



Trends in Investor Communications

Human Capital
Management Disclosures
in Proxy Statements



Introduction

Throughout the year, SEC Chair Clayton has highlighted an interest in pursuing human capital disclosures. This follows BlackRock's request that companies communicate around purpose and human capital management, State Street's call for companies to discuss culture, and keen interest from the NY State Comptroller and other advocacy groups in disclosures about an organization's workforce, including pay-related data. The message is clear: **investors want to understand how companies are prioritizing, managing and overseeing their greatest asset: People.**

"Human capital" can be defined simply as a company's workforce. However, the *topic* of human capital management can be more complex because it covers all aspects of managing the workforce, including risks related to the recruitment and retention of employees, talent development and training, employee engagement and – perhaps most important – culture. Diversity and inclusion initiatives are also an important component of culture, as well as the tone at the top, and how leaders promote ethical behavior and a safe working environment.

In This Thought Piece

At a minimum, disclosure in proxy statements around human capital management should address the Board's oversight role. In addition, effective disclosures address human capital risks, strategy and conversations with shareholders and other stakeholders. Some companies have disclosed that human capital management is a skill sought in its Board members. Others choose to highlight accomplishments as part of an ESG Highlights section. Whether the disclosure approach results in the discussion of human capital throughout the proxy, or a single section dedicated to the topic, this Thought Piece presents a range of disclosures that address aspects of human capital management effectively.

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Corporate Culture

Company Name	Document Type	Year	Page	Content	Download
Altria	Proxy	2019	31	Altria's corporate culture is rooted in its commitment to integrity, innovation, and excellence. The Board of Directors oversees the company's culture and ensures that it is aligned with its strategic goals.	Download
Exelon	Proxy	2019	16	Exelon's corporate culture is based on the principles of integrity, innovation, and excellence. The Board of Directors oversees the company's culture and ensures that it is aligned with its strategic goals.	Download
Alphabet	Proxy	2019	31	Alphabet's corporate culture is rooted in its commitment to integrity, innovation, and excellence. The Board of Directors oversees the company's culture and ensures that it is aligned with its strategic goals.	Download
McDonald's	Proxy	2019	11	McDonald's corporate culture is based on the principles of integrity, innovation, and excellence. The Board of Directors oversees the company's culture and ensures that it is aligned with its strategic goals.	Download
Walmart	Proxy	2019	16	Walmart's corporate culture is rooted in its commitment to integrity, innovation, and excellence. The Board of Directors oversees the company's culture and ensures that it is aligned with its strategic goals.	Download

Human Capital Management

Company Name	Document Type	Year	Page	Content	Download
Altria	Proxy	2019	31	Altria's human capital management strategy is focused on attracting, developing, and retaining top talent. The Board of Directors oversees the company's human capital management strategy and ensures that it is aligned with its strategic goals.	Download
Exelon	Proxy	2019	16	Exelon's human capital management strategy is based on the principles of integrity, innovation, and excellence. The Board of Directors oversees the company's human capital management strategy and ensures that it is aligned with its strategic goals.	Download
Alphabet	Proxy	2019	31	Alphabet's human capital management strategy is rooted in its commitment to integrity, innovation, and excellence. The Board of Directors oversees the company's human capital management strategy and ensures that it is aligned with its strategic goals.	Download
McDonald's	Proxy	2019	11	McDonald's human capital management strategy is based on the principles of integrity, innovation, and excellence. The Board of Directors oversees the company's human capital management strategy and ensures that it is aligned with its strategic goals.	Download
Walmart	Proxy	2019	16	Walmart's human capital management strategy is rooted in its commitment to integrity, innovation, and excellence. The Board of Directors oversees the company's human capital management strategy and ensures that it is aligned with its strategic goals.	Download

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Board Leadership Letters

Allstate

Human capital management is a key sustainability topic for Allstate's Board, and discussion topics at the Board level are shared as part of the independent directors' letter to stockholders – laying the groundwork for establishing human capital as a critical Board oversight priority, which is discussed throughout the document.

LETTER FROM INDEPENDENT DIRECTORS TO STOCKHOLDERS, (PAGES 2-3)

🔗 https://allstateproxy.com/media/1013/347423-4-_15_allstate_nps_wr.pdf

Letter from Independent Directors to Stockholders



The Allstate Corporation
2775 Sanders Road
Northbrook, IL 60062

April 8, 2019

Fellow Stockholders,

Thank you for trusting us to oversee the long-term prosperity of Allstate. We are committed to operating with transparency and use this letter to communicate the Board's major initiatives in 2018.

Governance and Stewardship

Investor Engagement Over the last year, we reached out to stockholders representing almost 40% of Allstate's outstanding shares and discussed governance and sustainability topics, including Allstate's political contributions disclosures. Allstate currently issues an annual report on political involvement that lists political expenditures by category and the largest recipients. Last year, a stockholder proposal requiring disclosure of additional funding details for trade associations and political candidates did not receive majority support from stockholders, but we decided to enhance our governance as shown on the right.

In response to our investor engagement, governance enhancements include:

- ▶ The nominating and governance committee will review the political contributions program semi-annually, and
- ▶ The chief risk officer will provide an annual risk and return assessment of political activities to the full Board, and the results will be reported to stockholders.

Board Effectiveness We evaluate Board performance at every meeting and conduct an evaluation annually. We made several enhancements to our processes and schedule to maximize effectiveness, including:

- ▶ Utilized additional educational sessions outside of formal Board meetings,
- ▶ Met in small groups without agendas at every other meeting to share ideas and build stronger working relationships,
- ▶ Expanded meetings between directors and high performing officers to provide a broader set of perspectives, and
- ▶ Retained an external consultant to facilitate the annual evaluation and benchmark the Board's performance against peers.

Risk and Return Oversight The full Board has oversight of risk and return given the strong linkage to strategy and operating performance, and our risk and return committee provides additional reviews. Oversight of Allstate's enterprise risk and return program included several enhancements during the year:

- ▶ Enterprise risk-return principles were expanded to better reflect the risks associated with the non-insurance businesses and the implications of increased use of data and analytics,
- ▶ Management improved the process to determine economic capital in response to an external review overseen by the risk and return committee last year,
- ▶ Operational risk oversight was expanded to include integrated enterprise reporting, additional metrics, and linkage to cybersecurity initiatives, and
- ▶ The audit committee's relationship with an independent cybersecurity advisor was maintained to provide additional capabilities and perspective in this rapidly evolving area.

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www.allstateproxy.com

Strategy

Allstate's Purpose Allstate's strategic goal is to increase its market share in protecting people from life's uncertainties. This year, we oversaw:

- ▶ Growth in policies in force of 2.4% by the property-liability businesses leading to a \$1.5 billion (4.8%) increase in insurance premiums earned,
- ▶ Greater use of telematics in auto insurance and additional investment in Arity, the telematics platform created by Allstate,
- ▶ Rapid growth of SquareTrade, which added almost 30 million protection policies,
- ▶ Initiation of a significant relationship with a transportation network company, increasing diversification into commercial auto insurance, and
- ▶ Expansion into identity protection with the acquisition of InfoArmor.

Allstate's innovation and success are being noticed as Allstate was:

- ▶ Named one of the 50 companies changing the world by Fortune for the second consecutive year, and
- ▶ Ranked as a top 10 innovator amongst 752 companies by The Wall Street Journal/Drucker Institute.

Sustainability

Human Capital Management and Succession Planning Attracting, developing and retaining top talent is necessary for Allstate to create shareholder value. Talent development and succession planning are discussed quarterly, and the Board meets regularly with senior leaders and reviews:

- ▶ Survey results that measure culture and employee empowerment, engagement and alignment with corporate strategy,
- ▶ Investments in employee development,
- ▶ Allstate agency satisfaction,
- ▶ Practices to increase the diversity of employees and managers,
- ▶ Gender and minority equity within compensation programs,
- ▶ Competitiveness of benefits and compensation packages, and
- ▶ Opportunities for re-skilling and training employees.

We also work to ensure alignment of our executive compensation program with the long-term interests of stockholders. No significant changes were made to our program in 2018.

Social Responsibility Allstate operates its business and fulfills its role in society by broadly defining its purpose. Allstate believes that businesses serve a broader role in society by serving customers, making a profit, creating jobs, and improving communities. For more information on how we measure up, see Allstate's Prosperity Report.

We welcome your feedback and pledge to continue to independently represent your interests. Thank you for your continued support.

The Board reviews strategic topics at every meeting. This includes strategic initiatives for market-facing businesses and opportunities for growth by creating or acquiring businesses.

Kermit R. Crawford
KERMIT R. CRAWFORD

Michael L. Eskew
MICHAEL L. ESKEW

Margaret M. Keane
MARGARET M. KEANE

Siddhant N. (Bobby) Mehta
SIDDHANT N. (BOBBY) MEHTA

Jacques P. Perold
JACQUES P. PEROLD

Andrea Redmond
ANDREA REDMOND

Gregg M. Sherrill
GREGG M. SHERRILL

Judith A. Spriester
JUDITH A. SPRIESTER

Perry M. Traquina
PERRY M. TRAQUINA

ConocoPhillips

ConocoPhillips' Board recognizes that there are many elements to human capital management, and the letter co-signed by the Chairman and CEO and Incoming Lead Director explains the allocation of responsibilities for oversight of "our people" among the Board committees. The letter also acknowledges the importance of establishing the appropriate culture throughout the organization that tie back to the company's core values.

A MESSAGE FROM OUR CHAIRMAN AND CHIEF EXECUTIVE OFFICER AND INCOMING LEAD DIRECTOR, (PAGES 2-3)

🔗 <https://static.conocophillips.com/files/resources/2019-conocophillips-proxy.pdf>

A Message from Our Chairman and Chief Executive Officer and Incoming Lead Director

April 1, 2019

DEAR FELLOW STOCKHOLDERS,

On behalf of the Board of Directors (the "Board"), we are pleased to invite you to attend ConocoPhillips' 2019 Annual Meeting of Stockholders (the "Annual Meeting"). The meeting will take place at the Omni Houston Hotel at Westside, 13210 Katy Freeway, Houston, Texas 77079, on Tuesday, May 14, 2019, at 9:00 a.m. CDT. The attached Notice of 2019 Annual Meeting of Stockholders and Proxy Statement provide information about the business we plan to conduct. One of our long-serving directors and our current Lead Director, Harold J. Norvik, will retire from the Board effective as of the Annual Meeting. We are grateful for his many years of exemplary service and the valuable contributions he has made to ConocoPhillips. The non-employee directors have selected Robert A. Niblock to serve as Lead Director effective May 13, 2019.

Our purpose is to safely and sustainably produce oil and gas resources that power civilization

ConocoPhillips plays a foundational role in enabling human progress. We are committed to efficient and effective exploration and production of oil and natural gas. Producing and delivering oil and natural gas requires rigorous planning, technology applications, and prudent investment. Our scientists and engineers use technology to maximize production of existing resources and to develop areas that were previously thought to be unproductive or uneconomic. We do this through innovative and collaborative efforts and a commitment to safe and responsible operations. We contribute to economic growth, job preservation and creation, and improved quality of life by helping to make energy reliable and affordable, and we do it while meeting high environmental standards so that our actions today support a healthy environment for tomorrow.

Our disciplined, returns-focused value proposition enabled ConocoPhillips to deliver exceptional performance in 2018

Our operational performance drove strong financial results and generated sector-leading total shareholder returns ("TSR") of approximately 16 percent. We view this strong TSR performance as an endorsement of the disciplined, returns-focused value proposition we launched in late 2016. At that time, we implemented a strategy that we believe remains the right one for the exploration and production ("E&P") sector. Although our business is opportunity-rich, it is also mature, capital intensive, and cyclical. In embracing these realities, we have led the industry in setting clear priorities for how we will allocate cash to generate superior returns through cycles.

Designing a value proposition is one thing; delivering on it is another. Over the past few years, we have taken numerous actions to improve the underlying quality of our business. We significantly lowered our sustaining price and strengthened our balance sheet. We have grown our resource base with a cost of supply less than \$40 per barrel West Texas Intermediate. We have delivered competitive per-share growth, not chased absolute growth. We have returned a distinctive portion of cash flows to stockholders, kept costs in check, and generated one of our industry's most competitive financial returns. Our vision is to be the E&P company of choice for all stakeholders. Our priorities are consistent, focused on long-term value creation, and underpinned by our commitment to deliver superior returns to stockholders through the cycles.

2 ConocoPhillips

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SAFETY

No task is so important that we can't take the time to do it safely. A safe company is a successful company.

P

PEOPLE

We respect one another. We recognize that our success depends upon the capabilities and inclusion of our employees. We value different voices and opinions.

I

INTEGRITY

We are ethical and trustworthy in our relationships with internal and external stakeholders. We keep our promises.

R

RESPONSIBILITY

We are accountable for our actions. We care about our neighbors in the communities where we operate. We strive to make a positive impact across our operations.

I

INNOVATION

We anticipate change and respond with creative solutions. We are responsive to the changing needs of the industry. We embrace learning. We are not afraid to try new things.

T

TEAMWORK

We have a "can-do" attitude that inspires top performance from everyone. We encourage collaboration. We celebrate success. We win together.

Our Board is engaged with management in setting the strategic direction of ConocoPhillips

We recognize that our Board's engagement in developing strategy is essential to our ability to create long-term value for our stockholders. Our directors are actively engaged in discussions about ConocoPhillips' strategy and provide valuable oversight and guidance. Company strategy is discussed regularly at Board meetings and our directors participate in an intensive strategy session annually with management. Our Board works collaboratively with management to affirm ConocoPhillips' value proposition and set strategic priorities that underpin our operating plans.

Our culture combines accountability with performance

We believe it is not just what we do, it is how we do it. We hold ourselves accountable to a set of guiding values we call our SPIRIT Values – Safety, People, Integrity, Responsibility, Innovation, and Teamwork. These set the tone for how we behave with all our stakeholders, internally and externally. They are shared by everyone in our organization, distinguish us from competitors, and are a source of pride. They also underpin our commitment to performance.

We recognize that a strong corporate culture is critical to ConocoPhillips' long-term success. Senior management defines and shapes ConocoPhillips' corporate culture and sets the expectations and tone for an ethical work environment. Our Board also provides valuable oversight in assessing and monitoring ConocoPhillips' corporate culture. We reinforce our culture by living our SPIRIT Values, being inspired and inspiring others, being empowered, keeping our commitments, doing business better, and focusing on the things that matter. We embrace these core cultural attributes everywhere in the company.

Our success depends on our people

We know that our people are essential to our ability to deliver our value proposition. Our success, our reputation, and our integrity depend on each employee, officer, director, and contractor taking personal responsibility for ethical business conduct. We respect one another and have created an inclusive environment that reflects the different backgrounds, experiences, ideas, and perspectives of our employees. Effectively engaging, developing, retaining, and rewarding our more than 10,000 employees is a priority for the Board, which oversees elements of ConocoPhillips' human capital management; the Human Resources and Compensation Committee oversees our employee compensation programs and diversity and inclusion initiatives; the Committee on Directors' Affairs and the Human Resources and Compensation Committee oversees talent development; our Public Policy Committee oversees our practices relating to health and safety matters; and the Audit and Finance Committee oversees compliance with our Code of Business Ethics and Conduct.

Your continued input is valued, and your vote is important

We strongly believe that regular engagement with all of our stakeholders – including stockholders, employees, customers, suppliers, advocacy groups, governments, and communities – is critical to our long-term success. Our engagement activities have provided us with valuable feedback that informs our decisions and our strategy. The Annual Meeting is another opportunity for stockholders to express views on matters relating to ConocoPhillips' business, and we hope to see you there.

Even if you plan to attend in person, we encourage you to vote in advance. Your vote is very important to us and to our business. Prior to the meeting, you may sign and return your proxy card, use telephone or Internet voting, or visit the Annual Meeting website at www.conocophillips.com/annualmeeting to register your vote. Instructions on how to vote begin on page 105.

Thank you for your continued support.

Ryan M. Lance

Chairman and Chief Executive Officer

Robert A. Niblock

Lead Director (as of May 13, 2019)



Standing-Left to right: John Y. Faraci, Robert A. Niblock, Jeffrey A. Jones, Ryan M. Lance, Admiral William H. McRaven, Harold J. Norvik, Seated-Left to right: Arjun N. Murli, Caroline Maury Devine, Gay Hany Evans DBE, Jody Freeman, Sharmila Mulligan, Charles E. Bunch

2019 Proxy Statement 3




HCP, Inc.

In a letter from the Board, HCP's directors discuss their focus on human capital management "with particular emphasis on the engagement, satisfaction, development and diversity of the company's employees."

LETTER FROM OUR BOARD OF DIRECTORS

<http://ir.hcpi.com/annual-reports-and-proxy-statements>



LETTER FROM OUR BOARD OF DIRECTORS

THE SHORE AT SIERRA POINT SOUTH SAN FRANCISCO, CA

DEAR STOCKHOLDERS,

As members of the Board of Directors, we sincerely thank you for your continued investment in HCP. We are committed to governing HCP in a prudent and transparent manner, with the goal of creating long-term value for you. Our responsibility is to proactively oversee HCP's business strategy, corporate governance and executive compensation, among other things, on your behalf. We are pleased to share with you the results of our efforts over the past year.

Completing Our Business Transformation

Through our efforts over the last several years to optimize our portfolio and balance sheet, HCP is better positioned to create and capture value for the benefit of stockholders.

During 2018, we substantially completed our portfolio repositioning and operator transitions, leaving us with a high-quality and balanced portfolio designed to maximize long-term growth while reducing short-term volatility. Capital recycling and refinancing activities strengthened our balance sheet, which was recognized with our credit rating upgrades in late 2018 and early 2019. We are actively engaged in the real estate investment market, sourcing and executing on investments in our core segments that offer attractive risk-adjusted returns and strong growth profiles. Finally, we continue to pursue the incremental upside embedded in each of our property segments through development, redevelopment and complementary transaction activities that we expect to generate growth over the long-term.


We owe these successes to the extraordinary efforts of HCP's management team and employees, who committed to an aggressive transformation plan, worked tirelessly to execute our repositioning and rebalancing strategy, and are more prepared than ever to pursue growth and excellence. We are proud of how far we have come, and are excited about the opportunities ahead.

Comprehensive Board Refreshment


This year, we reinforced our commitment to Board governance, Board refreshment and Board succession planning.

As a result of our 2018 Board self-evaluation, we comprehensively restructured and refreshed our Board during 2018. Brian G. Cartwright, former General Counsel of the U.S. Securities and Exchange Commission, now serves as our Independent Chairman of the Board. We appointed three new Board members this year: R. Kent Griffin, Jr., Lydia H. Kennard and Katherine M. Sandstrom. We selected Kent, Lydia and Kathy because of the specific skills and depth of experience they bring to our Board.


In order to ensure ongoing Board refreshment, we adopted a mandatory director retirement age of 75. In accordance with the new policy, Peter L. Rhein and Joseph P. Sullivan will be retiring from our Board at the 2019 annual meeting. Both have served HCP with integrity, passion and wisdom, and we are grateful for their service to the Company.




Thomas M. Herzog
President and CEO, Director



Brian G. Cartwright
Independent Chairman



Christine N. Garvey
Independent Director



R. Kent Griffin, Jr.
Independent Director



2018 GOVERNANCE HIGHLIGHTS

Appointed INDEPENDENT CHAIRMAN

Brian G. Cartwright
Former General Counsel of the SEC

3 NEW DIRECTORS appointed in 2018

Added two women to the Board for a total of three women

Adopted MANDATORY RETIREMENT POLICY

Reinforces Board refreshment and reevaluation

Continued ESG Leadership

Environmental, social and governance initiatives are a critical component of our corporate responsibility.

We seek to undertake sustainability initiatives that increase stockholder value. This year we published our eighth consecutive annual Sustainability Report, which is prepared in accordance with the Global Reporting Initiative (GRI) standards. In 2018, we received numerous awards for our sustainability efforts and were included in the North America Dow Jones Sustainability Index for a sixth consecutive year for achievements in energy efficiency.

We also focused on our human capital management this year, with particular emphasis on the engagement, satisfaction, development and diversity of HCP's employees. Complementing our efforts to enrich the community within HCP, we also emphasized external community engagement by donating almost \$500,000 to charitable organizations during 2018, sponsoring and participating in local community events such as the Walk to End Alzheimer's, and partnering with local charities such as the Ronald McDonald House to provide rooms for families experiencing the turmoil of a seriously ill child.

Paying for Performance

Refinements to our executive compensation program over the past several years created significant pay-for-performance alignment in 2018.

Our short-term incentive plan, or STIP, payouts for 2018 reflect our overall strong operating performance and balance sheet metrics in 2018. Although payouts for the end of 2020, our total stockholder return, or TSR, awards in 2018 will not be measured until the end of 2020, our total stockholder return, or TSR, outperformed a majority of our selected LTI peers during 2018, reflecting positive performance and growth. Because we continuously strive to improve our executive compensation program, 2018 refinements include eliminating tax gross up payments on executive perquisites and adding a one-year minimum post-vesting holding period for executive equity awards.

Looking Ahead

We continue to focus our operating and investment strategies on four components that we believe are key to generating sustainable stockholder returns: (i) maintaining a strong balance sheet; (ii) growing relationships with preferred operators and partners; (iii) continuing improvement of our portfolio quality and mix; and (iv) pursuing operational excellence. We are excited about HCP's future and believe we are well-positioned for long-term growth. We hope that you will attend our 2019 annual meeting of stockholders to hear first-hand about our performance and future plans. Thank you for your continued support.



David B. Henry
Independent Director



Lydia H. Kennard
Independent Director



Peter L. Rhein
Independent Director



Katherine M. Sandstrom
Independent Director



Joseph P. Sullivan
Independent Director

The Chairman's letter that leads off Intel's proxy statement highlights talent recruitment and retention as part of the company's ESG leadership, calling out Intel's successes in reaching diversity & inclusion goals. The letter also references enhanced human capital risk disclosures as a response to stockholder and stakeholder feedback.

LETTER FROM YOUR CHAIRMAN

🔗 https://s21.q4cdn.com/600692695/files/doc_financials/2018/Annual/2019-Proxy.pdf



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.

"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

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,

reducing our greenhouse gas emissions, investing in renewable energy, conserving water, and reducing waste generation. We focus on reducing our own direct climate "footprint"—the emissions resulting from our own operations, our supply chain, and the marketing and use of our products. We also focus on increasing our "handprint"—the ways in which our technology can help others reduce their footprints. In addition, we collaborate with others to drive industry-wide improvements and policy change. We carry this focus to our supply chain as well, actively collaborating with others and leading industry initiatives on key issues such as advancing responsible minerals sourcing, addressing risks of forced and bonded labor, and improving transparency around climate and water impacts in the global electronics supply chain.

STOCKHOLDER AND STAKEHOLDER ENGAGEMENT

Engagement with our stockholders is an important part of our Board's corporate governance commitment. Our integrated outreach team meets with a broad base of investors throughout the year to discuss corporate governance, executive compensation, corporate responsibility practices, and other matters of importance. Our team reports to the Board on investor feedback and emerging governance issues throughout the year, allowing the Board to better understand our stockholders' priorities and perspectives and to incorporate them into the Board's business and strategy decisions. We also engage with many other stakeholders throughout the year on a range of corporate responsibility issues. Over the past year, based on feedback from our stockholders, we enhanced our proxy statement disclosure regarding our directors' skills, expertise, and background through the addition of a comprehensive Board Matrix. As a result of feedback received through our engagement program, we also worked to enhance integration of environmental, sustainability, and governance disclosures into our SEC reporting documents, and to align human capital and climate risk disclosures with external frameworks.

OUR NEW CEO

On January 30, 2019, our Board named Bob Swan to be Chief Executive Officer, based on the Board's conclusion after a thorough search that Bob is the right leader to drive Intel into its next era of growth. Important factors in the Board's decision included Bob's performance as our Chief Financial Officer since joining Intel in 2016 and while serving as interim Chief Executive Officer; his knowledge of the business; his command of our growth strategy; and the respect he has earned from our customers, our stockholders, and his colleagues. I am confident that he is the right executive to lead Intel as we enter our next 50 years.

ATTENDING THE ANNUAL STOCKHOLDERS' MEETING

We look forward to your attendance virtually via the Internet, or by proxy at the 2019 Annual Stockholders' Meeting. We will hold the meeting at 8:30 a.m. Pacific Time on Thursday, May 16, 2019. You may attend, vote, and submit questions during the annual meeting via the Internet at <https://intel.onlineshareholdermeeting.com>.

While our Annual Stockholders' Meeting is only one of the forums in our year-round engagement with stockholders, it is an important one. As physical attendance at meetings has dwindled, web participation has grown significantly, and has proven to be substantially more popular and effective at enabling stockholder participation, while saving the company's and investors' time and money and reducing our environmental impact. Our virtual Annual Stockholders' Meeting also enables non-stockholders to view our meeting. As in past years, stockholders can submit questions ahead of or during the meeting through the designated websites. We continue to work with industry groups and our stockholders to enhance our virtual Annual Stockholders' Meeting and welcome your suggestions on how we can continue to make it more effective and efficient.

OUR NEXT 50 YEARS

The rest of the Board and I are extremely proud of this company, all it has accomplished in the last 50 years, and how we are positioned for the future. 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. As we look ahead to our next 50 years, there will be significant opportunities to apply Intel's technology and the passion and expertise of our talented people to help solve the world's greatest challenges in a smart, connected, and data-centric world.

On behalf of your Board of Directors, thank you for your continued investment in Intel. We appreciate the opportunity to serve Intel on your behalf.

Sincerely,



Andy Bryant
ANDY D. BRYANT
Chairman of the Board

INTEL CORPORATION
2200 Mission College Blvd.
Santa Clara, CA 95054-1549
(408) 765-8080



Prudential

Prudential's letter emphasizes the Board's engagement and prioritization of talent development, explaining that the Board discusses this topic at every meeting and schedules an annual in-depth discussion of business and functional leadership across the company. The letter also addresses Board oversight of culture.

LETTER FROM THE BOARD OF DIRECTORS TO OUR SHAREHOLDERS, (PAGES 1-2)

⌚ <http://www3.prudential.com/annualreport/report2019/proxy/images/Prudential-Proxy2019.pdf>



Prudential Financial, Inc.
751 Broad Street,
Newark, NJ 07102

March 28, 2019

Letter from the Board of Directors to Our Shareholders

The Board values this opportunity to share our perspectives regarding the work we undertook for our shareholders during 2018. Our objective is to guide and oversee management in the creation of long-term value through the execution of a sound business strategy, thoughtful succession planning, a commitment to corporate ethics, careful risk oversight, prudent risk management, talent development, and creating societal impact. In pursuit of these objectives, we are pleased to share with you an overview of the Board's priorities and actions during the year.

BUSINESS STRATEGY

We believe that an optimal and effective board of directors is informed, active and constructively engaged with management, without undue disruption to the day-to-day business of the Company. Our Board meets regularly to discuss Prudential's strategic direction. Our collective skills and experience in the areas of regulation, business operations, risk management and capital markets, among other areas, enable us to provide critical insights to the Company to help maximize shareholder value. At each Board meeting and during our annual strategy planning session, we engage with Prudential's senior leadership in robust discussions about the Company's overall strategy, priorities for its businesses, and long-term growth opportunities.

SUCCESSION PLANNING

The Board collaborates with our executive team to cultivate a deep talent bench and plan for senior leadership succession. In 2018, as part of our succession plan, we made changes among the Company's most visible leadership roles. The appointments of Charlie Lowrey to succeed John Strangfeld as Chief Executive Officer ("CEO") and Rob Falzon to succeed Mark Grier as Vice Chairman, are the culmination of a multiyear, rigorous succession-planning effort by the Board. This structure is modeled in part after the roles John and Mark established working together over the past decade. We are grateful to John and Mark for their leadership and the contributions both have made to Prudential. John will be leaving the Board on April 5, 2019, and Mark is expected to retire from the Company and leave the Board in August 2019. At that time, Rob Falzon will join the Board.

CULTIVATING A STRONG ETHICAL CULTURE

Our Corporate Governance and Business Ethics Committee has direct oversight for the Company's overall ethical culture and human rights policy. The Board collaborates with management to establish and communicate the right ethical tone which guides our conduct and helps protect the Company's reputation. We know that only by doing business the right way, every day, do we continue to earn our investors' and customers' trust. Our commitment to strong ethical values and doing business the right way is reflected in Ethisphere Institute's naming of Prudential as a 2019 World's Most Ethical Company®. This recognition is bestowed only on organizations that demonstrate a culture of ethics and transparency at every level.

BOARD RISK OVERSIGHT

The Board sets standards for managing risk and monitoring the management of those risks within the Company. The Risk Committee is comprised of the chairs of each Board committee, which recognizes the vital role of each committee in risk oversight and enables the directors to more closely coordinate the Board's risk oversight function. The Risk Committee has metrics in place to monitor and review market, insurance, investment, and operational risk. We regularly review the Company's risk profile, including its approach to capital management, its operational footprint, and its investment risks and strategies. The Board considers the breadth of the Company's risk management framework when approving its strategy and risk tolerance, and verifies that strategic plans are commensurate with our ability to identify and manage risk.

TALENT DEVELOPMENT

The diversity of experiences, backgrounds and ideas of Prudential's global employees enables us to develop solutions that address the financial needs of our customers. Therefore, recruiting, developing and retaining top diverse industry talent is a key

Notice of Annual Meeting of Shareholders and 2019 Proxy Statement | 1



Letter from the Board of Directors

priority for the Company. Talent development is discussed at every Board meeting, and once per year, the Board devotes time to discuss talent at each business and functional leadership level across the Company. This engagement gives us rich insight into the Company's pool of talent and its succession plans.

CREATING POSITIVE SOCIETAL IMPACT

Prudential was founded on the belief that financial security should be attainable by everyone. Delivering business results and creating societal impact has guided our business model for more than 140 years. By leveraging the full breadth of Prudential's business capabilities, the Company harnesses the power of the capital markets to promote economic opportunity and sustainable growth. To make sure the Company is delivering on its promise of inclusion, the Company has a Corporate Social Responsibility Oversight Committee. The Committee meets three times per year and is comprised of Board members and Prudential senior executives.

ENGAGEMENT AND OUTREACH

As a Board, one of our priorities is listening to and considering the views of our shareholders as we make decisions in the Boardroom. We accomplish this through a robust outreach and engagement program. In 2018, we spoke to investors who represent a majority of our outstanding shares. Topics discussed included Prudential's sustainability and social strategy, Board composition and refreshment, Board leadership structure, succession planning, and our executive compensation program.

YOUR VIEW IS IMPORTANT TO US

We value your support, and we encourage you to share your opinions with us. You can do so by writing to us at the address below. You can also send an email to the independent directors at independentdirectors@prudential.com or provide feedback on our executive compensation program via our website at www.prudential.com/executioncomp. If you would like to write to us, you may do so by addressing your correspondence to Prudential Financial, Inc., Board of Directors, c/o Margaret M. Foran, Chief Governance Officer, 751 Broad Street, Newark, NJ 07102. We suggest you view short videos from our Lead Independent Director, Thomas J. Baltimore, and our Audit Committee Chairman, Douglas A. Scovanner, on our website at www.prudential.com/directorvideos.

THE BOARD OF DIRECTORS OF PRUDENTIAL FINANCIAL, INC.

Thomas J. Baltimore

Gilbert Casellas

Mark B. Grier

Martina Hund-Mejan

Karl J. Krappek

Peter R. Light

Charles F. Lowrey

George Paz

Sandra Pianello

Christine Poon

Douglas A. Scovanner

John R. Strangfeld

Michael A. Todman

Omnicom

A letter from Omnicom's Lead Independent Director addresses human capital management as a subject of shareholder engagement.

LETTER FROM THE LEAD INDEPENDENT DIRECTOR, (PAGES 2-3)

🔗 https://www.sec.gov/Archives/edgar/data/29989/000120677419001288/omc_courtesy-pdf.pdf

OmnicomGroup

A Letter from Omnicom's Lead Independent Director

To My Fellow Shareholders:

It is a great honor to serve as Omnicom's Lead Independent Director. Our Board is focused on the oversight of Omnicom's management and protecting your interests. We believe that a commitment to the highest standards of corporate governance drives success and builds sustainable, long-term value for shareholders.

2018 was a successful year for Omnicom in many regards. I encourage you to read the letter from John Wren, our Chairman and Chief Executive Officer, which is available on Omnicom's website at <http://investor.omnicomgroup.com>, to learn more about the progress we have made on achieving our strategic objectives over the past year.

Ongoing Dialogue with Shareholders Through Proactive Engagement

Engaging with our shareholders remains one of our top priorities and is a focus for the entire Board. I have had the pleasure of speaking with many of our largest shareholders about a variety of matters, including board leadership and composition, succession planning, corporate culture, executive compensation, sustainability, and diversity and inclusion. This past year and in each of the previous three years, we reached out to shareholders holding more than 60% of our outstanding shares and we spoke to every shareholder who accepted our invitation for engagement. The constructive feedback we receive from shareholders is shared with and discussed by the full Board on a regular basis. We strive to maintain an open dialogue with our shareholders and their views are factored into our evolving governance practices.

Special Meeting Right Revised in 2018 in Response to Shareholder Feedback

Our Board amended Omnicom's By-laws in December 2018 to reduce the ownership threshold required for shareholders to call a special meeting from 25% to 10%. This was done in response to a shareholder proposal that received 50.3% support at our 2018 annual meeting and after taking into account input from subsequent discussions with our investors, including those who had not supported the proposal.

Thoughtful Approach to Board Composition with a Demonstrated Commitment to Refreshment

The Board has made tremendous progress on its refreshment initiative, which has been underway since 2015. We have been focused on ensuring that our Board is representative of all of our constituencies – our clients, employees and shareholders, and that through regular evaluation of director skill sets, the optimal combination of expertise is represented on the Board. The result is a highly talented and diverse group of directors with the skills, backgrounds and experiences best suited to achieve our strategic objectives. Through our commitment, we have reduced our average board tenure by approximately 33% since 2015, six of our independent directors are female and four are African American. In addition, a majority of the Audit and Compensation Committees and one half of the Governance Committee are comprised of female directors, with female directors Chairing both the Audit and Compensation Committees.

Leadership Structure that Reflects Our Current Business and Industry Circumstances

The Board regularly evaluates the leadership structure at Omnicom and believes this evaluation should be considered in the context of Omnicom's specific circumstances, business and culture, while giving appropriate weight to the unique challenges facing a professional services company such as ours. In May 2018, the Board determined, after assessing various options, to appoint our CEO John Wren as Chairman following the retirement of our then Executive Chairman, Bruce Crawford. In making this decision, the Board considered:

- **Shareholder Feedback:** Extensive engagement with shareholders through which the Board learned that a large majority are supportive of a combined Chair/CEO role in light of our strong Lead Independent Director role, the complexity of our Company and business, and the rapidly changing industry dynamics.

- **Strong Independent Oversight:** The scope and nature of our Lead Independent Director role, including responsibilities typically associated with a chair. Since being elected Lead Independent Director, I have played a leading role in our board refreshment process, including in the recruitment, mentoring and development of our directors. In February 2019, the Board enhanced the already robust responsibilities assigned to this role to formally include the recruitment, mentoring and development of directors, and also the authority to call meetings of independent directors and oversee any conflicts of interests among directors. Full responsibilities for this role can be found on page 27 of this Proxy Statement.
- **Our CEO's Fundamental Role:** Mr. Wren's fundamental role in our organizational realignment to position Omnicom for growth in an increasingly complex and competitive global landscape that is experiencing rapid change, disruption and market-wide technological advancements.
- **Retention of Talented Executives:** The complex nature of our Company and business, and that the success of a professional services business such as ours is based on retaining talented individuals to best serve our clients through Omnicom's reconstituted management reporting structure spearheaded by Mr. Wren.
- **Retention of Largest Clients:** The importance of ensuring executive-level continuity in the CEO and Chair roles integral to supporting the transition of client relationships, which have been built on trust and support over many years; these relationships are particularly relevant at this time given the client losses our industry peers are experiencing and the ability for Omnicom to benefit from the opportunities this creates.

Pay Decisions and Outcomes Aligned to Performance

In determining compensation for our named executive officers, we continue to demonstrate our commitment to closely link executive compensation to performance by making a significant portion of potential compensation variable and long-term performance driven. This ensures alignment between executives' and shareholders' interests and incentivizes long-term value creation for the Company.

The Board remains focused on our oversight responsibilities and will continue to communicate our efforts to shareholders. We believe that regular, transparent communication with our shareholders is critical to our long-term success. On behalf of the Board, I thank you for your support and look forward to continuing a constructive dialogue in the years to come.

Leonard S. Coleman, Jr.
Lead Independent Director





Board/Committee Oversight of Human Capital Management

Altria

Altria notes the link between culture and employee actions and decision-making, and describes the company's efforts to develop high performing and engaged employees to deliver superior results.

TALENT DEVELOPMENT AND CULTURE OVERSIGHT (PAGE 3)

☞ <http://investor.altria.com/Cache/1001250672.PDF?O=PDF&T=&Y=&D=&FID=1001250672&iid=4087349>

Talent Development and Culture Oversight

We recognize the importance of doing business the right way. We believe culture influences employee actions and decision-making. This is why we dedicate resources to promote a vibrant, inclusive workplace, attract and develop talented, diverse employees; promote a culture of compliance and integrity; and reward and recognize employees for shaping our future, growing people and teams, delivering winning results and acting consistent with our Values.

Because we operate in highly regulated and dynamic industries that are changing and growing more complex, we seek employees who give us a talent advantage. We equip employees to meet new challenges by fostering a culture that emphasizes diversity and inclusion, thinking and acting innovatively and simplifying work. Through these efforts, we pursue our employee goal of developing high performing and engaged employees who will help us continue to deliver superior results in the future. Our Board, with support of our Compensation Committee, oversees initiatives, programs, policies and processes related to talent development, compensation, and culture and the associated company strategies.

FedEx

FedEx views its greatest asset to be the company's people, and discusses board oversight of corporate culture, and the company's efforts to provide an environment where team members feel respected, satisfied and appreciated, which includes promoting a diverse and inclusive workplace.

CORPORATE CULTURE AND STRATEGY (PAGE 24)

☞ https://www.sec.gov/Archives/edgar/data/1048911/000120677419002626/fdx_courtesy-pdf.pdf

Corporate Culture and Strategy

We believe that maintaining a sound corporate culture furthers our corporate mission to produce superior financial returns for our shareowners by providing high value-added logistics, transportation and related business services through our focused operating companies. At FedEx, we view our greatest asset as our people, and we are committed to providing a workplace where our team members feel respected, satisfied and appreciated, which includes promoting a diverse and inclusive workplace. We see the diversity of backgrounds, perspectives and experiences that our team members bring to the company as essential to fostering exceptional business results. We are committed to strengthening our team members' careers and their general health and well-being, offering programs that help team members advance in their careers and providing training, mentoring and networking opportunities, as well as health and wellness programs, including competitive health benefits. Our 2019 Global Citizenship Report, which is available at <http://csr.fedex.com>, provides information regarding the initiatives we have in place to support our team members, including those relating to workplace safety, recruitment and retention, learning and development, diversity and inclusion and quality of life.

Further emphasizing our commitment to sound corporate culture and its relationship to corporate strategy, in fiscal 2019 the Board amended the Corporate Governance Guidelines to reflect its role in oversight of the company's culture. As described in the applicable guideline, the Board is responsible for reviewing and overseeing the company's culture and evaluating management's efforts to align corporate culture with the company's stated values and long-term strategy. The Board has delegated to each of its committees responsibility for the oversight of specific aspects of the company's culture that fall within the committee's areas of responsibility (e.g., the Audit Committee reviews the implementation and effectiveness of the company's corporate integrity and compliance programs). In furtherance of its oversight responsibilities, the Board will periodically discuss with the Chairman of the Board and Chief Executive Officer and other members of management (i) the implementation and effectiveness of the company's policies, practices, programs and initiatives that promote a culture consistent with the company's stated values and (ii) how the company's culture supports the achievement of its long-term strategic objectives.

The Board also engages with management regarding the development of the company's corporate strategy by reviewing and approving the annual business plan, strategic acquisitions and significant capital allocations. The Board is provided with regular updates on the company's performance against its business plan and the progress of strategic initiatives. These actions allow the Board to have an ongoing and open dialogue with management regarding corporate strategy and long-term value creation.

General Motors

General Motors discloses that the Board focuses on the development of senior business leaders, and also takes an active interest in ensuring that all employees throughout the organization are engaged and able to reach their potential.

PEOPLE DEVELOPMENT, (PAGE 29)

<https://www.sec.gov/Archives/edgar/data/1467858/000119312519110751/d613802ddef14a.htm>

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 gmsustainability.com and Diversity and Inclusion Report at gm.com/content/dam/company/docs/us/en/gmcom/GM_Diversity_and_Inclusion.pdf



HP

In the proxy statement, HP discloses that the **HR and Compensation Committee** oversees “People, Processes and Culture”. In the annual report, a Q&A with the Chair of the HRC explains that the committee is updated at every meeting about important human capital practices and initiatives, including employee engagement, workforce planning and key hires.

HR AND COMPENSATION COMMITTEE, (PAGE 31)

A CONVERSATION WITH THE HRC COMMITTEE, (PAGE XII)

🔗 https://www.hpannualmeeting.com/media/1501/345934-1-_32_hp-inc-proxy.pdf

Corporate Governance	
HR and Compensation Committee	
The HRC Committee discharges the Board's responsibilities related to the compensation of our executives and Directors and provides general oversight of our compensation structure, including our equity compensation plans and benefits programs. Specific duties and responsibilities of the HRC Committee include, among other things:	
Executive Compensation, Stock Ownership & Performance Reviews	<ul style="list-style-type: none">recommending all elements of the CEO's compensation to the independent members of the Board for their review and approval;reviewing and approving objectives relevant to other executive officer compensation and evaluating performance and determining the compensation of other executive officers in accordance with those objectives;conducting annual performance evaluation of CEO; soliciting 360 feedback across organization;reviewing performance feedback on executive team members;approving severance arrangements and other applicable agreements and policies for executive officers; andadopting and monitoring compliance with stock ownership guidelines for executive officers.
Non-Equity Compensation Plans, Incentive Plans & Other Employee Benefit Plans	<ul style="list-style-type: none">overseeing and monitoring the effectiveness of non-equity-based benefit plan offerings, including but not limited to non-qualified deferred compensation, fringe benefits, and any perquisites, in particular those pertaining to Section 16 officers, and approving any material new employee benefit plan or change to an existing plan that creates a material financial commitment by HP.
Director Compensation & Stock Ownership	<ul style="list-style-type: none">establishing compensation policies and practices for service on the Board and its committees, including annually reviewing the appropriate level of Director compensation and recommending to the Board any changes to that compensation; andadopting and monitoring compliance with stock ownership guidelines for Directors.
Executive Succession Planning & Leadership Development	<ul style="list-style-type: none">reviewing senior management selection and overseeing succession planning, leadership development, diversity and pay equity; anddriving CEO succession planning process in partnership with chairman and full board.
Compensation Consultants	<ul style="list-style-type: none">engaging compensation consultants on various topics to understand market perspectives;engaging compensation consultant for independent perspective on compensation programs; andassessing the independence of all advisors (whether retained by the HRC Committee or management) that provide advice to the HRC Committee, in accordance with applicable listing standards.
Risk Assessment; Other Disclosure	<ul style="list-style-type: none">overseeing, approving, and evaluating HP's overall human resources and compensation structure, policies and programs, and assessing whether these establish appropriate incentives and leadership development opportunities for management and other employees, and confirming they do not encourage risk taking that is reasonably likely to have a material adverse effect on HP;reviewing and discussing with management the Compensation Discussion and Analysis, and performing other reviews and analyses and making additional disclosures as required of compensation committees by the rules of the SEC or applicable exchange listing requirements; andreviewing the results of stockholder advisory votes on HP's executive compensation program and recommending to the Board or the NGRS Committee how to respond to such votes.
Annual Review/Evaluation	<ul style="list-style-type: none">overseeing the annual evaluation of the CEO with input from all non-employee Board members; andannually evaluating the HRC Committee's performance and charter.
People Processes & Culture	<ul style="list-style-type: none">reviewing employee engagement and cultural initiatives including key training and development programs (executive and manager training, unconscious bias), diversity and inclusion programs and results of the employee engagement survey; andmonitoring the key health metrics to evaluate the workforce including workforce diversity, key hires, turnover and restructuring.

Our Compensation Philosophy

A conversation with the HRC Committee

Tracy Keogh, HP's Chief Human Resources Officer, talks with Chair of the HRC Committee **Stephanie Burns** about the Company's executive compensation program and the Committee's duties in overseeing its design and implementation.

The Committee consists of Ms. Burns and four of our other independent Directors: Ms. Alvarez, Mr. Banerji, Mr. Bergh and Mr. Mobley. All bring valuable experience and understanding of the role that setting appropriate executive compensation plays in ensuring company performance and stockholder value.

TK: Stephanie, so good to have you with us today. You've been a member of the HP Board since 2015 and have chaired the HRC Committee since November 2017. Can you talk about the role the HR and Compensation Committee plays?

SB: Certainly. The Committee oversees and provides strategic direction to management regarding our pay-for-performance program. The Committee sets Dion's compensation, and reviews and approves the compensation of the rest of the leadership team. We also review senior management selections and oversee succession planning. To do this, the Committee works with its own independent compensation consultant to help analyze competitive pay practices and market trends, and to generally strengthen the pay-for-performance relationship and alignment with stockholders. The Committee also gets an update at every meeting on the key people practices and initiatives going on in the organization. Everything from employee engagement to workforce planning to key hires is within our remit.

TK: Can you describe HP's overall philosophy and strategy on executive compensation?

SB: Our compensation program is closely aligned with HP's company goals. It focuses on driving the right behaviors while simplifying executive compensation plans. Ultimately it's designed to help us attract, retain, and reward the executive team for delivering value to stockholders over the long term. We have a pay-for-performance philosophy that forms the foundation for all decisions regarding compensation, with a strong bias towards variable pay in our executive compensation. Our program is also designed to facilitate strong corporate governance. Our executive compensation is aligned with shareholder value through equity-based programs, shareholder value-based performance measures like relative Total Shareholder Return, and using financial performance measures that executives can control and are closely correlated with shareholder value over time.

TK: Are there specific elements of our program that you've found to showcase our best practices?

SB: HP's program includes many robust best practices and we are continuously working to improve. Some specific elements of our program that are best-in-class include:

- We target compensation to approximate the median level among a group of relevant peers, and only go above this level when performance warrants.
- We utilize non-discretionary financial metrics, and specific management objectives in our annual cash incentive plan, which we believe are correlated to long-term value creation.
- We do not use employment contracts with any of our executives, and have consistent and market-aligned severance.

TK: Thanks for that great overview Stephanie.

Components of Compensation

For more information regarding compensation details for all of our NEOs, including our CEO, please see page 31 of the Proxy Statement for our complete Compensation Discussion and Analysis.

xii www.hpannualmeeting.com

Lockheed Martin

Lockheed Martin discloses oversight of human capital management at the Board level, and further identifies this subject as an area of focus for the Management Development and Compensation Committee in 2018.

BOARD OVERSIGHT OF HUMAN CAPITAL MANAGEMENT, (PAGE 21)

MANAGEMENT DEVELOPMENT AND COMPENSATION COMMITTEE, (PAGE 19)

<https://www.lockheedmartin.com/content/dam/lockheed-martin/eo/documents/annual-reports/2019-proxy-statement.pdf>

Board Oversight of Human Capital Management

The Board also is actively engaged in human capital management. Annually, the Board meets to review our succession strategy and leadership pipeline for key roles, including the CEO, taking into account the Corporation's long-term corporate strategy. CEO succession planning discussions are led by the independent Lead Director and the directors have direct access to and interaction with members of senior management as part of this succession planning. More broadly, the Board is regularly updated on key talent indicators for the overall workforce, and is updated on the Corporation's human capital strategy which is refined based on business drivers, the changing internal or external environment and the future of work. Board members also are active partners, engaging and spending time with our high potential leaders throughout the year at Board meetings and other events.

Management Development and Compensation Committee

Daniel F. Akerson, Chair
Nolan D. Archibald
Thomas J. Falk
Ilene S. Gordon
Vicki A. Hollub

All members of the Compensation Committee are independent within the meaning of the NYSE listing standards, applicable SEC regulations and our Governance Guidelines.

2018 Focus Areas

- Human Capital Management
- Alignment to Competitive and Best Practices
- Incentive Pay Linkage to Stockholder Interests and Long-Term Value Creation

Meetings in 2018: 4

Roles and Responsibilities of the Committee

The Compensation Committee reviews and approves the corporate goals and objectives relevant to the compensation of the CEO and other elected officers, evaluates the performance of the CEO and, either as a committee or together with the other independent members of the Board, determines and approves the compensation philosophy and levels for the CEO and other executive officers. The Compensation Committee does not delegate its responsibilities with respect to compensation that is specific to the executive officers. For other employees and for broad-based compensation plans, the Compensation Committee may delegate authority to the CEO or the Senior Vice President, Human Resources, subject to certain annual limits.

Additional information regarding the role of the Compensation Committee and our compensation practices and procedures is provided under the captions "Compensation Committee Report" on page 33, "Compensation Discussion and Analysis (CD&A)" beginning on page 34 and "Other Compensation Matters" on page 48.





McDonald's

McDonald's Public Policy and Strategy Committee reviews and monitors the company's efforts to address human capital management matters. In addition, the Sustainability & Corporate Responsibility Committee oversees diversity and inclusion efforts and the Compensation Committee oversees programs and practices related to executive workforce diversity and the administration of equitable compensation programs.

BOARD COMMITTEES, (PAGE 25)

PUBLIC POLICY & STRATEGY COMMITTEE, (PAGE 29)

🔗 https://corporate.mcdonalds.com/content/dam/gwscorp/investor-relations-content/annual-shareholders-meeting/McDonalds_Corporation_2019_Annual_Shareholders_Meeting.pdf

BOARD COMMITTEES

Our Board has the following Committees: Audit & Finance; Compensation; Governance; Public Policy & Strategy; Sustainability & Corporate Responsibility and Executive. All Committee members are independent as defined by the listing standards of the New York Stock Exchange (NYSE) and our Board's Standards on Director Independence, except for our CEO, who serves solely on the Executive Committee. In addition, our Board has determined that each member of our Audit & Finance Committee is financially literate, and that Lloyd Dean, Margaret Georgiadis and John Mulligan qualify as "audit committee financial experts" as defined by applicable SEC rules and NYSE listing standards.

Each Committee has the responsibilities set forth in its respective Charter, which has been adopted by our Board. Other than the Executive Committee, all Committees review their respective Charters at least annually, and any changes are recommended to the full Board for approval. In 2018, to complement the Public Policy & Strategy Committee's oversight of human capital management matters and the Sustainability & Corporate Responsibility Committee's oversight of diversity and inclusion efforts, our Board approved amendments to our Compensation Committee Charter. These amendments memorialize our practice of periodically reviewing the Company's programs and practices related to executive workforce diversity, as well as our review of executive compensation programs to confirm they are administered in an equitable manner. Our Compensation Committee and our Board believe these were important updates in light of investors' increasing focus on those topics.

Committee Charters are available on the Company's website at: <http://corporate.mcdonalds.com/content/corpmcd/investors-relations/board-committees-and-charters.html>. The primary responsibilities of each Committee and current committee membership are summarized on the following pages. Each Committee also has oversight of risk areas as illustrated on page 31.

PUBLIC POLICY & STRATEGY COMMITTEE

MEMBERS

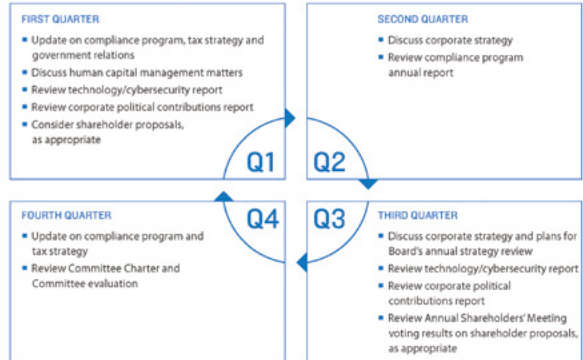
Robert Eckert (Chair) John Mulligan
Enrique Hernandez, Jr. Miles White

Meetings in 2018: 5
Attendance: 100%

RELEVANT AREAS OF FOCUS

- Review and monitor the Company's long-term strategy development and implementation
- Review and monitor the Company's strategies and efforts to identify, evaluate and address trends, issues, regulatory matters and other concerns that could affect the Company's business activities and performance, as well as reputation and image
- Review and monitor government affairs strategies and priorities
- Review and monitor the Company's efforts to address human capital management matters
- Review and monitor tax strategy and the Company's assessment and management of cybersecurity and technology risks
- Review compliance matters, including compliance with the Company's Political Contributions Policy and employees' compliance with the Company's Standards of Business Conduct
- Review risks related to public policy and strategy matters

Our Public Policy & Strategy Committee establishes its meeting calendar for the following year during the fourth quarter, and will typically address the following key matters throughout the year:



PepsiCo

PepsiCo underlines the importance of human capital management and talent management, stating that they are “vital” to the company’s continued success, and highlights an internal CEO succession as an example of effective talent planning. PepsiCo also discusses the Board’s focus on workplace culture and engagement between the directors and employees at all levels of the company.

THE BOARD’S ROLE IN HUMAN CAPITAL MANAGEMENT AND TALENT DEVELOPMENT, (PAGE 32)

🔗 https://www.pepsico.com/docs/album/annual-reports/2019-proxy-statement.pdf?sfvrsn=39db6929_2

The Board’s Role in Human Capital Management and Talent Development

The Board believes that human capital management and talent development are vital to PepsiCo’s continued success. Our 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 other executive officer positions. The Nominating and Corporate Governance Committee oversees the development of the process and protocols regarding succession plans for the CEO, and annually reviews and updates these protocols to reflect input from Board members. To assist the Board, the CEO annually provides the Board with an assessment of senior managers and their potential to succeed to the position of CEO, developed in consultation with the Presiding Director and the Chair of the Nominating and Corporate Governance Committee. The Board meets regularly with high-potential executives, both in small group and one-on-one settings.

As a result of our robust succession planning process, led by our Presiding Director and the Chair of the Nominating and Corporate Governance Committee, the Board appointed Ramon Laguarta as PepsiCo’s CEO effective October 3, 2018 and, subsequently, Chairman of the Board effective February 1, 2019, succeeding Indra K. Nooyi in both roles. The appointment of Mr. Laguarta reinforces the Board’s belief in the strength of our leadership team. All CEO appointments over PepsiCo’s history have been from within the organization, a testament to PepsiCo’s strong bench of talent and succession planning.

Beyond leadership development, our Board is continuously focused on developing an inclusive and respectful work environment where our employees across the entire workforce are empowered to speak with truth and candor, raise concerns and implement new ideas in the best interests of the business. The Board and its applicable Committees regularly engage with employees at all levels of the organization, including through periodic visits to PepsiCo’s operations, to provide oversight on a broad range of human capital management topics, including corporate culture, diversity and inclusion, pay equity, health and safety, training and development and compensation and benefits. Employee feedback is considered in designing and evaluating employee programs and benefits and in monitoring current practices for potential areas of improvement.





Human Capital Management Risk Oversight Responsibility

Chevron

As part of its risk oversight disclosure, Chevron discloses that its Board receives updates from management and routinely considers critical risk topics, including human capital.

BOARD OVERSIGHT RISK, (PAGE 21)

<https://www.chevron.com/-/media/shared-media/documents/chevron-proxy-statement-2019.pdf>

board oversight of risk

The Board of Directors and the Board Committees oversee Chevron's risk management policies, processes, and practices to ensure that the appropriate risk management systems are employed throughout the Company. Chevron faces a broad

array of risks, including market, operational, strategic, legal, regulatory, political, financial, and cybersecurity risks. The Board exercises its role of risk oversight in a variety of ways, including the following:

Board of Directors

- Monitors overall corporate performance, the integrity of financial and other controls, and the effectiveness of the Company's legal compliance and enterprise risk management programs, risk governance practices, and risk mitigation efforts, particularly with regard to those risks specified by the Company as "Risk Factors" in its Annual Report on Form 10-K
- Oversees management's implementation and utilization of appropriate risk management systems at all levels of the Company, including operating companies, business units, corporate departments, and service companies
- Reviews specific facilities and operational risks as part of visits to Company operations
- Reviews portfolio, capital allocation, and geopolitical risks in the context of the Board's annual strategy session and the annual business plan and capital budget review and approval process
- Receives reports from management on and considers risk matters in the context of the Company's strategic, business, and operational planning and decision making
- Receives reports from management on and routinely considers critical risk topics, including: operational, financial, geopolitical/legislative, strategic, geological, security, commodity trading, skilled personnel/human capital, capital project execution, civil unrest, legal, and technology/cybersecurity risk

Audit Committee

- Assists the Board in fulfilling its oversight of financial risk exposures, including but not limited to those related to cybersecurity, the effectiveness of internal controls over financial reporting, and implementation and effectiveness of Chevron's compliance programs
- Discusses Chevron's policies with respect to financial risk assessment and financial risk management
- Meets with Chevron's Chief Compliance Officer and certain members of Chevron's Compliance Policy Committee to receive information regarding compliance policies and procedures and internal controls
- Meets with Chevron's Chief Information Officer to review cybersecurity implications and risk management on financial exposures
- Meets with and reviews reports from Chevron's independent registered public accounting firm and internal auditors
- Reports its discussions to the full Board for consideration and action when appropriate

Duke Energy

In addition to identifying the Compensation Committee as responsible for oversight of risks related to the workforce, Duke Energy provides additional detail about the Board's oversight of certain key risks, including corporate culture.

BOARD ROLE IN MANAGEMENT SUCCESSION, (PAGES 18 AND 19)

🔗 https://www.duke-energy.com/proxy/_/media/pdfs/our-company/investors/proxy/duke-energy-annual-meeting-of-shareholders.pdf

INFORMATION ON THE BOARD OF DIRECTORS

Board Role in Management Succession

The independent directors of the Board are actively involved in our management succession planning process. Among the Corporate Governance Committee's responsibilities described in its charter is to oversee continuity and succession planning. At least annually, the Corporate Governance Committee or full Board reviews the CEO succession plan and makes

recommendations to the Board for the successor to the CEO. The Corporate Governance Committee also reports to the Board any concerns or issues that might indicate that organizational strengths are not equal to the requirements of long-range goals and oversees the evaluation of the CEO.

Board Oversight of Risk

As is true with other large public companies, Duke Energy faces a myriad of risks, including operational, financial, strategic, and reputational risks that affect every segment of our business. The Board is actively involved in the oversight of these risks in several ways. This oversight is conducted primarily through the Finance and Risk Management Committee of the Board but also through the other committees of the Board, as appropriate. The Finance and Risk Management Committee reviews Duke Energy's enterprise risk program with management, including the Chief Risk Officer, on a regular basis at its committee meetings. The enterprise risk program includes the identification of a broad range of risks that affect Duke Energy, their probabilities and severity, and incorporates a

review of our approach to managing and prioritizing those risks based on input from the officers responsible for the management of those risks.

Each committee of the Board is responsible for the oversight of certain areas of risk that pertain to that committee's area of focus. Throughout the year, each committee chair reports to the full Board regarding the committee's considerations and actions related to the risks within its area of focus. Each committee regularly receives updates from the business units in that committee's area of focus to review the risks in those areas.

Risk Management Oversight Structure

BOARD OF DIRECTORS	
• The Board oversees all operational, financial, strategic, and reputational risk with oversight of specific risks undertaken within the committee structure.	
AUDIT COMMITTEE <ul style="list-style-type: none"> Oversees risks related to financial reporting Oversees risks related to internal controls, compliance, and legal matters Oversees risks related to cybersecurity and technology 	COMPENSATION COMMITTEE <ul style="list-style-type: none"> Oversees risks related to our workforce and compensation practices
CORPORATE GOVERNANCE COMMITTEE <ul style="list-style-type: none"> Oversees risks related to management succession Oversees risks related to director independence and related person transactions Oversees risks related to public policy and political activities Oversees risks related to sustainability 	FINANCE & RISK MANAGEMENT COMMITTEE <ul style="list-style-type: none"> Oversees process to assess and manage enterprise risk Oversees financial risks including market, liquidity, and credit risks Oversees risks related to major projects
REGULATORY POLICY & OPERATIONS COMMITTEE <ul style="list-style-type: none"> Oversees risks related to environmental, health and safety, and our non-nuclear regulated operations 	NUCLEAR OVERSIGHT COMMITTEE <ul style="list-style-type: none"> Oversees risks related to nuclear operations, regulations, and safety

INFORMATION ON THE BOARD OF DIRECTORS

Board Oversight of Key Risks

Cybersecurity and Technology

The Board recognizes the vital role that Duke Energy's generation facilities and electric grid play in the infrastructure and economic development of the communities we serve and believes its oversight of cybersecurity and the health of both Duke Energy's physical and operational technical systems is one of its most critical responsibilities. The Audit Committee, which is comprised of directors with a great deal of expertise in both areas, is primarily responsible for the oversight of cybersecurity and technology risks. In 2018:

- The Audit Committee received updates on cybersecurity and grid security issues and compliance with regulations at every regularly scheduled Audit Committee meeting
- The Audit Committee also focused on operation of, and enhancements to, our business and operational technical systems, including customer experience, financial systems, and internal and grid operations
- In addition to the review of these issues, the Audit Committee also participated in an in-depth table top exercise and cybersecurity event drill
- The Board also reviewed our cybersecurity systems and defenses with an outside expert

Sustainability and Climate Change

The Board places an emphasis on its oversight over sustainability issues, environmental matters, and climate change because it understands the importance of those issues to the success and vitality to not only Duke Energy, but also to our customers and communities as a whole. In 2018, the Board formally assigned the review of sustainability to the Corporate Governance Committee. However, because of the nature of Duke Energy's business, and the wide range of environmental and climate change risks, many environmental and climate change risks are also overseen by other committees of the Board. For example, operational risks relating to the environment and climate change are primarily overseen by our Regulatory Policy and Operations Committee. Each of these committees, and the Board as a whole, is composed of a number of directors with experience and knowledge of environmental regulations and issues in our industry and across the nation. As a result of the Board's oversight of these matters, in 2018, Duke Energy:

- Published a comprehensive climate report to shareholders detailing the steps that Duke Energy, with oversight from the Board, is taking to mitigate risks from climate change
- Received a positive review of Duke Energy's 2017 Climate Report by the TCFD in its 2018 Status Report, citing its usefulness for investors and clear descriptions of our carbon dioxide emissions reduction strategies
- Decreased carbon dioxide emissions by 31%, sulfur dioxide emissions by 96%, and nitrogen oxides emissions by 74% since 2005. By 2030, Duke Energy plans to reduce carbon dioxide emissions by 40% from 2005 levels
- Named to the Dow Jones Sustainability Index for North America for the 13th consecutive year

Corporate Culture

Oversight of Duke Energy's culture is an important element of our Board's oversight of risk because our people are critical to the success of our corporate strategy. As such, we emphasize safety, operational excellence, and a focus on the customer. Our Board sets the "tone at the top," and holds senior management accountable for embodying, maintaining, and communicating that culture to employees. For example, in 2018:

- The Compensation Committee received updates on employee engagement surveys and action plans
- Board members met with both management and employees below senior management on a regular basis, including interactions at Board dinners and tours of our facilities
- Approximately 300 of our enterprise leaders served in our call centers to increase management's understanding of customer issues
- All employees whose role did not directly involve storm response volunteered for a role in responding to the needs of customers during Hurricane Florence and Hurricane Michael, whether it was in our customer call center or helping assist linemen in the field with logistical issues
- Duke Energy was named by Forbes Magazine to its "America's Best Employers for Diversity" and "World's Best Employers" lists





General Dynamics

General Dynamics indicates that the Board receives briefings on human capital management by senior management, and also lists human capital management as a specific topic discussed as part of its risk management program in 2018.

RISK OVERSIGHT, (PAGE 19)

🔗 https://s22.q4cdn.com/891946778/files/doc_financials/2019/GD-2019-Proxy_711019_020_Web_BMK.pdf

Governance of the Company

RISK OVERSIGHT

Our comprehensive risk management program is conducted by senior management and overseen by the Board of Directors. In particular, the Board oversees management's identification and prioritization of risks that are material to our business. We believe that our risk management processes are well supported by the current board leadership structure.

How We Manage Risk. The following summarizes the key elements of the Board's, senior management's and external advisors' roles in our risk management program.

- The Board oversees risk management, focusing on the most significant risks facing the company, including strategic, operational, financial, legal, cyber and reputational risks.
- Each Board committee is integral to risk management and reports specific risk-management matters as necessary to the full Board.
- Senior management is responsible for day-to-day risk management and conducts a thorough assessment of the company's risk profile through internal management processes and controls.
- The chief executive officer and senior management team provide to the Board a dedicated and comprehensive briefing of material risks at least twice per year, and the Board is briefed throughout the year as needed on specific risks facing the company.
- Topics discussed in 2018 include our cyber security risk management program, human capital management, data privacy and program-specific matters.
- External advisors provide independent advice on specific risks and review and comment on risk management processes and procedures as necessary.

The Role of the Board of Directors in Risk Management. The full Board reviews and approves annually a corporate policy addressing the delegation of authority and assignment of management responsibility to ensure that the responsibilities and authority delegated to senior management are appropriate from an operational and risk-management perspective. In addition, the Board assesses the company's strategic and operational risks throughout the year, with particular focus on these risks at an annual multi-day Board meeting in early February. At this meeting, senior management reports on opportunities and risks in the markets in which the company conducts business. Additionally, each business unit president and each business segment executive vice president presents the unit's and segment's respective operating plan and strategic initiatives for the year, including notable business opportunities and risks. The Board reviews, adjusts where appropriate, and approves the business unit and business segment goals and adopts our company operating plan for the year. These plans and related risks are monitored throughout the year as part of periodic financial and performance reports given to the Board by the chief financial officer and executive vice presidents of each business segment. The Board also receives briefings from senior management concerning a variety of topics and related risks to the company, including defense budget and acquisition matters, cyber security, human capital management and specific customer or program developments.

Splunk

Splunk's discloses that its Compensation Committee oversees risks associated with human capital management. Culture is listed as a major risk with oversight by the full Board of Directors.

BOARD OF DIRECTORS, (PAGE 21)

<https://investors.splunk.com/static-files/63366c3b-bdfd-4188-a765-973f178237bb>

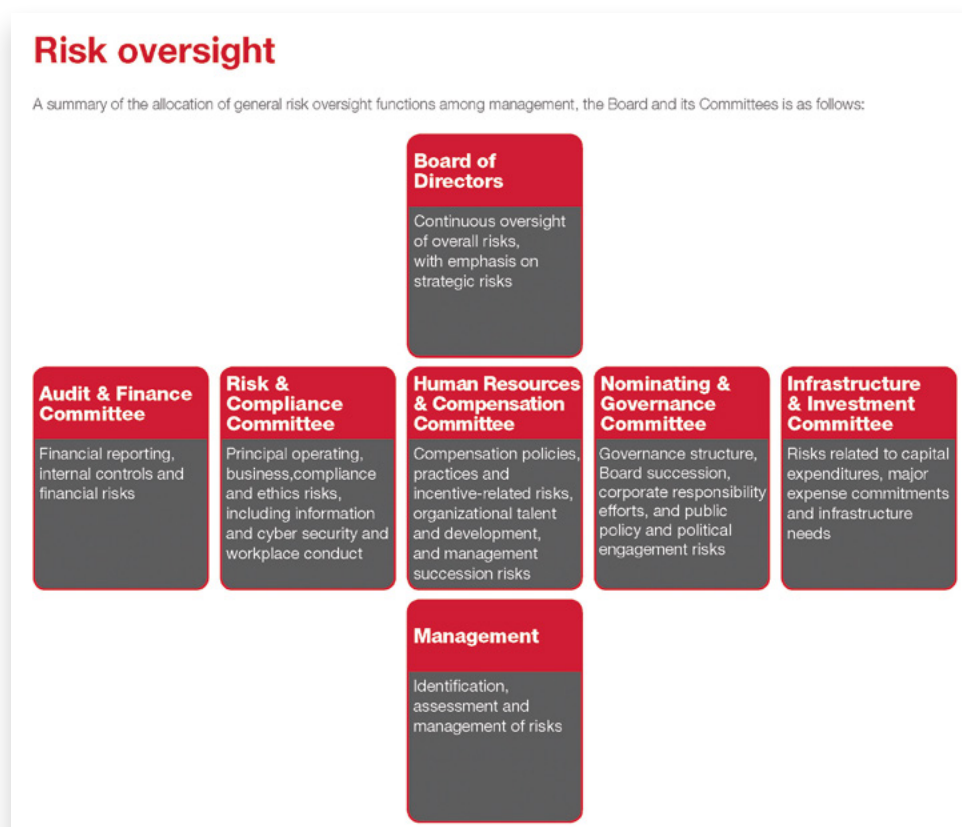


Target

Among other subjects, Target's Human Resources & Compensation Committee oversees risks associated with organizational talent and development.

RISK OVERSIGHT, (PAGE 12)

https://www.sec.gov/Archives/edgar/data/27419/000130817919000197/ltgt2019_def14a.pdf





Wells Fargo

The Human Resources Committee of Wells Fargo oversees risks associated with culture, ethics, human capital management and compensation.

BOARD RISK OVERSIGHT, (PAGE 41)

<https://www08.wellsfargomedia.com/assets/pdf/about/investor-relations/annual-reports/2019-proxy-statement.pdf>

Board Risk Oversight

The business and affairs of the Company are managed under the direction of the Board, whose responsibilities include overseeing management's implementation of the Company's risk management framework and ongoing oversight and governance of the Company's risk management activities. The Board carries out its risk oversight responsibilities directly and through the work of its seven standing committees, including its Risk Committee. All of these committees report to the full Board and are comprised solely of independent directors. Each Board committee has defined authorities and responsibilities for considering a specific set of risk issues, as outlined in its charter, and works closely with management to understand and oversee our Company's key risk exposures.

The Risk Committee oversees company-wide risks and the Company's Corporate Risk function and plays an active role in approving and overseeing the Company's risk management framework. The Risk Committee and the full Board review and approve the enterprise statement of risk appetite annually, and the Risk Committee also actively monitors the Company's risk profile relative to the approved risk appetite. The Board's other standing committees also have primary oversight responsibility for certain specific risk matters. The full Board receives reports at each of its regular meetings from the Board committee chairs about committee activities, including risk oversight matters, and the Risk Committee receives periodic reports from management regarding current or emerging risk matters. Additional information about our risk management framework and practices, as well as the risk oversight responsibilities of each of our Board committees, is described in the *Financial Review—Risk Management* section in our 2018 annual report on Form 10-K and under Our Board and Its Committees in this proxy statement.

Our standing Board committee structure and the primary risk oversight responsibilities of each of those committees is shown in the chart below.

Board of Directors						
Annually approves strategic plan and company-wide statement of risk appetite						
Audit and Examination Committee	Corporate Responsibility Committee	Credit Committee	Risk Committee	Finance Committee	Governance and Nominating Committee	Human Resources Committee
Financial, regulatory and risk reporting and controls	Social and public responsibility matters	Credit Risk	COMPANY-WIDE RISKS - Compliance (includes Conduct and Financial Crimes) - Liquidity - Model - Operational (includes Data Management, Information Security/Cyber, and Technology) - Reputation - Strategic	Interest Rate Risk Market Risk	Board-level governance matters	Culture, ethics, human capital management, and compensation



Director Skill/Qualifications

Human capital management or similar is often identified as a skill sought by the Board, or represented by one or more directors. Some companies link human capital management expertise to service on the Board committee tasked with oversight responsibility.

Campbell Soup Co

SKILLS, LEADERSHIP AND PROFESSIONAL EXPERTISE, (PAGE 13)

DIRECTOR NOMINEES, (PAGE 19)

https://www.sec.gov/Archives/edgar/data/16732/000120677419003416/cpb_courtesy-pdf.pdf

- **Skills, leadership experience and professional expertise.** The Governance Committee is committed to ensuring we have an experienced, qualified Board that has the collective skills, leadership experience and professional expertise gained through work experience and board service, in areas relevant to Campbell, such as:
 - **Senior Leadership** - Is or has been the Chief Executive Officer, Chief Operating Officer or other C-suite officer of a large public or private corporation. Directors with C-suite leadership experience demonstrate a practical understanding of strategy, risk management, talent management and how large organizations operate.
 - **Food or Consumer Products Industry** - Has experience in the food or consumer products industry, or other complementary field, such as retail. Directors with experience in dealing with consumers, particularly in the areas of producing and selling products or services to consumers, provide valuable market and consumer insights, as well as contribute a broad understanding of industry trends.
 - **Marketing** - Has experience in marketing, brand management, or marketing strategy. Directors with experience identifying, developing and marketing new products, as well as identifying new areas for existing products, can positively impact the Company's operational results, including by helping the Company understand and anticipate evolving marketing practices.
 - **Strategic Transactions; Mergers & Acquisitions** - Has experience with complex strategic transactions, including mergers, acquisitions and divestitures, as well as the successful integration of acquired businesses. Directors who have experience leading organizations through significant strategic transactions, including acquisitions, divestitures and integration, will provide guidance and oversight as the Company implements its strategy.
 - **Capital Allocation** - Has experience allocating capital resources across a large, complex enterprise. Directors with experience allocating capital for large and complex enterprises is important to achieving our financial and strategic objectives, as these individuals provide valuable insights as the Company continues to reduce costs, optimize its manufacturing network and efficiently allocate capital.

Campbell Soup Company | 2019 Proxy Statement 13



Director Since: 2018

Age: 45

Independent Director

Committee Memberships:

- Audit
- Governance

SARAH HOFSTETTER

Biography

Sarah Hofstetter served as President of ComScore, Inc., a global information and analytics company that measures consumer audiences and advertising across media platforms, from October 2018 through March 2019. Ms. Hofstetter previously held several senior executive roles at 360i, a U.S. advertising arm of Dentsu, Inc., a Japanese advertising and public relations company, serving as Chairwoman from April 2018 through October 2018, Chief Executive Officer from 2013 until April 2018 and Senior Vice President, Emerging Media & Brand Strategy from 2006 to 2010. Prior to joining 360i, Ms. Hofstetter was President and Founder of Kayak Communications, a marketing agency focused on developing brand strategy and communications plans for new media brands, and she spent 10 years at Net2Phone, one of the world's first providers of VoIP technology, in a series of senior leadership positions. Ms. Hofstetter received a bachelor's degree in sociology and journalism from Queens College, City University of New York.

Skills and Qualifications

Ms. Hofstetter has significant marketing and brand building expertise and experience leading organizations that use advertising to drive growth for many types of businesses. She has worked with packaged food companies on campaigns to modernize and revitalize their brands to spark growth and successfully market to next generation consumers. Ms. Hofstetter also brings social media and digital marketing experience to the Campbell Board.

Other Public Company Boards

None in the past 5 years


ELECTION OF DIRECTORS



Cognizant


TALENT MANAGEMENT, (PAGE 15)

<https://www.cognizant.com/investors-pdf/2019/proxy-statement.pdf>




Talent Management


As a global professional services organization, our people are our most important asset and the successful development and retention of our professionals is critical to our success. As such, we benefit from having directors with a deep understanding of the dynamics of a people-based business obtained from experience as a senior leader in a large, international professional services organization.




From the experience gained through her role as CFO of Towers Perrin, a global professional services company, **Ms. Breakiron-Evans** is able to offer our board insight into the particular financial and operational challenges of a business like Cognizant where talent is a key asset.



Having been with Cognizant from its founding through its growth to an organization with over 280,000 employees globally in 2018, **Mr. D'Souza** is able to offer our board insight into the unique issues faced by a fast-growing and large scale people-based business.



From his many years as a senior leader at Deloitte, a global consulting firm, **Mr. Fox** is able to offer our board insight into the challenges of talent management across a large global professional services organization.



Mr. Patsalos-Fox is able to offer our board perspective on managing a global professional services business from his decades of experience in senior leadership at McKinsey & Company, a global management consulting company.

The Home Depot

COMMITTEES OF THE BOARD OF DIRECTORS, (PAGE 3)

2019 DIRECTOR NOMINEES, (PAGES 13-14)

https://ir.homedepot.com/~media/Files/H/HomeDepot-IR/2019_Proxy_Updates/Final%202019%20Proxy%20Statement_vF.PDF

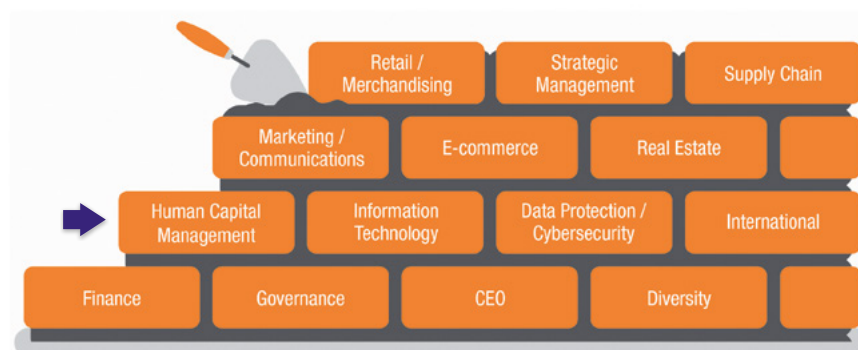
In determining the composition of the committees, the Board and the NCG Committee considered directors' skills and qualifications in key areas relevant to the Company and each committee's responsibilities. The table below lists the key skills, qualifications and attributes held by the members of our committees. For more information about the skills and qualifications of our Board members, see "2019 Director Nominees" beginning on page 13.

Audit	Nominating and Corporate Governance	Leadership Development and Compensation	Finance
Strategic Management	Strategic Management	Strategic Management	Strategic Management
Retail/Merchandising	Retail/Merchandising	Retail/Merchandising	Retail/Merchandising
CEO Experience	CEO Experience	CEO Experience	CEO Experience
Supply Chain	Supply Chain	Supply Chain	Supply Chain
IT	IT	IT	IT
Risk Management	E-commerce	E-commerce	E-commerce
Finance	Governance	Human Capital Management	Finance
Cybersecurity	Marketing/Communications	Marketing/Communications	Real Estate
International	International	International	International
Diversity	Diversity	Diversity	Diversity

2019 DIRECTOR NOMINEES

After evaluating the performance and experience of each of the current directors and the composition of the full Board, the NCG Committee and the Board have recommended the election of 12 of our 14 incumbent Board members. As noted earlier, Mr. Codina reached age 72 in 2018. In accordance with our Corporate Governance Guidelines, he is not standing for re-election and is retiring from service on the Board at the Meeting. In addition, Mr. Vadon is stepping down from the Board at the Meeting at the end of his current term.

As detailed in the table below and in each director's biography below, our Board collectively leverages its strengths in the following areas:



The table below summarizes why these skills, qualifications and attributes are important to us and how the composition of our nominees for the Board, as a whole, meets these needs.

Qualifications and Attributes	Relevance to The Home Depot	Board Composition
Retail/ Merchandising	Experience in the retail industry provides a relevant understanding of our business, strategy and marketplace dynamics.	5 of 12
Strategic Management	We allocate capital and undertake new initiatives to run our operations, grow our business, and return value to shareholders.	11 of 12
Supply Chain	Directors with expertise in the management of relationships with suppliers and customers provide important perspectives on achieving efficient operations and building partnerships to support growth.	5 of 12
Marketing/ Communications	Directors with this expertise provide important perspective on expanding market share and communicating with our customers and other stakeholders.	6 of 12
E-Commerce	E-commerce is an essential part of the Company's One Home Depot strategy for growth and optimizing the customer experience.	4 of 12
Real Estate	Given our significant physical footprint, directors with real estate experience can provide insight on opportunities and managing our locations.	2 of 12
Human Capital Management	With our significant associate population, directors with experience in organizational management and talent development provide key insights into developing and investing in our associates.	12 of 12
Information Technology	We rely on technology to manage customer, associate and supplier data and deliver products and services to the market.	4 of 12
Data Protection/ Cybersecurity	The protection of customer, associate, and supplier data is of the utmost importance and will continue to grow in importance as we expand technological capabilities.	2 of 12
International	With global operations in several countries, international experience helps us understand opportunities and challenges.	9 of 12
Finance	Our business involves complex financial transactions and reporting requirements.	8 of 12
Governance	As a public company, we and our shareholders expect effective oversight and transparency.	6 of 12
CEO Experience	The significant leadership experience that comes from a CEO role can provide insight on business operations, driving growth, and building and strengthening corporate culture.	9 of 12
Diversity	We believe diversity strengthens our competitive advantage and reflects the customers we serve.	5 of 12

Each of the 12 individuals nominated for election to the Board would hold office until the 2020 Annual Meeting of Shareholders and until his or her successor is elected and qualified. Each nominee has agreed to serve as a director if elected. If for some unforeseen reason a nominee becomes unwilling or unable to serve, the Board may reduce the number of directors that serve on the Board or choose a substitute nominee in accordance with our By-Laws.



Norfolk Southern

DIRECTOR NOMINEES, (PAGE 7)

https://www.sec.gov/Archives/edgar/data/702165/000120677419001116/nsc_courtesy-pdf.pdf

NOMINEES



THOMAS D. BELL, JR. Independent

Mr. Bell, 69, is the Chairman of Mesa Capital Partners, LLC, a real estate investment company. Mr. Bell previously served as Chairman and CEO of Cousins Properties, a publicly-traded real estate investment trust that invests in office buildings throughout the South, from 2002 to 2009. He is also a director of Southern Company Gas (formerly AGL Resources) and was a director of Regal Entertainment Group, Inc. until its acquisition in March 2018.

Director since: 2010

Committees:

Compensation
Executive
Finance and Risk

Areas of Expertise: CEO/Senior Officer; Environmental and Safety; Governance/Board; Governmental and Stakeholder Relations; Human Resources and Compensation; Marketing; Strategic Planning



DANIEL A. CARP Independent

Mr. Carp, 71, served as Chairman of the Board and Chief Executive Officer of Eastman Kodak Company from 2000 until his retirement in 2005. Mr. Carp is a director of Delta Air Lines, Inc., having been non-executive Chairman of its board from 2007 until May 2016. Mr. Carp is also a director of Texas Instruments Incorporated.

Director since: 2006

Committees:

Compensation (Chair)
Executive
Governance and
Nominating

Areas of Expertise: CEO/Senior Officer; Governance/Board; Human Resources and Compensation; Information Technology; Strategic Planning; Transportation



Target

2019 NOMINEES FOR DIRECTOR, (PAGE 19)

<https://investors.target.com/static-files/c8eaa2e8-0565-4fa6-afa1-6bc49c088535>

2019 nominees for director

After considering the recommendations of the Nominating & Governance Committee, the Board has set the number of directors at 13 and nominated all current directors to stand for re-election. The Board believes that each of these nominees is qualified to serve as a director of Target and the specific qualifications of each

nominee that were considered by the Board follow each nominee's biographical description. In addition, the Board believes that the combination of backgrounds, skills and experiences has produced a Board that is well-equipped to exercise oversight responsibilities on behalf of Target's shareholders and other stakeholders.

The following table describes key characteristics of our business, the desired skills for those business characteristics and what those skills represent.

Target's business characteristics	Desired skill	What the skill represents
Target is a large retailer that offers everyday essentials and fashionable, differentiated merchandise at discounted prices in stores and through digital channels.	Retail Industry Experience	Large retail or consumer products company experience.
Target's scale and complexity requires aligning many areas of our operations, including marketing, merchandising, supply chain, technology, human resources, property development, credit card servicing and our community and charitable activities.	Senior Leadership	Experience as executive officer level business leader or senior government leader.
Our brand is the cornerstone of our strategy to provide a relevant and affordable differentiated shopping experience for our guests.	Marketing or Brand Management	Marketing or managing well-known brands or the types of consumer products and services we sell.
We operate a large network of stores and distribution centers.	Real Estate	Real estate acquisitions and dispositions or property management experience.
We have a large and global workforce, which represents one of our key resources, as well as one of our largest operating expenses. ➡	Workforce Management	Managing a large or global workforce.
Our business has become increasingly complex as we have expanded our offerings as well as the channels in which we deliver our shopping experience. This increased complexity requires sophisticated technology infrastructure.	Technology	Leadership and understanding of technology, digital platforms and new media, data security, and data analytics.
Our business involves sourcing merchandise domestically and internationally from numerous vendors and distributing it through our network of distribution centers.	Multi-National Operations or Supply Chain Logistics	Executive officer roles at multi-national organizations or in global supply chain operations.
We are a large public company committed to disciplined financial and risk management, legal and regulatory compliance and accurate disclosure.	Finance or Risk Management	Public company management, financial stewardship or enterprise risk management experience.
To be successful, we must preserve, grow and leverage the value of our reputation with our guests, team members, the communities in which we operate and our shareholders.	Public Affairs or Corporate Governance	Public sector experience, community relations or corporate governance expertise.





Corporate Governance



Human Resources Committee (HRC)
Ronald L. Sargent, Chair

Members:		Number of meetings in 2018:
Sargent (Chair)	James	6
Hewett	Morris	
	Peetz	

"The Human Resources Committee's oversight responsibilities were expanded in 2017 to include oversight of the Company's culture, ethics program, and human capital management. An important focus of our Committee is to oversee the alignment of our culture with our performance management and incentive compensation programs so that they are consistent with the Company's Vision, Values & Goals, including doing what is right for customers. We continue to invest in our team members in order to improve our overall team member experience, including through profit sharing contributions to the Company's 401(k) plan and our benefits programs. Another key responsibility of our Committee is to oversee the Company's incentive compensation risk management program, which we have expanded to cover all team members who are eligible to receive incentive compensation and all potential risk types, including risks associated with misconduct and reputational harm. For 2018, we introduced new behavioral expectations for all team members that are aligned with our Vision and Values as well as an enhanced performance objective framework for our senior leaders that focuses on expectations for both "what" is achieved and "how" it is achieved, and includes an evaluation of performance consistent with the Company's leadership and risk accountability expectations."

Primary Responsibilities:

- Approves our Company's compensation philosophy and principles, and discharges our Board's responsibilities relating to our Company's overall compensation strategy and the compensation of our executive officers;
- Oversees our Company's incentive compensation risk management program and practices for senior executives and employees in a position, individually or collectively, to expose our Company to material financial or reputational risk;
- Evaluates the CEO's performance and approves and recommends the CEO's compensation to our Board for ratification and approval and approves compensation for our other executive officers and any other officers or employees as the HRC determines appropriate;
- Oversees human capital management, including talent management and succession planning, diversity and inclusion initiatives and results, and pay equity reviews and results;
- Oversees our Company's culture, including management's efforts to foster a culture of ethics throughout our Company;
- Oversees our Company's Code of Ethics and Business Conduct and ethics, business conduct, and conflicts of interest program;

- Oversees actions taken by our Company regarding shareholder approval of executive compensation matters, including advisory votes on executive compensation; and
- Has the sole authority to retain or obtain the advice of and terminate any compensation consultant, independent legal counsel or other advisor to the HRC, and evaluates the independence of its advisors in accordance with NYSE rules.

The HRC may delegate certain of its responsibilities to one or more HRC members or to designated members of senior management or committees. The HRC has delegated authority to the Head of Human Resources and the Director of Compensation and Benefits for the administration of our Company's benefit and compensation programs; however, the HRC generally has sole authority relating to incentive compensation plans applicable to executive officers, the approval of awards under any equity-based plans or programs and material amendments to any benefit or compensation plans or programs.

Independence: Our Board has determined that each member of the HRC is a "non-employee director" under Rule 16b-3 of the Securities Exchange Act of 1934, as amended, and is independent, as independence for compensation committee members is defined by NYSE rules.

Human Resources Committee Qualifications and Experience:

- Financial Services
- Risk Management
- Human Capital Management
- Strategic Planning, Business Development, Business Operations
- Information Security, Cybersecurity, Technology
- Consumer, Marketing, Digital
- Corporate Governance
- Management Succession Planning
- Environmental, Social, and Governance (ESG)
- Community Affairs
- Regulatory
- Global Perspective, International
- Legal

Human Capital Management as Topic of Shareholder Engagement

Given heightened investor interest, it is no surprise that companies disclose human capital management as a frequent topic of shareholder outreach. Several companies also indicate that they have enhanced disclosure in this area as a result of feedback.

Allstate

STOCKHOLDER ENGAGEMENT, (PAGE 24)

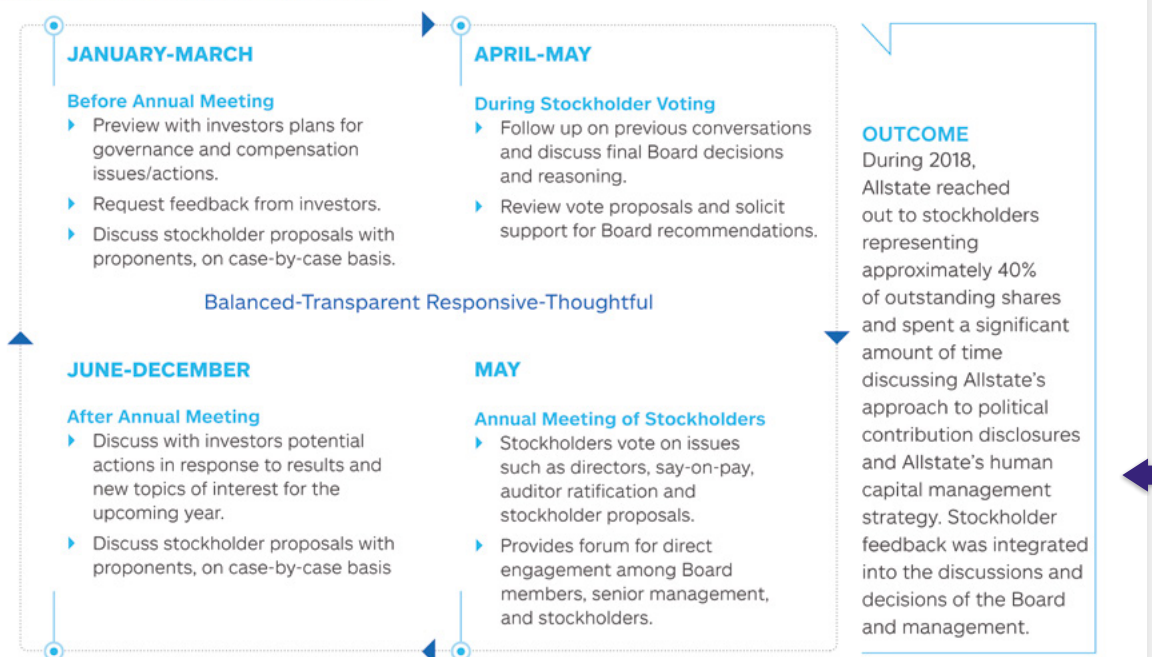
🔗 https://allstateproxy.com/media/1013/347423-4-_15_allstate_nps_wr.pdf

Corporate Governance | The Board's Risk Oversight Responsibilities

Stockholder Engagement

Allstate proactively engages with significant stockholders throughout the year. **Dialogue, transparency, and responsiveness** are the cornerstones of our stockholder engagement program. Such discussions are held before the annual meeting, during stockholder voting, and after the annual meeting and include our lead director, chair of the nominating and governance committee, Chair of the Board, and other committee chairs or directors as necessary. **Direct engagement involves reaching out to our largest stockholders representing approximately one-third of our total outstanding shares.** We also engage with proxy and other investor advisory firms that represent the interests of various stockholders. In addition to input on current governance and executive compensation topics specific to Allstate, we invite discussion on any other topics or trends stockholders may wish to share with us. Their input is reported to the nominating and governance committee, which in turn allocates specific issues to relevant Board committees for further consideration. **Each Board committee reviews relevant feedback and determines if additional discussion or actions are necessary by the respective committee or full Board.** In addition, broader investor surveys provide perspective on investor concerns.

STOCKHOLDER ENGAGEMENT CYCLE





Citi

OUR STOCKHOLDER ENGAGEMENT (PAGE 75)

<https://www.citigroup.com/citi/investor/quarterly/2019/ar19p.pdf>

Our Stockholder Engagement

Our current executive compensation program reflects extensive stockholder engagement over the past three years. Throughout this period, the Compensation Committee and management undertook a comprehensive review of our executive compensation program, and as part of this process, we held meetings with each stockholder who accepted our invitation to engage.

In 2018, we held two sets of stockholder outreach meetings with holders of meaningful percentages of our outstanding shares, given the size of our shareholder base.

- **Spring 2018:** Following the awards for 2017 performance but in advance of our 2018 Annual Meeting, Mr. O'Neill, then our Board Chair, and Mr. Hennes, the Chair of our Compensation Committee, led a stockholder outreach effort seeking feedback on last year's executive compensation awards. In this round of engagement, we spoke to stockholders representing about 27.5% of our outstanding shares. The feedback we received on our executive pay program was broadly favorable, reflecting the numerous changes made in previous years in direct response to stockholder comments.
- **Fall 2018/Winter 2019:** In addition, in the fall of 2018 and into early 2019, we engaged with stockholders representing about 31% of our outstanding shares in a series of meetings that focused on sustainability issues, including climate change and human capital management. In the area of human capital management, the topics we addressed with stockholders included executive compensation practices, diverse representation in senior roles at Citi, talent development and succession planning, and identifying unintended biases in Citi's people processes, including gender pay equity.

Colgate Palmolive

STOCKHOLDER ENGAGEMENT, (PAGE 23)

<https://investor.colgatepalmolive.com/static-files/a4aeb85f-15cb-43a5-8ece-70ff43e300b5>

Stockholder Engagement

The Company believes it is important to periodically engage with investors to better understand their priorities. During the second half of 2018 and the first quarter of 2019, representatives of the Company's Global Human Resources, Investor Relations, Global Legal and Sustainability functions reached out to institutional investors representing approximately 35% of the Company's Common Stock, and engaged in discussions with institutional investors representing approximately 25% of the Company's Common Stock. These discussions focused on the Company's business strategy, director skills and qualifications, human capital management and sustainability.

In addition, in light of the stockholder proposal the Company received in connection with its 2018 Annual Meeting of Stockholders on the required threshold to call special meetings, the Company also discussed with these investors their views regarding the appropriate ownership threshold for stockholders to call a special meeting. These discussions highlighted that the Company's largest investors do not have a uniform view on the subject, though a significant majority of the institutions with whom the Company engaged opposed lowering the ownership threshold from its current 25% to 10%, as the proposal had requested. This feedback, combined with the fact that a majority of votes cast on the proposal at the 2018 Annual Meeting of Stockholders voted against lowering the threshold, led the Company to determine that maintaining Colgate's existing 25% ownership threshold continues to be appropriate.

Feedback from management's discussions with institutional investors was reported to and discussed with the Board. The Board values stockholder feedback on all governance and compensation matters.

PepsiCo

SHAREHOLDER ENGAGEMENT, (PAGE 33)

🔗 https://www.pepsico.com/docs/album/annual-reports/2019-proxy-statement.pdf?sfvrsn=39db6929_2

Shareholder Engagement

We believe that regular, transparent communication with our shareholders and other stakeholders is essential to PepsiCo's long-term success.

We value the views of our shareholders and other stakeholders, and the input that we receive from them is a cornerstone of our corporate governance practices. Through these engagements, we seek to ensure that corporate governance at PepsiCo is a dynamic framework that can both accommodate the demands of a rapidly changing business environment and remain responsive to the priorities of our shareholders and other stakeholders.

At least quarterly, the Board receives a report on engagement with our shareholders and is provided with the opportunity to discuss and ask questions about investor feedback. In the two-month period before the 2018 Annual Meeting of Shareholders, we contacted our 75 largest shareholders, representing over 46% of our outstanding shares of Common Stock, offering to discuss a broad range of topics. Subsequent to the 2018 Annual Meeting, we continued our outreach efforts to develop a better understanding of the feedback received from shareholders.

As reflected in our Corporate Governance Guidelines, our Presiding Director is available for consultation and direct communication, if requested by major shareholders. Our engagement program also involves directors, as well as senior executives and associates from many different parts of the Company, including from PepsiCo's communications, investor relations, executive compensation, compliance and ethics, legal, public policy and government affairs, and sustainability teams.

Throughout 2018, members of our management team met with a significant number of our shareholders and other stakeholders to discuss our portfolio strategy, financial and operating performance, capital allocation, sustainability strategy and initiatives, human capital management, Company culture, corporate governance and executive compensation practices and to solicit feedback on these and a variety of other topics. Following the 2018 Annual Meeting, we considered the voting outcomes for management and shareholder proposals, including the advisory shareholder proposal to reduce the threshold to call a special shareholder meeting, which received the support of approximately 48% of the votes cast. In response, the Nominating and Corporate Governance Committee carefully considered the proposal and continues to believe that it is neither necessary nor in the best interests of the Company or its shareholders to take steps to implement this proposal, in light of our longstanding practice of regularly engaging with our shareholders and the Company's strong corporate governance policies and practices, including the fact that the Company already provides shareholders the right to call a special meeting by shareholders holding in the aggregate 20% or more of our outstanding shares.

In addition, we have had an ongoing dialogue with various other shareholders and stakeholders and regularly meet with diverse stakeholders often in collaboration with leading non-profit groups that bring together investors, non-governmental organizations and businesses in support of sustainability. During these meetings, our shareholders and other stakeholders engage with us on such topics as climate change, water scarcity, packaging, nutrition, public health, diversity, gender pay parity, human rights and environmental matters related to PepsiCo's supply chain, sustainable

PEPSICO 2019 PROXY STATEMENT | 33

Western Digital

STOCKHOLDER ENGAGEMENT, (PAGE 24)

🔗 <https://investor.colgatepalmolive.com/static-files/a4aeb85f-15cb-43a5-8ece-70ff43e300b5>

STOCKHOLDER ENGAGEMENT

Our Board of Directors and management are committed to regular engagement with our stockholders and soliciting their views and input on important performance, executive compensation, governance, environmental, social, human capital management and other matters.

- **Board-Driven Engagement.** In addition to the Governance Committee's oversight of the stockholder engagement process and the periodic review and assessment of stockholder input, our directors also engage directly with our stockholders by periodically participating in stockholder outreach, as appropriate.
- **Year-Round Engagement and Board Reporting.** Our executive management members and directors, together with our investor relations and legal teams, conduct outreach to stockholders throughout the year to obtain their input on key matters and keep our management and Board informed about the issues that our stockholders tell us matter most to them.
- **Transparency and Informed Compensation Decisions and Governance Enhancements.** The Compensation and Governance Committees routinely review our executive compensation design and governance practices and policies, respectively, with an eye towards continual improvement and enhancements. Stockholder input is regularly shared with our Board, its committees and management, facilitating a dialogue that provides stockholders with transparency into our executive compensation design and governance practices and considerations, and informs our company's enhancement of those practices.

2019 Stockholder Engagement

As a continuation of our robust outreach program, over the past year, we reached out to stockholders representing approximately 46% of shares outstanding. Our engagement team conducted calls with investors representing approximately 12% of shares outstanding, with the remainder either not responding or confirming that a follow-up discussion was not necessary at this time. While our discussions with investors covered a variety of topics, there were a few key areas of focus in our conversations:

- Board composition and refreshment efforts, including the recent additions to our Board;
- Executive compensation philosophy and program design, including how investor feedback drove recent program enhancements; and
- Diversity and culture at Western Digital, including recent developments and enhanced disclosure in our 2018 Sustainability Report.

These views were shared with our Board and its committees, where applicable, for their consideration.





Human Capital Management Strategy

The Coca-Cola Company

Unlocking the power of the company's people is a key pillar of Coca-Cola's growth strategy.

HOW WE ARE GROWING OUR BUSINESS, (PAGE 8)

<https://www.coca-colacompany.com/content/dam/journey/us/en/private/fileassets/pdf/investors/annual-meeting/2019-Proxy-Statement.pdf>

HOW WE ARE GROWING OUR BUSINESS

In 2018, we pursued five strategic priorities to drive accelerated growth for our Company, fuel our results and create value for our shareowners. We encourage you to refer to **pages 50 and 51** for a snapshot on how each of our priorities fueled our results for fiscal year 2018.

1 Accelerating growth of a leading consumer-centric brand portfolio



"Beverages for Life" is our vision to leverage our brand-building expertise with a nimbler, test-and-learn approach to launching more of the drinks that consumers want.

2 Driving revenue growth algorithm



We are refining our revenue growth management practices to ensure we have the right price and package combinations to meet consumer desires.

3 Strengthening our system's value creation advantage



We are re-energizing our bottling system to support the growth of our evolved product portfolio.

4 Digitizing the enterprise



We are adapting to digital with a focus on improving our interactions with consumers and customers, and enhancing our internal systems.

5 Unlocking the power of our people



We are fostering a growth culture that encourages accountability, performance and ownership, and where our employees are curious, inclusive, empowered and embrace a test-and-learn mentality.

Cognizant

Cognizant states that human capital management is part of the Board's oversight of long-term strategy. A clear chart presents the role of the Board and Management in the company's human capital management and talent development processes.

HUMAN CAPITAL MANAGEMENT AND TALENT DEVELOPMENT, (PAGE 22)

<https://www.cognizant.com/investors-pdf/2019/proxy-statement.pdf>

Human Capital Management and Talent Development

The board believes that attracting, developing and retaining employees is vital to Cognizant's continued success. Our board is actively involved in our human capital management ("HCM") in its oversight of our long-term strategy and through its committees and engagement with management. Our focus on talent management stretches from the board level to our 280,000+ associates through programs overseen by management and reported on to the board that are designed to identify, train and grow future leaders.

As part of the Board's continued focus on leadership development in 2018, the Compensation Committee was renamed the **"Management Development and Compensation Committee"** and allocated responsibility for overseeing the Company's management development program for senior leadership.

Corporate Governance

Board

Management

Executive Officers

- Compensation Committee oversees the evaluation process and management development program for senior executives.
- Governance Committee oversees CEO and senior executive succession planning.

- CEO, CFO and Chief People Officer, as appropriate, participate in and assist the Compensation Committee in executive officer evaluations.

Senior Leadership

- Board annually reviews senior leadership (~100 top senior leaders), including hiring, diversity, development and succession planning.
- Board periodically discusses the top 50 leaders and oversees management's strategies for and progress in building a robust and diverse leadership pipeline, including hiring, development and movement of senior talent (AVP+, top ~1,000 leaders).

- Executive talent board consisting of members of our executive leadership team meets periodically to review VP+ leadership (top ~400 leaders) and oversees global leadership development strategies and approach for managing senior talent (AVP+, top ~1,000 leaders).

We were recognized for our executive talent board's differentiated approach to talent development in a Harvard Business Review article "You Can't Delegate Talent Management to the HR Department."

Leadership Pipeline and Professionals

- Board receives updates on a broad range of topics, including hiring, development and retention of critical and top talent and, more generally, utilization and diversity.
- Board sets tone and mandate on the importance of talent management and development.

- Enterprise talent review of ~4,000 top professionals in the leadership pipeline.
- Quarterly performance management and feedback for our professional organization.
- Talent development and skilling opportunities in technical, functional and leadership areas at all levels.

Training our associates is a top priority.

Skilling to keep pace with the digital era	We prioritize skilling and retraining our workforce to remain competitive in the digital age. Over the last two years, we have trained approximately 135,000 associates in areas such as artificial intelligence, analytics, automation, cloud and cloud apps, cognitive computing, Internet of things, data science, digital engineering, enterprise content management and machine learning. In 2017 and 2018, our associates spent a total of 28 million hours on learning.
Developing leadership skills	We offer targeted programs in key priority areas intended to advance leadership capabilities in our associates. Over 2,500 associates at director level or above attended these programs in 2018. Several programs for digital leadership were also rolled out in 2018 for our senior leaders. In 2018, we also launched our first ever company-wide women's global leadership development program, called Propel, covering approximately 300 women in leadership roles to accelerate diversity in our leadership pipeline.





ConocoPhillips

ConocoPhillips explains how the Human Resources and Compensation Committee oversees aspects of the employee compensation programs, diversity and inclusion, talent development, and health and well-being to motivate over 10,000 employees to execute on the company's strategy.

HUMAN CAPITAL MANAGEMENT, (PAGES 23-24)

<https://static.conocophillips.com/files/resources/2019-conocophillips-proxy.pdf>

Human Capital Management

Our employees execute the components of our differential strategy. Their focus on accountability and performance enables us to safely find and deliver energy to the world. Effectively engaging, developing, retaining, and rewarding our more than 10,000 employees is a priority for the Board, which provides oversight to elements of our human capital management.

COMPENSATION PROGRAMS

The Human Resources and Compensation Committee oversees many of our employee compensation programs. Our compensation programs are competitive with local markets and are generally comprised of a base pay rate, the annual Variable Cash Incentive Program, and for eligible employees, the Restricted Stock Unit Program. From the CEO to the front-line worker, every employee participates in our annual incentive program, which aligns employee compensation with ConocoPhillips' success on critical performance metrics and also recognizes individual performance. Our Restricted Stock Unit Program is designed to attract and retain employees, reward performance, and align employee interest with stockholders by encouraging stock ownership. Compensation programs for our top executives are described beginning on [page 48](#).

Corporate Governance Matters

DIVERSITY AND INCLUSION






The Human Resources and Compensation Committee oversees diversity and inclusion across the entire organization. Three areas guide our actions and drive progress: (1) leadership accountability; (2) employee awareness; and (3) processes and programs. Our leaders develop local inclusion plans and meet annually to discuss progress. We actively monitor diversity on a global basis and publicly report representation of women and minorities in leadership roles. Every employee has access to resources like unconscious bias training and employee network groups. These groups raise awareness about important topics and help influence change. To sustain progress, we link our inclusion efforts to our daily activities, including education for hiring managers, ensuring internal and external candidate slates are diverse, and creating balanced interview teams to mitigate any unconscious bias. We also apply our high standards for diversity and inclusion throughout our supply chain by identifying and facilitating opportunities to utilize products and services from businesses owned by women and minorities.

TALENT DEVELOPMENT

Talent development is overseen by our Committee on Directors' Affairs and the Human Resources and Compensation Committee. Investing in our employees maximizes our performance, so we approach talent development and succession planning with the same rigor that we apply to our business strategy. We seek to attract, develop, and retain employees through a combination of on-the-job learning, formal training, and regular feedback and mentoring. Talent Management Teams guide employee development and career progression by skills and location. Each employee participates in regular performance management discussions. ConocoPhillips has identified leadership competencies that provide a common baseline of knowledge, skills, abilities, and behaviors to support employee performance, growth, and success. All employees have access to a voluntary 360-feedback tool to provide feedback on their strengths and opportunities relative to these competencies. We recognize that supervisors play a key role in talent development, so we offer a robust supervisor development curriculum to help leaders engage and develop their employees.

HEALTH AND WELL-BEING

We work to ensure our global benefits are competitive, inclusive, and aligned with our culture. We endeavor to meet individual and family needs to help employees balance life and work priorities. Our global wellness programs include biometric screenings and fitness challenges, which have led to a decline in our employees' global obesity metrics over a three-year period. All employees have access to our employee assistance program, and many of our locations offer custom programs to support mental well-being. We also provide flexible work schedules and competitive time-off, including parental leave policies in many locations. Retirement and savings benefit plans are intended to support employees' financial futures and are competitive with local markets.

Compensation	Work & Life	Career	Benefits
 Compensation Programs Oversight by HRCC <ul style="list-style-type: none">> Compensation programs reward and drive performance> Annual incentive links individual and company performance> Long-term incentives align with interest of stockholders> Global equitable pay practices	 Diversity & Inclusion Oversight by HRCC <ul style="list-style-type: none">> Inclusion efforts focus on leadership/metrics, education and programs/processes> All leadership candidate lists are diverse> Inclusion resource center; unconscious bias training> Active employee network groups with 5,000+ members (e.g., Black Employee Network, Women's Network)	 Talent Development Oversight by DAC/HRCC <ul style="list-style-type: none">> Robust succession planning for future leaders> Multi-year leadership development plan> Talent Management Teams shepherd employee development> Annual performance management process; 360 feedback> Global contingent workforce program for contract workforce	 Health & Well-being <ul style="list-style-type: none">> Competitive global benefits informed by external market practices and employee needs> Physical and mental well-being programs> Global biometric screenings and fitness challenges led to 10% decline in ConocoPhillips' global obesity metrics> Flexible work schedules and competitive time-off
 External Recognition	<ul style="list-style-type: none">> Human Rights Campaign's Corporate Equality Index: Perfect score> Forbes Best Employer for Diversity> Texas Diversity Council's Top 25 Companies for Diversity> NAACP Equity Inclusion & Empowerment Index		

Foot Locker

Under, “ESG Highlights”, Foot Locker explains how the company creates opportunity for all employees.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE HIGHLIGHTS, (PAGES 20-22)

🔗 https://www.footlocker-inc.com/content/dam/flincfoundation/footlockerinc_documents/annual-reports/Foot%20Locker%202019%20Proxy%20FINAL.pdf

Environmental, Social, and Governance Highlights

Foot Locker recognizes the importance of environmental, social, and governance (ESG) issues to shareholders and formed a global cross-functional team, including Legal, Human Resources, Supply Chain, Sourcing, and Real Estate/Construction, among other functions, to monitor our ESG efforts. The Board oversees our ESG program and receives regular updates from management.

Foot Locker's ESG priorities are centered on **Opportunity**, **Community**, **Worker Dignity**, and **Sustainability**.



Opportunity

We aim to create opportunities for all of our employees.

- Employ over 49,000 people globally
- Provide great jobs and inclusive advancement in retail
- Women represent 46% of our total global workforce, 33% of executives, and 44% of independent directors of the Board
- 84% of our U.S. workforce* and 22% of the independent directors of the Board are ethnically diverse
- Initiated disability hiring program to attract, hire, and retain employees with disabilities
- 944 employees promoted globally in 2018
- * U.S. workforce represents 74% of global workforce.

Fostering Diversity, Inclusion, and Equality



Our goal is to attract, develop, and retain employees from all walks of life. As of the fiscal year-end, women comprised 46% of our total employees globally, 33% of our executives, and 44% of our independent directors. At Foot Locker, women serve in several key leadership roles, including as Chief Financial Officer, Chief Human Resources Officer, General Counsel and Secretary, Chief Accounting Officer, Vice President—Global Total Rewards, and Vice President and General Manager, Foot Locker Pacific. As of the fiscal year-end, 84% of our U.S. employees, and 22% of the independent directors of the Board were ethnically diverse. Foot Locker treats all employees fairly regardless of their race, gender, age, ethnicity, sexual orientation,

disability, or national origin. Foot Locker was recognized again in 2018 for our industry leading ESG practices with awards for Best Workplaces for Diversity, and Best Workplaces in Retail, both conferred by the Great Place to Work Institute. Foot Locker was also rated on Forbes' Most Engaged Customer List in 2018 for its "relentless focus on the customer experience." We are also committed to Board diversity, 66% of the independent directors are ethnically diverse or female, including our Lead Director. In 2018, the NACD honored the Board with an NACD NKT recognition award for excellence in harnessing board diversity and innovation as a strategy for building long-term value. According to NACD, Foot Locker was chosen "for its devotion to diversity and inclusion which is clearly systemic and strategic for the board, management, and operations." We also recently created a disability hiring initiative in partnership with the National Organization on Disability at one of our distribution centers in order to establish the appropriate conditions to attract, hire, and retain employees with disabilities. Our goal is to increase the number of qualified applicants by tapping talent pools of individuals with disabilities, including veterans, and train employees with respect to disability awareness. Our commitment to diversity and inclusion is also reinforced by the Code of Business Conduct (COBC), which includes a zero-tolerance policy for any form of discrimination, harassment, or retaliation.

Advancing Careers and Developing Talent

We strive to develop a diverse pipeline of talent and provide our employees with advancement opportunities. As a retailer that values hands-on experience in our stores, our store employees have opportunities to take on higher-level field and corporate positions. The best testimonials to the opportunities we provide are our employees who started out at stores and rose through the ranks to senior management positions. Employees frequently work for multiple brands and in multiple functions throughout their careers. Average non-store employee tenure (at the manager and higher levels) is 12 years. We also offer employees at all levels a variety of training opportunities, ranging from online courses to in-person workshops and multi-day programs.

At Foot Locker, we are all about developing and supporting our people. E-learning, training, and scholarships are a few ways in which we enrich employees professionally. "You Develop," our e-learning program, features an objectives worksheet to help employees have constructive career conversations with their managers. In 2018, we launched a "Leading in a Matrix Organization" training workshop across our global offices to skill-build in the areas of collaboration and trust to enable employees to work more effectively as a team. Internal and external speakers share lessons learned during "Shoe on This" trainings (sessions are recorded and posted on our employee portal) and our online learning platform, Lynda.com, offers video courses on software and professional skills. Our Foot Locker Associate Scholarship Program awards nine \$5,000 scholarships, and one \$10,000 scholarship (known as the Ken C. Hicks Associate Scholarship), annually to employees.

Benefits

We believe we offer competitive compensation and benefits, including health and wellness benefits (i.e., medical, dental and vision coverage), financial benefits (i.e., pension, 401(k) Plan with Company matching contribution, Employee Stock Purchase Plan (ESPP) at a 15% discount, and commuter benefits), and work-life balance and lifestyle benefits (paid time off (PTO) and Employee Discount Program).

To be the best, employees need to feel their best. As part of our comprehensive benefits offering, we provide eligible employees with personalized wellness coaching. The one-on-one program integrates phone and mail-based communications with an online interactive health coach and is designed to target specific goals around nutrition, exercise, and heart health. Select facilities feature an on-site gym for convenient workouts and our employee discount platform, "YouDecide," offers discounted rates for local fitness clubs. While health is a year-round priority, some corporate offices organize a Wellness Month with free workout classes, a health fair, and fresh fruit delivery.

We are our customers—our employees are true sneakerheads. One of the great aspects of our culture is our ability to celebrate and fuel the sneaker passion of not just our customers, but also our employees. To celebrate that passion, we offer employee product discounts and access to exclusive offerings from a range of vendors. With the ever-evolving retail landscape, Foot Locker is committed to fostering elevated in-store experiences featuring high-profile guests through vendor partnerships that make us stand out from the crowd. Our employees gain exposure to unique opportunities with athletes, celebrities, and other tastemakers who impact the youth culture that inspires and fuels the Company, as well as access to events like the New York City Marathon (employees can gain coveted entry in the race), NBA All Star Weekend, NBA Drafts, and concerts.

Ensuring Worker Safety

We are dedicated to fundamental worker safety. We strive to prevent and promptly address any employee work-related injuries. Over time, we have experienced a decrease in the number of recorded accidents and lost time from employees out of work due to work-related injuries. We have a centralized online reporting system that tracks all incidents and injuries. We analyze the information at least quarterly to assess risks and develop preventive measures. Our Risk Management team analyzes recurring injuries and issues to determine trends and if current policies or practices need to be amended or if more training is required to address risks. Our field auditors review safety measures in their audit process.

Ethics and Compliance

Culture is the foundation of everything we do at Foot Locker. We define culture as our values in action. Our culture is one of high performance, and it is how we live out our values. How we do business is just as important as what we do. The COBC serves as our ethical compass for the commitment we make to our stakeholders, customers, and one another. Our Global Legal Department manages our COBC program by providing training and online education, and partners with the Internal Controls Department to audit employee assessments. Employees are required to certify COBC compliance annually. When issues arise, our employees are encouraged to speak up and use our open-door process for discussing any concerns. We also provide a confidential COBC hotline. The General Counsel reports to the Audit Committee on the COBC program.



Mastercard

A quote from the CEO sets the tone from the top, with detail to explain how the company is creating a culture of decency.

CULTURE OF DECENCY, (PAGES 51-52)

🔗 <https://www.ezodproxy.com/mastercard/2019/proxy/images/Mastercard-Proxy2019.pdf>

"Decency is about bringing your heart and your mind to work – every single day. It's about being someone people can believe and trust because they know your hand is always at their back, supporting them." – Ajay Banga

CULTURE AND SUSTAINABILITY

Culture of decency

Our success is driven by the skills, experience, integrity and mindset of the talent we hire. We attract and retain top talent from diverse backgrounds and industries by building a world-class culture based on decency, respect and inclusion in which people have opportunities to do purpose-driven work that impacts customers, communities and co-workers on a global scale. The diversity and skill sets of our people underpin everything we do. This is how we define and drive the culture of decency that makes Mastercard a place where the best people want to work:

- **Our decency quotient:** Decency serves as the foundation for the kinds of relationships and respect that drive innovation, urgency, and enterprise-wide thinking and behaviors. Our decency quotient also informs how we regard our employees, how we are able to continually evolve and innovate our people practices and solutions, and how we develop and cultivate leaders at all levels of the company. It also guides our strong support for volunteerism – both as part of the company and as individuals. It includes:
 - **Care personally and challenge directly.** We challenge perspectives, not people, respectfully and directly to help achieve the best outcomes.
 - **Help others be great.** Each of us has the power to make our colleagues shine and be better, which benefits all of us.
 - **Embrace a "win as one team" mindset.** Leadership and culture require a team effort, where people of diverse backgrounds and

experiences work together, complement each other, function as a team and win together.

- **Our inclusive mindset:** Our mindset of inclusion is built on the belief that diversity is critical, but that is not enough. We must embrace and activate our diversity. Diversity sparks innovation, but inclusion drives it. As such, we strive to develop a deep understanding of the current and traditional barriers to diverse representation of people at all levels of the company and continue to put into motion programs and support systems to overcome those barriers:
- **Build and support diverse teams:** When you surround yourself with people who don't look like you, don't walk like you, don't talk like you, don't have the same experiences as you, that's when new ideas are sparked and innovation happens. This includes the vendors we use and the partners with whom we work.
- **Foster inclusion as a leadership skill set:** There are many facets of leadership that one must master – learning how to build, grow, and keep a diverse and inclusive team is one of them.
- **Support diverse and inclusive dialogues:** This includes hosting an annual Global Inclusion Summit, a gathering of more than 150 inclusion champions across the organization, as well as working with our Global Diversity & Inclusion Council and our Business Resource Groups.

We've received recognition for our culture of decency, including these awards:



Bloomberg Gender Equality Index
2019, 2018 and 2017



Disability Equality Index
2018 Best Place to Work for Disability Inclusion



DiversityInc's Top 50 List
#4 in 2018 and #7 in both 2017 & 2016



World's Most Ethical Companies
2019, 2018, 2017 and 2016

Southern Company

Calling employees “our greatest asset”, Southern Company links a strong workforce to performance and dedicates a section of the proxy to succession planning and talent development...

SUCCESSION PLANNING AND TALENT DEVELOPMENT, (PAGE 34)

OUR HUMAN CAPITAL BELIEFS, (PAGE 81)

🔗 https://southerncompanyannualmeeting.com/media/2517/346338-1-_35_southern-company_nps_wr-spread-_r1.pdf

Corporate Governance at Southern Company

Succession Planning and Talent Development

Valuing and developing our people is a strategic priority for our Company. To support this priority, we engage in detailed discussions around succession planning and talent development at all levels within our organization to achieve business results. We have robust discussions and actions that are ongoing throughout the year. The Board meets potential leaders at many levels across the organization through formal presentations and informal events throughout the year.

The Compensation and Management Succession Committee oversees the development and implementation of succession plans for senior leadership positions. The process starts with management undertaking a full internal review of performance and development of leaders across the organization. Management presents and discusses with the Compensation and Management Succession Committee its evaluation and recommendations for senior leadership succession regularly throughout the year. The Compensation and Management Succession Committee updates the Board on these discussions. The Compensation and Management Succession Committee is also regularly updated on key talent indicators for the overall workforce, including diversity and inclusion, recruiting and development programs.

The Board annually reviews succession plans for senior management and the CEO, including both a long-term succession plan and an emergency succession plan. To assist the Board, the CEO annually provides his assessment of senior leaders and their potential to succeed at key senior management positions. The evaluation is done in the context of the business strategy with a focus on risk management.

For a discussion of our human capital beliefs, see [page 81](#).

...and in addition, the company provides detail on its Human Capital Beliefs.

Our Human Capital Beliefs

How we do our work at Southern Company is just as important as what we do. Our employees are our greatest asset, and our actions demonstrate the value we place on our people. We are fully committed to the long-term value

that is created by attracting, developing and retaining an engaged, healthy, sustainable and socially responsible workforce, and a robust workforce is a leading indicator of our business performance.

People and Culture Beliefs

- ▶ Our people and culture strategy is linked to our business strategy
- ▶ Our foundation is built on being a citizen wherever we serve – we are fully engaged with and committed to the success of employees, customers, stockholders and communities
- ▶ Our values foster a diverse, inclusive and innovative culture that encourages and embraces change, different ideas and perspectives
- ▶ We believe in and invest in the well-being of our employees through a comprehensive compensation and benefits strategy that includes competitive salary, annual incentive awards for nearly all employees, pension and benefits designed to encourage physical, financial and emotional well-being
- ▶ Our culture is critical to our success and increasingly requires agility, innovation and accountability

investor.southerncompany.com 81





Visa

Recognizing that global talent management is crucial to long-term success, Visa presents the company's human capital management initiatives across two pages.

HUMAN CAPITAL MANAGEMENT, (PAGES 7-8)

🔗 https://s1.q4cdn.com/050606653/files/doc_financials/annual/2018/12/Visa-2019-Proxy-Statement-FINAL.pdf

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.

7

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.



*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.
- Others: American Indian/Alaska Native, Native Hawaiian/Other Pacific Islander and two or more races. Ethnicity data does not include undeclared 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.

8

Human Capital Management and Compensation

Alphabet

Supporting a culture of innovation and performance is a key goal for Alphabet, and the CFO's equity award is based in part on management of people operations.

EQUITY (PAGE 43)

🔗 https://abc.xyz/investor/static/pdf/2019_alphabet_proxy_statement.pdf?cache=3ed6a89

Equity

Our current practice is to grant equity to Google employees in the form of GSUs. Larry, Sergey, Eric, and Sundar did not receive equity awards in 2018; however, the Leadership Development and Compensation Committee will continue to review their compensation on an ongoing basis.

In January 2018, the Leadership Development and Compensation Committee granted equity awards of \$46.0 million that vest over a four-year period to each of Ruth and David.

In determining the value of Ruth's equity award, Larry, Sundar, and the Leadership Development and Compensation Committee considered the responsibilities of the Alphabet and Google Chief Financial Officer role, including leadership of Business Operations, People Operations, and Real Estate and Workplace Services. Additionally, they considered Ruth's performance, including her leadership of financial operations and allocation of capital across Alphabet and Google.

In determining the value of David's equity award, Larry and the Leadership Development and Compensation Committee considered David's contributions as a primary advisor to Larry and Sergey on Other Bet strategy, which includes providing guidance on investments, operations, talent strategy, and governance. Additionally, they considered David's performance in his role providing direct oversight over certain Other Bet companies, as well as his role advising Alphabet's management and Board of Directors as Chief Legal Officer and Secretary.

Cisco

As a component of the company's annual incentive plan, Cisco's leaders are evaluated on metrics that include attracting talent, creating loyalty and leading cultural change.

LEADERSHIP INDIVIDUAL PERFORMANCE FACTORS (PAGE 28)

🔗 <http://d18rn0p25nwr6d.cloudfront.net/CIK-0000858877/10878ec9-7c8f-4374-9aba-5c2b81f39155.pdf>

Named Executive Officer	Leadership (1 to 5 Points)	Innovation / Strategic Planning (1 to 5 Points)	Execution (1 to 5 Points)	Contribution to Financial Goals (1 to 5 Points)
Charles H. Robbins	<ul style="list-style-type: none"> Establish and maintain a high-performing leadership team known for delivering exceptional results and modeling Cisco's culture Attract top talent, internally and externally, critical to Cisco's current and future needs Create and maintain employee and leader loyalty resulting in retention of critical employees and leaders Lead Cisco's culture change 	<ul style="list-style-type: none"> Accelerate innovation and solutions that meet customer current and future needs Accelerate delivery of cloud-based solutions Drive multicloud message / understanding to our customers / partners 	<ul style="list-style-type: none"> Oversee the execution of the most critical transitions for the company Drive the necessary talent changes quickly - new sales, engineering, services & operations leadership Drive value creation through M&A and R&D yield. Increase market share in networking, security and collaboration 	<ul style="list-style-type: none"> Achieve or exceed the approved Cisco FY19 financial plan Deliver on market guidance Deliver TSR increase above peers Achieve Cisco gross margins in-line with or exceeding approved targets Achieve Cisco operating margins in-line with or exceeding targets
Kelly A. Kramer	<ul style="list-style-type: none"> Establish and maintain a high-performing leadership team known for delivering exceptional results and modeling Cisco's culture Attract top talent, internally and externally, critical to Cisco's current and future needs Create and maintain employee and leader loyalty resulting in retention of critical employees and leaders 	<ul style="list-style-type: none"> Lead dialogue with shareholders providing transparency and understanding of continued business model shifts Work with sales, engineering, legal to build new software/ subscription models Strategically build out fully operational, buy-sell entities to enable subscription models in local currency Continue to drive automation in financial reporting tools 	<ul style="list-style-type: none"> Successful closure and integration of acquisitions Ensure that strategic plans and financial results are aligned Deliver on financial guidance Provide financial clarity to employees to enable profitable portfolio tradeoffs Drive effective capital usage 	<ul style="list-style-type: none"> Achieve or exceed the approved Cisco FY19 financial plan Deliver productivity improvements resulting in improved financial performance Achieve Cisco gross margins in-line with or exceeding approved targets Achieve Cisco operating margins in-line with or exceeding targets



Delta

One of Delta's advertisements describes the importance of the company's people, "An airline has planes... and people, and the planes can seem the same so it comes down to the people". The importance of Delta's people continues in a letter from Edward Bastian that describes the company's human capital management philosophy, and industry-leading compensation for employees

LETTER FROM THE CHIEF EXECUTIVE OFFICER (PAGE 2)

🔗 https://s2.q4cdn.com/181345880/files/doc_downloads/2019/04/Delta_2019_Proxy_Statement_Bookmarked.pdf

🔄 Contents ➡

LETTER FROM THE CHIEF EXECUTIVE OFFICER



EDWARD H. BASTIAN
Chief Executive Officer

In 2018, Delta celebrated the 10th anniversary of our groundbreaking merger with Northwest Airlines, which created the foundation for the transformation of our company. Every year since the merger, we have built on the success of the previous year, learning lessons and honing our strategy to achieve more for our people, our customers, our communities and our shareholders.

First and foremost in our mind is running a safe, reliable and customer-focused operation. In 2018, we had 143 cancel-free days across the entire Delta system including both the mainline and regional carriers, up from 90 days just a year ago. We accelerated revenue growth to 8% on an increasingly diverse revenue base and offset over 90% of the \$2 billion increase in fuel costs compared to the prior year. In 2018 more than half of our revenue was generated from premium products, our loyalty program, aircraft maintenance and cargo, relying substantially less on the Main Cabin product. Importantly, we saw improvement in cost performance and reduced non-fuel unit cost growth below the rate of general inflation. We continued to strengthen our brand, achieving a record high domestic net promoter score in 2018, with improvement in all geographic regions. And we continue to launch partnerships with carriers throughout the world — we started a joint venture with Korean Air, signed an agreement with WestJet in Canada and filed for regulatory approval to bring together the separate joint ventures with Virgin Atlantic and Air France-KLM.

We broke records, flying more people than ever and widening the gap with the competition. We unveiled new routes to destinations across the globe and took delivery of world-class aircraft including the A220 as we continue to transform our fleet. We opened a state-of-the-art engine shop and outfitted 60,000 people in stylish and functional new uniforms. We deployed innovative new technology to our pilots, flight attendants and airport agents, enhanced our airports and forged new relationships with other carriers as we accelerate our global expansion. We made significant progress leveling the playing field with state-subsidized Gulf region airlines.

Because our people are our foundation, for 2018 we paid industry-leading compensation, including more than \$1.3 billion in profit sharing. For our shareholders, we produced an after-tax return well above our cost of capital, paid \$900 million in dividends and repurchased \$1.6 billion in shares. We continued to strengthen our balance sheet, lowering our cost of borrowing and improving the funded status of our pension plan.

Throughout it all, Delta people worked tirelessly to maintain our unmatched standard of excellence, safety and reliability. The human touch that Delta people provide is unique, and it's what continually sets us apart. Our culture — dedicated to servant leadership, a passion for our business, supporting our communities and building a sustainable future — is an advantage no one can match.

Our powerful consumer brand, combined with our unmatched competitive advantages, including the best employees in the business, industry-leading operational reliability, a strong global network, growing customer loyalty and an investment grade balance sheet, support continued advancement as we create long-term value for shareholders. Every day, we become more passionate about running the best airline on the planet and serving as many customers as possible.

Sincerely,

Edison

“Diversity, People & Culture” is a metric for Edison’s Annual Incentive Plan.

ANNUAL INCENTIVE AWARD SCORING MATRIX (PAGE 37)

<https://www.edison.com/content/dam/eix/documents/investors/corporate-governance/2019-eix-sce-proxy-statement.pdf>

2018 EIX CORPORATE PERFORMANCE SCORING MATRIX

Goal Category	Target Score for Goal Category ⁽¹⁾	Key Goals/Performance Contributing to Actual Score		Actual Score for Goal ⁽³⁾	Actual Score for Goal Category ⁽³⁾
		Goal ⁽²⁾	Performance ⁽²⁾		
Financial Performance	60	<ul style="list-style-type: none"> Core earnings of \$1.267 billion⁽⁴⁾ 	<ul style="list-style-type: none"> Goal Exceeded: \$1.303 billion⁽⁴⁾ 	71	71
Safety	10	<ul style="list-style-type: none"> Achieve hazard awareness and risk mitigation milestones; DART injury rate ≤0.80 	<ul style="list-style-type: none"> Goal Partially Met: enhanced tools for field awareness and hazard response; DART rate of 0.98 	5	5
Strategy, Transformation & Growth	20	<ul style="list-style-type: none"> Execute SCE Policy, Growth & Innovation goals 	<ul style="list-style-type: none"> Goals Partially Met: see SCE matrix below for additional information 	13	20
		<ul style="list-style-type: none"> Execute SCE affordable customer rate goal: O&M cost per customer ≤\$376 	<ul style="list-style-type: none"> Goal Exceeded: \$365 	6	
		<ul style="list-style-type: none"> Execute EE goals: year-end backlog ≥\$28 million; 6 contracts for sales of MaPS with new customers 	<ul style="list-style-type: none"> Goal Partially Met: \$31 million backlog; 5 new MaPS contracts 	1	
Diversity, People & Culture	10	<ul style="list-style-type: none"> Execute SCE employee engagement and safety training goals 	<ul style="list-style-type: none"> Goal Exceeded: see SCE matrix below for additional information 	8	15
		<ul style="list-style-type: none"> Increase diversity of executive and leadership populations 	<ul style="list-style-type: none"> Goal Exceeded: diversity increased 4% 	7	
Foundational Goals	0 ⁽⁵⁾	<ul style="list-style-type: none"> No worker fatalities 	<ul style="list-style-type: none"> Goal Not Met: two contractor fatalities 	-5 ⁽⁶⁾	-5
		<ul style="list-style-type: none"> No serious injuries to public from system failure and no significant non-compliance events 	<ul style="list-style-type: none"> Goal Met 	0 ⁽⁶⁾	
		<ul style="list-style-type: none"> No significant disruption, data breach or system failure 	<ul style="list-style-type: none"> Goal Met 	0	
Total:	100				106



Yum! Brands

A pillar of the company's strategy is to grow unrivaled culture and talent, and accordingly development of leadership and leadership bench, and fostering customer-focused employee culture is taken into consideration in allocating the CEO's annual incentive award.

CEO COMPENSATION (PAGE 47)

http://investors.yum.com/Interactive/newlookandfeel/4025819/trial1/pdf/YUM2018_Combined-Proxy-10K.pdf

CEO Compensation

Greg Creed

Chief Executive Officer

2018 Performance Summary

Our Board, under the leadership of the Committee Chair, approved Mr. Creed's goals at the beginning of the year and conducted a mid-year and year-end evaluation of his performance. These evaluations included a review of his leadership pertaining to the achievement of his goals that included business results, leadership in the development and implementation of Company strategies, and development of Company culture and talent.

The Committee determined that Mr. Creed's overall performance for 2018 merited an individual factor of 125. This individual factor was combined with YUM's team factor of 115 (discussed at page 44) to calculate his annual cash bonus. This determination was based on the Committee's subjective assessment of Mr. Creed's performance against his goals which included the following items (without assigning a weight to any particular item):

- YUM Adjusted Operating Profit Growth of approximately 11%
- Worldwide system sales growth of 5%
- Net new restaurant openings of 3,039; net unit growth of 7%

- KFC's and Taco Bell's above target performance for Adjusted Operating Profit Growth
- KFC's, and Pizza Hut International's above target performance for System Net New Units
- Management of the Company during the second year of its transformation into a pure-play franchisor
- Leadership during the strategic transactions involving Grubhub Inc., Telepizza and QuikOrder, Inc.
- Development of leadership and leadership bench, and fostering customer-focused employee culture

2018 Committee Decisions

In January, Mr. Creed's compensation was adjusted as follows:

- Base salary was increased 3%;
- Annual cash bonus target was increased to 175% of base salary; and
- Grant value of long-term incentive equity awards were increased by 33% recognizing his performance in leading the Company in implementing its Recipe for Growth, time in role and impact on the business.

These decisions positioned Mr. Creed's total target compensation to approximately the 50th percentile of the Company's Executive Peer Group.

Diversity and Inclusion

Altria

In assessing annual incentive payouts, Altria's compensation committee considers the company's talent system and culture to improve diversity and inclusion.

KEY STRATEGIC INITIATIVES, (PAGE 37)

<http://investor.altria.com/Cache/1001250672.PDF?O=PDF&T=&Y=&D=&FID=1001250672&iid=4087349>

In addition to financial measures, the Compensation Committee evaluates Altria's performance and the performance of each of our tobacco and wine businesses against key strategic initiatives that are designed to promote our long-term success, as well as any significant events during the year. The key strategic initiatives in 2018 included achievements such as:

- brand-building initiatives;
- regulatory initiatives;
- advancing our innovation and harm reduction strategies; and
- enhancing our talent system and our culture to improve diversity and inclusion.

Exelon

In a full page, Exelon highlights how the company is meeting its purpose with concrete outcomes, including meeting an objective of succeeding as a diverse team.

WE SUCCEED AS AN INCLUSIVE AND DIVERSE TEAM, (PAGE 5)

<https://www.exeloncorp.com/newsroom/events/Event%20Documents/Exelon-Proxy-Statement-2019.pdf>



We succeed as an inclusive and diverse team

- Exelon adopted the Equal Pay Pledge in 2016. As part of this commitment, Exelon ensures extensive annual reviews are completed including an internal review of hiring and promotion processes and an independent third party review of gender pay levels. In addition, Exelon joined the United Nations HeForShe campaign in 2017.
- Exelon implemented an industry-leading enhanced paid leave policy for new parents in 2017.
- Through Exelon's University Intern Program, we hire hundreds of professionals and technical interns each summer, which helps to build our talent pipeline by attracting young, diverse candidates.
- Our diversity and inclusion efforts have been recognized by organizations, including Exelon being named to the DiversityInc Top 50 Companies for Diversity and as one of the Human Rights Campaign Best Places to Work. Exelon also received the G.I. Jobs Military Friendly Employer Award.



Hologic

Hologic ties the company's mission to be global champions for women's health with its commitment to create an inclusive and diverse environment.

DIVERSITY AND INCLUSION, (PAGE 12)

https://www.sec.gov/Archives/edgar/data/859737/000120677419000140/holx_courtesy-pdf.pdf

Diversity and Inclusion

As our passion is to be global champions for women's health, Hologic is committed to creating an inclusive and diverse work environment that promotes equal opportunity, dignity and respect, starting with our Board and our leadership team. As noted above, three of our directors, representing 38% of the Board, are women. Also, three of our directors were born outside of the United States, and two were predominantly educated outside of the United States, which promotes global diversity for our Board. Hologic seeks to identify and develop high-potential women within the Company, and we are now beginning to see our next generation of leaders emerge. For example, in August 2018, Karleen Oberton was promoted to the position of CFO. Ms. Oberton has been with the Company for over 12 years and has a deep knowledge of our business. She has been instrumental in our efforts to both drive profitable growth and to strengthen our balance sheet and cash flows. Additionally, over the last 18 months, several women leaders were appointed to key commercial roles in our businesses. Our focus on talent development, engagement and succession planning is paying off.

International Paper

Among other metrics, the company's General Counsel and Corporate Secretary's annual incentive is assessed against her efforts to foster diversity and inclusion.

SHARON R. RYAN, (PAGE 71)

https://www.sec.gov/Archives/edgar/data/51434/000120677419001210/ip_courtesy-pdf.pdf

Sharon R. Ryan

Senior Vice President, General Counsel and Corporate Secretary



Sharon Ryan has over 30 years of service with the Company. Ms. Ryan was appointed to the position of Senior Vice President, General Counsel and Corporate Secretary in November 2011, following her service as Acting General Counsel and Corporate Secretary since May 2011 and Vice President since February 2011. Ms. Ryan previously served in a variety of legal roles, including as Chief Ethics and Compliance Officer (beginning in 2009), Associate General Counsel – Corporate Law, and General Counsel of various business divisions within the Company.

2018 Realized Compensation

Element of Compensation	Compensation Amount	Rationale
2018 Base Salary	\$617,000 <i>(incorporates 3.0% increase effective March 2018)</i>	Ms. Ryan's base salary increase better aligned her pay with comparable positions within our CCG companies.
2018 MIP Award	\$804,100 <i>(162.4% combined Company and individual performance achievement)</i>	Ms. Ryan's MIP payment was modified upward based on individual performance, which reflected her role in director succession planning and Board refreshment efforts, ensuring the highest standards of ethics and compliance, and fostering diversity and inclusion.
2016-2018 PSP Payout	55,343 shares, including reinvested dividends <i>(valued at \$2,545,212, including a fractional share)</i>	PSP payout of 122.5% is based solely on the Company's performance achievement in relative Adjusted ROIC and relative TSR described in Section 4.

The chart below compares Ms. Ryan's 2018 actual compensation paid against targeted compensation amounts.



United Technologies

United Technologies highlights external recognition for the company's diversity and inclusion initiatives.

2018 RECOGNITION FOR DIVERSITY AND INCLUSION, (PAGE 26)

🔗 https://www.utc.com/-/media/project/united-technologies/utc/files/investors/annual-reports-and-proxy-statements/2019_utc_proxy.pdf?la=en&rev=3eb9715bcd7b409b8913a05f8293d5ab&hash=D9CB23B3246550A70EB51E24889DEE05

CORPORATE RESPONSIBILITY

2018 Recognition for Diversity and Inclusion

Among America's Best Employers for Women

UTC was ranked among *Forbes'* best employers for women through its opinion survey of 40,000 Americans, including 25,000 women, working for companies with at least 1,000 employees.

Among Best Places to Work for LGBTQ Equality

UTC earned a 100% rating from the *Human Rights Campaign Foundation's* Corporate Equality Index, along with the distinction of being one of the Best Places to Work for LGBTQ Equality.

Among Best Places to Work for Employment Disability Inclusion

UTC was recognized by the Disability Equality Index ("DEI"), a joint initiative between Disability:IN and the American Association of People with Disabilities, as a 2018 DEI Best Place to Work.

Among Noteworthy Companies for Diversity Practices

UTC was named a noteworthy company by *DiversityInc.*, which recognizes the top U.S. companies for diversity and inclusion management, with a focus on hiring, retaining and promoting women, minorities, people with disabilities, LGBTQ employees and veterans.

Among Best Places for Women to Work

UTC was recognized by *Fairygodboss* as the ninth best workplace for women in 2018. This ranking was determined by a survey around overall job satisfaction, equal treatment at work and whether female employees would recommend that other women work for their employer.

Among Best Companies for Latinas to Work

For the sixth straight year, UTC was ranked among the top 10 best places to work for Latinas out of 50 companies honored by *Latina Style Magazine*.

"Innovation is our lifeblood. UTC's future depends on our ability to attract, develop and retain the best talent. After all, companies don't innovate – people do. That's why we are committed to fostering a diverse, inclusive workforce. It's the right thing to do and an imperative for a global growing business."

Gregory J. Hayes, Chairman & Chief Executive Officer

Walmart

As part of a broad discussion of Board oversight of culture and human capital management, Walmart discusses diversity and inclusion and how the company's workforce is aligned with today's retail environment.

BOARD'S OVERSIGHT OF CULTURE AND HUMAN CAPITAL MANAGEMENT, (PAGE 31)

🔗 https://corporate.walmart.com/media-library/document/2019-shareholders-meeting-proxy-statement/_proxyDocument?id=0000016a-4c1d-dad5-adea-ed9fe7b90000

Board's Oversight of Culture and Human Capital Management

Our human capital management and talent development efforts go well beyond the senior management level. We believe that retail can be a powerful engine for economic mobility, and we are committed to a respectful, rewarding, diverse and inclusive work environment that allows our associates to develop the skills they need for success. The Board and the CMDC provide oversight and guidance on workforce development, compensation, benefits, recruiting and retention, and culture, diversity and inclusion. We continue to invest in our associates' wages and training, and recently enhanced our leave and paid-time-off benefits. We believe that these actions have resulted in a more engaged and effective workforce that is better equipped to serve our customers in today's rapidly changing retail environment.



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