

Bank of New York Mellon Corp
Form DEF 14A
March 09, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF
THE SECURITIES EXCHANGE ACT OF 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12

THE BANK OF NEW YORK MELLON CORPORATION

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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LETTER FROM THE CEO

Dear Fellow Stockholder:

On behalf of the Board of Directors, we cordially invite you to our 2018 Annual Meeting of Stockholders to be held on Tuesday, April 10, 2018 at 9 a.m., Eastern time, at 101 Barclay Street, New York, New York 10286.

At this year's Annual Meeting, you will be asked to vote on several items, including the election of directors, our 2017 executive compensation program (the "say-on-pay vote"), and stockholder proposals, if properly presented. Detailed information about the director nominees, including their specific experience and qualifications, begins on page 7. Our Compensation Discussion and Analysis, which explains our continued commitment to pay for performance, alignment with stockholders' interests and appropriate risk-taking in the context of our 2017 incentive compensation decisions, begins on page 35. We appreciate the opportunity to provide you with these details of your Board's actions in 2017 and recommendations for 2018. We encourage you to read the proxy statement carefully for more information.

Your vote is important to us, and we hope that you will participate in the Annual Meeting, either by attending and voting in person or by voting as promptly as possible through any of the acceptable means described in this proxy statement. Instructions on how to vote begin on page 82. You may also listen to the meeting at <https://www.bnymellon.com/us/en/investor-relations/index.jsp>.

Thank you for your continued support of BNY Mellon, and we look forward to seeing you at the Annual Meeting.

Sincerely,

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CHARLES W. SCHARF

Chairman and CEO

March 9, 2018

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NOTICE OF ANNUAL MEETING

TUESDAY, APRIL 10, 2018

9:00 a.m., Eastern time

101 Barclay Street, New York, New York 10286

Record Date: February 9, 2018

AGENDA	BOARD RECOMMENDATION
1. To elect the 12 nominees named in this proxy statement to serve on our Board of Directors until the 2019 annual meeting	FOR each director nominee
2. To provide an advisory vote for approval of the 2017 compensation of our named executives, as disclosed in this proxy statement	FOR
3. To ratify the appointment of KPMG LLP as our independent auditor for 2018	FOR
4. To consider a stockholder proposal regarding written consent, if properly presented	AGAINST
5. To consider a stockholder proposal regarding a proxy voting review report, if properly presented	AGAINST

We will also act on any other business that is properly raised.

March 9, 2018

By Order of the Board of Directors,

CRAIG T. BEAZER

Corporate Secretary

IT IS IMPORTANT THAT YOU CAREFULLY READ YOUR PROXY STATEMENT AND VOTE.

VIA THE INTERNET	BY TELEPHONE	IN PERSON	BY MAIL
Visit the website listed on your proxy card	Call the telephone number listed on your proxy card	Attend the annual meeting (see page 82 for more information)	Mail in a completed proxy card

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be held on April 10, 2018: Our 2018 proxy statement and 2017 Annual Report to stockholders are available at <https://www.bnymellon.com/proxy>.

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INTRODUCTION

The following information is presented to provide context for the operation of our pay program which is discussed in more detail on page 6 of this introduction and throughout our Compensation Discussion and Analysis beginning on page 35 of this proxy statement.

2017 Performance Highlights

Earnings Per Share (EPS)

Operating Earnings Per Share (OEPS)*

Strong Multi-Year Total Stockholder Return (TSR)

Returned Significant Value to Stockholders

Awards and Recognition

Investment Services

Collateral Manager of the Year

Global Investor/ISF, 2017

**Best Global Corporate Trust
Service Provider**

Global Finance, 2017

**Best Global Bank for Depositary
Receipts**

Investment Management

**Best Private Bank in the U.S. for
Customer Service**

*Professional Wealth
Management/The Banker, 2017*

**Winner, Global Fixed
Income Newton Investment
Management**

Financial Times, 2017

Technology

**Top Companies for Women
Technologists Leadership Index**

Anita Borg Institute, 2017

**NOVA Award for Innovation in
Technology**

NICSA, 2017

<i>Global Finance, 2017</i>	Best Mutual Funds: International Bond Standish Mellon	Best Enterprise Data Management Initiative
	<i>Investor s Business Daily, 2017</i>	<i>WatersTechnology, 2017</i>
Best Middle-Office Solution and Best Buy-Side Operations Solution		
<i>FTF News, 2017</i>	LDI Manager of the Year Insight Investment	<u>Workplace</u>
	<i>Financial News, 2017</i>	Top 50 Employers for Women
Best Managed Accounts Platform		<i>The Times, 2017</i>
<i>Hedgeweek, 2017</i>	Fixed Income Manager of the Year Insight Investment	
Best ETF Fund Accounting and Administration Provider	<i>UK Pension Awards, 2017</i>	100% Corporate Equality Index
<i>ETF Innovation Awards, 2017</i>		<i>Human Rights Campaign, 2018</i>
		Gender-Equality Index
		<i>Bloomberg, 2018</i>
<u>Treasury Services</u>		
Best Bank for Financial Institutions		<u>Corporate Social Responsibility</u>
<i>Global Finance, 2017</i>		Dow Jones Sustainability World Index
		<i>2017</i>
Best Global Trade Correspondent Bank		
<i>Global Trade Review Magazine, 2017</i>		

* For a reconciliation and explanation of this non-GAAP measure, see Annex A.

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DIRECTOR NOMINEES

Our directors contribute to the strength of our Board through the variety of their experience, diversity, differing perspectives and institutional knowledge.

Skills and Expertise

Finance

Leadership

Technology

Global

Governance

Risk

*Financial
Services
Experience*

Diversity

COMMITTEE MEMBERSHIPS

Director Since Independent Audit Corp. Gov. & Nom. Corp. Social Resp. Finance Human Res. & Comp. Risk

N/A

*Energy
Energy, Ltd.*

2016

2015

(3)

(4)

nding Partner

2014

*roup LLC and
edman LLC*

2014

*r Officer of
pany*

2014

ual Group

2004

2016

*and President
c Japan,*

*e Institute of
e Professor of
gh* **1998**

Goldman **2016**

f New York **2017**

CEO of **2003** (4)

(1) Gerald Hassell retired as our Chairman of the Board effective December 31, 2017. Nicholas M. Donofrio, a member of our Corporate Governance and Nominating, Corporate Social Responsibility and Risk Committees, retired as a director of our company effective September 30, 2017. John A. Luke, Jr., currently a member of our Audit, Corporate Governance and Nominating and Corporate Social Responsibility Committees, is retiring as a director of our company immediately after our Annual Meeting.

(2) Steven D. Black is a nominee who does not currently serve on our Board of Directors.

(3) Lead Director.

(4) Financial expert.

(5) Mr. Scharf was appointed as a director of our company effective July 17, 2017 in connection with his appointment as CEO, and became Chairman of the Board effective January 1, 2018.

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COMMITTEES

Audit

Chair: Joseph J. Echevarria

Members: John A. Luke, Jr., Jennifer B. Morgan, Mark A. Nordenberg, Samuel C. Scott III

2017 Meetings: 13

Key Responsibilities: Overseeing our registered independent public accountants, internal audit function, and internal controls over financial statements and reports.

Corporate Governance and Nominating

Chair: Mark A. Nordenberg

Members: Linda Z. Cook, Joseph J. Echevarria, Edward P. Garden, John A. Luke, Jr.

2017 Meetings: 6

Finance

Chair: Jeffrey A. Goldstein

Members: Joseph J. Echevarria, Edward P. Garden, Elizabeth E. Robinson

2017 Meetings: 7

Key Responsibilities: Monitoring and overseeing our financial resources and strategies; and reviewing forecasts and budgets, net interest revenue plans, investment portfolio activities, capital structure, capital raising and capital distribution initiatives that exceed our Corporate Governance Guidelines thresholds.

Human Resources and Compensation

Chair: Edward P. Garden

Members: Jeffrey A. Goldstein, Edmund F. Ted Kelly, Samuel C. Scott III

2017 Meetings: 10

Key Responsibilities: Identifying and reviewing potential directors, and reviewing non-employee director compensation; maintaining our Corporate Governance Guidelines; overseeing annual Board and committee evaluations; and reviewing structure, responsibilities and membership of committees.

Corporate Social Responsibility

Chair: Samuel C. Scott III

Members: John A. Luke, Jr., Mark A. Nordenberg, Elizabeth E. Robinson

2017 Meetings: 4

Key Responsibilities: Promoting culture of exemplary corporate citizenship; overseeing our philanthropy, community involvement, and advocacy; assessing the impact of our businesses, operations and programs from a social responsibility perspective reflecting varied stakeholders' interests; and overseeing Community Reinvestment Act and Fair Lending compliance.

Key Responsibilities: Overseeing employee compensation and benefits, management development and succession and diversity and inclusion programs; and administering our incentive compensation plans, including equity incentive compensation plans.

Risk

Chair: Edmund F. Ted Kelly

Members: Linda Z. Cook, Edward P. Garden, Jeffrey A Goldstein, John M. Hinshaw, Elizabeth E. Robinson

2017 Meetings: 5

Key Responsibilities: Approving enterprise-wide risk management practices, our risk appetite statement and our global risk management framework; evaluating risk exposure and tolerance; and reviewing policies and practices regarding risk assessment and risk management.

Technology

Chair: John M. Hinshaw

Members: Jennifer B. Morgan, Mark A. Nordenberg

2017 Meetings: 5

Key Responsibilities: Approving our technology planning and strategy; reviewing significant technology investments; and monitoring technology trends relative to our business strategy.

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GOVERNANCE AND COMPENSATION

Robust Stockholder Rights	Active, Independent Board	Our Culture
<p>No staggered board</p>	<p>Active engagement with stakeholders</p>	<p>Risk-aware: we protect against excessive risk-taking through multiple lines of defense, including Board oversight</p>
<p>Special meeting of independent directors may be called by our Lead Director</p>	<p>Independent board: comprised solely of independent directors, other than our CEO, and meets in regular executive sessions</p>	<p>Honest and accountable: our codes of conduct apply to all employees and directors, providing a framework for ethical conduct</p>
<p>Special meeting rights for stockholders, individually or in a group, holding 20% of our outstanding common stock</p>	<p>Independent Lead Director: annually selected by independent directors, empowered with broad authority</p>	<p>Innovative and evolving: we encourage directors to participate in continuing education programs, and continue to enhance our integrated learning and development platform</p>
<p>Proxy access allows stockholders, individually or in a group of up to 20, holding 3% of our outstanding stock for at least 3 years to nominate up to 20% of the Board</p>	<p>Board succession and refreshment: led by the Corporate Governance and Nominating Committee recruiting efforts, our Board has added seven independent directors since 2014 and recommended an independent</p>	<p>for employees through BNY Mellon University (BKU)</p>
<p>No plurality voting in uncontested director elections (each director must be elected by majority of votes cast)</p>	<p>nominee for election at our 2018 Annual Meeting</p>	
<p>No supermajority voting: stockholder actions require only majority of votes cast (not majority of shares present and entitled to vote)</p>	<p>Lead Director and Committee Chairman rotation at five-year intervals</p>	
<p>No poison pill (stockholders rights)</p>	<p>High rate of attendance: average 2017 attendance at Board and committee meetings was 97%</p>	

plan)

A substantial portion of director compensation is paid in **equity all of which is required to be retained until retirement**

AwarDED 2017 Total Direct Compensation⁽¹⁾

Named Executives (NEOs)	Incentive Compensation				Total Incentive as % of Target	AwarDED Total Direct Compensation ⁽¹⁾
	Salary	Cash	PSUs ⁽²⁾	RSUs ⁽²⁾		

Charles W. Scharf⁽³⁾

<i>Chairman & CEO</i>	\$572,917	\$1,754,000	\$7,625,000	\$1,754,000	100% ⁽⁵⁾	\$11,705,917 ⁽⁶⁾
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Gerald L. Hassell⁽⁴⁾

<i>Former Chairman & CEO</i>	\$1,000,000	\$3,500,000	\$	\$10,500,000	100%	\$15,000,000
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**Thomas P. (Todd)
Gibbons**

<i>Vice Chairman & CFO</i>	\$650,000	\$1,943,100	\$2,914,650	\$1,619,250	102%	\$7,127,000
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Brian T. Shea

*Former Vice Chairman &
CEO of*

	\$650,000	\$1,188,495	\$	\$2,773,155	98%	\$4,611,650
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Investment Services

Mitchell E. Harris	\$650,000	\$2,626,155	\$3,939,232	\$2,188,463	119%	\$9,403,850
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*CEO of Investment
Management*

Bridget E. Engle

Senior Executive Vice

President &

\$339,611	\$2,350,000	\$1,175,000	\$1,175,000	100%	\$5,039,611
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Chief Information Officer

- 1 The amounts reported as Awarded Total Direct Compensation differ substantially from the amounts determined under SEC rules as reported for 2017 in the Total column of the Summary Compensation Table set forth on page 58. The above table is not a substitute for the Summary Compensation Table.
- 2 Performance-based restricted stock units (PSUs) are generally earned between 0% - 150% based on the achievement of performance metrics over the 2018 - 2020 performance period. 50% of Mr. Scharf 's incentive PSUs were granted upon his commencement of employment and are earned between 0% - 150% based on the achievement of performance metrics over the 2017 - 2019 performance period. Restricted stock units (RSUs) generally vest in equal installments over three years.
- 3 Mr. Scharf was appointed as Chief Executive Officer, effective July 17, 2017, and as Chairman of the Board, effective January 1, 2018.
- 4 Mr. Hassell stepped down as Chief Executive Officer effective July 17, 2017 and retired as Chairman of the Board effective December 31, 2017.
- 5 Mr. Scharf 's 2017 incentive compensation was earned at 100% of target, and the cash and RSU components were pro-rated to reflect the time period in 2017 that he was employed by us.
- 6 Does not include Mr. Scharf 's \$7,625,000 award of sign-on PSUs, which were a one-time award granted in connection with his commencement of employment on July 17, 2017.

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ITEM 1. ELECTION OF DIRECTORS

Item 1. Election of Directors

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ITEM 1. ELECTION OF DIRECTORS > Resolution

Proposal

We are asking stockholders to elect the 12 nominees named in this proxy statement to serve on the Board of Directors of The Bank of New York Mellon Corporation (the company, BNY Mellon, we or us) until the 2019 Annual Meeting of stockholders or until their successors have been duly elected and qualified.

Background

11 nominees currently serve on our Board of Directors. Mr. Black is a nominee who does not currently serve on our Board of Directors.

11 nominees are independent, and one nominee serves as the company's Chairman and Chief Executive Officer.

John A. Luke, Jr., currently a director of our company, will not be standing for reelection at our Annual Meeting.

The Board and the Corporate Governance and Nominating Committee (CG&N Committee) have concluded that each of our nominees should be recommended for nomination or re-nomination as a director as described on page 16 after considering, among other things, the nominee's (1) professional background and experience, (2) senior level policy-making positions, (3) other public company board experience, (4) diversity, (5) intangible attributes, (6) prior BNY Mellon Board experience, and (7) Board attendance and participation, as applicable.

The nominees have skills and expertise in a wide range of areas, including technology, accounting, private equity, financial regulation, financial services, global management, insurance, risk management and legal matters.

The nominees are able to devote the necessary time and effort to BNY Mellon matters.

**The Board of Directors recommends that you vote
FOR each of the nominees described below.**

Voting

We do not know of any reason why any nominee named in this proxy statement would be unable to serve as a director if elected. If any nominee is unable to serve, the shares represented by all valid proxies will be voted for the election of such other person as may be nominated in accordance with our by-laws, as described on page 17. Proxies cannot be voted for a greater number of persons than the number of nominees named in this proxy statement.

Each director will be elected if more votes are cast for the director's election than are cast against the director's election with abstentions and broker non-votes not being counted as a vote cast either for or against the director's election. Pursuant to our Corporate Governance Guidelines, if any incumbent director fails to receive a majority of the votes cast, the director will be required to tender his or her resignation promptly after the certification of the stockholder vote. Our CG&N Committee will promptly consider the tendered resignation and recommend to the Board whether to accept or reject it, or whether other actions should be taken. More information on our voting standard and the CG&N Committee's consideration of tendered resignations is provided on page 17 below.

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ITEM 1. ELECTION OF DIRECTORS > **Nominees**

Steven D. Black

Age 65

Independent Nominee

Bregal Investments Co-Chief Executive Officer

Committees: None

Other Current Public Company Board Service: Nasdaq, Inc.
Linda Z. Cook

Age 59

Independent Director since 2016

Managing Director of EIG Global Energy Partners and CEO of Harbour Energy, Ltd.

Retired Executive Committee Member and Director of Royal Dutch Shell plc

Committees: Corporate Governance and Nominating, Risk

Other Current Public Company Board Service: None

Mr. Black has been Co-CEO of Bregal Investments, a private equity firm, since September 2012. He was the Vice Chairman of JP Morgan Chase & Co. from March 2010 – February 2011 and a member of the firm’s Operating and Executive Committees. Prior to that position, Mr. Black was the Executive Chairman of JP Morgan Investment Bank from October 2009 – March 2010. Mr. Black served as Co-CEO of JP Morgan Investment Bank from 2004 – 2009. Mr. Black was the Deputy Co-CEO of JP Morgan Investment Bank since 2003. He also served as head of JP Morgan Investment Bank’s Global Equities business since 2000 following a career at Citigroup and its predecessor firms.

Skills and Expertise:

Expertise in banking, risk management and financial regulation

Leadership in the operations of a large global financial institution

Knowledge of and experience in the company’s businesses

Ms. Cook is a Managing Director and member of the Executive Committee of EIG Global Energy Partners, an investment firm focused on the global energy industry, and CEO of Harbour Energy, Ltd., an energy investment vehicle. Ms. Cook joined EIG in 2014, after spending over 29 years with Royal Dutch Shell at various companies in the U.S., the Netherlands, the United Kingdom and Canada. At her retirement from Royal Dutch Shell, Ms. Cook was a member of the Executive Committee in the Netherlands headquarters and a member of the Board of Directors. Her primary executive responsibility was Shell’s global upstream Natural Gas business in addition to oversight for Shell’s global trading business, Shell Renewable Energy, and Shell’s Downstream R&D and Major Projects organizations. Ms. Cook previously was CEO of Shell Canada Limited, CEO of Shell Gas & Power and Executive VP of Finance, Strategy and HR for Shell’s global Exploration and Production business. Ms. Cook has served as a director of the company since 2016.

Ms. Cook chairs the Board of Directors of Chrysaor Holdings Limited. Ms. Cook has previously served on the Boards of Directors of KBR, Inc., The Boeing Company, Marathon Oil Corporation, Cargill Inc., Royal Dutch Shell plc, Royal Dutch Shell Petroleum Co. NV and Shell Canada Limited. Ms. Cook is also a member of the National Petroleum Council, an advisory committee to the U.S. Secretary of Energy, and the Society of Petroleum Engineers and is a Trustee of the University of Kansas Endowment Association. Ms. Cook earned a Bachelor of Science degree in Petroleum Engineering from the University of Kansas.

Skills and Expertise:

International business operations experience at a senior policy-making level of a large, complex company

Expertise in financing, operating and investing in companies

Extensive service on the boards of several large public companies in regulated industries

Finance

Leadership

Technology

Global

Governance

Risk

Financial Services Experience

Diversity

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ITEM 1. ELECTION OF DIRECTORS > Nominees

Joseph J. Echevarria

Age 61

Independent Director since 2015; Lead Director since 2016

Retired CEO of Deloitte LLP

Committees: Audit (Chair), Corporate Governance and Nominating, Finance

Other Current Public Company Board Service: Pfizer Inc., Unum Group, Xerox Corporation

Edward P. Garden

Age 56

Independent Director since 2014

Chief Investment Officer and Founding Partner of Triam Fund Management, L.P.

Committees: Corporate Governance and Nominating, Finance, Human Resources and Compensation (Chair), Risk

Other Current Public Company Board Service: General Electric Company, Pentair plc

Mr. Echevarria served as Chief Executive Officer of Deloitte LLP, a global provider of professional services, from 2011 until his retirement in 2014. Mr. Echevarria previously served in increasingly senior leadership positions during his 36-year career at the firm, including U.S. Managing Partner for Operations, prior to being named Chief Executive Officer. In addition to the public company board service noted above, Mr. Echevarria currently serves as a Trustee of the University of Miami. Mr. Echevarria previously served as Chairman of President Obama's My Brother's Keeper Alliance and as a Member of the Private Export Council, the principal national advisory committee on international trade. Mr. Echevarria has served as a director of the company since 2015. Mr. Echevarria earned his bachelor's degree in business administration from the University of Miami.

Skills and Expertise:

Leadership of a large, global company

Financial expert, with expertise in accounting, regulatory and compliance issues

Senior level policy-making experience in the field of professional services

Mr. Garden has been Chief Investment Officer and Founding Partner of Trian Fund Management, L.P. (Trian), a multi-billion dollar asset management firm specializing in helping companies to optimize operational performance, since 2005. He has served as a director of the company since 2014.

Mr. Garden served as a director of Family Dollar Stores, Inc., a discount retailer, from September 2011 until its acquisition by Dollar Tree, Inc. in July 2015, and as a director of The Wendy's Company from December 2004 to December 2015. Previously he served as Vice Chairman and a director of Triarc Companies, Inc. from December 2004 through June 2007 and Executive Vice President from August 2003 until December 2004. From 1999 to 2003, Mr. Garden was a managing director of Credit Suisse First Boston, where he served as a senior investment banker in the Financial Sponsors Group. From 1994 to 1999, he was a managing director at BT Alex Brown, where he was a senior member of the Financial Sponsors Group and, prior to that, co-head of Equity Capital Markets. Mr. Garden graduated from Harvard College with a B.A. in Economics.

Skills and Expertise:

Experience in finance

Expertise in financing, operating and investing in companies

Extensive service on the boards of several large public companies

Finance

Leadership

Technology

Global

Governance

Risk

Financial Services Experience

Diversity

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ITEM 1. ELECTION OF DIRECTORS > Nominees

Jeffrey A. Goldstein

Age 62

Independent Director since 2014

Chief Executive Officer, SpringHarbor Financial Group LLC, Senior Advisor, Hellman & Friedman LLC and Former Under Secretary of the Treasury for Domestic Finance

Committees: Finance (Chair), Human Resources and Compensation, Risk

Other Current Public Company Board Service: Westfield Corporation

John M. Hinshaw

Age 47

Independent Director since 2014

Former Executive Vice President and Chief Customer Officer of Hewlett Packard Enterprise Company

Committees: Risk, Technology (Chair)

Other Current Public Company Board Service: None

Mr. Goldstein is the Chief Executive Officer of SpringHarbor Financial Group LLC, a financial services adviser and investor, and a Senior Advisor at Hellman & Friedman LLC, a private equity firm. He was a Managing Director at Hellman & Friedman from 2011 to 2016 and was previously at the firm from 2004 to 2009. He was Under Secretary of the Treasury for Domestic Finance and Counselor to the Secretary of the Treasury from 2009 to 2011. Mr. Goldstein has served as a director of the company since 2014.

Mr. Goldstein worked at James D. Wolfensohn Inc. and successor firms for 15 years. When Wolfensohn & Co. was purchased by Bankers Trust in 1996, he served as co-chairman of BT Wolfensohn and as a member of Bankers Trust's management committee. In 1999, Mr. Goldstein became a managing director of the World Bank. He also served as its Chief Financial Officer beginning in 2003. In July of 2009, President Barack Obama nominated Mr. Goldstein to be Under Secretary of the Treasury for Domestic Finance. In July 2011, Secretary of the Treasury Timothy F. Geithner awarded Mr. Goldstein with the Alexander Hamilton award, the highest honor for a presidential appointee. Earlier in his career Mr. Goldstein taught economics at Princeton University and worked at the Brookings Institution. In addition to the public company board service noted above, Mr. Goldstein is a member of the Board of Directors of Edelman Financial Services, LLC and on the Advisory Board of Promontory Financial Group, LLC. He also serves on the Board of Trustees of Vassar College. Mr. Goldstein earned a Bachelor of Arts degree from Vassar College and a Master of Arts, Master of Philosophy and a Ph.D. in economics from Yale University.

Skills and Expertise:

Experience in private equity

Expertise in the operations of large financial institutions

Experience in financial regulation and banking

Mr. Hinshaw served as Executive Vice President of Hewlett Packard and Hewlett Packard Enterprise from 2011 to 2016, running Technology and Operations and serving as Chief Customer Officer. Mr. Hinshaw has served as a director of the company since 2014.

Prior to joining Hewlett-Packard Company, Mr. Hinshaw served as Vice President and General Manager for Boeing Information Solutions at The Boeing Company. Before that, he served as Boeing's Chief Information Officer and led their companywide corporate initiative on information management and information security. Mr. Hinshaw also spent 14 years at Verizon Communications where, among several senior roles, he was Senior Vice President and Chief Information Officer of Verizon Wireless, overseeing the IT function of the wireless carrier. Mr. Hinshaw is also a board member of DocuSign, Inc., a provider of electronic signature transaction management, and a member of the Board of Advisors of Saama Technologies, Inc., a big data and advanced analytics solutions company. He also is a member of the Board of Directors, and chairs the STEM Committee, for NAF, an educational non-profit organization. He received a B.B.A. in Computer Information Systems and Decision Support Sciences from James Madison

University.

Skills and Expertise:

Technology and management expertise

Experience in the operations of large, complex companies

Leadership roles in several different industries

Finance

Leadership

Technology

Global

Governance

Risk

Financial Services Experience

Diversity

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ITEM 1. ELECTION OF DIRECTORS > Nominees

Edmund F. Ted Kelly

Age 72

Independent Director of BNY Mellon and predecessor companies since 2004

Retired Chairman of Liberty Mutual Group

Committees: Human Resources and Compensation, Risk (Chair)

Other Current Public Company Board Service: None

Jennifer B. Morgan

Age 46

Independent Director since 2016

Executive Board member of SAP and President of SAP Americas and Asia Pacific Japan, Global Customer Operations

Committees: Audit, Technology

Other Current Public Company Board Service: None

Mr. Kelly served as Chairman (from 2000 to 2013), President (from 1992 to 2010) and Chief Executive Officer (from 1998 to 2011) of Liberty Mutual Group, a multi-line insurance company. Mr. Kelly served as a director of Mellon from 2004 to 2007 and has served as a director of the company since 2007.

Mr. Kelly's experience also includes senior-level management positions at Aetna Life & Casualty Company. Mr. Kelly was a director of Citizens Financial Group Inc., where he served as Chair of the Audit Committee and Chair of the Joint Risk Assessment Committee. Mr. Kelly is also a member of the Board of Trustees of the Boston Symphony Orchestra; a member of the Senior Advisory Council of the New England College of Business and Finance; a member of the Bretton Woods Committee; a past member of the Board of Trustees for Boston College and former President of the Boston Minuteman Council of the Boy Scouts of America. Mr. Kelly received a Bachelor of Arts degree from Queen's University in Belfast and a Ph.D. from the Massachusetts Institute of Technology.

Skills and Expertise:

Leadership of a major global company in a highly regulated industry

Experience in risk management

Senior level policy-making experience in the insurance industry

Ms. Morgan has served as a member of the Executive Board of SAP and President of SAP Americas and Asia Pacific Japan, Global Customer Operations, since 2017. Previously, she was President of SAP North America since 2014. At SAP, Ms. Morgan is responsible for the company's strategy, revenue and customer success in the Americas and Asia Pacific Japan. Since being named President, she has led SAP's rapid shift to the cloud in North America while helping customers achieve growth in the digital economy. Ms. Morgan served in a number of leadership roles for SAP since joining the company in 2004, including as head of SAP North America's public sector organization and president of its Regulated Industries business unit. In these roles, Ms. Morgan was a recognized thought-leader on government and public sector technology innovation, represented SAP to the U.S. Government and testified before Congress on technology and acquisition issues. Earlier in her career, Ms. Morgan served in various management roles at Siebel Systems and Accenture. She has served as a director of the company since 2016.

Ms. Morgan is an executive advisory board member of James Madison University College of Business and a board member of NAF, an educational non-profit organization bringing education, business and community leaders together to transform the high school experience. Ms. Morgan earned a Bachelor of Business Administration degree from James Madison University.

Skills and Expertise:

Leadership and client experience with technology as a business driver

Experience in the operations at large, complex global companies

Finance

Leadership

Technology

Global

Governance

Risk

Financial Services Experience

Diversity

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ITEM 1. ELECTION OF DIRECTORS > Nominees

Mark A. Nordenberg

Age 69

Independent Director of BNY Mellon and predecessor companies since 1998

Chancellor Emeritus, Chair of the Institute of Politics and Distinguished Service Professor of Law of the University of Pittsburgh

Committees: Audit, Corporate Governance and Nominating (Chair), Corporate Social Responsibility, Technology

Other Current Public Company Board Service: None
Elizabeth E. Robinson

Age 49

Independent Director since 2016

Retired Global Treasurer of The Goldman Sachs Group, Inc.

Committees: Finance, Corporate Social Responsibility, Risk

Other Current Public Company Board Service: None

Mr. Nordenberg served as Chancellor and Chief Executive Officer of the University of Pittsburgh, a major public research university, from 1996 to August 2014. He currently serves as Chancellor Emeritus, Chair of the Institute of Politics and Distinguished Service Professor of Law at the University. Mr. Nordenberg served as a director of Mellon from 1998 to 2007 and has served as a director of the company since 2007.

Mr. Nordenberg joined the University of Pittsburgh's law faculty in 1977 and served as Dean of the School of Law from 1985 until 1993. Mr. Nordenberg was the interim Provost and Senior Vice Chancellor for Academic Affairs from 1993 to 1994, and interim Chancellor from 1995 to 1996. A specialist in legal process and procedure, including civil litigation, he has published books, articles and reports on this topic, and has served as a member of both the U.S. Advisory Committee on Civil Rules and the Pennsylvania Supreme Court's Civil Procedural Rules Committee. He is a former director and executive committee member of the Association of American Universities and has served on the boards of national and regional organizations promoting innovation and economic progress. Mr. Nordenberg received his Bachelor of Arts degree from Thiel College and his Juris Doctorate degree from the University of Wisconsin School of Law.

Skills and Expertise:

Legal expertise

Leadership of a major research university

Experience in the operations and management of a large institution

Ms. Robinson served as Global Treasurer, Partner and Managing Director of The Goldman Sachs Group, Inc., the global financial services company, from 2005 to 2015. Prior to that, Ms. Robinson served in the Financial Institutions Group within the Investment Banking Division of Goldman Sachs. She has served as a director of the company since 2016.

Ms. Robinson serves on the Board of Directors of Russell Reynolds Associates and is the non-executive Chairman of the Board of Directors of BNY Mellon Government Securities Services Corp. Ms. Robinson is a trustee of Williams College, MASS MoCA and Every Mother Counts and was, until August 2016, a director of Goldman Sachs Bank USA. Ms. Robinson received a Bachelor of Arts degree from Williams College and an M.B.A. from Columbia University.

Skills and Expertise:

Experience in finance and risk management

Experience in financial regulation and banking

Leadership in the operations of a large global financial institution

Finance

Leadership

Technology

Global

Governance

Risk

Financial Services Experience

Diversity

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ITEM 1. ELECTION OF DIRECTORS > Nominees

Charles W. Scharf

Age 52

Management Director since 2017

Chairman and Chief Executive Officer of The Bank of New York Mellon Corporation

Committees: None

Other Current Public Company Board Service: Microsoft Corporation

Samuel C. Scott III

Age 73

Independent Director of BNY Mellon and predecessor companies since 2003

Retired Chairman, President and Chief Executive Officer of Ingredion Incorporated (formerly Corn Products International, Inc.)

Committees: Audit, Corporate Social Responsibility (Chair), Human Resources and Compensation

Other Current Public Company Board Service: Abbott Laboratories;
Motorola Solutions, Inc. (lead director)

Mr. Scharf has served as our Chief Executive Officer since July 2017. Mr. Scharf served as the Chief Executive Officer of Visa Inc. from 2012 to 2016. Prior to that, Mr. Scharf served in several senior positions at JPMorgan Chase & Co. (from 2004 to 2011), Bank One Corporation (from 2000 to 2004), and Citigroup Inc. and its predecessors (from 1987 to 2000).

Mr. Scharf is a trustee of Johns Hopkins University and is Chairman of the New York City Ballet. Mr. Scharf received a Bachelor of Arts degree from Johns Hopkins University and an M.B.A. from New York University.

Skills and Expertise:

Knowledge of the company's businesses and operations

Experience in banking, risk management and financial regulation

Leadership of a large global financial institution

Prior to his retirement in 2009, Mr. Scott served as Chairman (since 2001), Chief Executive Officer (since 2001) and President and Chief Operating Officer (since 1997) of Corn Products International, Inc., a leading global ingredients solutions provider now known as Ingredion Incorporated. Mr. Scott previously served as President of CPC International's Corn Refining division from 1995 to 1997 and President of American Corn Refining from 1989 to 1997. In addition to the public company board service noted above, Mr. Scott also serves on the boards of, among others, Chicago Sister Cities, Northwestern Medical Group, the Chicago Urban League, The Chicago Council on Global Affairs and Get IN Chicago. Mr. Scott received both a Bachelor of Science degree and a Master in Business Administration degree from Fairleigh Dickinson University. Mr. Scott served as a director of The Bank of New York from 2003 to 2007 and has served as a director of the company since 2007.

Skills and Expertise:

Senior level policy-making experience in the food industry

Leadership of international company

Financial expert with experience in the operations and management of a large public company

Finance

Leadership

Technology

Global

Governance

Risk

Financial Services Experience

Diversity

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ITEM 1. ELECTION OF DIRECTORS > Nominees

Director Qualifications

Steven L. Blane, Joseph E. Belding, John G. McHale, Jennifer A. Brinkley, Elizabeth Chang, William S. Carter, Scott III

Skills and Experience

Finance

Leadership

Technology

Global

Governance

Risk

Financial Services Experience

Demographic Background

Board Tenure

Years	N/A	1	2	3	3	3	13	1	19	1	1	14
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Gender

Male												
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Female

Age

Years old	65	59	61	56	62	47	72	46	69	49	52	73
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Race/Ethnicity

African American/Black												
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White/Caucasian

Hispanic/Latino												
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* Mr. Black is a nominee who does not currently serve on our Board of Directors.

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ITEM 1. ELECTION OF DIRECTORS > Nominees

The CG&N Committee assists the Board in reviewing and identifying individuals qualified to become Board members. The CG&N Committee utilizes Board-approved criteria, set forth in our Corporate Governance Guidelines (see [Helpful Resources](#) on page 88), in recommending nominees for directors at Annual Meetings and to fill vacancies on the Board. Directors chosen to fill vacancies will hold office for a term expiring at the end of the next Annual Meeting.

In selecting nominees for election as directors, our CG&N Committee considers the following with respect to Board composition:

Professional background and experience. The individual's specific experience, background and education, including skills as described in the table on the prior page, as well as knowledge essential to the oversight of the company's businesses.

Senior-level management positions. The individual's sustained record of substantial accomplishments in senior-level management positions in business, government, education, technology or not-for-profit enterprises.

Judgment and challenge. The individual's capability of evaluating complex business issues and making sound judgments and constructively challenging management's recommendations and actions.

Diversity. The individual's contribution to the diversity of the Board (in all aspects of that term), including differences of viewpoints, professional experience, education, skills and other demographics, such as race, gender, ethnicity and sexual orientation, as well as the variety of attributes that contribute to the Board's collective strength.

Intangible attributes. The individual's character and integrity and interpersonal skills to work with other directors on our Board in ways that are effective, collegial and responsive to the needs of the company.

Time. The individual's willingness and ability to devote the necessary time and effort required for service on our Board.

Independence. The individual's freedom from conflicts of interest that could interfere with their duties as a director.

Stockholders' interests. The individual's strong commitment to the ethical and diligent pursuit of stockholders' best interests.

The CG&N Committee seeks individuals with leadership experience in a variety of contexts and, from public company leaders, across a variety of industries. The CG&N Committee will evaluate all candidates suggested by other directors or third-party search firms (which the company retains from time to time, including over the past year, to help identify potential candidates) or recommended by a stockholder for nomination as a director in the same manner. For information on recommending a candidate for nomination as a director see [Contacting the Board](#) on page 30.

The Board and the CG&N Committee have concluded that each of our current Board members should be recommended for re-nomination as a director. In considering whether to recommend re-nomination of a director for election at our Annual Meeting, the Board and the CG&N Committee considered, among other factors:

The **criteria for the nomination of directors** described above,

Feedback from the annual Board and committee evaluations,

Attendance and preparedness for Board and committee meetings,

Outside board and other affiliations, for actual or perceived conflicts of interest,

The **overall contributions to the Board,** and

The needs of the company.

Each of the nominees for election as director, other than Mr. Scharf and Mr. Black, was elected as a director at our 2017 Annual Meeting. Mr. Scharf was appointed a director effective July 17, 2017 in connection with his appointment as CEO. Mr. Black is a nominee who does not currently serve on our Board. He was recommended to the CG&N Committee for consideration as a candidate by our CEO. Our Board believes that each of the nominees meet the criteria described above with diversity, depth and breadth of experience that enable them to oversee management of the company as an effective and engaged Board. No director or nominee has a family relationship to any other director, nominee for director or executive officer.

Gerald L. Hassell, who was elected as a director at our 2017 Annual Meeting, retired from the Board effective December 31, 2017. Mr. Hassell's retirement comes after a 44-year career with the company, including the last 6 years as CEO and Chairman of the Board. The Board is grateful to Mr. Hassell for his innumerable and extensive contributions to the company over the course of his career.

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ITEM 1. ELECTION OF DIRECTORS > Nominees

Nicholas M. Donofrio, who was elected as a director at our 2017 Annual Meeting, retired from the Board effective September 30, 2017, and John A. Luke, Jr., who was elected as a director at our 2017 Annual Meeting, will not be standing for reelection. The Board

is grateful to Messrs. Donofrio and Luke for their dedication and invaluable contributions as directors during their more than 18 years and 22 years, respectively, of service to the company and The Bank of New York. The Board will miss their camaraderie, commitment, insight and perspective.

Majority Voting Standard

Under our by-laws, in any uncontested election of directors, each director will be elected if more votes are cast for the director's election than are cast against the director's election, with abstentions and broker non-votes not being counted as a vote cast either for or against the director's election. A plurality standard will apply in any contested election of directors, which is an election in which the number of nominees for director exceeds the number of directors to be elected. Pursuant to our Corporate Governance Guidelines, if any incumbent director fails to receive a majority of the votes cast in any uncontested election, the director will be required to tender his or her resignation to the Lead Director (or such other director designated by the Board if the director failing to receive the majority of votes cast is the Lead Director) promptly after the certification of the stockholder vote.

Our CG&N Committee will promptly consider the tendered resignation and recommend to the Board whether to accept or reject it, or whether other actions should be taken. In considering whether to accept or reject the tendered resignation, the CG&N Committee will consider whatever factors its members deem relevant, including any stated reasons for the against votes, the length of service and qualifications of the director whose resignation has been tendered, the director's contributions to the company, and the mix of skills and backgrounds of the Board members. The

Board will act on the CG&N Committee's recommendation no later than 90 days following the certification of the election in question. In considering the recommendation of the CG&N Committee, the Board will consider the factors considered by the CG&N Committee and such additional information and factors as it deems relevant.

Following the Board's decision, the company will publicly disclose the Board's decision in a Current Report on Form 8-K filed with the Securities and Exchange Commission (SEC). If the Board does not accept the director's resignation, it may elect to address the underlying stockholder concerns or to take such other actions as it deems appropriate and in the best interests of the company and its stockholders. A director who tenders his or her resignation pursuant to this provision will not vote on the issue of whether his or her tendered resignation will be accepted or rejected. If the Board accepts an incumbent director's resignation pursuant to this provision, or if a nominee for director is not elected and the nominee is not an incumbent director, then the Board may fill the resulting vacancy pursuant to our by-laws. If

the Board does not accept an incumbent director's resignation pursuant to this provision, he or she will continue to serve on the Board until the election of his or her successor.

Table of Contents**ITEM 1. ELECTION OF DIRECTORS** > **Corporate Governance and Board Information****Our Corporate Governance Practices**

We believe that the strength of BNY Mellon's business reflects the high standards set by our governance structure. It provides guidance in managing the company from the Board of Directors on down for the benefit of all our stakeholders including our investors, clients, employees and communities. Several of our key governance practices are:

INDEPENDENCE

- ü Our Board is comprised entirely of independent directors (other than our Chief Executive Officer) who regularly meet in **executive sessions** led by our Lead Director at Board and committee meetings.
- ü Our **independent Lead Director**, selected annually by our independent directors, has broad powers, including the right to call a special meeting of the independent directors, approval of Board meeting agendas, materials and schedules, leading executive sessions and consulting with the Chairman of the Human Resources and Compensation Committee (HRC Committee) on CEO performance, compensation and succession.
- ü All Board committees are composed entirely of **independent directors**.

**ACTIVE
ENGAGEMENT**

- ü We had a **high rate of director attendance** at Board and committee meetings in 2017, averaging 97%.
- ü We **actively engage with our stakeholders** through multiple initiatives, reaching out to investors representing over 47% of our outstanding common shares as well as proxy advisory firms and other stakeholders.
- ü Stockholders and other interested parties can **directly contact our Board** (see Helpful

Resources on page 88).

**ONGOING
IMPROVEMENTS**

ii Our Corporate Governance Guidelines require that the Corporate Governance and Nominating Committee **rotate the Lead Director and committee Chairmen** at five-year intervals and **consider enhanced director qualifications** in connection with director nominations.

ii Our Board and each of our standing committees conduct annual **self-evaluations** that have resulted in enhancements to Board functioning (see Evaluation of Board and Committee Effectiveness on page 19), and in 2017 we added individual interviews to the self-evaluation process. Following engagement with stockholders, in 2017 we continued to enhance our Board and committee self-evaluation process and expand our related disclosure.

ii Our by-laws permit holders in the aggregate of 20% of our outstanding common stock to **call a special stockholder meeting**.

ii We **redesigned our committee structure**, for implementation following the Annual Meeting, to refine the allocation of committee responsibilities and to utilize our directors time more efficiently.

ii Our Board participates in **information sessions** during regularly scheduled and special meetings, receiving business, regulatory and other updates from senior management, including risk executives and our General Counsel.

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ITEM 1. ELECTION OF DIRECTORS > Corporate Governance and Board Information

<p>ROBUST PROGRAMS</p>	<ul style="list-style-type: none"> ii A significant portion of director compensation is paid in deferred stock units, which must be held as long as the director serves on the Board. ii Our codes of conduct apply to our directors, as well as all of our employees, providing a framework for the highest standards of professional conduct and fostering a culture of honesty and accountability. ii We continue to enhance our robust director orientation program in which new directors participate in their first six months as a director, and all directors are encouraged to participate in continuing education programs for which expenses are reimbursed.
<p>WHAT WE DON'T DO</p>	<ul style="list-style-type: none"> × No staggered board. × No poison pill (stockholders rights plan). × No supermajority voting. Action by stockholders requires only a majority of the votes cast (not a majority of the shares present and entitled to vote). × No plurality voting in uncontested director elections. Each director must be elected by a majority of the votes cast.

Corporate Governance Developments

Based on stockholder engagement, over the last few years our Board has focused on Board refreshment and succession efforts. Since August 2014, nine of our directors have retired or announced their retirement and over that same period our Board has added eight new directors and recommended one new nominee for election at our 2018 Annual Meeting. Each of these new directors has added experience and expertise to our Board, complementing and supplementing the experience and talents of our Board as a whole. Although the CG&N Committee is principally involved in Board succession and recruitment, our entire Board plays a role in recruiting, interviewing and assessing candidates. Our Board's succession planning is ongoing and will continue to be robust as it seeks to further enhance the diversity of our Board.

Our Board, led by our CG&N Committee, continually seeks to improve our governance structures, and has recently made the following enhancements:

Expanded the Board self-evaluation process to include annual individual director interviews providing directors with an opportunity for candid self-reflection on their personal contributions to the Board.

Enhanced the self-evaluation process by adding an explicit comparison of current-year results to prior-year results to measure improvement and promote long-term accountability.

Redesigned our committee structure to refine the allocation of responsibilities and directors and to more efficiently utilize our directors' time. Following our Annual Meeting, the Corporate Social Responsibility Committee will be dissolved, and its responsibilities assumed by the CG&N Committee (to be renamed the Corporate Governance, Nominating and Social Responsibility Committee, reflecting our continued commitment to the principles of corporate social responsibility). In addition, the scope of the Finance Committee's duties will be refined, as certain duties will revert to the Audit Committee.

Enhanced the efficiency of directors' time by enabling committee meetings to occur simultaneously (where membership permits), thereby creating additional time for robust in-depth discussions without time constraint. As previously disclosed, consistent with our Board's succession planning, Mr. Scharf became our new CEO effective July 17, 2017 and our new Chairman effective January 1, 2018 in connection with Mr. Hassell's retirement, and Mr. Echevarria was elected as our new Lead Director during 2016. In addition to Board refreshment and succession, the CG&N Committee also monitors committee leadership refreshment level with the goal of committee chairs serving in such capacity for no more than 5 consecutive years. Accordingly, our Board elected Mr. Hinshaw as our new Technology Committee chair in 2017. We anticipate the election of a new chair to the (newly re-named) Corporate Governance, Nominating and Social Responsibility Committee in 2018.

Evaluation of Board and Committee Effectiveness

Annually, the Board and each of our standing committees conducts a self-evaluation to continually enhance performance. The Board and management

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ITEM 1. ELECTION OF DIRECTORS > Corporate Governance and Board Information

then work together to enhance Board and committee effectiveness in light of the results of the self-evaluations.

The CG&N Committee, in consultation with the Lead Director, determines the process, scope and contents of the Board's annual performance evaluation. Areas of consideration in the Board self-evaluations include director contribution and performance, Board structure and size, Board dynamics, the range of business, professional and other backgrounds of directors necessary to serve the company and the range and type of information provided to the Board by management.

Based on the CG&N Committee's determination of the evaluation process and scope, each standing committee self-evaluation is conducted in an executive session led by the chairman of the committee. The results of the self-evaluation of each standing committee are reported to the full Board.

As a result of the most recent round of Board and committee self-evaluations, the Board determined to redesign the committee structure, reallocate directors among committees, have committees meet simultaneously (where membership permits) and set aside additional time for strategy discussions.

Active Stockholder Engagement Program

We conduct extensive governance reviews and investor outreach throughout the year. Management reports regularly to the independent directors to keep them informed of stockholders' perspectives on a variety of issues, including governance, strategy and performance, and enable them to consider and address

those matters effectively. Although the Board is recommending against Stockholder Proposal 4 for the reasons we describe on page 74, it is committed to understanding stockholder perspectives in this area. The Board will consider this topic in its stockholder engagement outreach following the annual meeting, taking into account the results of the proposal and other stakeholder viewpoints, and has included it as part of its 2018 corporate governance agenda.

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ITEM 1. ELECTION OF DIRECTORS > Corporate Governance and Board Information

Board Leadership Structure

Our Board has reviewed its current leadership structure consisting of a combined Chairman and Chief Executive Officer with an independent Lead Director in light of the Board's composition, the company's size, the nature of the company's business, the regulatory framework under which the company operates, the company's stockholder base, the company's peer group and other relevant factors. Our Board has determined that a combined Chairman and Chief Executive Officer position, with an independent Lead Director, continues to be the most appropriate Board leadership structure for the company because it promotes Board effectiveness, provides for continuity of expertise in both business and corporate governance and ensures that the company has a clear public face. As described under Succession Planning on page 30, to facilitate an orderly transition of duties following Mr. Scharf's appointment as Chief Executive Officer, Mr. Hassell continued to serve as Chairman of the Board through his retirement, effective December 31, 2017. Mr. Scharf assumed responsibilities as Chairman as of January 1, 2018.

<p>EFFICIENT AND EFFECTIVE ACTION</p>	<p>A combined Chairman/Chief Executive Officer:</p> <p>Is in the best position to be aware of major issues facing the company on a day-to-day and long-term basis, and to identify and bring key risks and developments facing the company to the Board's attention (in coordination with the Lead Director as part of the agenda-setting process), and</p> <p>Eliminates the potential for uncertainty as to who leads the company, providing the company with a single public face in dealing with stockholders, employees, regulators, analysts and other constituencies.</p> <p>A substantial majority of our peers also utilize a similar board structure with a combined Chairman and Chief Executive Officer, as well as a lead or presiding independent director.</p>
<p>STRONG</p>	<p>As set forth in our Corporate Governance Guidelines, our Lead Director:</p>

COUNTERBALANCES

Reviews and approves, in coordination with the Chairman and Chief Executive Officer, agendas for Board meetings, materials, information and meeting schedules,

Has the authority to add items to the agenda for any Board meeting,

Presides at executive sessions of independent directors, which are held at each regular Board and committee meeting,

Serves as a non-exclusive **liaison between the other independent directors** and the Chairman/Chief Executive Officer,

Can **call special meetings of the independent directors** in his discretion and chairs any meeting of the Board or stockholders at which the Chairman is absent,


Is available to **meet with major stockholders and regulators** under appropriate circumstances,

Consults with the HRC Committee regarding its **consideration of Chief Executive Officer compensation**,

In conjunction with the chairman of the HRC Committee, discusses with the Chairman/Chief Executive Officer the Board's **annual evaluation of his performance as Chief Executive Officer**,

Consults with the HRC Committee on **Chief Executive Officer succession planning**, and

Consults with the Chairman of the CG&N Committee on the Board's annual performance evaluation. In practice, our Lead Director is a member of the CG&N Committee, which we believe is a governance best practice.



In addition, the powers of the Chairman under our by-laws are limited other than chairing meetings of the Board and stockholders, the powers conferred on the Chairman (*e.g.*, ability to call special meetings of stockholders or the Board) can also be exercised by the Board or a specified number of directors or, in some cases, the Lead Director, or are administrative in nature (*e.g.*, authority to execute documents on behalf of the company).