Compact.</li> <li>GATX is proud to be the largest single corporate donor in the history of Make-A-Wish Illinois. In 2018, we were the largest corporate donor to Make-A-Wish Illinois for the sixth year in a row.</li> <li>In 2018, we continued our support of the Big Shoulders Fund's Patrons Program by adopting two public schools in Chicago and offering our employees the opportunity to volunteer hours, guidance, tutoring, and much needed funding to help those inner-city schools succeed over the long-term.</li> <li>We invest in the training and development of our employees by offering them resources such as tuition reimbursement, professional development courses, and certification programs for maintenance personnel to enable career progression through higher skilled roles.</li> <li>Our Compliance Department manages a robust compliance program intended to provide our employees with meaningful resources, training, and communication to assist them in doing their jobs in an ethical manner, while empowering them to raise questions and concerns without fear of retaliation.</li> </ul> |

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**KANSAS CITY SOUTHERN**

In addition to the sustainability and responsibility information provided herein, KCS publishes an annual sustainability report, prepared in accordance with the Global Reporting Initiative (GRI) Standards.

**2018 Sustainability & Responsibility Highlights**

**Environmental:**

- Rail transportation is the most energy efficient way to move freight over land. In 2018, KCS moved each ton of freight approximately 370 miles on average on only one gallon of fuel.
- KCS provides a carbon calculator to its customers on its website to estimate the greenhouse gas emission savings potential associated with shipping by rail vs. truck.
- To optimize our fuel efficiency, KCS' fuel conservation team drives fuel conservation and efficiency initiatives by:
  - Implementing strategies to improve fuel efficiency, including multiple fuel saving technologies in our locomotives
  - Forecasting fuel consumption and providing monthly goals and reports with recommendations
  - Analyzing fuel burn and efficiency data to identify opportunities and trends
  - Managing vendor and program compliance
- In 2018, we achieved a reduction of 9.4 million gallons of diesel fuel, or 6.5%, as a direct result of fuel conservation and efficiency initiatives.
- By reducing the footprint of our primary Wyandotte data center, we reduced electricity consumption by 44% from prior year at that location.

**Safety:**

- The KCS Health, Safety, Security & Environmental Management System covers 100% of operations.
- KCS has been a Responsible Care Partner since 1999.
- In 2018, Positive Train Control (PTC), an advanced system designed to automatically stop a train before certain incidents occur, was successfully installed on required track segments and equipment in the U.S. This system is designed to prevent:
  - Train-to-train collisions
  - Derailments caused by excessive train speed
  - Train movements through misaligned track switches
  - Unauthorized train entry into work zones
- In 2018, we conducted hazmat training with approximately 390 local community first responders.

**People:**

- 89% of US and Mexico employee engagement and satisfaction survey respondents would recommend KCS as a good place to work.
- We offer competitive health, savings and leave benefits for all employees.
- In 2018, KCS revised its Non-Discrimination and Anti-Harassment Policy to strengthen our policy on providing a "work environment free from all forms of discrimination and harassment."
- In 2018, 54% of KCS's non-union new hires in the U.S. were women and people of color.

2019 NOTICE OF ANNUAL MEETING AND PROXY STATEMENT 22



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Notice of 2019 Annual Meeting of Stockholders and Proxy Statement

"To be the best organization possible, we have remained committed to one of our most important strengths: our diverse and inclusive corporate culture."

**A DENA T. FRIEDMAN**  
President & CEO, Nasdaq

**Social Initiatives**

The key components of our social initiatives include our people practices (human capital management), our safety and security standards and our Nasdaq GoodWorks corporate responsibility program.

- Our People Practices (Human Capital Management)**
  - Attracting, developing, and motivating the best people is critical to Nasdaq's success, and therefore fostering a compelling and differentiated organizational culture is fundamental to the execution of our long-term growth strategy.
  - At Nasdaq, we strive to provide an inspiring, impactful and dynamic experience to all of our employees. We invest in our employees to ensure we remain an employer of choice and to inspire leadership, creativity, execution and personal growth. In our daily work, we value and reward client focus, integrity, collaboration, expertise and accountability, and we reinforce these values by embedding them into our programs, policies and processes.
  - The Board and Management Compensation Committee regularly engage with the senior leadership team and People@Nasdaq group across a broad range of people and culture topics.
- Our Safety and Security Standards**
  - Annually, we review our business continuity policies to ensure the safety of our employees, facilities and critical business functions in case of natural disasters and unforeseen events.
  - In September 2018, Nasdaq opened the Facility Security Operations Center, which monitors critical systems and worldwide events to improve situational awareness of breaking news that may have an impact upon Nasdaq employees.
  - We use the LiveSafe mobile application, whereby Nasdaq can immediately contact employees around the world, notify them of a crisis event, check on their well-being and provide prompt guidance and services to help ensure their safety.
  - We offer identity theft protection as a benefit to employees and their dependents.



**CORPORATE RESPONSIBILITY**

For more than 100 years, our business has delivered natural gas to our customers. We will continue to focus on operating safely and responsibly, while creating shareholder value. For more information see our Corporate Responsibility report published on our website at [www.ONEgas.com](http://www.ONEgas.com).

**SAFETY AND HEALTH**

The safety of our employees, our customers and the communities where we operate is at the forefront of each business decision we make. By monitoring the integrity of our assets and promoting the safety and health of our employees, customers and communities, we are investing in the long-term sustainability of our business.

A substantial part of our workforce is comprised of operations specialists who work regularly in the field. We continuously assess the risks our employees face in their jobs, and we work to mitigate those risks through training, appropriate engineering controls, work procedures and other preventive safety and health programs. Reducing incidents and improving our safety incident rates is important, but we are not focused only on statistics. Low incident rates alone cannot prevent a large-scale incident, which is why we continue to focus on enhancing our preventive safety programs, such as near-miss reporting, vehicle-safety monitoring, risk assessment and others.

**2018 Safety and Health Performance Updates and Highlights**

- Since 2013 we have experienced a 57% reduction in our TRIR.
- Since 2013 strains and sprains, our most prevalent type of injury, has declined by 85%.
- Since 2013 we have experienced a 75% reduction in our DART.
- Since 2013 we have experienced a 23% reduction in our PVIR.

**ENVIRONMENTAL PERFORMANCE**

**2018 Environmental Updates and Highlights**

- We retired or replaced approximately 430 miles of distribution and transmission facilities in 2018, including 21 miles of cast iron pipe, which will result in decreased emissions of methane. We have a total of four miles of cast iron pipe remaining to be replaced, which have committed to replace by the end of 2019.
- In 2018, our Energy Efficiency Program in Oklahoma and the Austin and Rio Grande Valley Conservation Programs in Texas combined to issue more than 122,750 rebates totaling approximately \$17 million through energy-efficiency and conservation programs that reduced customers' rebates on natural gas appliances and energy-efficient home improvements.
- We continue to be a partner in the EPA's Natural Gas STAR Program and the EPA's Methane Challenge program to voluntarily reduce greenhouse gas emissions. We anticipate reporting in 2019 our 2018 performance to the EPA. We exceeded our goal by achieving an overall replacement rate between 6 and 7 percent in both 2017 and 2018.

**COMMUNITY INVESTMENT**

We are committed to being active members of the communities where we operate. Investing in the areas where we have operations and where our employees live and work is not only the right thing to do—it's smart business. By contributing financially and through volunteer work, we can help build stronger communities and create a better environment for our employees, our customers and the general public.

We accomplish this in a number of ways, including grants from the ONE Gas Foundation, corporate sponsorships to nonprofit organizations and community volunteer efforts. Primary focus areas for our community investments are education, health and human services, arts and culture, environmental stewardship and community enrichment. We give priority consideration to educational programs and to health and human services organizations, particularly those with programs that help people become self-sufficient.

**2018 Community Investment Updates and Highlights**

- In 2018, we contributed approximately \$2.1 million to nonprofit organizations through the ONE Gas Foundation and corporate sponsorships, and our employees volunteered more than 9,500 hours in our communities.

ONE Gas, Inc. Notice of 2019 Annual Meeting of Stockholders and Proxy Statement



### Corporate Sustainability

ONEOK is engaged in the natural gas gathering and processing, natural gas liquids and natural gas pipelines businesses. As a major operator of midstream assets, we have maintained our focus on our stakeholders and our mission to operate in a safe, reliable and environmentally sustainable manner. As we have grown our business and expanded our operational footprint over the last several years, we also have strengthened our commitment to improve our company-wide environmental, safety and health ("ESH") performance.

For additional information on our ESH performance and related matters, please review our 2017-2018 Corporate Sustainability, Environmental, Social and Governance ("ESG") report on our website at www.ONEOK.com, the contents of which are expressly not incorporated herein by this reference.

#### ENVIRONMENT, SAFETY AND HEALTH COMMITMENT

Our goal is to always operate our assets safely, efficiently and environmentally responsibly. As our business grows, we remain committed to our ONEOK values and keeping our focus in the right place—on our investors and our mission to operate safely and responsibly.

We are committed to pursuing a zero-incident culture by continuously working toward mitigating risk and eliminating incidents that may harm our employees, contractors, the public and the environment. To meet contractors and operating ESH expectations, all employees and contractors must demonstrate a commitment to the following:

- all employees have the responsibility and ability to control operating exposures that may cause an incident, even if it means stopping work;
- all levels of management and all employees must have personal involvement and commitment to ESH management and compliance;
- all employees have the responsibility to report, or elevate to the proper level in the organization, potential ESH compliance risks, incidents and near misses;
- protection of human health, safety and the environment is a top priority, no matter how urgent the job, project or commercial interests; and
- all employees and contractors are responsible and accountable for understanding and complying with all laws, regulations, permits, requirements and procedures related to their roles and responsibilities, including those associated with ESH.

#### SAFETY AND HEALTH

The safety and health of our employees, customers and communities where we operate is at the forefront of each business decision we make. By monitoring the integrity of our assets and promoting the safety and health of our employees, customers and communities, we are investing in the long-term sustainability of our businesses.

We continuously assess the risks our employees face in their jobs, and we work to mitigate those risks through training, appropriate engineering controls, work procedures and other preventive safety and health programs. Reducing incidents and improving our safety incident rates is important, but we are not focused only on statistics. Low incident rates alone cannot prevent a large-scale incident, which is why we continue to focus on enhancing our ESH management systems and process safety programs, such as key risk/key control identification and knowledge sharing.

We have an ESH Leadership Committee which provides vision, leadership, direction and oversight for our ESH programs, processes and management systems. This committee consists of senior leadership representatives from different business segments, as well as our ESH support group. The committee has several responsibilities including:

- Promoting and advocating expectations for ESH excellence across our organization;
- Supporting broad communication of ESH policies, standards, goals and objectives and promoting their consistent application throughout our company; and
- Overseeing the regulatory landscape with respect to changing ESH expectations and requirements.

#### Tractor Safety

We require our contractors to maintain the same high performance standards we ask of our employees.

We use third-party contractors to assist in the construction, operation and maintenance of our facilities and assets. Contractor management is an important element of our ESH management system. As part of the management system, we have defined contractor qualification, selection and retention criteria used to attract the most qualified companies. Each company contract with us is responsible for providing personnel who are aptly screened, trained, qualified and are able to perform field duties related to all ESH policies and procedures. Once hired, contractors are monitored periodically to ensure they are living our ESH expectations.

Large construction projects team continues to utilize our Safety Ring for ONEOK Major Projects ("STOMP") safety tool, which is used to capture and monitor our contractors' ESH performance. STOMP assists us and contract employees in the prevention of injuries, equipment damage, environmental impact and facility time. Our STOMP tool has raised awareness among our contractors of the benefits and requirements of reporting incidents, entering corrective actions and identifying events early, which prevent and reduce incidents and their consequences.

Having an effective contractor safety program enhances our ability to assess contractors with systematically identifying and addressing anticipated hazards and establishing controls in advance of work.

#### Asset Integrity and Reliability Management

Always our goal to ensure we operate our assets safely, reliably in an environmentally sustainable manner.

Asset integrity is the ability of an asset to perform its required function effectively and efficiently while also protecting those that live and work near our facilities and the environment. We maintain mature plans that guide trained staff in the completion of these activities and we continue to enhance and improve these programs and internal capabilities.

Many of our assets are regulated by local, state and federal laws, our activities are not limited to compliance. Asset integrity is a key focus, and our programs and people are dedicated to living the expectations of each of our key stakeholders, including governmental regulatory agencies, the communities in which we operate, our customers, our employees and investors.

Asset Integrity. Our risk-based inspection program is a data-driven engineering analysis using information from design, construction, operation and inspection processes to ensure field equipment is appropriately maintained. Its current condition is known, and it is operated within safe limits.

**Pipeline Integrity.** Our pipeline integrity management program has been designed to meet or exceed state and federal regulatory requirements for pipeline safety and is further strengthened by participation in industry-level program improvement initiatives. This program provides guidance for identification of high-consequence areas and threats specific to individual pipeline segments. Appropriate inspection methods and threat prevention or mitigation activities are selected and scheduled based on a process of integrity-related integration and evaluation.

**Underground Storage Integrity.** Our underground storage safety management program guides our engineering and operations staff in the inspection, maintenance and remediation of our storage assets.

Reservoirs, mined salt caverns and mined rock caverns are used to store natural gas, natural gas liquids and certain refined products within a regulatory and industry appropriate framework. This specialized, technical field depends heavily on industry best practices, experienced practitioners and rigorous documentation and record-keeping.

#### Short-Term Incentive Safety Metric

We established an internal safety performance metric in 2009 that became a part of the short-term incentive plan performance criteria for all employees. The Total Recordable Incident Rate (TRIR) is the number of Occupational Safety and Health Administration incidents per 200,000 work hours. The inclusion of this important metric is designed to emphasize our commitment to the safe operation of our business and to reward safe behavior throughout our company. The 2018 target for TRIR represented a 25.6 percent improvement over the previous year's actual results.

#### Safety and Health Highlights

In 2018, we experienced our best year on record with respect to our ESH performance.

- In 2018, we achieved our best incident rates for the total recordable incident rate (TRIR) - 0.58 and days away, restricted or transferred (DART) - 1.2;
- 2018's preventable vehicle incident rate ("PVAR") of 1.11 tied our best previous rate achieved in 2013.

#### Additional Highlights include:

- Our natural gas processing and gathering segment received the Chief Executive Officer's ESH Excellence Award for 2018.
- 2018 natural gas processing facility awards included:
  - Baker Plant - 10 Years without a lost time accident.
  - Mayville Stephens Plant - 10 Years without a lost time accident.
  - Canadian Valley Plant - five years without a lost time accident.



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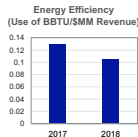
## RESIDEO TECHNOLOGIES



#### Boosting Energy Efficiency Worldwide



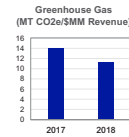
We invested in electricity projects that resulted in an overall reduction in energy usage by more than 4.3 BBTU (billion British thermal units). The chart below shows our continued reduction in energy consumption.



#### Reducing Global Greenhouse Gases



We implemented specific projects that reduced our carbon footprint by more than 434 metric tons of CO<sub>2</sub>e (CO<sub>2</sub> equivalent). The chart below shows the overall greenhouse gas reduction at our sites.



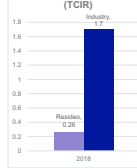
We regularly evaluate our existing sustainability goals performance to ensure company-wide environmental targets are appropriate for our business. We are currently evaluating our water and waste data to determine improvement targets for 2020. We continue to invest in conservation projects and measure our progress through periodic management review and make course corrections as necessary.

#### Health and Safety

Our global Total Case Incident Rate or "TCIR" (the number of occupational injuries and illnesses per 100 employees) was 0.26 at the end of 2018 which is significantly lower than the North American Industry Classification System injury rate for Automatic Environmental Controls of 1.7 as reported by the U.S. Bureau of Labor Statistics.

We monitor our safety through a balanced scorecard of key performance indicators. In addition to reactive incident management investigation and root cause analysis indicators, we measure and analyze the data generated from our hazard observation and internal audit programs to provide insights and intelligence that help us proactively mitigate issues before they result in incidents.

#### SAFETY (TCIR)



#### Social Responsibility

##### Committed to a Sustainable Future

Resideo is working to address some of the fundamental global challenges we face. We are starting at home -- with our neighborhoods and communities -- and committing to making a difference.

As a company, we provide people with tools to effortlessly manage their whole home to keep it more comfortable, safe, secure and healthy. We are currently seeking global and local non-profit partners who align with our Company's safety and environmental goals to help develop programs and initiatives that will drive continuous improvement in our communities and in the world.



## SCHNITZER STEEL INDUSTRIES, INC.



Proxy Summary

#### Highlights from the FY2017-FY2018 Sustainability Report include:

**Integrity, Ethics, and Compliance:** We maintain a robust and effective independent contractor compliance program led by our Chief Compliance Officer who reports jointly to our CEO and to the Audit Committee of the Board of Directors. Our focus is on promoting our Code of Conduct, communicating and educating our employees on the importance of making ethical decisions, and fostering an environment where employees feel free to report concerns. We train 100% of our non-union employees annually on our Code of Conduct. In fiscal 2017, we began including unionized employees in this training and will have incorporated all employees by the end of fiscal 2019.

**Safety, Health, and Wellness:** The safety, health, and wellness of our employees are top priorities at Schnitzer, and our safety culture is an essential component of sustained success. While 76% of our facilities experienced zero lost time due to injuries in fiscal 2018, we are determined to continually improve our safety performance across all divisions and all facilities. Our Wellness Committee promotes healthy lifestyles and sponsored a number of events throughout the year such as offering free home smoke detector installation in conjunction with the American Red Cross Sound the Alarm campaign to ensure that all employees have working fire alarms.

**Diversity, Inclusion and Cultural Awareness:** With over 3,500 employees, we take pride in our diverse and inclusive workforce. We actively encourage a culture where everyone is treated with respect, fairness, and equal opportunity to reach their full potential within the organization. In 2017, to build on our progress in this area, we launched a formal Diversity and Inclusion Program and in 2018, appointed a Chief Diversity Officer reporting directly to our CEO. Also in 2018, we launched our cultural awareness campaign focused on increasing cultural awareness, inspiring employee engagement, and fostering an environment where open and safe conversations can exist.

**Community Engagement and Partnerships:** At Schnitzer, we are dedicated to positively impacting the over 100 communities in which we live and work, and we have a long legacy of volunteerism, partnership, and charitable giving. Our employees lead our local community engagement efforts through direct involvement in community initiatives and memberships in community organizations, as well as participation in philanthropic and charity events. Examples of community engagement and partnerships include:

- In April 2018, over 1,300 employees from 80 facilities participated in Earth Day activities from cleanups of local parks and beaches to scrap drives with local schools.
- Since 2008, we have been a partner in the Fishing for Energy partnership that has collected over 3.8 million pounds of derelict fishing gear for recycling and energy conversion.
- Since 2009, we have supported the Boston Police Department and 15 other local police departments by recycling the metal from more than 8,000 weapons taken off the streets.
- In fiscal 2018, our Pick-N-Pull stores raised more than \$250,000 in donations for local food banks.
- Our company and our employees contributed over \$120,000 in fiscal 2018 to Schnitzer's charitable foundation, "Recycling For A Better Tomorrow," to provide disaster relief funding to aid employees and their families impacted by natural disasters.

**Environmental Performance and Protection:** We actively promote and support sustainable practices throughout our operations and continue to show year-over-year improvement in our sustainability key performance indicators which have been externally verified and assured for accuracy. On a normalized (per-unit) basis in both fiscal years 2017 and 2018, we lowered our carbon emissions, energy consumption, water usage, and process waste generated. We also diverted more waste from landfills by recycling higher volumes of scrap metal and recovering other materials. In fiscal 2018, our Sustainability performance included the following:





ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As we fulfill the Company's overall purpose of continuously satisfying the world's ever-evolving demand for technology, we also remain committed to being a responsible corporate citizen. Our commitment to ESG matters contribute to our designation as one of Fortune magazine's "World's Most Admired Companies" for 10 consecutive years. The programs described below are consistent with our shared values of Integrity, Excellence, Accountability, Collaboration and Inclusion.

Environmental

We recognize that a healthy environment and safe workplaces are critical to our business, strategy, society, and people. We address environmental issues in an integrated manner to encompass protection of the environment as well as colleague health and safety. The environmental, health and safety ("EHS") systems, processes and tools in place across our footprint enable us to meet or exceed governmental and industry requirements. We are also committed to continuous improvement in our performance. Notable Environmental/EHS highlights include:

- We seek to reduce waste and increase energy efficiency across our footprint. Energy efficiency efforts include: a LEED-certified San Antonio facility, selective installation and retrofitting of LED lighting at logistics centers and large offices, solar panel installation at one of our main offices, and expanded recycling programs for pallets, cardboard, batteries and electronics.
- We maintain certification to ISO 9001:2015 (Quality Management Systems) for all of our logistics centers in the U.S., and most of our logistics centers in Europe, as well as ISO 14001:2015 (Environmental Management Systems) for our facilities in Georgia, Spain, Sweden and Singapore. In addition, our facility in Ohio has earned OHSAS 1801:2017 Health Safety Management Systems Certified.
- Risk reduction through implementation of our Injury and Illness Prevention Program, as well as enhanced safety training and new safety software programs across our footprint.
- A focus on leading indicators of safety performance, such as behaviors and minor incidents, enables us to drive continuous improvement, which is important for sustaining our corporate culture and reducing risk.

Social

The Company is proud to be recognized as a great place to work, a leader in the promotion and practice of diversity and inclusion, and an involved, positive member of the local communities where we live and work. We take a holistic approach to our social strategy, striving to create a culture where talented people want to come to work, develop their careers, become leaders, and make a difference for all our stakeholders and communities. Notable social highlights include:

- We have long engaged in supporting workforce diversity and formally established an Office of Diversity and Inclusion in 2014. We believe that diversity and inclusion ("D&I") in our global workforce produces more innovative results and provides a competitive advantage.
- We are focused on driving continuous improvement in the diversity of our senior leadership ranks. We require that for all positions of vice president and above, at least one woman and one ethnic minority must be interviewed for openings in the U.S., and at least one woman for openings outside of the U.S.
- We have five business resource groups ("BRGs") – with groups dedicated to i) empowering women; ii) supporting military veterans and their families; iii) driving recruitment, retention,



Sustainability Highlights

Our Board of Directors is focused on integrating sustainability into our Company's long-term strategy. We are committed to operating in a sustainable manner and being a responsible corporate citizen for the benefit of our customers, investors, employees, the environment and the communities in which we operate. We focus on environmental stewardship, the health and safety of our workforce, the recruitment, development and retention of our workforce, and community engagement.

| Environmental Stewardship   | Health, Safety, Environment and Quality ("HSEQ")  |
|---|---|
| <ul style="list-style-type: none"> <li>• Our water management solutions help meet customer's increasing water requirements by recycling, treating, and delivering an optimized fluid for operations, thereby minimizing the need for additional fresh water resources.</li> <li>• We deliver innovative products to further the sustainability goals of many of our customers. For example, TETRA CS Neptune® fluids are more environmentally friendly, cost-effective alternatives to zinc brines and cesium formate.</li> <li>• We strategically position our compression fleet field service technicians and use a satellite-based system to monitor the performance of our compression fleet. Both these actions reduce engine emissions and overall driving risks as a result of our employees having shorter distances to drive to repair and maintain compression equipment.</li> <li>• We utilize electronic proxy delivery to minimize the impact of our Annual Meeting on the environment by reducing the production and delivery of large quantities of printed proxy material.</li> </ul>   | <ul style="list-style-type: none"> <li>• We are firmly committed to the health and safety of our employees, the protection of the environment, and to product and service quality. Our commitment focuses on controlling risks to employees and others with whom they interact, maintaining safe work practices, minimizing adverse impacts to the environment, meeting customer requirements, and ensuring customer satisfaction.</li> <li>• Our focus on HSEQ, an approach we call "Drive to ZERO", is a concerted effort to achieve ZERO health, safety, environmental, and quality incidents every day, "stop the job" when necessary, follow HSEQ and ethics guidelines at all times, and live by our Code of Business Conduct everywhere.</li> <li>• We continually train and educate our employees on their responsibility to identify work that is unsafe or environmentally unsound and to help mitigate negative impacts.</li> <li>• Our HSEQ policy has been endorsed by our CEO and communicated throughout the company, and to our suppliers and contractors.</li> </ul> |
| Our People  | Communities   |
| <ul style="list-style-type: none"> <li>• We offer our employees the opportunity to advance in their professional careers through training and development programs. Further training for certain positions includes leadership development and management skills for individuals to progress within the organization.</li> <li>• Our health and wellness program provides for preventive care and is designed to support our employees' health and overall well-being.</li> <li>• Our Board of Directors and executive leadership team is committed to enhancing diversity at TETRA. The executive leadership team sponsors the TETRA Diversity Committee, which is focused on promoting gender diversity and inclusion in our workforce and workplace. Our board recognizes the benefit and value of diverse perspectives and experience and in 2018 welcomed its first female board member.</li> <li>• We are committed to helping transitioning military service members and veterans lead successful lives after their military service and have a military hire initiative that is dedicated to welcoming more veterans into our company.</li> </ul> | <ul style="list-style-type: none"> <li>• We are committed to being a responsible corporate citizen in the communities where we operate and our employees live. We engage in philanthropic activities that support TETRA's values, fostering strong community relationships and enhancing employee satisfaction and engagement.</li> <li>• Primary focus areas for our community investments are health, education, and community enrichment. For example, we partner with the American Heart Association and CASA Child Advocates of Montgomery County, Texas and provide numerous opportunities for our employees to participate in activities to support these organizations. We also support an internship program for underprivileged high school students.</li> </ul>  |





# Employee Engagement

Research shows that finding and retaining talent are critical elements of an organization's ability to improve profitability, manage costs, grow by acquisition, innovate, develop new products and services, and discover new markets. Corporate cultures characterized by teamwork, pleasant working conditions, considerate treatment of employees, growth opportunities, flexible working practices, and good leadership and management practices foster employee engagement.

In this area, we see disclosures of both a) company management/employee engagement, which clearly should be a two-way street; and also b) company and/or employee engagement with the communities they impact and operate within. Each can involve a range of tactics and measurements.

## BLACKROCK INC.



Corporate Governance | Corporate Governance Practices and Policies

### Employee Feedback

We value continuous dialogue with our employees about their experiences. We have several employee feedback mechanisms including our annual Employee Opinion Survey which has a more than 80% participation rate annually and provides us with actionable feedback for each team and for BlackRock as a whole, an annual People Manager Insights Survey which provides managers with upward feedback on how they are progressing against their expectations as managers and the BlackRock Jam, a 3-day online conversation with employees around the world. Our employees describe our culture in a way that aligns with our principles and we believe the high participation in the mechanisms reflects their belief that their responses will lead to action by management. We continue to build training programs and tools to help managers better understand metrics on talent and culture and create more diverse and inclusive teams. Our businesses use these metrics to make the day-to-day decisions that drive our talent and culture initiatives across the organization.

### Accountability

Employee feedback and metrics on talent and diversity initiatives are shared with and reviewed by the Board on a regular basis. Moreover, senior leaders are held accountable for progress on diversity through bonus pool allocations and individual compensation decisions.

The Board and Compensation Committee routinely engage with senior leadership on talent and culture. Talent and culture is included in the Organizational Strength component of our NEO (and broader senior leadership) compensation. For more information on organizational strength, see "2018 NEO Compensation and Performance Summaries" beginning on page 66. Talent and culture are integral to BlackRock's success and its mission to generate long-term shareholder value. As such, BlackRock is committed to a diverse and inclusive workforce, and our Board works with management to provide oversight on culture, succession planning, employee development, recruiting and diversity and inclusion.

### BlackRock Public Policy Engagement and Political Participation Policies

As part of our responsibilities to our shareholders and clients, BlackRock advocates for public policies that we believe are in our shareholders' and clients' long-term best interests. We support the creation of regulatory regimes that increase financial market transparency, protect investors and facilitate responsible growth of capital markets, while preserving consumer choice and properly balancing benefits versus implementation costs. BlackRock comments on public policy topics through, among other things, our published ViewPoints, which examine public policy issues and assess their implications for investors, and through comment letters and consultation responses that we submit to policy makers. We believe in the value of open dialogue and transparency on these important issues; our position papers and letters are available on the "Insights - Public Policy" section of our website.

### Governance of Public Policy Engagement

BlackRock believes that responsible corporate citizenship requires active engagement in legislative and regulatory processes. Our engagement with policy makers and advocacy on public policy issues is coordinated by our Global Public Policy Group. Members of the Global Public Policy Group work closely with BlackRock's business and legal teams to identify legislative and regulatory priorities, both regionally and globally, that will protect investors, increase shareholder value, and facilitate responsible economic growth.

The head of the Global Public Policy Group is a member of BlackRock's Global Executive and Operating Committees and regularly briefs these committees on our public policy priorities and related advocacy efforts. BlackRock's Chief Legal Officer and the head of the Global Public Policy Group regularly brief both the Board's Risk and Governance Committees to keep directors apprised of, and engaged in, BlackRock's legislative and regulatory priorities and advocacy initiatives. The Global Public Policy Group and executive leadership regularly meet with and exchange views on legislative and regulatory priorities with public officials and policy makers, regionally and globally, and provide such individuals with educational materials to help inform their decisions.

### Trade Associations

As part of BlackRock's engagement in the public policy process, BlackRock participates in a number of trade organizations and industry groups. The principal trade associations that we belong to are the Investment Company Institute, the Asset Management Group of the Securities Industry and Financial Markets Association, the European Fund and Asset Management Association and the Investment Association. BlackRock makes payments to these organizations, including membership fees and/or dues. However, BlackRock does not control these entities and may not always be aware of the entities' activities. We recognize that these organizations and groups represent numerous other companies and there may be instances where their positions on certain issues diverge from those of BlackRock.

As an asset manager, BlackRock focuses on issues that impact the asset management industry and the clients for whom we act as agent in managing assets. In general, BlackRock's efforts are focused at the national or regional level, rather than at a state-specific level.

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## DANAHER CORPORATION



### Sustainability

Following the spin-off of Danaher's Fortive Corporation business in 2016, Danaher conducted a full sustainability materiality assessment, which included gathering input from dozens of stakeholders, benchmarking our program against our peers, prioritizing our focus areas and developing a clear framework to guide our future efforts. As a result of this effort, **three key pillars now underpin Danaher's sustainability program, reflecting what we believe are the most critical areas where our strategy and sustainability goals intersect:**

- Innovation.** This pillar addresses the direct contributions Danaher makes each day to advancing health and safety around the world. **Danaher's products and services help fight disease, protect water and air quality, and improve access to healthcare in underserved areas.** Danaher's research and development spending as a percentage of sales was 6.2% in 2018 and as of the end of 2018 Danaher held approximately 14,000 patents worldwide, underscoring our commitment to innovation.
- People.** This pillar focuses on our most valuable resource for delivering these world-changing, often life-saving innovations—our people. **Our programs and initiatives that advance our associates' safety, professional ambitions and personal growth, and strengthen the communities in which we live and work, demonstrate our commitment to those who truly define our company.** In 2018, 92% of our employees participated in our annual engagement survey, and on a year-over-year basis Danaher's scores improved in each of the 13 survey areas. Reflecting our continued commitment to diversity and inclusion, we've trained more than 3,000 managers globally on how to build inclusive and diverse teams and leaders, and in 2018 for the fifth year in a row the Human Rights Campaign named Danaher one of the "Best Places to Work" for LGBTQ Equality.
- Environment.** This pillar encompasses how we work to increase the use of sustainable materials and energy sources and reduce our carbon footprint. **Our goal here is to establish Company-wide standards where it makes sense, while providing our operating companies with the flexibility to pursue environmental sustainability in ways that best fit the needs of their stakeholders.** In 2016, Danaher deployed the first environmental sustainability tools in the Danaher Business System (DBS) toolkit, focused on reducing energy use and waste generation.

At the Board level, **Danaher's Nominating and Governance Committee has the authority and responsibility to consider matters regarding sustainability and social responsibility,** as set forth in the committee's charter. At the management level, Danaher's Senior Vice President and General Counsel, who reports directly to our CEO, has general oversight responsibility with respect to matters of sustainability and social responsibility, and is responsible for reviewing and approving Danaher's sustainability reports.

More information about Danaher's sustainability efforts is included in our latest Sustainability Report, available at <https://sustainability.danaher.com/>.

DANAHER 2019 PROXY STATEMENT v





Invesco named one of the best places to work in asset management in 2018 by Pensions and Investments



Invesco values our employees and their diverse perspectives. Our company provides equal opportunities in our employment and promotion practices, and encourage employees to play an active role in the growth and development of the communities in which they live and work.

To measure our progress in a number of areas and provide input that helps us further strengthen our culture, Invesco conducts regular internal surveys to measure and monitor employee engagement. The most recent results in 2017 showed continued high levels of employee engagement exceeding the "global high performing organizations" norm, a relevant benchmark provided by our employee survey provider, Willis Towers Watson. In 2017, the drivers of engagement included employees' perspectives regarding ethics and values at the company, the company's strategy and direction, and the degree to which employees feel empowered and involved in decisions.

**Cyber Security**

At a time when cyber threats are considered one of the most significant risks facing financial institutions, we continue to invest in our security capabilities to keep clients, employees, and critical assets safe, while enabling a secure and resilient business. We have designated a Chief Global Security Officer and have a global security program that combines information (including cyber) security, physical security, privacy, business security and recovery, and strategy and reporting under a single umbrella supported by an intelligence function that provides timely threat information.

Our information security program, led by our Chief Information Security Officer, is designed to oversee and maintain all aspects of information security risk to seek to ensure the confidentiality, integrity and availability of information assets. This includes the implementation of controls aligned with industry guidelines and applicable statutes and regulations to identify threats, detect attacks and protect these information assets. We have an incident response program that includes periodic testing and is designed to restore business operations as quickly and as orderly as possible in the event of a breach.

Our Board is responsible for overseeing the global security and information security programs and holding senior management accountable for its actions. This includes understanding our business needs and associated risks, providing management direction, reviewing periodic reports on program effectiveness and discussing management's strategy and recommendations for managing risk.



CORPORATE GOVERNANCE

**Engagement with employees**

Our Board is committed to maintaining a strong corporate culture that instills and enhances a sense of personal accountability on the part of all of the Firm's employees.

In addition to discussions at Board meetings with senior management about these efforts, our directors participate in meetings with employees to emphasize this commitment. These meetings include employee town halls, lines of business and leadership team events, annual senior leaders' meetings and informal sessions with members of the Operating Committee and other senior leaders.

**Engagement with regulators**

Our Board and senior leaders commit significant time meeting with regulators from the U.S. and from other countries. Frequent interaction helps us learn first-hand from regulators about matters of importance to them and their expectations of us. It also gives the Board and management a forum for keeping our regulators well-informed about the Firm's performance and business practices.

**Engagement with ESG stakeholders**

We engage with numerous non-governmental organizations on a diverse range of issues that are important to communities and consumers about our business. For example, through the Chase Advisory

Panell program, senior executives engage with national consumer policy groups to discuss issues related to the Firm's products, policies, customer-facing practices, communications and public policy issues. We also engage with organizations on environmental and social issues and provide philanthropic support to a broad range of nonprofit organizations that work on issues that are important to our Firm. Management shares insights and feedback from these relationships and engagements with the Board, providing the Board with valuable insights to the issues that matter to our various stakeholders. This helps us understand how the Firm's products and services can better serve our stakeholders and the communities in which we operate.

The Firm is committed to being transparent about how we do business and reporting on our efforts. One way we do this is by publishing an annual ESG Report, which provides information on how we are addressing ESG matters that we and our stakeholders view as among the most important to our business. The Firm's ESG report is available on our website at [jpmorganchase.com/esp](http://jpmorganchase.com/esp).

Engagement and transparency with our stakeholders help our Firm gain useful feedback and help us improve our governance processes. Information garnered from these meetings is shared regularly with the Firm's Board of Directors and senior management.

**Other corporate governance policies and practices**

**Shareholder rights**

The Firm's Certificate of Incorporation and By-laws provide shareholders with important rights, including:

- Proxy access, which enables eligible shareholders to include their nominees for election as directors in the Firm's proxy statement. For further information, see page 98, "Shareholder proposals and nominations for the 2020 annual meeting."
- The ability to call a special meeting by shareholders holding at least 20% of the outstanding shares of our common stock (net of hedges).
- The ability of shareholders holding at least 20% of the outstanding shares of our common stock (net of hedges) to seek a corporate action by written consent without a meeting on terms substantially similar to the terms applicable to call special meetings.

- Majority election of directors
- No "poison pill" in effect
- No super-majority vote requirements in our Certificate of Incorporation or By-laws

The Firm's Certificate of Incorporation and By-laws are available on our website at [jpmorganchase.com/governance](http://jpmorganchase.com/governance).

**Policies and procedures for approval of related party transactions**

The Firm has adopted a written Transactions with Related Persons Policy ("Policy"), which sets forth the Firm's policies and procedures for reviewing and approving transactions with related persons - basically our directors, executive officers, their respective immediate family members and 5% shareholders. The transactions covered by the Policy include any financial



**EXECUTIVE COMPENSATION**

**Maintaining a strong financial foundation**

- In 2018, we entered into equity forward contracts to issue \$1.7 billion of PPL common stock to mitigate U.S. tax reform impacts, strengthen future credit metrics and support our solid investment-grade credit rating.
- We increased our annualized common stock dividend 4 percent from \$1.58 to \$1.64 per share and returned more than \$1 billion to shareholders.
- We achieved strong returns at or near authorized levels in the regulatory jurisdictions in which we operate. We accomplished this through cost management, utilization of available cost recovery mechanisms and achievement of U.K. performance incentives.
- In the 2017/2018 regulatory year, WPD's strong performance earned E99 million in incentive revenues, which will be collected in the 2019/2020 rates.
- In Kentucky, we filed a request with the Kentucky Public Service Commission to increase revenue by a combined \$172 million at LO&E and KU to support additional capital investments to make the grid smarter, stronger and more resilient; replace aging natural gas lines; and support additional power plant performance and reliability improvements. A decision on our request is expected in the second quarter of 2019.

**Engaging and developing our people**

- From apprentices to linemen trainees to leaders at all levels throughout the business, we continued to invest in our employees, to develop the pipeline of future leaders and foster a culture of inclusion, creativity, innovation and continuous improvement.
- We were recognized by Forbes magazine in 2018 as not only one of America's best employers but also one of the world's best employers.
- Our Pennsylvania operations received a perfect score of 100 percent on the Human Rights Campaign Foundation's Corporate Equality Index, a national benchmarking survey and report on corporate policies and practices relating to lesbian, gay, bisexual and transgender workplace.
- Our Pennsylvania operations were recognized as a 2018 Best Place to Work for Disability Inclusion on the Disability Equality Index™, a national benchmarking tool that rates companies on their disability inclusion policies and practices.

**How We Align PPL's Compensation Program with Performance**

For 2018, performance-based compensation for the NEOs was primarily based on (1) our earnings per share from ongoing operations as adjusted for compensation purposes, or EPS; (2) net income from ongoing operations of each business segment as adjusted for compensation purposes, (3) corporate and business segment operational goals, (4) relative TSR, and (5) corporate return on equity, or ROE. All of our goals align with our commitment to shareholders to deliver earnings growth and shareholder value creation.

The selection of measures is given careful consideration, with a view to both short-term and longer-term strategic goals, while focusing on areas most within management's control. Earnings are central to our business strategy and a primary focus of the investment community. Consequently, EPS performance measures have historically been, and continue to be, central to the compensation program for our NEOs. In our experience, EPS is the primary measure by which our shareholders and market analysts assess PPL's performance, and accountability for strong EPS performance primarily falls on PPL's executive officers, especially our CEO and CFO. Management actions with respect to financing and tax strategy, capital investment and our revenue models drive EPS. In addition to EPS, our business segment heads are also expected to meet their business segment's adjusted net income goals. For 2018, all NEOs were also compensated based on achievement of operational goals at each business segment.

To supplement our annual cash incentive awards, which measure performance based upon achievement of financial goals, relative TSR and corporate ROE are used for certain equity-based awards, further aligning executives' interests with the long-term interests of shareholders. ROE was added as a performance unit metric in 2017 based on investor

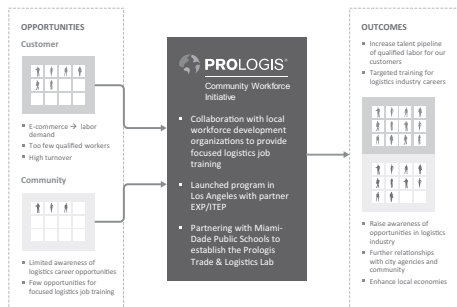


Environmental Stewardship, Social Responsibility and Governance

**Prologis Social Responsibility: Community Workforce Initiative**

Addressing our customers' labor pain points while supporting the communities where we do business

- Our Community Workforce Initiative ("CWI") exemplifies our approach to ESG - a program that advances our business while contributing positively to the communities in which we work and live. We are collaborating with local workforce development organizations to provide logistics job training and build a pipeline of talent to help our customers solve their workforce needs.
- We are using our scale to provide an unprecedented service to our customers and build relationships with communities and local governments to support our development processes. In doing so, we are helping underserved populations find career opportunities and boosting local economies—a win-win for all.





### Human Capital Management

Attracting, developing and retaining the best people globally is crucial to all aspects of Visa's activities and long-term success, and is central to our long-term strategy. We are investing in our employees to ensure we remain the employer of choice, and to continue to build an inclusive culture that inspires leadership, encourages innovative thinking and welcomes everyone.

To elevate our leadership culture, in 2017 we introduced the following Visa Leadership Principles, a set of behaviors that guide the way we act:



### Employee Development and Engagement

Visa understands that becoming the industry employer of choice requires providing best-in-class training and development opportunities, while creating innovative programs that enable a vibrant and engaged learning culture to flourish. We strive to achieve this through a number of forums, including establishing the Visa University Digital Campus to curate development and learning resources in a single platform, utilizing content specifically developed at Visa (such as Payments and Leadership Curriculum) and complemented by recognized external sources.

Through structured online learning and live curricula, we are extending the reach of these learning programs. For example, Visa leaders have designed "learning paths" that help employees identify content matching their professional development needs. Skills based learning is also being led, created and delivered through functional colleges, such as Technology and Sales. Finally, early career employees can choose from a wide array of practical subjects, such as presentation skills and time management, to set a foundation for their long-term success.

We recognize that building an inclusive and high performance culture requires an engaged workforce, where employees are motivated to do their best work every day. We communicate with our employees in a number of ways, and we seek their input on a variety of subjects through our employee survey. In 2017, we received a 94 percent response rate and our scores improved across all categories.

### Diversity and Inclusion

Visa is committed to cultivating a diverse and inclusive environment that supports the development and advancement of all. We foster a feeling of connectedness in the workplace, support diversity of background, experience and thought, support important initiatives like Equal Pay and actively work to eliminate unconscious biases that hold us all back.



### Our Commitment to Corporate Citizenship

#### Contributions to Our Communities

The following are ways that we give back to our communities through philanthropy, community outreach and volunteerism.

##### Philanthropy

We are proud to be recognized as the No. 2 corporate cash giver in the U.S. and the top financial institution in overall giving, according to a ranking by *The Chronicle of Philanthropy* based on 2017 data. In 2018, we increased our philanthropic impact by donating \$444 million to nearly 11,000 nonprofits serving underserved communities. Wells Fargo concentrated its 2018 philanthropy on addressing five community issues: affordable housing, small businesses growth, equity and economic inclusion, education, and minimizing the impacts of climate change.

*Philanthropy plays a critical role in our corporate citizenship efforts because it enables us to support innovation and our communities. Beginning in 2019, we will target 2% of our after-tax profits for corporate philanthropy. Through the Wells Fargo Foundation, we direct approximately 60% of our corporate philanthropy to initiatives that align with our three priorities. The remaining philanthropic contributions are allocated to local market teams and may support the three priorities or other specific community needs and opportunities.*

##### Community Outreach

We collaborate with a wide range of nonprofits and community organizations to stabilize and strengthen low-to-moderate income neighborhoods, as well as address global social, economic, and environmental challenges. These are just a few of the areas we support through our community outreach and grant programs:

- Sustainable home ownership and affordable housing
- Disaster relief, resiliency, and rebuilding
- Military and veterans
- Financial education and capability
- Education
- Clean technology and innovation

*The long-term success and resiliency of our communities, and our business, depend on our ability to collaborate internally and across the public and private sectors to create sustainable solutions that meet local needs. We work with a range of stakeholders to promote inclusive economic opportunities, expand access to financial products and services, increase financial capability, and improve financial stability in underserved and diverse communities. As an example, through our Resilient Communities grant program, a collaboration with the National Fish and Wildlife Foundation, we are helping cities enhance and protect natural habitats to help prepare for, withstand, and recover from natural disasters. In 2018 we donated more than \$16 million to support nonprofits, universities, and other organizations focused on community-based environmental projects and supporting clean technology innovation and entrepreneurs.*

##### Team Member Volunteerism and Giving

Our success as a company is the result of the care and compassion of our team members who bring our culture to life each day. Our team members generously volunteered more than 2 million hours in their communities in 2018, making these communities stronger for everyone and improving lives. Team members across the U.S. volunteered at a number of organizations, including local schools, animal shelters, and food pantries, to name a few.

*We know that our long-term success is directly linked to the success of our customers and the communities we serve. In 2018, team members collectively pledged a total of \$75.3 million during Wells Fargo's Internal Community Support Campaign, which aims to fit communities and help take on the challenges they face.*

#### Select Awards and Recognition

|   |  |  |   |
|---|--|--|---|
| <b>Top 50</b><br>Most community-minded companies (2018) Points of Light | <b>Perfect Score 100</b><br>Corporate Equality Index (2018, 10th year) Human Rights Campaign | <b>A-</b><br>CDP (2018) S&P 500 Climate Performance Leadership Index and Climate Disclosure Leadership Index | <b>Largest Workplace Giving Campaign</b><br>U.S. (2018, 10th consecutive year) United Way Worldwide |
|---|--|--|---|

### Human Capital Management

#### and Investing in our Team Members

Employer of choice – a place where people feel included, valued, and supported, everyone is part of a team. We want our team members to have an emotional connection and commitment to everyone to feel supported to do work that energizes them. And we want everyone to support – and support – our customers, and our communities.

Work has been essential in helping enhance our culture and improve the team member experience. We've shared their voices in a number of ways, including surveys, town halls, and two-way dialogue on our social media platforms.

##### Employee Listening Program

Our program monitors team member engagement and experience and includes collecting feedback through pulse surveys, focus groups, company-wide assessments and surveys, and confidential exit interviews. The following are among the many ways that enable team members to voice their opinions and insights to continue to rebuild trust with our team members.

**Team member experience survey in 2018** – A new annual opportunity for team members to share their feedback for Wells Fargo.

**Workforce culture survey in 2017** – Assessment of both the positive attributes and potential challenges of our Company's culture.

**CEO Town Hall** – CEO Timothy J. Sloan increased his town hall forums with team members from quarterly to six different Wells Fargo markets, and increased the length of each town hall from an hour to 90-minute sessions, which are televised internally and live-streamed to computers. Mr. Sloan shares his thoughts and is joined by members of the Operating Committee and other senior executives to answer questions live from the local audience and via video from all over the Company.

**Employee idea box** – A company-wide tool that team members use to submit ideas and offer suggestions. Coordinators identify and assign them to appropriate areas within Wells Fargo for evaluation and disposition.

**Employee sentiment "pulse" surveys** – Since 2016, we conduct periodic pulse surveys targeted to a random sample of team members from across the organization to gauge team member sentiment and to identify areas to work and build a culture, leadership trust and accountability, internal and external culture.

**Workforce focus groups** of team members to provide feedback and input on specific topics such as process changes, new products, and organizational changes.

**Employee surveys** – We conduct surveys to help us gain a deeper understanding of why we are chosen to leave Wells Fargo and identify ways to make sure we provide a more consistent and better member experience.

**Listening tours** – Our executives have traveled across the country on "listening tours" to meet in-person with team members to listen to their views, suggestions, and concerns.

**Virtual chats** – Our senior leaders periodically join "live" chats to interact with team members and answer their questions.

**Internal social** – Team members are welcome to join Team Moments groups to post and comment on photos and videos that are posted on the Teamworks intranet.





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