

NRG ENERGY, INC.  
Form DEF 14A  
March 13, 2019

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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 under §240.14a-12

**NRG ENERGY, INC.**

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(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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    - (1) Amount Previously Paid:
    - (2) Form, Schedule or Registration Statement No.:
    - (3) Filing Party:
    - (4) Date Filed:
-







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**2019 Annual Meeting of Stockholders and Proxy Statement**

March 13, 2019

Fellow Stockholders:

We are pleased to invite you to attend NRG Energy, Inc.'s Annual Meeting of Stockholders, which will be held at 9 a.m., Central Time, on Thursday, April 25, 2019, at the JW Marriott Downtown, 806 Main Street, Houston, Texas 77002. Details regarding admission to the meeting and the business to be conducted are more fully described in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

Your vote is important. Whether or not you plan to attend the Annual Meeting, we hope you will vote as soon as possible. Information about voting methods is set forth in the accompanying Notice of Annual Meeting of Stockholders and Proxy Statement.

On behalf of everyone at NRG, I thank you for your ongoing interest and investment in NRG Energy, Inc. We are committed to acting in your best interests. If you have any questions with respect to voting, please call our proxy solicitor, MacKenzie Partners, Inc. at (800) 322-2885 (toll free).

Sincerely,

LAWRENCE S. COBEN  
*Chairman of the Board*

THIS PROXY STATEMENT AND PROXY CARD ARE  
BEING DISTRIBUTED ON OR ABOUT MARCH 13, 2019.

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NRG Energy, Inc.  
804 Carnegie Center, Princeton, New Jersey 08540

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**When:** Thursday, April 25, 2019, 9:00 a.m. Central Time

**Where:** JW Marriott Downtown, 806 Main Street, Houston, Texas 77002

**We are pleased to invite you to join our Board of Directors and senior leadership at the NRG Energy, Inc. 2019 Annual Meeting of Stockholders.**

**ITEMS OF BUSINESS:**

1. To elect ten directors.
2. To approve, on a non-binding advisory basis, NRG Energy, Inc.'s executive compensation.
3. To ratify the appointment of KPMG LLP as NRG Energy, Inc.'s independent registered public accounting firm for the 2019 fiscal year.
4. To vote on a stockholder proposal regarding disclosure of political expenditures, if properly presented at the meeting.
5. To transact such other business as may properly come before the Annual Meeting and any adjournment or postponement.

**RECORD DATE:**

You are entitled to vote if you were a stockholder of record at the close of business on March 1, 2019.

**Voting Information**

**HOW TO VOTE:**

Even if you plan to attend the Annual Meeting in person, please vote right away using one of the following advance voting methods. Make sure to have your proxy card or voting instruction form in hand and follow the instructions in the card or form.

***Via the Internet:***

You may vote at [www.proxyvote.com](http://www.proxyvote.com), from anywhere in the world, 24 hours a day, 7 days a week, up until 11:59 p.m. Eastern Time on April 24, 2019.

***By phone:***

If you live in the United States, you may vote 24 hours a day, 7 days a week, up until 11:59 p.m. Eastern Time on April 24, 2019, by calling (800) 690-6903 from a touch-tone phone.

***By mail:***

If you received a paper copy of the materials, you may mark, sign, date and mail your proxy card or voting instruction card in the enclosed, postage-paid address envelope, as soon as possible as it must be received by the Company prior to April 25, 2019, the Annual Meeting date.

***In person:***

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You can vote by a ballot that will be provided to you at the Annual Meeting. However, if you are a beneficial owner of shares held in street name (through a bank, broker or other nominee), you must bring a legal proxy from your bank, broker or other nominee to vote in person.

By Order of the Board of Directors

CHRISTINE A. ZOINO,  
*Corporate Secretary*

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**2019 ANNUAL MEETING OF STOCKHOLDERS**

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*This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement before voting. For more complete information regarding NRG Energy, Inc.'s 2018 performance, please review NRG Energy, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2018.*

**Roadmap of Voting Matters**

Stockholders are being asked to vote on the following matters at the 2019 Annual Meeting of Stockholders:

**Proposal 1. Election of Directors (page 18)**

The Board of Directors (Board) and the Governance and Nominating Committee believe that the 10 director nominees possess the necessary qualifications, attributes, skills and experiences to provide advice and counsel to the Company's management and effectively oversee the business and the long-term interests of our stockholders.

**FOR**  
each Director nominee

**Proposal 2. Approval, on a non-binding advisory basis, of NRG Energy, Inc.'s executive compensation (Say on Pay Proposal) (page 27)**

The Company seeks a non-binding advisory vote to approve the compensation of its named executive officers as described in the Compensation Discussion and Analysis beginning on page 38 and the compensation tables and respective narrative discussion. The Board values stockholders' opinions, and the Compensation Committee will take into account the outcome of the Say on Pay Proposal when considering future executive compensation decisions.

**FOR**

**Proposal 3. Ratification of the appointment of KPMG LLP as NRG, Energy, Inc.'s independent registered public accounting firm for the 2019 fiscal year (KPMG LLP Appointment Proposal) (page 28)**

The Audit Committee and the Board believe that the retention of KPMG LLP as the Company's independent registered public accounting firm for the 2019 fiscal year is in the best interests of the Company and its stockholders. As a matter of good corporate governance, stockholders are being asked to ratify the Audit Committee's selection of KPMG LLP.

**FOR**

**Proposal 4. Stockholder Proposal, if properly presented (Political Expenditures Stockholder Proposal) (page 29)**

Stockholder proposal for preparation of a report on political expenditures.

**AGAINST**

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[About NRG](#)

NRG is an energy company built on dynamic retail brands with diverse generation assets. NRG brings the power of energy to consumers by producing, selling and delivering electricity and related products and services in major competitive power markets in the U.S. in a manner that delivers value to all of NRG's stakeholders. NRG is perfecting the integrated model by balancing retail load with generation supply within its deregulated markets while evolving to a customer-driven business. The Company sells energy, services, and innovative, sustainable products and services directly to retail customers under the names "NRG" and "Reliant" and other brand names owned by NRG supported by approximately 23,000 MWs of generation as of December 31, 2018. NRG was incorporated as a Delaware corporation on May 29, 1992.



[Proxy Statement Highlights](#)

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NRG's strategy is to maximize stockholder value through the safe production and sale of reliable power to its customers in the markets served by the Company, while positioning the Company to provide innovative solutions to the end-use energy consumer. This strategy is designed to enable the Company to optimize the integrated model to generate predictable cash flow, significantly strengthen earnings and cost competitiveness, and lower risk and volatility. Sustainability is an integral piece of NRG's strategy and ties directly to business success, reduced risks and brand value.

To effectuate the Company's strategy, NRG is focused on: (i) serving the energy needs of end-use residential, commercial and industrial customers in competitive markets through multiple brands and channels with a variety of retail energy products and services differentiated by innovative features, premium service, sustainability, and loyalty/affinity programs; (ii) deploying innovative and renewable energy solutions for consumers within its retail businesses; (iii) excellence in operating performance of its existing assets including optimal hedging of generation assets and retail load operations; and (iv) engaging in a proactive capital allocation plan within the dictates of prudent balance sheet management.

**Corporate Governance Highlights**

We are committed to maintaining the highest standards of corporate governance, which promote the long-term interests of our stockholders, strengthen Board and management accountability and help build public trust in the Company. The Governance of the Company section beginning on page 7 describes our corporate governance framework, which includes the following highlights:

Annual election of directors	Regular executive sessions of independent directors
Majority voting for directors	Risk oversight by full Board and committees
10 director nominees of which 9 are independent	Commitment to sustainability and Board oversight of environmental, social and governance matters
Adopted proxy access for stockholders to nominate directors	Anti-hedging and anti-pledging policies
Independent Audit, Compensation, and Governance and Nominating Committees	Robust director evaluation process
Broad skills, experiences and backgrounds and diversity of race, gender and tenure	

**2018 Stockholder Engagement**

Stockholder feedback is important to our Board's decision-making process and has driven recent changes to our governance and compensation practices, including changes to our 2017 compensation program, the adoption of proxy access in 2016, and the disclosure of our political contribution policy. An overview of the topics discussed, feedback received, and actions taken are further described under "2018 Stockholder Engagement" beginning on page 10.

I [Proxy Statement Highlights](#)

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**Director Skills, Experience, and Background**

As discussed in more detail under "Governance of the Company" beginning on page 7, the Governance and Nominating Committee is responsible for assessing with the Board, on an ongoing basis, the appropriate skills, experience, and background that we seek in Board members in the context of our business and the existing composition of the Board.

This assessment includes numerous factors such as independence; understanding of and experience in the retail and wholesale competitive energy market, customer expertise, finance, and operations; executive leadership; age; and gender and ethnic diversity. The Board also assesses whether a nominee's background, experience, personal characteristics, or skills will advance the Board's goal of creating and sustaining a Board that can support and oversee management's execution of the Company's strategic priorities.

The Board is continually evaluating the need for board refreshment and has been focused on identifying individuals whose skills and experiences will enable them to make meaningful contributions to the Company in light of the Company's evolving strategy and direction. The Board also aims to strike a balance between the knowledge and understanding of the business that comes from longer-term service on the Board with the ideas and perspectives that can come from adding new members.

Our Director nominees have a balance of tenure, age and diversity, which provides our Board with a complementary mix of experience and perspective. In addition, nine of our ten Director nominees are independent.

See "Board Skills and Experience" on page 12 for a table identifying the primary skills and experience of our Directors, as well as "Proposal No. 1 Election of Directors" on pages 18-23 for the biographies of our Director nominees and a description of the specific skills and viewpoints that each Director brings to bear in his or her service to NRG's Board and Committees.



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## Summary of Director Nominees

<b>Lawrence S. Coben (Chairman of the Board)</b> <i>Former Chairman and Chief Executive Officer, Tremisis Energy Corporation LLC</i>	60	2003	YES	1				
<b>E. Spencer Abraham</b> <i>Chairman and Chief Executive Officer, The Abraham Group</i>	66	2012	YES	4				•
<b>Matthew Carter, Jr.</b> <i>Chief Executive Officer, Aryaka Networks, Inc.</i>	58	2018	YES	1	•		•	•
<b>Heather Cox</b> <i>Chief Digital Health and Analytics Officer, Humana Inc.</i>	48	2018	YES	0		•	•	•
<b>Terry G. Dallas</b> <i>Former Executive Vice President and Chief Financial Officer, Unocal Corporation</i>	68	2012	YES	0				• •
<b>Mauricio Gutierrez</b> <i>President and Chief Executive Officer, NRG Energy, Inc.</i>	48	2016	NO	0				•
<b>William E. Hantke</b> <i>Former Executive Vice President and Chief Financial Officer, Premcor, Inc.</i>	71	2006	YES	1				•
<b>Paul W. Hobby</b> <i>Managing Partner, Genesis Park, L.P.</i>	58	2006	YES	0				•

<p><b>Anne C. Schaumburg</b>  <i>Former Managing Director of Credit Suisse First Boston</i></p>	69	2005	YES	1	•	•	•
<p><b>Thomas H. Weidemeyer</b>  <i>Former Director, Senior Vice President and Chief Operating Officer of United Parcel Service, Inc.</i></p>	71	2003	YES	2	•	•	•

1 Chair • Member

A = Audit Committee

C = Compensation Committee

G&N = Governance and Nominating Committee

F = Finance and Risk Management Committee

N = Nuclear Oversight Committee

### Questions and Answers

Please see the Questions and Answers section beginning on page 62 for important information about the proxy materials, voting and the 2019 Annual Meeting of Stockholders. Additional questions may be directed to our proxy solicitor, MacKenzie Partners, Inc. at (800) 322-2885 or [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com).

### Learn More About Our Company

You can learn more about the Company, view our governance materials and much more by visiting our website, [www.nrg.com](http://www.nrg.com).

Please also visit our 2019 Annual Meeting of Stockholders website at [www.proxyvote.com](http://www.proxyvote.com) to easily access the Company's proxy materials or vote through the Internet.

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We are providing these proxy materials to you in connection with the solicitation of proxies by the Board of NRG Energy, Inc. for the 2019 Annual Meeting of Stockholders (Annual Meeting) and for any adjournment or postponement of the Annual Meeting. The Annual Meeting will be held on Thursday, April 25, 2019, at 9 a.m. Central Time at the JW Marriott Downtown, 806 Main Street, Houston, Texas 77002. In this Proxy Statement, "we," "us," "our," "NRG" and the "Company" refer to NRG Energy, Inc.

You are receiving this Proxy Statement because you own shares of our common stock, par value \$0.01 per share, that entitle you to vote at the Annual Meeting. By use of a proxy, you can vote whether or not you attend the Annual Meeting. This Proxy Statement describes the matters on which we would like you to vote and provides information on those matters.

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting  
of Stockholders to be held on Thursday, April 25, 2019**

Each of the Notice of Annual Meeting, this Proxy Statement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 (Annual Report on Form 10-K) is available at [www.proxyvote.com](http://www.proxyvote.com). **If you would like to receive, without charge, a paper copy of our Annual Report on Form 10-K, including the financial statements and the financial statement schedules, please send your request to Investor Relations, 804 Carnegie Center, Princeton, New Jersey 08540.**

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### Corporate Governance Guidelines and Charters

The Board has adopted Corporate Governance Guidelines (Guidelines) that, along with the Amended and Restated Certificate of Incorporation, the Fourth Amended and Restated Bylaws (Bylaws) and the charters of the committees of the Board (Committees), provide the framework for the governance of the Company. The Board's Governance and Nominating Committee is responsible for periodically reviewing the Guidelines and recommending any proposed changes to the Board for approval. The Guidelines are available on the Governance section of the Company's investor relations website at <http://investors.nrg.com>, along with the charters of all of the Committees and the Company's Code of Conduct. The Guidelines, the charters of all of the Committees and the Code of Conduct are also available in print to any stockholder upon request. Stockholders who desire to receive such items in print may request them from the Company's Corporate Secretary by writing to NRG Energy, Inc., 804 Carnegie Center, Princeton, New Jersey 08540.

### Director Independence

Under the Guidelines and the New York Stock Exchange (NYSE) listing standards, a majority of the Board must be composed of independent directors. The Board determines the independence of our directors by applying the independence principles and standards established by the NYSE. These provide that a director is independent only if the Board affirmatively determines that such director does not have a direct or indirect material relationship with the Company, which may include commercial, industrial, consulting, legal, accounting, charitable, familial and other business, professional and personal relationships.

The Board conducts a review of the independence of the Company's directors on an annual basis. In its most recent review, the Board considered, among other things:

Any employment relationships between the Company and its directors (other than Mauricio Gutierrez) or their immediate family members;

Any affiliations of the Company's directors or their immediate family members with the Company's independent registered public accounting firm, compensation consultants, legal counsel and other consultants and advisors;

Any transactions that would require disclosure as a related person transaction or that qualify for review under our related person transactions policy;

Any transactions made in the ordinary course of business with a company in which a director serves on the board or as a member of the executive management team; and

Any transactions involving payments made by the Company to educational institutions.

In addition, because the Company provides retail electricity services through certain of its subsidiaries, the Board also considered instances where certain of our directors either received electricity services from the Company or serve as directors of businesses that received electricity services from the Company.

The Board has determined that all of the Company's directors are independent under the Guidelines and the NYSE listing standards, with the exception of Mauricio Gutierrez, our President and Chief Executive Officer.

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Each of the Audit, Compensation, and Governance and Nominating Committees is made up solely of independent directors. In accordance with the Guidelines and NYSE listing standards, all members of the Audit and Compensation Committees meet additional independence standards applicable to audit and compensation committee members, respectively.

### I Governance of the Company

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Board Structure and Leadership

Chairman of the Board: Lawrence S. Coben	Majority voting for directors
Number of directors: 10	Separate Chairman and Chief Executive Officer (CEO)
Number of regular meetings in 2018: 5	Regular executive sessions of independent directors
Number of special meetings in 2018: 4	Each Committee led by an independent director
Annual election of directors	Active engagement by all directors

All directors stand for election annually. Each director will hold office until his or her successor has been elected and qualified or until the director's earlier death, resignation or removal.

As of the 2018 Annual Meeting of Stockholders, there were 11 members of the Board. During the 2018 fiscal year, no director attended less than 75% of the total number of Board meetings and meetings of the Committees on which he or she served.

The Guidelines provide that non-executive directors meet in executive session regularly following Board meetings. The Company's Non-Executive Chairman, Mr. Coben, presides at these sessions. Also, pursuant to the Company's Bylaws, Mr. Coben has been designated as an "alternate member" of all Committees to replace any absent or disqualified members of a Committee.

Directors are encouraged to attend the annual meetings of stockholders. All of the directors attended the 2018 Annual Meeting of Stockholders.

Our CEO, Mr. Gutierrez, and Chairman, Mr. Coben, work closely together in complementary roles. Mr. Gutierrez focuses on the day-to-day operations of the Company and establishes the Company's strategic plan. Mr. Coben leads the Board's responsibilities for reviewing, approving and monitoring fundamental financial and business strategies and major corporate actions, assessing major risks facing the Company and management, and overseeing succession planning, most notably at the CEO level, and he presides over the Board and its Committees as they perform their broad and varied oversight functions. The Board believes that these complementary roles provide the appropriate governance structure for the Company at this time.

Since December 2003, NRG's governance structure has been led by a separate CEO and Chairman of the Board. Irrespective of the Company's current practice, the Board believes that an effective board leadership structure is highly dependent on the experience, skills and personal interaction between persons in leadership roles. As stated in the Guidelines, the Board believes that it is in the best interest of the Company for the Board to make a determination regarding separation of the roles of Chairman and CEO based upon the present circumstances.

Governance Practices

The Board has taken a proactive approach in applying leading governance practices, which is evidenced by the Board's recommendation, and our stockholders' subsequent

approval, of the majority voting standard for the election of directors at the 2009 Annual Meeting of Stockholders, the declassification of our Board at the 2012 Annual Meeting of Stockholders and the adoption of proxy access following the 2016 Annual Meeting of Stockholders.



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Furthermore, as described in the Guidelines, the Board follows a series of governance practices that it believes foster effective Board oversight and accountability to you, our stockholders. These practices include:

Executive and director stock ownership guidelines to align interests with our stockholders;

Ongoing succession planning for the CEO and other senior management;

Annual performance evaluations of the Board and each of its standing Committees, as well as periodic peer review for individual directors;

Director orientation and continuing education program, including Company site visits and information sessions with Company management;

Access to and engagement of outside advisors and consultants to assist the Board and the Committees in the performance of their duties, as appropriate; and

Active engagement with our stockholders regarding governance practices and other matters.

### Proxy Access

Following our 2016 Annual Meeting of Stockholders at which a non-binding proxy access stockholder proposal received the affirmative vote of majority of shares present, we engaged with the stockholder who submitted the proposal. Our Board determined that the best course of action for the Company and our stockholders was to amend our Bylaws to include proxy access. In December 2016, our Board adopted amendments to our Bylaws to implement proxy access. Under the proxy access provisions in our Bylaws, a stockholder (or group of up to 20 stockholders) continuously owning at least 3% of our outstanding common stock for a period of at least three years prior to the date of the nomination may nominate and include in our proxy materials for the following annual meeting director nominees constituting up to 20% of the Board. To do so, the stockholder must submit the information required by Article II, Section 15 of our Bylaws to the Company's Corporate Secretary as described further under "Director Nominees for Inclusion in the Proxy Materials for the 2020 Annual Meeting of Stockholders (Proxy Access)."

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Risk Oversight

**The Board has responsibility for overall risk oversight of the Company.**

**Board Committees, especially the Finance and Risk Management Committee, play an important role.**

**Risk oversight includes understanding the material risks to the business and what steps management is taking or should be taking to manage those risks, as well as understanding and determining the appropriate risk appetite for the Company.**

**To define the Company's risk appetite, the Board reviews and approves the annual business plan, budget and long-term plan, strategic initiatives, acquisitions and divestitures, and capital allocation plan.**

The Board performs its risk oversight function in several ways. The Board monitors, reviews and reacts to strategic and corporate risks through reports by management, including the Enterprise Risk Management team, which is further described below, and through the Committees of the Board. Several Committees of the Board have responsibilities for addressing risk, however, the Board primarily conducts this oversight function through the Finance and Risk Management Committee. The Finance and Risk Management Committee is responsible for company-wide enterprise risk management. The Company's Financial Risk Management Committee, a committee comprised of senior management and key personnel in and around the finance, commercial operations and risk functions, reports to the Board's Finance and Risk Management Committee on a regular basis.

The table below summarizes the significant role the various Board Committees play in carrying out the risk oversight function.

Audit Committee	Reviews and evaluates our policies with respect to risk assessment and risk management.  Oversees financial risks, which includes reviewing the effectiveness of our internal controls, conducting a detailed review of the financial portions of our Securities and Exchange Commission (SEC) reports, approving the independent auditor and the annual audit plan, and receiving and considering periodic reports from the Company's independent auditor, our internal auditor and our corporate compliance officer.
Compensation Committee	Oversees risks related to our compensation policies and practices, with input from management and the Compensation Committee's independent outside compensation consultant, Pay Governance LLC (Pay Governance). For more information on the compensation committee's role with respect to oversight of risks related to compensation policies, see "Compensation Discussion and Analysis Oversight of Risks Related to Compensation Policies", beginning on page 47.
Finance and Risk Management Committee	Oversees risks related to our capital structure, liquidity, financings and other capital markets transactions as well as risks related to our trading of fuel, transportation, energy and related products and services, regulatory compliance, and information technology systems and cybersecurity matters and the Company's management of the risks associated with such activities.
Governance and Nominating Committee	Oversees our strategies and efforts to manage our environmental, economic and social impacts, including our environmental, climate change, sustainability and political expenditure policies and programs.
Nuclear Oversight Committee	Oversees risks related to our ownership and operation, directly or indirectly, of interests in nuclear power plant facilities.

The Chairs of each of the Committees regularly report to the Board on all matters reviewed by their respective Committees, thereby providing the Board with the opportunity to identify and discuss any risk-related issues or request additional information from management or the Committees that may assist the Board in its risk oversight role. To this end, risk-related issues presented to the Committees are routinely

presented to the full Board to ensure proper oversight.

I Governance of the Company

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**2018 Stockholder Engagement**

Stockholder feedback is important to our Board's decision-making process and has driven recent changes to our governance and compensation practices, including changes to our 2017 compensation program, the adoption of proxy access in 2016, and the disclosure of our political contribution policy.

In early 2018, we initiated a broad stockholder outreach program to discuss NRG's long-term strategy and sustainability goals, as well as to review and seek feedback on our sustainability, governance, and compensation practices. We reached out to and had discussions with stockholders representing approximately 37% of our shares outstanding. In addition, during 2018, one or more members of management were involved in more than 50 in-person and telephonic meetings with investors representing more than 31% of shares outstanding. Based on the common themes we heard throughout 2018, boardroom discussion and action included the following:

Strategy

Appreciated learning more about the Company's transformation plan and its alignment with long-term shareholder value; and some sought to better understand the Company's capital allocation priorities	See pages 2-3 for a further discussion of the Company's strategy and alignment with long-term shareholder value
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Sustainability

Recognized NRG's position as a leader on sustainability issues and related disclosure initiatives and appreciated that NRG's sustainability priorities have remained consistent following the implementation of the transformation plan	See page 17 for insights into sustainability commitments and undertakings
Wanted to better understand how our Board oversees environmental, social and governance matters	See pages 14-15 for additional information on the Board's oversight of environmental, social and governance matters

Governance

Some investors expressed an interest in disclosure regarding how our Board's skills align with the Company's business strategy	See pages 4 and 12 for additional information on Board skills
Discussed how diversity is considered in the Board refreshment process	See pages 4-5 and 13 for additional information on the composition of the Board and its commitment to board refreshment and diversity
Requested an understanding of the process undertaken by the Board in the context of Board evaluations	See page 10 for additional disclosure on the director evaluation process

Compensation

Appreciation for our responsiveness to stockholder feedback including the adoption of relative total stockholder return-based long-term incentives with above-median target	See pages 38-58 for a discussion of the Company's executive compensation program
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### Board of Director Annual Performance Evaluation Process

The Board conducts its annual performance evaluation using an open-ended question and answer format in a survey generated by the Corporate Secretary on the Board's web portal. All directors are required to assess the actions taken by the Board during the past year and suggest changes or improvements for each Committee and the Board. The questions give each director an anonymous opportunity to provide candid observations and affirmative feedback to their peers and management. The Governance and Nominating Committee oversees the evaluation process.

Responses from all directors are combined to create an anonymous summary. The summary is used to promote open dialogue during the executive sessions of the February Board and Committee meetings. One-on-one director meetings are also conducted by the Chair of the Governance and Nominating Committee to discuss the results.

The Board believes this process evokes meaningful feedback. The process highlights the Board's commitment to continuous self-improvement by identifying those issues that sometimes require honest and difficult conversations and supports the Board's nomination and refreshment practices.

Following the 2018 annual director evaluation process, the Board continued its refreshment process with the retirement of three directors and the addition of two new directors that allowed the Board to strength its customer-focus expertise.

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**Director Nominee Selection Process**

The Governance and Nominating Committee is responsible for identifying individuals that the Committee believes are qualified to become Board members in accordance with criteria set forth in the Guidelines. These criteria include an individual's business experience and skills, independence, judgment, integrity, and ability to commit sufficient time and attention to the activities of the Board. The Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all Board members. The Governance and Nominating Committee and the Board consider the Company's strategy and the particular skills, experiences and other qualifications that should be represented on the Board as a whole in light of the Company's strategic direction. Listed below are summaries of specific qualifications that the Governance and Nominating Committee and the Board believe should be represented on the Board among other qualifications that a Director may bring.

The Governance and Nominating Committee's process for identifying and evaluating director nominees includes consultation with all directors, solicitation of proposed nominees from all directors, the engagement of one or more professional search firms, if deemed appropriate, interviews with prospective nominees by the Committee (and other directors, if deemed appropriate) and recommendations regarding qualified candidates to the full Board.

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As further described under "Stockholder Recommendations for Director Candidates" on page 68, the Governance and Nominating Committee also considers director candidates recommended by stockholders.

### I Governance of the Company

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**Board Skills and Experience**

Our Directors represent a diverse mix of skills, experiences and viewpoints that are relevant to our Company and facilitate effective oversight. To illustrate the complementary nature each Director's skills and experience, the table below only identifies five primary skills and experiences that each Director brings to the Board. It does not include all of the skills, experiences, qualifications, and diversity that each Director offers, and the fact that a particular experience, skill, or qualification is not listed does not mean that a Director does not possess that skills. We believe identifying five primary skills and experiences is a more meaningful presentation of the complementary contributions and value that each Director brings to their service on the Board and to the Company's stockholders. See "Proposal No. 1 Election of Directors" for the biographies of our Director nominees and a description of the skills and viewpoints that each Director brings to bear in his or her service to NRG's Board and Committees.





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**Board Diversity**

The Board is committed to maintaining a diverse and inclusive Board. Of our ten directors, four (40%) are diverse, including two women. Our Corporate Governance Guidelines specify that the Governance and Nominating Committee must seek to maintain occupational and personal diversity of the Board. In its recruitment process, the Governance and Nominating Committee and the Board seek to reflect gender and racial/ethnic diversity in the pool of director candidates. Diversity also goes beyond race and gender, and includes diversity of viewpoints and tenure. The differences in experience and expertise allow the Board to hear various perspectives from its members, leading to better outcomes and a robust decision making process.

**Board Committees**

The Board has the following five standing Committees: Audit, Compensation, Governance and Nominating, Finance and Risk Management and Nuclear Oversight. During 2018, the Board determined that the Nuclear Oversight Subcommittee was no longer necessary and disbanded the Committee.

The membership and the functions of each Committee are described below. Each of the Committees has adopted a charter that describes each such Committee's roles and responsibilities. The charters of all of the Committees are available on the Governance section of the Company's investor relations website at <http://investors.nrg.com>.

**AUDIT COMMITTEE**

**Members:** William E. Hantke (Chair), Matthew Carter, Jr. and Anne C. Schaumburg

**Number of meetings in 2018:** 4

**Audit Committee Financial Experts:** William E. Hantke and Anne C. Schaumburg

**Primary Responsibilities:** appoints, retains, oversees, evaluates, and compensates the independent auditors; reviews the annual audited and quarterly consolidated financial statements; and reviews major issues regarding accounting principles and financial statement presentations

**Independence:** all members

The Audit Committee represents and provides assistance to the Board with respect to matters involving the accounting, auditing, financial reporting, internal controls, and legal compliance functions of the Company and its subsidiaries, including assisting the Board in its oversight of the integrity of the Company's financial statements, the qualifications, independence, and performance of the Company's independent auditors, the performance of the Company's internal audit function, the Company's compliance with legal and regulatory requirements, and effectiveness of the Company's legal and regulatory

compliance functions. Among other things, the Audit Committee:

appoints, retains, oversees, evaluates, and compensates the independent auditors;

reviews the annual audited and quarterly consolidated financial statements;

reviews major issues regarding accounting principles and financial statement presentations;

reviews earnings press releases and earnings guidance provided to analysts and rating agencies;

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reviews with the independent auditors the scope of the annual audit, and approves all audit and permitted nonaudit services provided by the independent auditors;

considers the adequacy and effectiveness of the Company's internal control and reporting system;

with the advice and assistance of the Finance and Risk Management Committee, reviews in a general manner the processes by which the Company assesses and manages risk, provided, however, the Audit Committee is not required to duplicate the work of the Finance and Risk Management Committee;

reviews periodically the Company's tax policies and any pending audits or assessments;

reports regularly to the Board regarding its activities and prepares and publishes required annual Audit Committee reports;

establishes procedures for the receipt, retention, and treatment of complaints and concerns regarding accounting, internal accounting controls, or auditing matters;

oversees the internal audit and corporate compliance functions; and

annually evaluates the performance of the Audit Committee and the adequacy of its charter.

### COMPENSATION COMMITTEE

**Members:** E. Spencer Abraham (Chair), Heather Cox and Anne C. Schaumburg

**Number of meetings in 2018:** 4

**Primary Responsibilities:** oversees the Company's overall compensation structure, policies, and programs

**Independence:** all members

The Compensation Committee oversees the Company's overall compensation structure, policies, and programs. Among other things, the Compensation Committee:

reviews and recommends to the Board annual and long-term goals and objectives relevant to the compensation of the President and CEO, evaluates the performance of the President and CEO in light of those goals and objectives, and either as a committee with the

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Chairman of the Board or together with the other independent directors, determines and approves the President and CEO's compensation;

reports to the Board its review of annual and long-term goals and objectives relevant to the compensation of the Chief Financial Officer (CFO), the Executive Vice Presidents and any other officer designated by the Board, the evaluation of those officers' performance in light of those goals and objectives, the determination and approval of compensation levels based on such evaluations and the review and approval of employment arrangements, severance arrangements and benefits plans;

reviews and recommends to the Board the compensation, incentive compensation and equity-based plans that are subject to Board approval;

reviews and approves stock incentive awards for executive officers other than the President and CEO;

makes recommendations regarding, and monitors compliance by officers and directors with, the Company's stock ownership guidelines;

reviews and recommends to the Board the compensation of directors for service on the Board and its committees;

oversees the evaluation of management and annually reviews the Company's senior management succession plans;

reviews and approves employment agreements and severance arrangements, benefit plans not otherwise subject to Board approval, and corporate goals and objectives for officers other than the President and CEO;

reviews and discusses with management the Compensation Discussion and Analysis (CD&A) to be included in the Company's proxy statement or annual report on Form 10-K, and based on such review and discussions, recommends to the Board that the CD&A be included in the Company's proxy statement or annual report on Form 10-K, as applicable;

evaluates any conflicts of interest and the independence of any outside advisors engaged by the Compensation Committee;

reviews and oversees the Company's overall compensation strategy, structure, policies, programs, risk profile and any stockholder advisory votes on the Company's compensation practices and assesses whether the compensation structure establishes appropriate incentives for management and employees;

annually evaluates the performance of the Compensation Committee and the adequacy of its charter; and

performs such other responsibilities as may be delegated to it by the Board from time to time that are consistent with its purpose.

The Compensation Committee may delegate to one or more subcommittees such power and authority as the Compensation Committee deems appropriate. No subcommittee shall consist of fewer than two members, and the Compensation Committee may not delegate to a subcommittee any power or authority that is required by any law, regulation or listing standard to be exercised by the Compensation Committee as a whole.

The Compensation Committee has the authority to retain at the expense of the Company such outside counsel, experts, and other advisors as it determines appropriate to assist it in the full performance of its functions, including sole authority to retain and terminate any compensation consultant used to assist the Compensation Committee in the evaluation of directors, or, if applicable, CEO or senior executive compensation, and to approve the consultant's fees and other retention terms.

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Pay Governance, the Compensation Committee's independent compensation consultant for fiscal year 2018, assisted with executive pay decisions and worked with the Compensation Committee to formulate the design of the executive compensation program for 2018. For 2018, Pay Governance billed the Company approximately \$146,000 for compensation consultation services.

### GOVERNANCE AND NOMINATING COMMITTEE

**Members:** Thomas H. Weidemeyer (Chair), Matthew Carter, Jr. and Heather Cox

**Number of meetings in 2018:** 3

**Primary Responsibilities:** Recommends director candidates and provides guidance on governance related matters

**Independence:** all members

The Governance and Nominating Committee recommends director candidates to the Board for election at the Annual Meeting of Stockholders, periodically reviews the Guidelines and recommends changes to the Board, and provides guidance to the Board with respect to governance related matters. Among other things, the Governance and Nominating Committee:

identifies and reviews the qualifications of potential nominees to the Board consistent with criteria approved by the Board, and assesses the contributions and independence of incumbent directors in determining whether to recommend them for re-election;

establishes and reviews procedures for the consideration of Board candidates recommended by the Company's stockholders;

makes recommendations to the Board concerning the structure, composition, and functioning of the Board and its committees;

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reviews and assesses the channels through which the Board receives information, and the quality and timeliness of information received;

reviews and recommends to the Board retirement and other tenure policies for directors;

reviews and approves Company policies applicable to the Board, the directors and officers subject to Section 16 of the Securities Exchange Act of 1934, as amended (Exchange Act);

reviews and reports to the Board regarding potential conflicts of interests of directors;

recommends to the Board director candidates for the annual meeting of stockholders, and candidates to be elected by the Board as necessary to fill vacancies and newly created directorships;

oversees the Company's strategies and efforts to manage its environmental, economic and social impacts, including, but not limited to, the Company's environmental, climate change and sustainability policies and programs;

oversees the evaluation of the Board, each of its committees and management;

monitors directorships in other public companies held by directors and senior officers of the Company;

annually evaluates the performance of the Governance and Nominating Committee and the appropriateness of its charter;

reviews the Company's political contribution policy and the Company's memberships in trade associations or other business associations that engage in lobbying activities or make independent expenditures relating to political campaigns or initiatives;

reviews the Company's charitable giving policy;

oversees the orientation process for new director programs for the continuing education of directors; and

performs such other responsibilities as may be delegated to it by the Board from time to time that are consistent with its purpose.

**FINANCE AND RISK MANAGEMENT COMMITTEE**

**Members:** Paul W. Hobby (Chair), Thomas H. Weidemeyer and Terry G. Dallas

**Number of meetings in 2018:** 7

**Primary Responsibilities:** Oversight of trading, power marketing and risk management issues

**Independence:** all members

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The Finance and Risk Management Committee assists the Board in fulfilling its responsibilities with respect to the oversight of trading, power marketing and risk management issues at the Company, and reviews and approves certain

financial transactions. Among other things, the Finance and Risk Management Committee:

reviews, reports and makes recommendations to the Board on management recommendations or proposals regarding the Company's and its subsidiaries' (a) capital structure, (b) liquidity, (c) need for credit or debt or equity financing, (d) amounts, timing and sources of capital market transactions, and (e) financial hedging and derivative activities;

reviews and approves, or authorizes officers to approve, the pricing and other terms and conditions of transactions relating to debt or equity financings, financial hedging and derivatives activities, and other similar financial activities, in each case which have been reviewed and approved by the Board;

reviews and approves, or authorizes officers to approve, repurchases, early redemption or other similar actions with respect to the Company's securities;

reviews and approves, or authorizes officers to approve, the pricing and other terms and conditions of financing transactions related to mergers, acquisitions, tender offers, and reorganizations which have been reviewed and approved by the Board;

reviews and approves, or authorizes officers to approve, the pricing and other terms and conditions of securities offerings which have been reviewed and approved by the Board;

approves determinations of the fair market value of assets and investments of the Company for purposes of the Company's note indentures, senior secured credit agreement or other similar financing documents where fair market value is required to be determined by the Board or by a Committee of the Board;

reviews with management, on a periodic basis, contributions to employee benefit retirement plans of the Company, investment performance, funding, asset allocation policies and other similar performance measures of the employee benefit retirement plans of the Company;

oversees the Company's policies and procedures established by management to assess, monitor, manage and control the Company's material risk exposures, including operational, business, financial and commodity market (including marketing and trading of fuel, transportation, energy and related products and services, and hedging of generation portfolio obligations), strategic, credit, liquidity and reputational risks;

oversees matters related to the security of and risks related to information technology systems and procedures, including the Company's cybersecurity program and cyber-related risks;

advises and assists the Audit Committee in its review of the processes by which management and the Committee assess the Company's exposure to risk;





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approves as appropriate, the Company's power marketing and trading transactions, limits, policies, practices and procedures, and counterparty credit limit and policies, and approves exceptions to policies, as necessary;

annually evaluates the performance of the Finance and Risk Management Committee and the appropriateness of its charter;

reviews and approves transactions exceeding the CEO's individual authority limits under the Company's risk management policies; and

performs such other responsibilities as may be delegated to it by the Board from time to time that are consistent with its purpose.

**NUCLEAR OVERSIGHT COMMITTEE**

**Committee Members:** Lawrence S. Coben (Chair) and all other Board members

**Number of Committee meetings in 2018:** 1

**Primary Responsibilities:** Oversight of the Company's ownership and operation in nuclear power plant facilities

**Committee Independence:** nine out of ten members are independent

The Nuclear Oversight Committee consists of all of the members of the Board, all of whom are citizens of the United States and meet the requirements of applicable law to serve on the Committee, a majority of which are independent as defined under the listing standards of the NYSE and as affirmatively determined by the Board.

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**Sustainability at NRG**

NRG has a broad sustainability strategy aimed at embedding sustainability into the culture and fabric of the organization and ensuring that sustainability becomes a core function that touches all aspects of our business. To help create a sustainable energy future, we prioritize our work into five key pillars: (i) sustainable business, (ii) sustainable consumers, (iii) sustainable suppliers, (iv) sustainable operations, and (v) sustainable workplace.

<b>Sustainable Business</b>	Sustainability is an integral piece of NRG's corporate strategy and ties directly to business success, reduced risks and brand value. The Sustainable Business pillar guides our company in the foundational pieces of strong sustainability leadership including governance, transparency, sustainability reporting and stakeholder engagement.
<b>Sustainable Customers</b>	A key aspect of our sustainability strategy is providing sustainable solutions for our customers and helping to lead in the transition to a more sustainable future. Our goals are to continue to provide more clean energy choices and help reduce the overall environmental impacts associated with the energy use of our customers.
<b>Sustainable Suppliers</b>	It is also important for companies to address sustainability in their entire value chain. NRG has established ambitious goals and started to put systems in place to measure and ultimately reduce the impacts in our supply chain. NRG is one of the first companies in the energy sector to include supply chain in its sustainability commitments.
<b>Sustainable Operations</b>	NRG is committed to reducing impacts across all of the Company's operations and generation assets. Our commitment to sustainable operations includes strong goals in reducing greenhouse gas emissions, water use and increasing recycling rates of coal combustion residuals across all facilities.
<b>Sustainable Workplace</b>	The key to NRG's success in working towards and achieving our sustainability goals across the value chain is having a strong, healthy and engaged workforce to lead our organization. Our commitment to a sustainable workforce at NRG includes a focus on worker safety, health and wellness, equity, diversity and employee engagement, as well as environmentally-conscious workplaces.

Our sustainability efforts closely align with our business lines and are organized with cross-functional engagement and strong governance. Each pillar comprises business activities that create value for NRG and its stakeholders. We are committed to positively affecting our communities and reducing the environmental footprint of our fleet while ensuring long-term competitiveness. That includes providing sustainable energy solutions to businesses and residential customers, retrofitting existing plants with environmental controls, executing coal-to-gas conversions and evaluating carbon capture technologies. Most importantly, we maintain an unwavering commitment to safety and reliability.

**Communication with Directors**

Stockholders and other interested parties may communicate with the Board by writing to the Corporate Secretary, NRG Energy, Inc., 804 Carnegie Center, Princeton, New Jersey 08540. Communications intended for a specific director or directors should be addressed to their attention to the Corporate Secretary at the address provided above. Communications received from stockholders are forwarded directly to Board members as part of the materials mailed in advance of the next scheduled Board meeting following receipt of the communications. The Board has authorized the Corporate Secretary, in his or her discretion, to forward communications on a more expedited basis if circumstances warrant or to exclude a communication if it is illegal, unduly hostile or threatening, or similarly inappropriate. Advertisements, solicitations for periodical or other subscriptions, and other similar communications generally will not be forwarded to the directors.

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The Board of Directors is comprised of 10 members, each of whom will stand for election at the Annual Meeting. Each director will hold office until his or her successor has been elected and qualified or until the director's earlier death, resignation or removal. Each of the nominees for director named in this Proxy Statement have been recommended and nominated by the Governance and Nominating Committee.

The persons named as proxies on the proxy card intend to vote the proxies for the election of the nominees to the Board listed below. Each nominee listed below has consented to being named in this Proxy Statement and to serve as a director if elected. The biography for each director includes the specific experience, qualifications, attributes and skills that led the Board to conclude that the nominee should serve as a director. The Board believes that each of the director nominees has valuable individual skills and experiences that, taken together, provide the Company with the variety and depth of knowledge, judgment and vision necessary to provide effective oversight of the Company.

Secretary Abraham has been a director of NRG since December 2012. Previously, he served as a director of GenOn Energy, Inc. from January 2012 to December 2012. He is Chairman and Chief Executive Officer of The Abraham Group LLC, an international strategic consulting firm based in Washington, D.C. which he founded in 2005. Prior to that, Secretary Abraham served as Secretary of Energy under President George W. Bush from 2001 through January 2005 and was a U.S. Senator for the State of Michigan from 1995 to 2001. Secretary Abraham serves on the boards of the following public companies: Occidental Petroleum Corporation, PBF Energy, Two Harbors Investment Corp. and Uranium Energy Corp. He also serves on the board of C3 IoT, a private company. Secretary Abraham previously served as the non-executive chairman of AREVA, Inc., the U.S. subsidiary of the French-owned nuclear company, and as a director of Deepwater Wind LLC, International Battery, Green Rock Energy, ICx Technologies, PetroTiger and Sindicatum Sustainable Resources. He also previously served on the advisory board or committees of Midas Medici (Utilipoint), Millennium Private Equity, Sunovia and Wetherly Capital. Secretary Abraham joined Blank Rome Government Relations LLC as a Principal on or about May 9, 2016.

Secretary Abraham's nearly two decades at the highest levels of domestic and international policy and politics give him the experience necessary to provide a significant contribution to the Board. As a former U.S. Senator and former U.S. Secretary of Energy who directed key aspects of the country's energy strategy, Secretary Abraham provides the Board unique insight into public policy and regulatory-related issues. Secretary Abraham serves on the board of trustees of California Institute of Technology and Churchill Centre, a non-profit. Secretary Abraham also serves as a committee member of Bretton Woods, a non-profit.

**AGE: 66**  
**BOARD**  
**COMMITTEES:**

**COMPENSATION**  
**(CHAIR)**

NUCLEAR  
OVERSIGHT

Proposal No. 1 Election of Directors

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Mr. Carter has been a director of NRG since March 2018. Mr. Carter was appointed as the Chief Executive Officer of Aryaka Networks, Inc. in September, 2018. Prior to this, Mr. Carter served as President and Chief Executive Officer and a director of Inteliquent, Inc., a publicly traded provider of voice telecommunications services, from June 2015 until February 2017 when Inteliquent, Inc. was acquired. He served as President of the Sprint Enterprise Solutions business unit of Sprint Corporation, a publicly traded telecommunications company, from September 2013 until January 2015 and, previous to that position, served as President, Sprint Global Wholesale & Emerging Solutions at Sprint Nextel Corporation. Mr. Carter also serves as a director of Jones Lang Lasalle Incorporated, a publicly traded investment management and professional services company, and is currently a member of the Audit Committee. He previously served as a director of USG Corporation from 2012 to 2018, Apollo Education Group, Inc. from 2012 to 2017 and Inteliquent, Inc. from June 2015 to February 2017 and has significant marketing, technology and international experience, including previous management oversight for all of Inteliquent, Inc.'s operations.

Mr. Carter's experience as a chief executive officer brings valuable management expertise and significant operational, marketing and technology experience to the Board.

AGE: 58  
BOARD  
COMMITTEES:

AUDIT

GOVERNANCE AND  
NOMINATING

NUCLEAR  
OVERSIGHT

Dr. Coben has served as Chairman of the Board since February 2017, and has been a director of NRG since December 2003. He was Chairman and Chief Executive Officer of Tremisis Energy Corporation LLC from 2003-2017. Dr. Coben was Chairman and Chief Executive Officer of both Tremisis Energy Acquisition Corporation II, a publicly held company, from July 2007 through March 2009 and of Tremisis Energy Acquisition Corporation from May 2004 to May 2006. From January 2001 to January 2004, he was a Senior Principal of Sunrise Capital Partners L.P., a private equity firm. From 1997 to January 2001, Dr. Coben was an independent consultant. From 1994 to 1996, Dr. Coben was Chief Executive Officer of Bolivian Power Company. Dr. Coben serves on the board of Freshpet, Inc. and served on the advisory board of Morgan Stanley

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Infrastructure II, L.P. from September 2014 through December 2016. Dr. Coben is also Executive Director of the Sustainable Preservation Initiative and a Consulting Scholar at the University of Pennsylvania Museum of Archaeology and Anthropology.

Dr. Coben's experience as a chief executive officer and investor in the energy industry brings a valuable cross section of skills to the Board. Dr. Coben brings to the Board significant managerial, strategic, and financial expertise, particularly as it relates to Company financings, transactions and development initiatives.

AGE: 60  
BOARD  
COMMITTEES:

CHAIRMAN OF THE  
BOARD

NUCLEAR  
OVERSIGHT  
(CHAIR)

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Ms. Cox has been a director of NRG since March 2018. Ms. Cox became Chief Digital Health and Analytics Officer at Humana Inc. in August 2018. Previously, Ms. Cox was Executive Vice President, Chief Technology & Digital Officer of United Services Automobile Association, Inc. from October 2016 to March 2018. Ms. Cox served as Chief Executive Officer, Financial Technology Division and Head of Citi FinTech of Citigroup, Inc. from November 2015 to September 2016, and as Chief Client Experience, Digital and Marketing Officer, Global Consumer Bank of Citigroup, Inc. from April 2014 to November 2015. Prior to that, Ms. Cox served at Capital One Financial Corporation for six years, most recently as Executive Vice President, US Card Operations, Capital One from August 2011 to August 2014. Ms. Cox also served in various managerial and executive roles at E\*Trade Bank for ten years.

Ms. Cox is able to provide the Board with significant insight based on her digital transformation, innovation, technology, operations and customer service experience.

**AGE: 48**  
**BOARD**  
**COMMITTEES:**

**COMPENSATION**

**GOVERNANCE AND**  
**NOMINATING**

**NUCLEAR**  
**OVERSIGHT**

Mr. Dallas has been a director of NRG since December 2012. Previously, he served as a director of GenOn Energy, Inc. from December 2010 to December 2012. Mr. Dallas served as a director of Mirant Corporation from 2006 until December 2010. Mr. Dallas was also the former Executive Vice President and Chief Financial Officer of Unocal Corporation, an oil and gas exploration and production company prior to its merger with Chevron Corporation, from 2000 to 2005. Prior to that, Mr. Dallas held various executive finance positions in his 21-year career with Atlantic Richfield Corporation, an oil and gas company with major operations in the United States, Latin America, Asia, Europe and the Middle East.

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Mr. Dallas is an "audit committee financial expert" as defined by the SEC rules. Mr. Dallas' experience as chief financial officer of a petroleum company provides the Board a perspective of someone with direct responsibility for financial and accounting issues as well as an understanding of issues involving fossil fuels and a cyclical commodity-based industry with long-lived capital intensive investments. In addition, Mr. Dallas' service on the boards of GenOn Energy, Inc. and Mirant Corporation enable him to contribute additional perspectives from the energy industry.

AGE: 68  
BOARD  
COMMITTEES:

FINANCE AND RISK  
MANAGEMENT

NUCLEAR  
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Mr. Gutierrez has served as President and CEO of NRG since December 2015 and as a director of NRG since January 2016. Prior to December 2015, Mr. Gutierrez was the Executive Vice President and Chief Operating Officer of NRG from July 2010 to December 2015. Mr. Gutierrez also served as the Interim President and Chief Executive Officer of Clearway Energy, Inc. (Clearway) (formerly NRG Yield, Inc.) from December 2015 to May 2016 and Executive Vice President and Chief Operating Officer of Clearway from December 2012 to December 2015. Mr. Gutierrez also served on the board of Clearway through August 2018. Mr. Gutierrez has been with NRG since August 2004 and served in multiple executive positions within NRG including Executive Vice President Commercial Operations from January 2009 to July 2010 and Senior Vice President Commercial Operations from March 2008 to January 2009. Prior to joining NRG in August 2004, Mr. Gutierrez held various commercial positions within Dynegy, Inc.

Mr. Gutierrez's knowledge of the Company's assets, operations and businesses bring important experience and skills to our Board. As CEO of the Company, Mr. Gutierrez also provides our Board with management's perspective regarding the Company's day-to-day operations and overall strategic plan. His extensive energy industry and leadership experience enables Mr. Gutierrez to provide essential guidance to our Board.

**AGE: 48**  
**BOARD**  
**COMMITTEES:**

**NUCLEAR**  
**OVERSIGHT**

Mr. Hantke has been a director of NRG since March 2006. Mr. Hantke served as Executive Vice President and Chief Financial Officer of Premcor, Inc., a refining company, from February 2002 until December 2005. Mr. Hantke was Corporate Vice President of Development of Tosco Corporation, a refining and marketing company, from September 1999 until September 2001, and he also served as Corporate Controller from December 1993 until September 1999. Prior to that position, he was employed by Coopers & Lybrand as Senior Manager, Mergers and Acquisitions from 1989 until 1990. He also held various positions from 1975 until 1988 with AMAX, Inc., including Corporate Vice President, Operations Analysis and Senior Vice President, Finance and Administration, Metals and Mining. He was employed by Arthur Young from 1970 to 1975 as Staff/Senior Accountant. Mr. Hantke was Non-Executive Chairman of Process Energy Solutions, a private alternative energy company until March 31, 2008 and served as director and Vice-Chairman of NTR Acquisition Co., an oil refining start-up, until January 2009. Mr. Hantke has served on the board of PBF Energy Inc. since February 2016 and is currently a member of its Board's Audit Committee.

Mr. Hantke joined the Board following the Company's acquisition of Texas Genco, LLC, in which he served on the board of directors, and as a result brings historical and present context to the Company's ongoing business endeavors in the Texas region. Furthermore, Mr. Hantke's extensive experience in executive management positions in the independent refining industry, considered by many to be a similar industry to the Independent Power Production (IPP) sector, and as a director of public and nonpublic boards enables him to provide the Board significant managerial, strategic, and financial oversight. As a result, his fellow directors have elected him as

**AGE: 71**

**BOARD  
COMMITTEES:**

Chair of the Company's Audit Committee. Mr. Hantke is an "audit committee financial expert" as defined by the SEC rules.

AUDIT (CHAIR)

NUCLEAR  
OVERSIGHT

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Mr. Hobby has been a director of NRG since March 2006. Mr. Hobby is the Managing Partner of Genesis Park, L.P., a Houston-based private equity business specializing in technology and communications investments which he founded in 1999. Mr. Hobby routinely provides management and governance services to Genesis Park portfolio companies, and is currently serving as Chairman of Texas Monthly, which he helped to form in 1999. He previously served as the Chief Executive Officer of Alpheus Communications, Inc., a Texas wholesale telecommunications provider from 2004 to 2011, and as Former Chairman of CapRock Services Corp., the largest provider of satellite services to the global energy business from 2002 to 2006. From November 1992 until January 2001, he served as Chairman and Chief Executive Officer of Hobby Media Services and was Chairman of Columbine JDS Systems, Inc. from 1995 until 1997. Mr. Hobby is former Chairman of the Houston Branch of the Federal Reserve Bank of Dallas and the Greater Houston Partnership and is former Chairman of the Texas Ethics Commission. He was an Assistant U.S. Attorney for the Southern District of Texas from 1989 to 1992, Chief of Staff to the Lieutenant Governor of Texas, Bob Bullock and an Associate at Fulbright & Jaworski from 1986 to 1989.

Mr. Hobby joined the Board following the Company's acquisition of Texas Genco, LLC in which he served on its board of directors, and as a result brings historical and present context to the Company's ongoing business endeavors in the Texas region. The Board also values his entrepreneurial, financial and M&A expertise in evaluating the Company's growth initiatives, as well as his involvement in the Houston and greater Texas community, which is the Company's principal market.

**AGE: 58**  
**BOARD**  
**COMMITTEES:**

**FINANCE AND RISK**  
**MANAGEMENT**  
**(CHAIR)**

**NUCLEAR**  
**OVERSIGHT**

Ms. Schaumburg has been a director of NRG since April 2005. From 1984 until her retirement in January 2002, she was a Managing Director of Credit Suisse First Boston and a senior banker in the Global Energy Group. Ms. Schaumburg has worked in the Investment Banking industry for 28 years specializing in the power sector. She ran Credit Suisse's Power Group from 1994 – 1999, prior to its consolidation with Natural Resources and Project Finance, where she was responsible for assisting clients on advisory and finance assignments. Her transaction expertise, across the spectrum of utility and unregulated power, includes mergers and acquisitions, debt and equity capital market financings, project finance and leasing, utility disaggregation and privatizations. Ms. Schaumburg has been a director of Brookfield Infrastructure Partners since 2008 and is chair of the Audit Committee.

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Ms. Schaumburg brings extensive financial and M&A experience and expertise to the Board which is valuable to the review of the Company's financings, transactions, and overall financial oversight. In addition, Ms. Schaumburg is able to provide the Board with essential insight into the financial services industry and how investors may view the company. Ms. Schaumburg is an "audit committee financial expert" as defined by the SEC rules.

AGE: 69  
BOARD  
COMMITTEES:

AUDIT

COMPENSATION

NUCLEAR  
OVERSIGHT

Proposal No. 1 Election of Directors

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Mr. Weidemeyer has been a director of NRG since December 2003. Until his retirement in December 2003, Mr. Weidemeyer served as Director, Senior Vice President and Chief Operating Officer of United Parcel Service, Inc., the world's largest transportation company and President of UPS Airlines. Mr. Weidemeyer became Manager of the Americas International Operation in 1989, and in that capacity directed the development of the UPS delivery network throughout Central and South America. In 1990, Mr. Weidemeyer became Vice President and Airline Manager of UPS Airlines and, in 1994, was elected its President and Chief Operating Officer. Mr. Weidemeyer became Senior Vice President and a member of the Management Committee of United Parcel Service, Inc. that same year, and he became Chief Operating Officer of United Parcel Service, Inc. in January 2001. Mr. Weidemeyer also serves as a director of The Goodyear Tire & Rubber Co. and Waste Management, Inc., and serves on the Audit Committees of both companies.

Mr. Weidemeyer's executive management experience with a logistics company involving extensive supply chain management brings not only financial and accounting experience, but important skills highly valued both by the Company itself and by its Board of Directors. In addition, Mr. Weidemeyer's service on other boards gives him a direct insight into best practices that is valuable to our Board.

**AGE: 71**  
**BOARD**  
**COMMITTEES:**

**GOVERNANCE AND**  
**NOMINATING**  
**(CHAIR)**

**FINANCE AND RISK**  
**MANAGEMENT**

**NUCLEAR**  
**OVERSIGHT**

I [Proposal No. 1 Election of Directors](#)

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During 2018, the Compensation Committee and Board made certain adjustments to director compensation in order to remain market competitive in consultation with Pay Governance. Total compensation for non-employee directors was increased to \$267,000 from \$225,000 and the Chairperson retainer was increased to \$200,000 from \$160,000. Committee Chair retainers remain unchanged. The total annual compensation received by our directors for their service as Board members and Chairs of the Committees of the Board, if applicable, is described in the chart below.

Annual Cash Retainer	100,000
Annual Equity Retainer	167,000
Annual Chairperson Retainer	200,000
Audit Committee Chair Retainer	35,000
Other Committee Chair Retainer	20,000
Employee Directors	No fees

A non-employee director who is newly appointed to the Board, other than in connection with an annual meeting of stockholders, will receive the Annual Equity Retainer and a pro rata portion of the Annual Retainer upon appointment.

With respect to Chairperson and Committee Chair Retainers, fifty percent (50%) is received in the form of cash and fifty percent (50%) is received in the form of Deferred Stock Units (DSUs). Directors may however elect to receive the cash portion of their annual compensation as DSUs. Each DSU is equivalent in value to one share of NRG's common stock and represents the right to receive one such share of common stock payable at the time elected by the director or immediately if no such election is made, or in the event the director does not make an election with respect to payment in a particular year, in accordance with his or her prior deferral election. In the event that a director's service with the Company is terminated for any reason, other than cause, DSU awards are payable in accordance with such director's deferral election. If a director's service with the Company is terminated for cause, the award is forfeited. In connection with the grants of the DSUs, each non-employee director also receives dividend equivalent rights (DERs) which become exercisable proportionately with the DSUs to which they relate. Similar to its competitive assessment on behalf of the named executive officer compensation, Pay Governance performed a review of director compensation. Results of the review were shared with the Compensation Committee who made a recommendation to the full Board for final approval.





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**Director Compensation**  
**Fiscal Year Ended December 31, 2018**

E. Spencer Abraham <sup>2</sup>	114,091	181,227	295,318
Matthew Carter, Jr. <sup>3</sup>	123,864	292,700	416,564
Heather Cox <sup>4</sup>	123,864	292,700	416,564
Kirbyjon H. Caldwell <sup>5</sup>			
Lawrence S. Coben	200,000	272,490	472,490
Terry G. Dallas	110,000	182,323	292,323
William E. Hantke	117,500	185,457	302,975
Paul W. Hobby	110,000	177,010	287,010
Anne C. Schaumburg	100,000	170,887	270,887
Evan J. Silverstein <sup>6</sup>			
Barry T. Smitherman <sup>7</sup>			144,643 <sup>8</sup>
Thomas H. Weidemeyer	110,000	177,010	287,010
C. John Wilder <sup>9</sup>		267,007	267,007
Walter R. Young <sup>10</sup>			

- 1 Reflects the grant date fair value of DSUs awarded in 2018 determined in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 Compensation-Stock Compensation, the full amount of which is recorded as a compensation expense in the income statement for fiscal year 2018. The grant date fair value was based on the closing price of the Company's common stock, as reported on the NYSE, on the

date of grant, which was \$33.91 per share of common stock on June 1, 2018. Also includes the grant date fair value of DERs payable in connection with DSUs paid to directors during the fiscal year ended December 31, 2018. For Mr. Carter and Ms. Cox, who received two grants in 2018, the grant date fair value was based on the closing price of the Company's common stock, as reported on the NYSE, on the dates of grant, which was

- 2 Mr. Abraham received a \$4,091 cash payment on April 30, 2018 for his service between March 19, 2018 and March 31, 2018.
- 3 Mr. Carter received a \$23,864 payment on March 19, 2018 for his service between March 6, 2018 and May 31, 2018.
- 4 Ms. Cox received a \$23,864 payment on March 19, 2018 for her service between March 6, 2018 and May 31, 2018.
- 5 Effective April 26, 2018, Mr. Caldwell retired as a director.
- 6 Effective March 6, 2018, Mr. Silverstein retired as a director.
- 7 Effective March 6, 2018, Mr. Smitherman retired as a director.
- 8 Mr. Smitherman received a cash payment totaling \$144,643 for consulting services unrelated to his services on the Board during the period from March 7, 2018 and December 7, 2018.
- 9 Effective November 8, 2018, Mr. Wilder retired as a director.
- 10 Effective March 6, 2018, Mr. Young retired as a director.

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The following table sets forth the aggregate number of stock awards (DSUs, restricted stock units (RSUs) and DERs) and option awards (non-qualified stock options (NQSOs)) held by each of the non-employee directors as of December 31, 2018.

E. Spencer Abraham	37,831
Matthew Carter, Jr.	9,089
Heather Cox <sup>1</sup>	9,089
Kirbyjon H. Caldwell <sup>2</sup>	
Lawrence S. Coben	95,509
Terry G. Dallas <sup>3</sup>	46,996
William E. Hantke <sup>4</sup>	5,764
Paul W. Hobby	
Anne C. Schaumburg	62,425
Evan J. Silverstein <sup>2</sup>	
Barry T. Smitherman <sup>2</sup>	
Thomas H. Weidemeyer	34,876
C. John Wilder <sup>2</sup>	
Walter R. Young <sup>2</sup>	

All DSUs held by the directors are payable upon termination of service as a Board member, other than the DSUs held by the following directors:

<sup>1</sup> Ms. Cox, who holds 9,069 DSUs and 20 associated DERs, of which all are payable upon her termination of service as a Board member.

<sup>2</sup> Effective March 6, 2018, Messrs. Silverstein, Smitherman and Young retired as directors; effective April 26, 2018, Mr. Caldwell retired as a director; and effective November 8, 2018, Mr. Wilder retired as a director.

<sup>3</sup> Mr. Dallas, who holds 44,881 DSUs and 2,115 associated DERs, of which 20,098 DSUs and 168 DERs are payable upon his termination of service as a Board member, 6,196 DSUs and 487 DERs are payable on January 15, 2021, 6,196 DSUs and 487 DERs are payable on January 15, 2022, 6,196 DSUs and 487 DERs are payable on January 15, 2023 and 6,195 DSUs and 487 DERs are payable on January 15, 2024.

<sup>4</sup> Mr. Hantke, who holds 5,668 DSUs and 96 associated DERs, of which 3,543 DSUs and 83 DERs are payable on June 1, 2019, and 2,125 DSUs and 13 DERs are payable on June 1, 2020.

#### Director Stock Ownership Guidelines

Directors are required to retain all stock received as compensation for the duration of their service on the Board, although they may sell shares as necessary to cover tax liability associated with the conversion of DSUs to common stock. Exceptions to these requirements may be made by the Board under special circumstances. No exceptions to such requirements were made for 2018.

Director Compensation

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Under Section 14A of the Exchange Act, the stockholders of the Company are entitled to vote at this year's Annual Meeting to approve the compensation of the Company's named executive officers, as disclosed in this Proxy Statement pursuant to Item 402 of Regulation S-K (Regulation S-K) of the rules and regulations under the Securities Act of 1933, as amended (Securities Act). Currently, this vote is conducted every year. The next vote will occur at the 2020 Annual Meeting of Stockholders.

As described more fully in the CD&A beginning on page 38, the Company's executive compensation program is designed to attract, retain and reward top executive talent. The intent of the Company's compensation program is to reward the achievement of the Company's annual goals and objectives while supporting the Company's long-term business strategy.

This proposal, commonly known as a "say on pay" proposal, gives stockholders the opportunity to express their views on the Company's named executive officers' compensation. This vote is not intended to address any specific item of

compensation, but rather the overall compensation of the named executive officers as described in this Proxy Statement. Accordingly, the Board recommends that stockholders vote in favor of the following resolution:

"RESOLVED, that the compensation paid to the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby APPROVED."

The say on pay vote is advisory and therefore not binding on the Company, the Board or the Compensation Committee. However, the Board and the Compensation Committee value the opinions of the stockholders and to the extent there is a significant number of votes against the named executive officer compensation as disclosed in this Proxy Statement, stockholders' concerns will be considered and the Board and the Compensation Committee will evaluate actions necessary to address those concerns.

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The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the independent registered public accounting firm retained to audit the Company's consolidated financial statements. To execute this responsibility, the Audit Committee engages in a thorough annual evaluation of (i) the independent registered public accounting firm's qualifications, performance and independence, (ii) whether the independent registered public accounting firm should be rotated, and (iii) the advisability and potential impact of selecting a different independent registered public accounting firm.

The Audit Committee appointed the firm of KPMG LLP, an independent registered public accounting firm, to audit the consolidated financial statements of the Company and its subsidiaries for the 2019 fiscal year at a meeting held in February. KPMG LLP has been retained as the Company's independent registered public accounting firm continuously

since May 2004. In accordance with SEC rules and KPMG LLP policies, audit partners are subject to rotation requirements to limit the number of consecutive years an individual partner may provide audit services to the Company. For lead and concurring review audit partners, the maximum number of consecutive years of service in that capacity is five years. The Audit Committee is involved in the selection of KPMG LLP's lead audit partner.

The Audit Committee and the Board believe that the continued retention of KPMG LLP to serve as the Company's independent registered public accounting firm for the 2019 fiscal year is in the best interests of the Company and its stockholders. If the stockholders do not ratify the appointment of KPMG LLP, the Audit Committee will reconsider its selection. Representatives of KPMG LLP are expected to attend the Annual Meeting where they will be available to respond to questions and, if they desire, to make a statement.

Proposal No. 3 Ratification of Independent Registered Public Accounting Firm for the 2019 Fiscal  
Year

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*The Company is not responsible for the content of this stockholder proposal or supporting statement.*

The following proposal and supporting statement were submitted by the Comptroller of the City of New York, Scott M. Stringer, on behalf of the New York City Employees' Retirement System, Municipal Building, One Centre Street, Eighth Floor North, New York, New York 10007, which is the beneficial owner of 230,432 shares of the Company's common stock, and which intends to hold such shares of the Company's common stock through the date of the Annual Meeting:

**Proposal**

Resolved: The shareholders of NRG Energy, Inc. ("NRG Energy") hereby request that the Company prepare and periodically update a report, to be presented to the pertinent board of directors committee and posted on the Company's website that discloses monetary and non-monetary expenditures that NRG Energy makes on political activities, including:

expenditures that NRG Energy cannot deduct as an "ordinary and necessary" business expense under section 162(e) of the Internal Revenue Code (the "Code") because they are incurred in connection with (a) influencing legislation; (b) participating or intervening in any political campaign on behalf of (or in opposition to) any candidate for public office; and (c) attempting to influence the general public, or segments thereof, with respect to elections, legislative matters, or referenda;

contributions to, or expenditures in support of or opposition to political candidates, political parties, and political committees;

dues, contributions or other payments made to tax-exempt "social welfare" organizations and "political committees" operating under sections 501(c)(4) and 527 of the Code, respectively, and to tax-exempt entities that write model legislation and operate under section 501(c)(3) of the Code; and

the portion of dues or other payments made to a tax-exempt entity such as a trade association that is used for an expenditure or contribution and that would not be deductible under section 162(e) of the Code if made directly by the Company.

The report shall identify all recipients and the amount paid to each recipient from Company funds.

**Stockholder Supporting Statement**

As long-term shareholders, we support transparency and accountability in corporate spending on political activities.

NRG Energy's current political contribution policy requires "complete and accurate disclosures" only "where required" (<http://investors.nrg.com/phoenix.zhtml?c=121544&p=irol-govHighlights>, viewed October 26, 2018). The Company therefore does not currently disclose potentially significant contributions that may be channeled anonymously into the political process through trade associations and non-profit groups that need not disclose contributions. Such payments may far surpass the contributions that must be publicly reported.

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Disclosure is consistent with public policy and in the best interest of NRG Energy shareholders. The Supreme Court's 2010 Citizens United decision which liberalized rules for corporate participation in election-related activities recognized the importance of disclosure to shareholders, saying: "[D]isclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way."

In our view, in the absence of a system of transparency and accountability, company assets could be used for policy objectives that may be inimical to the long-term interests of, and may pose risks to, shareholders.

NRG Energy currently lags many energy companies that publicly disclose political spending, including AES Corporation, American Electric Power, Dominion Energy, Edison International, Entergy, Exelon, and Southern Company.

Given the vagaries of the political process and the uncertainty that political spending will produce any return for shareholders, we believe that companies should be fully transparent by disclosing corporate assets spent in this area.

We urge shareholders to vote FOR this resolution.

### Board of Directors' Statement in Opposition

The Board recommends a vote "AGAINST" this stockholder proposal for the following reasons:

This is the fourth consecutive year we have received this proposal from the Comptroller of the City of New York. At our 2016, 2017 and 2018 Annual Meeting of Stockholders, the Company's stockholders rejected this proposal with 58.4%, 69.7% and 65.4%, respectively, of votes cast voting against the proposal. The Board believes that this result indicates that our stockholders agreed that the report requested by this proposal (i) is unnecessary due to our system of reporting of political expenditures, (ii) could hinder the Company's ability to pursue its business and strategic objectives, and (iii) would be an unproductive use of time.



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The Board of Directors believes the report requested by this proposal is unnecessary because a system of reporting and accountability for political expenditures already exists and the Company publicly discloses its participation in the political process in support of its business interests, as required by law. The Company is committed to complying and does comply with all applicable laws concerning political expenditures, disclosure, and reporting.

Current law limits the amounts of political expenditures that are permissible (other than to trade associations or organizations formed under Section 501(c)(4) of the Code), restricts the organizations or entities that can receive corporate funding, and establishes a clear accountability system enforced by regulatory agencies in the U.S. In most jurisdictions, campaign finance information for corporate contributions (other than to trade associations or organizations formed under Section 501(c)(4) of the Code) is now easily accessible to the public through the Internet. The Company also contributes to certain trade associations or organizations formed under Section 501(c)(4) of the Code as further discussed below.

The Company has disclosed in its Political Contribution Policy (Policy) the mechanisms and means which govern participation in public policy processes (including political expenditures criteria, management and Board oversight mechanisms). Stockholders and interested parties can access the Policy under the heading "Governance" under the "Investors" Section of our website at [www.nrg.com](http://www.nrg.com). The Company also requires all of its employees to annually review its policies and procedures pertaining to political contributions in the Company's Code of Conduct. The Code of Conduct is also available to the public under the heading "Governance" on our website at [www.nrg.com](http://www.nrg.com).

*Political Action Committee Contributions* As set forth in more detail in the Company's Political Contribution Policy, contributions made by the NRG Energy, Inc. Political Action Committee (NRG PAC) are funded entirely by the voluntary contributions of our employees and no corporate funds are used. Contributions of funds from the NRG PAC are made in accordance with the NRG PAC budget as approved by the NRG PAC board. The NRG PAC maintains its own board of directors comprised of employee representatives from across the Company. The NRG PAC board votes on an annual budget for political expenditures and such expenditures are monitored by the NRG PAC treasurer. The NRG PAC files monthly reports of receipts and disbursements with the Federal Election Commission (FEC), as well as pre-election and post-election reports. These publicly available reports identify the names of candidates supported and amounts contributed by the NRG PAC. In addition, all political contributions to federal candidates over \$200 are publicly disclosed by the FEC.

*Corporate Contributions* Contributions of funds from any of the Company's state political action committee and all other Company contributions may be made only if permitted under applicable law and with prior written consent of the Company's Chief Compliance Officer and

the Vice President Governmental Affairs. The Company's corporate contributions made directly to political candidates or campaigns (excluding contributions to trade or business associations as further discussed below) have been, and are expected to continue to be, de minimus. With respect to contributions to a political candidate or campaign (excluding contributions to trade or business associations), the average individual contribution and the aggregate annual contributions made by the Company in 2018 were \$2,438 and \$78,000, respectively.

*Business and Trade Associations* The Company is also a member of various business and trade associations that engage generally in education and advocacy efforts on a number of industry issues. The Company's Policy provides additional information regarding criteria for, and oversight of, the Company's participation in these associations. The political activity of such associations is not necessarily representative of a position of the Company, and the benefits that the Company receives from these trade or business associations are primarily expertise and the ability to gain insight on industry-setting standards. Payments made to business or trade associations are subject to the Company's Political Contribution Policy and are reviewed annually by the Governance and Nominating Committee.

*Board Committee Oversight* The Company's political activities are reviewed annually by the Governance and Nominating Committee. The Company believes this oversight process ensures accountability and transparency for the Company's corporate political activities.

The Board believes it is in the best interests of the Company's stockholders for the Company to be an effective participant in the political process. Laws and policies enacted at the federal, state and local levels can have a significant impact on the Company and its customers, employees and stockholders. The Company actively encourages public policy that furthers its ability to provide reliable and affordable power to its customers in the markets served by the Company, while adhering to the Company's relentless commitment to safety. The Company's active participation in public policy is appropriate to ensure that public officials are informed about key issues that affect the interests of the Company's customers, employees, stockholders and the communities the Company serves.

Subjecting the Company to additional disclosure requirements could also hinder the Company's ability to pursue its business and strategic objectives. Such additional disclosure would make it easier for competitors and others to discern the Company's public policy and political strategies and implement strategies opposed to the Company's public policy goals, which could prevent the achievement of such goals and negatively affect the Company, its operations and results. The Company believes that its responsible participation in the political process and its

prudent expenditures in connection with such participation are in the best interests of the Company, its stockholders and its customers.

Proposal No. 4 Stockholder Proposal Regarding Disclosure of Political Expenditures

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Finally, the Board believes that the report requested by the proposal would be an unproductive use of time. The Board believes existing disclosure of the Company's current policies and practices with regard to political expenditures, together with applicable federal, state and local reporting requirements, provide appropriate transparency of the

Company's political participation. Undertaking the additional obligations required by the stockholder proposal would result in the use of valuable Company resources, unproductive consumption of time, and undue expense to the Company with little, if any, corresponding benefit for stockholders.

I	<a href="#">Proposal No. 4 Stockholder Proposal Regarding Disclosure of Political Expenditures</a>
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Our executive officers are elected by the Board annually to hold office until their successors are elected and qualified. The biographical information for each of the executive officers is provided below.

***Mauricio Gutierrez***

Age 48

President and Chief Executive Officer

For biographical information for Mauricio Gutierrez, see "Nominees for Director."

***Kirkland Andrews***

Age 51

Executive Vice President and Chief Financial Officer

Mr. Andrews has served as Executive Vice President and CFO of NRG since September 2011. Mr. Andrews served as director of Clearway through August 2018 and as Executive Vice President and Chief Financial Officer of Clearway from December 2012 through November 2016. Prior to joining NRG, he served as Managing Director and Co-Head Investment Banking, Power and Utilities Americas at Deutsche Bank Securities from June 2009 to September 2011. Prior to this, he served in several capacities at Citigroup Global Markets Inc., including Managing Director, Group Head, North American Power from November 2007 to June 2009, and Head of Power M&A, Mergers and Acquisitions from July 2005 to November 2007. In his banking career, Mr. Andrews led multiple large and innovative strategic, debt, equity and commodities transactions.

***David Callen***

Age 47

Chief Accounting Officer

Mr. Callen has served as Senior Vice President and Chief Accounting Officer since February 2016 and Vice President and Chief Accounting Officer from March 2015 to February 2016. In this capacity, Mr. Callen is responsible for directing NRG's financial accounting and reporting activities. Mr. Callen also served as Vice President and Chief Accounting Officer of Clearway through August 2018. Prior

to this, Mr. Callen served as the Company's Vice President, Financial Planning & Analysis from November 2010 to March 2015. He previously served as Director, Finance from October 2007 through October 2010, Director, Financial Reporting from February 2006 through October 2007, and Manager, Accounting Research from September 2004 through February 2006. Prior to NRG, Mr. Callen was an auditor for KPMG LLP in both New York City and Tel Aviv Israel from October 1996 through April 2001.

***Brian Curci***

Age 41

Senior Vice President and General Counsel

Mr. Curci has served as Senior Vice President and General Counsel of NRG since March 2018. Prior to that, he served as Deputy General Counsel. He has also served in various roles in over ten years with NRG, including as Corporate Secretary from October 2011 to July 2018. Prior to NRG, Mr. Curci was a corporate associate with the law firm Saul Ewing LLP in Philadelphia.

***Robert J. Gaudette***

Age 45

Senior Vice President, Business Solutions

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Robert Gaudette has served as Senior Vice President, Business Solutions of NRG since December 2013. In this role, Mr. Gaudette oversees NRG's broad portfolio of products and services for the company's commercial and industrial customers. Prior to December 2013, Mr. Gaudette was Senior Vice President, C&I and Origination, starting in August 2013, and Senior Vice President Product Development & Origination, following the acquisition of GenOn in December 2012. Mr. Gaudette served as Senior Vice President and Chief Commercial Officer at GenOn from December 2010 to December 2012 and served as Vice President of Mirant's Mid-Atlantic business unit from August 2009 to December 2010. During his career at Mirant, which began in 2001, Mr. Gaudette worked in various other capacities including Director of West Power, Director of NYMEX Trading, Assistant to the Chief Operating Officer and NYMEX natural gas trader.

Executive Officers

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*Elizabeth Killinger*

Age 48

Executive Vice President, Retail

Ms. Killinger has served as Executive Vice President and President, Retail of NRG since February 2016. Ms. Killinger was Senior Vice President and President, NRG Retail from June 2015 to February 2016 and Senior Vice President and President, NRG Texas Retail from January 2013 to June 2015. Ms. Killinger has also served as President of Reliant, a subsidiary of NRG, since October 2012. Prior to that, Ms. Killinger was Senior Vice President of Retail Operations and Reliant Residential from January 2011 to October 2012. Ms. Killinger has been with the Company and its predecessors since 2002 and has held various operational and business leadership positions within the retail organization. Prior to joining the Company, Ms. Killinger spent a decade providing strategy, management and systems consulting to energy, oilfield services and retail distribution companies across the U.S. and in Europe.

*Christopher Moser*

Age 48

Executive Vice President, Operations

Mr. Moser has served as Executive Vice President, Operations of NRG since January 2018. Mr. Moser previously served as Senior Vice President, Operations of NRG, with responsibility for Plant Operations, Commercial Operations, Business Operations and Engineering and Construction, beginning in March 2016. From June 2010 to March 2016, Mr. Moser served as Senior Vice President, Commercial Operations. In this capacity, he was responsible for the optimization of the Company's wholesale generation fleet.

Table of Contents**Stock Ownership of Directors and Executive Officers**

The following table sets forth information concerning beneficial ownership of the Company's common stock as of March 1, 2019, for: (a) each director and the nominees for director; (b) named executive officers (NEOs) who are current officers as of March 1, 2019; and (c) the directors and executive officers as a group. The percentage of beneficial ownership is based on 278,975,616 shares of common stock outstanding as of March 1, 2019. The percentage of beneficial ownership also includes any shares that such person has the right to acquire within 60 days of March 1, 2019. Unless otherwise indicated, each person has sole voting and dispositive power with respect to the shares set forth in the following table.

Except as noted below, the address of the beneficial owners is NRG Energy, Inc., 804 Carnegie Center, Princeton, New Jersey 08540.

Mauricio Gutierrez	531,688	2
Kirkland Andrews	264,268	3
Elizabeth Killinger	101,194	4
Robert J. Gaudette	58,375	5
Christopher Moser	53,240	6
Lawrence S. Coben	97,997	7
E. Spencer Abraham	44,543	8
Matthew Carter, Jr.	9,094	9
Heather Cox	9,094	10
Terry G. Dallas	36,514	11
William E. Hantke	64,598	12
Paul W. Hobby	66,295	
Anne C. Schaumburg	67,423	13
Thomas H. Weidemeyer	68,798	14

Less than one percent of outstanding common stock.

- 1 The number of shares beneficially owned by each person or entity is determined under the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, each person or entity is considered the beneficial owner of any: (a) shares to which such person or entity has sole or shared voting power or dispositive power and (b) shares that such person or entity has the right to acquire within 60 days through the exercise of stock options or similar rights.
- 2 Excludes 134,501 RSUs, 398,934 relative performance stock units (RPSUs) and 10,318 DERs. DERs become exercisable proportionately with the RSUs, RPSUs or MSUs to which they relate. Each DER is the right to receive one share of NRG common stock and becomes exercisable proportionately with the RSUs, RPSUs or MSUs to which they relate. Each RSU represents the right to receive one share of NRG common stock upon vesting. Each RPSU represents the potential to receive common stock based upon NRG achieving a certain level of total shareholder return relative to NRG's peer group over a three-year performance period.
- 3 Excludes 34,121 RSUs, 101,304 RPSUs and 2,360 DERs.
- 4 Includes 8,778 shares that may be acquired at or within 60 days of March 1, 2019, pursuant to the exercise of options. Excludes 26,890 RSUs, 79,723 RPSUs and 2,021 DERs.
- 5 Includes 15,037 shares that may be acquired at or within 60 days of March 1, 2019, pursuant to the exercise of options. Excludes 28,281 RSUs, 45,592 RPSUs and 256 DERs.
- 6 Excludes 23,082 RSUs, 62,019 RPSUs and 1,258 DERs.
- 7 Includes 93,647 DSUs and 1,898 DERs, payable in the event Dr. Coben ceases to be a member of the Board.
- 8 Includes 36,434 DSUs and 1,423 DERs, payable in the event Secretary Abraham ceases to be a member of the Board.
- 9 Includes 9,069 DSUs and 25 DERs, payable in the event Mr. Carter ceases to be a member of the Board.
- 10 Includes 9,069 DSUs and 25 DERs, payable in the event Ms. Cox ceases to be a member of the Board.



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- 11 Includes 2,149 DERs. Includes 20,302 DSUs, payable in the event Mr. Dallas ceases to be a member of the Board. Also includes 14,282 shares held indirectly in trusts. Excludes 24,783 DSUs issued to Mr. Dallas that will be exchanged for common stock on a one-for-one basis on the following schedule: (a) 6,196 on January 15, 2021; (b) 6,195 on January 15, 2022; (c) 6,196 on January 15, 2023; and (d) 6,196 on January 15, 2024.
- 12 Includes 219 DERs. Excludes 5,668 DSUs issued to Mr. Hantke that will be exchanged for common stock on a one-for-one basis on the following schedule: (a) 4,543 on June 1, 2018; (b) 3,543 on June 1, 2019; and (c) 2,125 on June 1, 2020.
- 13 Includes 60,988 DSUs and 1,462 DERs, payable in the event Ms. Schaumburg ceases to be a member of the Board.
- 14 Includes 34,876 DSUs, payable in the event Mr. Weidemeyer ceases to be a member of the Board.
- 15 Consists of the total holdings of directors, named executive officers, and all other executive officers as a group.

**Stock Ownership of Principal Stockholders**

The following table sets forth information for each person known to the Company to own more than five percent of the Company's common stock, as of the date of their most recent Schedule 13D or Schedule 13G filing, as applicable, with the SEC. Percentage of beneficial ownership is based on 278,975,616 shares of common stock outstanding as of March 1, 2019. Unless otherwise indicated, each person has sole investment and voting power with respect to the shares set forth in the following table.

<b>The Vanguard Group, Inc.</b> <i>100 Vanguard Blvd. Malvern, Pennsylvania 19355</i>	34,923,126	12.51
<b>BlackRock, Inc.</b> <i>55 East 52nd Street New York, New York 10022</i>	19,705,439	7.12