

FIRSTENERGY CORP  
Form PRE 14A  
March 01, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

FirstEnergy Corp.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:
  
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- (4) Proposed maximum aggregate value of transaction:
  
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- (1) Amount Previously Paid:
  
  - (2) Form, Schedule or Registration Statement No.
  
  - (3) Filing Party:
  
  - (4) Date Filed:
-

Preliminary Copy

In accordance with Rule 14a-6(d) under Regulation 14A of the Securities Exchange Act of 1934, please be advised that FirstEnergy Corp. intends to release definitive copies of this Proxy Statement to security holders on [April 1], 2019.

2019 PROXY STATEMENT AND NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

ANNUAL MEETING DATE MAY 21, 2019 FIRST ENER

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Our mission we are a forward-thinking electric utility powered by a diverse team of employees committed to making customers' lives brighter, the environment better and our community stronger. our core values what matters to us: safety customers diversity & Inclusion Innovation Performance Social Responsibility Teamwork Behaviors How employees contribute to our success: Courage Integrity Openness Ownership Trust

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Message to Our  
Shareholders

[April 1, 2019]

Dear Fellow Shareholders:

On behalf of the FirstEnergy Board of Directors and management, we thank you for your continued investment in FirstEnergy and for the confidence you have in your Board to oversee our shareholders' interests in our business.

Last year in this letter, we talked about your Board's composition, our commitment to ongoing shareholder outreach and engagement, and our strong corporate governance practices. We also talked about the implementation of our regulated strategy, which is designed to transform your Company into a high-performing, fully regulated utility with well-defined growth opportunities. Your Board and management remain highly engaged in this important work and are optimistic about the future.

In the accompanying proxy statement, we address the recent developments at your Company that demonstrate our ongoing commitment to strong corporate governance, including:

**Shareholder Outreach and Engagement**

Your Board listens to our shareholders and considers their views when making decisions in the boardroom. We accomplish this primarily through a robust, year-round shareholder outreach and engagement program in partnership with your Company's management. Please refer to page [4] of the accompanying proxy statement for a discussion of this program.

**Board Oversight of Corporate Social Responsibility**

Our approach to environmental, social and governance ("ESG") and sustainability is rooted in our mission statement, our core values and our behaviors. Our commitment extends beyond our products and services to include addressing economic, social, and environmental-related initiatives in our service area.

Recently, your Board's Corporate Governance Committee enhanced its charter to include oversight of sustainability and corporate responsibility. Pursuant to its charter, the Committee reviews and provides guidance on your Company's corporate citizenship practices, including sustainability, environmental and corporate social responsibility initiatives. Please refer to page [2] of the accompanying proxy statement for a further discussion of your Board's focus on this important area.

Further, the Compensation Committee has emphasized social responsibility at your Company, enhancing the safety-related incentive goals, reaffirming the environmental compliance goals, and introducing goals related to diversity and inclusion. As outlined in the executive compensation section of the attached proxy statement, a majority of our operational goals in the short-term incentive compensation program are linked to environmental, social and governance factors.

◆ Our Path Forward

Your Company is focused on completing its transformation into a premier, customer-focused, pure-play regulated utility. Your Board provides strategic oversight to help FirstEnergy implement its long-term, sustainable growth platform, fulfill its mission to make customers' lives brighter, the environment better and communities stronger, and offer a competitive dividend to shareholders. Your Board continues to have strong confidence in our talented management team and the objectives to implement this regulated growth strategy, which is discussed further in our 2018 Annual Report to Shareholders. We encourage you to read more about your Board, our corporate governance practices, and our executive compensation programs in the accompanying proxy statement. We are grateful for your support of your Company and your Board and thank you in advance for voting promptly.

Sincerely,

Charles E. Jones

Donald T. Misheff

President and Chief Executive Officer Board Chairman

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Notice of Annual Meeting of Shareholders

Date and Time	Location	Record Date
Tuesday, May 21, 2019	John S. Knight Center	March 22, 2019
8:00 a.m. ET	77 E. Mill Street Akron, OH 44308	

Agenda

- Elect the 11 nominees named in the accompanying proxy statement to the Board of Directors to hold office until the 2020 Annual Meeting of Shareholders and until their successors shall have been elected;
- Ratify the appointment of PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for 2019;
- Approve, on an advisory basis, named executive officer compensation;
- Approve a management proposal to amend the Company’s Amended Articles of Incorporation, as amended (the “Amended Articles of Incorporation”) and Amended Code of Regulations, as amended (the “Amended Code of Regulations”) to replace existing supermajority voting requirements with a majority voting power threshold;
- Approve a management proposal to amend the Company’s Amended Articles of Incorporation and Amended Code of Regulations to implement majority voting for uncontested director elections;
- Approve a management proposal to amend the Company’s Amended Code of Regulations to implement proxy access;
- Vote on one shareholder proposal, if properly presented at the Annual Meeting; and
- Take action on other business that may come properly before the Annual Meeting and any adjournment or postponement thereof.

Please carefully review this notice, the Company’s Annual Report to Shareholders for the year ended December 31, 2018 (the “2018 Annual Report”) and the accompanying proxy statement and vote your shares by following the instructions on your proxy card/voting instruction form or Notice of Internet Availability of Proxy Materials to ensure your representation at the Annual Meeting. Only shareholders of record as of the close of business on March 22, 2019, or their proxy holders, may vote at the Annual Meeting. If you plan to attend the Annual Meeting, you must register in advance. See the “Attending the Annual Meeting” section of the “Questions and Answers about the Annual Meeting” in the accompanying proxy statement for instructions on how to register.

On behalf of the Board of Directors,

Ebony L. Yeboah-Amankwah

Vice President, Deputy General Counsel, Corporate Secretary & Chief Ethics Officer

Akron, Ohio

This notice and accompanying proxy statement are being mailed or made available to shareholders on or about [April 1], 2019.

**Important Notice Regarding Availability of Proxy Materials**

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on May 21, 2019. The accompanying proxy statement and the 2018 Annual Report are available at [www.ReadMaterial.com/FE](http://www.ReadMaterial.com/FE).

**Important Note Regarding Voter Participation. Please take time to vote your shares!**

Pursuant to applicable rules, if your shares are held in a broker account, you must provide your broker with voting instructions for all matters to be voted on at the Annual Meeting of Shareholders except for the ratification of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm. Your broker does not have the discretion to vote your shares on any other matters without specific instruction from you to do so.



## Table of Contents

	<u>Proxy Statement Summary</u>	i
	<u>Environmental, Social &amp; Governance (“ESG”) Overview</u>	v
1	<u>Corporate Governance and Board of Directors Information</u>	1
Corporate Governance & Board of Directors	<u>Audit Committee Report</u>	9
	<u>Matters Relating to the Independent Registered Public Accounting Firm</u>	10
	<u>Director Compensation in Fiscal Year 2018</u>	11
	<u>Director Qualifications</u>	14
2	<u>Biographical Information and Qualifications of Nominees for Election as Directors</u>	18
Items to Be Voted On	<u>Items to Be Voted On</u>	24
	<u>Executive Compensation</u>	35
3	<u>Compensation Committee Report</u>	35
Executive Compensation	<u>Compensation Discussion and Analysis</u>	35
	<u>Executive Summary</u>	37
	<u>Compensation Tables</u>	67
4	<u>Security Ownership of Management</u>	85
Security Ownership & Other Important Matters	<u>Security Ownership of Certain Beneficial Owners</u>	86
	<u>Compensation Committee Interlocks and Insider Participation</u>	87
	<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	87
	<u>Certain Relationships and Related Person Transactions</u>	87
5	<u>Questions and Answers about the Annual Meeting</u>	89
Questions and Answers About the Annual Meeting	<u>Proxy Materials</u>	89
	<u>Voting Matters</u>	91
	<u>How You Can Vote</u>	93
	<u>Attending the Annual Meeting</u>	94
	<u>Shareholder Proposals for 2020</u>	96

Obtaining Additional Information

96

Appendices

Proposed Amendments to Amended Articles of Incorporation and Amended Code of Regulations Relating to the Replacement of Existing Supermajority Voting Requirements with a Majority Voting Power Threshold as Permitted under Ohio Law A-1

Proposed Amendments to Amended Articles of Incorporation and Amended Code of Regulations to Implement Majority Voting for Uncontested Director Elections B-1

Proposed Amendment to Amended Code of Regulations to Implement Proxy Access C-1

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**Proxy Statement Summary**

2019 Annual Meeting of Shareholders (the “Annual Meeting” or the “Meeting”)

**Time and Date:** 8:00 a.m., Eastern time, on Tuesday, May 21, 2019

**Location:** John S. Knight Center, 77 E. Mill Street, Akron, Ohio

**Record Date:** March 22, 2019

**Voting:** Shareholders of record of FirstEnergy Corp. (“FirstEnergy”, the “Company”, “we”, “us” or “our”) common stock as of the Record Date are entitled to receive the Notice of Annual Meeting of Shareholders and they or their proxy holders may vote their shares at the Annual Meeting.

**Admission:** If you plan to attend the Annual Meeting, you must register in advance. For instructions on how to register, see the “Attending the Annual Meeting” section of the “Questions and Answers about the Annual Meeting” below.

Voting Matters

- | Item   | Item  |
|--|---|
| 1 Elect the 11 nominees named in this proxy statement to the Board of Directors. Refer to page [24] for more detail. | 2 Ratify the appointment of PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for 2019. Refer to page [25] for more detail. |

Your Board recommends you vote FOR this item.

Your Board recommends you vote FOR this item.

- | Item   | Item  |
|--|---|
| 3 Approve, on an advisory basis, named executive officer compensation. Refer to page [26] for more detail. | 4 Approve a management proposal to implement a majority voting power threshold. Refer to page [27] for more detail. |

Your Board recommends you vote FOR this item.

Your Board recommends you vote FOR this item.

Item

Item

5 Approve a management proposal to implement majority voting for uncontested director elections. Refer to page [29] for more detail.

6 Approve a management proposal to implement proxy access. Refer to page [31] for more detail.

Your Board recommends you vote FOR this item.

Your Board recommends you vote FOR this item.

Item Shareholder Proposal. Refer to page [33] for more detail.

7

X Your Board recommends you vote AGAINST this shareholder proposal.

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How to Cast Your Vote

Your vote is important! Even if you plan to attend our Annual Meeting in person, please cast your vote as soon as possible by:

**Do you hold shares directly with FirstEnergy or in the FirstEnergy Corp. Savings Plan?**

Use the internet at [www.cesvote.com](http://www.cesvote.com) Call toll-free at 1-888-693-8683 Mail by returning your proxy card/ voting instruction form<sup>(1)</sup>

**Do you hold shares through a bank, broker or other institution (beneficial ownership)? <sup>(2)</sup>**

Use the internet at [www.proxyvote.com](http://www.proxyvote.com) Call toll-free at 1-800-454-8683 Mail by returning your proxy card/ voting instruction form

<sup>(1)</sup> If your envelope is misplaced, send your proxy card to Corporate Election Services, Inc., your Company’s independent proxy tabulator and Inspector of Election. The address is FirstEnergy Corp., c/o Corporate Election Services, P.O. Box 3230, Pittsburgh, PA 15230.

<sup>(2)</sup> Not all beneficial owners may be able vote at the web address and phone number provided above. If your control number is not recognized, please refer to your voting instruction form for specific voting instructions.

Please follow the instructions provided on your proxy card/voting instruction form (the “proxy card”), Notice of Internet Availability of Proxy Materials, or electronic or other communications included with your proxy materials. Also refer to the “How You Can Vote” section of the “Questions and Answers about the Annual Meeting” on Page [89] for more details. All shareholders of record may vote in person at the annual meeting. Beneficial owners may vote in person at the meeting as described in response to Question [13] on Page [93].

You may have multiple accounts and therefore receive more than one proxy card or voting instruction form and related materials. Please vote each proxy card and voting instruction form that you receive.

Board Nominees

The following table provides summary information about each member of your Board of Directors (your “Board”) standing for election to your Board. Each member stands for election annually.

Name	Committee Memberships			Finance <sup>1</sup>	Nuclear	Number
	Age	Director	Independent			

	Since			Governance, Sustainability and Corporate Responsibility	of Other Public Company Boards <sup>2</sup>
Michael J. Anderson	67	2007	Yes	Chair	1
Steven J. Demetriou	60	2017	Yes		1
Julia L. Johnson	56	2011 <sup>3</sup>	Yes		3
Charles E. Jones	63	2015	No		0
Donald T. Misheff	62	2012	Yes		2
Thomas N. Mitchell	63	2016	Yes	Chair	0
James F. O'Neil III	60	2017	Yes	Chair	3
Christopher D. Pappas	63	2011 <sup>3</sup>	Yes	Chair	2
Sandra Pianalto	64	2018	Yes		3
Luis A. Reyes	67	2013	Yes		0
Leslie M. Turner	61	2018	Yes		0

<sup>1</sup> Mr. Paul Addison is the Finance Committee Chair who will retire from your Board as of the 2019 Annual Meeting. It is anticipated that your Board will appoint a new Finance Committee Chair at its scheduled May Organizational meeting.

<sup>2</sup> As defined under New York Stock Exchange Listed Company Manual Section 303A Corporate Governance Standards Frequently Asked Questions.

<sup>3</sup> Ms. Johnson and Mr. Pappas were previously directors of Allegheny Energy Inc. ("Allegheny Energy"), which merged with your Company in 2011.

As previously disclosed, Mr. Paul Addison and Dr. Jerry Sue Thornton will retire from your Board as of the 2019 Annual Meeting in accordance with the mandatory retirement age provisions of our Corporate Governance Policies and were not nominated by your Board for election at the Annual Meeting. The size of your Board, which is currently set at 13, will be reduced to 11 as of the Annual Meeting.

## Key Facts About Your Board

We seek to maintain a well-rounded and diverse Board representing a wide breadth of experience and perspectives that balances the institutional knowledge of longer-tenured directors with the fresh perspectives brought by newer directors. Below are highlights regarding our 11 director nominees standing for election to your Board and our Board meetings held in 2018.

<sup>1</sup> Service with your Company does not include service by Ms. Johnson and Mr. Pappas as directors of Allegheny Energy, which merged with your Company in 2011.

## Corporate Governance Highlights

Your Company is committed to strong corporate governance, which we believe is important to the success of our business and in advancing shareholder interests. Highlights include:

### Independent Oversight

- Separate Board Chairman and Chief Executive Officer (our “CEO”)
- Independent Board Chairman
- All directors are independent, other than the CEO

### Board and Committee Oversight

- Enterprise risk oversight by full Board and its committees
- Corporate Governance, Sustainability and Corporate Responsibility Committee oversees corporate citizenship practices including environmental, social and governance (“ESG”) and sustainability initiatives
- Audit Committee oversees risks related to cybersecurity, among other

- Board committees are comprised entirely of independent directors
- Independent directors regularly hold executive sessions without management at Board and committee meetings