ENTERGY CORP /DE/
Form DEF 14A
March 21, 2017
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Entergy Corporation

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Table of Contents

Table of Contents

Our Mission

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

Entergy was named to the Dow Jones Sustainability North America Index in 2016, our 15^{th} consecutive year to appear on the World or North America Index or both. We also achieved perfect scores of 100 in the focus areas of biodiversity, climate strategy and water-related risks.

Entergy was named one of the nation s Top 100 Corporate Citizens by Corporate Responsibility Magazine, ranking 4th in philanthropy and community support out of the largest 1,000 U.S. based companies.

Table of Contents

March 21, 2017

Fellow Shareholders:

I hope you will join Entergy s Board of Directors, executive management team and employees at our 2017 Annual Meeting of Shareholders in Little Rock. Each year, we conduct our annual meeting in a location in our service territory to give us the opportunity to connect with shareholders we might not otherwise meet, showcase our operations, and celebrate our connections to the customers and communities we serve. I look forward to coming to Little Rock. The attached Notice of Annual Meeting of Shareholders and Proxy Statement will serve as your guide to the business to be conducted at the meeting.

In addition to conducting the official business of the meeting, I plan to share some highlights from 2016, which was a pivotal year for our Company.

- We delivered on our commitment to grow our core utility business, achieving exceptional earnings growth in our core utility business and making productive investments that are positioning us well to deliver steady, predictable growth in earnings from our utility business.
- We also completed our plan to exit the merchant power business, including decisions to sell or shut down each of our remaining owned merchant nuclear power plants.

I look forward to discussing 2016 results and the opportunities we see in front of us today, as we continue to execute on our business strategy with decisions and investments that will serve our customers and our shareholders well into the future.

We also are continuing our commitment to provide you with information about the Company in a manner that is easy to access and understand. Our Proxy Statement is a good example, providing a summary at the beginning that highlights our business and executive compensation programs using charts and other graphic depictions where we feel they may be helpful. This year we also have continued our efforts to eliminate redundancy and make the presentation of information more reader friendly.

The Compensation Discussion and Analysis that begins on page 33 describes our executive compensation programs and shows how our executives compensation remains linked to performance. You will also find discussions of the qualifications of our director candidates and why we believe they are the right people to represent you starting on page 10.

Your vote is important to us and our business. Prior to the meeting, I encourage you to sign and return your proxy card, or use telephone or Internet voting, so that your shares will be represented and voted at the meeting. Instructions on how to vote are found beginning on page 89.

I hope to see you at the meeting. Thank you for being a shareholder and for your support of Entergy.

Sincerely,

Leo P. Denault

Chairman of the Board and Chief Executive Officer

Table of Contents

Entergy Corporation

639 Loyola Avenue

New Orleans, LA 70113

Notice of Annual Meeting of Shareholders

Time	10:00 a.m. Central Time on Friday, May 5, 2017
Place	Little Rock Statehouse Convention Center, 101 E. Markham Street, Little Rock, Arkansas 72201
Items of Business	Election to our Board of Directors of the 11 nominees named in the attached Proxy Statement for a one-year term.
	An advisory vote to approve the compensation paid to our Named Executive Officers.
	An advisory vote on the frequency of advisory votes on Executive Officer Compensation.
	Ratification of the appointment of Deloitte & Touche LLP as Independent Registered Public Accountants for 2017.
	Consideration of one shareholder proposal, if properly presented at the Annual Meeting.
	Transaction of such other business as may properly come before the meeting.
Record Date	The record date for the determination of shareholders entitled to vote at our 2017 Annual Meeting of Shareholders or any adjournments or postponements thereof, was the close of business on March 7, 2017.

By Order of the Board of Directors

March 21, 2017

Marcus V. Brown
Executive Vice President and General Counsel

Important notice regarding the availability of proxy materials for the 2017 Annual Meeting: Entergy is making its Proxy Statement and its Annual Report available to its shareholders electronically via the Internet. The Proxy Statement and our 2016 Annual Report to Shareholders are available at http://www.entergy.com/investor_relations/2016_publications.aspx. On or about March 21, 2017, we will mail to our shareholders a Notice containing instructions on how to access this Proxy Statement and our Annual Report and vote by Internet or telephone. If you receive a Notice by mail, you will not receive a printed copy of the proxy materials in the mail. If you receive a Notice by mail and would like to receive a printed copy of our proxy materials, you can obtain a copy of such materials by following the instructions contained in the Notice.

Table of Contents

TABLE OF CONTENTS

TABLE OF CONTENTS

PROXY SUMMARY

The following is a summary of certain key information in our Proxy Statement. This is only a summary and it may not contain all of the information that is important to you. For more complete information, please review the Proxy Statement and our Annual Report on Form 10-K for the year ended December 31, 2016. In this Proxy Statement, we refer to Entergy Corporation as Entergy, the Company, we or us.

2017 Annual Meeting Information

Date	Friday, May 5, 2017
Time	10:00 a.m. Central Time
Place	Little Rock Statehouse Convention Center, 101 E. Markham Street, Little Rock, Arkansas 72201
Record Date	March 7, 2017

For additional information about the 2017 Annual Meeting of Shareholders, including any adjournment or postponement of the meeting and voting, see *Frequently Asked Questions Regarding Meeting Attendance and Voting* beginning on page 89.

Voting Matters and Board Recommendations

Proposals		Board Recommendation	Page
Proposal 1.	Election of Directors	**FOR** each Director Nominee	10
Other Management Proposals			
Proposal 2.	Advisory Vote to Approve Named Executive Officer Compensation	**FOR**	78
Proposal 3.	Advisory Vote on Frequency of Advisory Votes on Executive Officer Compensation	**ONE YEAR**	79
Proposal 4.	Ratification of Registered Independent Public Accountants	**FOR**	80
Shareholder Proposal			
Proposal 5.	Shareholder Proposal Regarding Report on Distributed Renewable Generation Resources	**AGAINST**	83

You may vote in the following ways:

Using the Internet at www.proxyvote.com	Calling 1-800-690-6903 if in the United States and Canada	Mailing your signed and dated proxy card or voting instruction form	Attending the Annual Meeting

For telephone and Internet voting, you will need the 16-digit control number included on your notice, on your proxy card or in the voting instruction form that accompanied your proxy materials. Internet and telephone voting is available through 11:59 p.m. Eastern Time on Wednesday, May 3, 2017 for shares held in Entergy s qualified employee savings plans (the Savings Plans) and through 11:59 p.m. Eastern Time on Thursday, May 4, 2017 for all other shares.

Table of Contents

PROXY SUMMARY

Our Board of Directors

The Entergy Board of Directors (the Board) includes a diverse group of leaders in their respective fields. We believe their varied backgrounds, skills and experiences contribute to an effective and well balanced Board that is able to provide valuable insight to, and effective oversight of, our senior executive team. Below are key facts about the composition of our Board:

Board Snapshot: Independent, Experienced and Diverse

- 11 director nominees; 10 are independent
- Highly qualified nominees with a diversity of skills, backgrounds and experiences
- 5 new directors in the last 5 years
- All director nominees are experienced leaders in their respective fields

The figure below illustrates some of the key skills and qualifications that our directors bring to the Board.

Our Board nominees have the following characteristics:

Table of Contents

PROXY SUMMARY

Director Nominees

You are being asked to vote on the election of these 11 director nominees, each of whom is currently serving on the Board. Additional information about each director s background and experience can be found beginning on page 11. Each nominee s age is provided as of December 31, 2016.

Name	Age	Director Since	Primary Occupation	Committee Memberships
Maureen S. Bateman	73	2000	Attorney, Former Executive Vice President and General Counsel, State Street Corporation	Audit, Nuclear, Personnel (Chair)
Patrick J. Condon	67	2015	Retired Audit Partner, Deloitte & Touche LLP	Audit (Chair), Nuclear
Leo P. Denault (Chairman)	57	2013	Chairman of the Board and Chief Executive Officer, Entergy Corporation	Executive (Chair)
Kirkland H. Donald	63	2013	Former President and Chief Executive Officer, Systems Planning and Analysis, Inc.	Finance, Nuclear
Philip L. Frederickson	60	2015	Former Executive Vice President, ConocoPhillips	Audit, Finance
Alexis M. Herman	69	2003	Chair and Chief Executive Officer, New Ventures, LLC	Corporate Governance (Chair), Personnel
Donald C. Hintz	73	2004	Former President, Entergy Corporation and Entergy Services, Inc.	Executive, Finance, Nuclear (Chair)
Stuart L. Levenick (Lead Director)	63	2005	Former Group President and Executive Office Member, Caterpillar Inc.	Corporate Governance, Executive, Finance (Chair)
Blanche L. Lincoln	56	2011	Founder and Principal, Lincoln Policy Group	Audit, Corporate Governance
Karen A. Puckett	56	2015	President and Chief Executive Officer, Harte Hanks, Inc.	Audit, Personnel
W. J. Billy Tauzin	73	2005	Owner, Tauzin Strategic Networks	Corporate Governance, Executive, Finance, Personnel

Table of Contents

PROXY SUMMARY

Corporate Governance Highlights

The Board is committed to sound and effective corporate governance practices and continuously monitors best practices and actively seeks input from our shareholders on these issues. Below are highlights of our key governance policies and practices.

Changes Since 2016 Annual Meeting	After engagement with our shareholders, we adopted a proxy access right for our shareholders. We formalized an emergency succession plan to enable the Board to respond rapidly and effectively to an unplanned and unexpected vacancy in the office of the Chief Executive Officer.
Corporate Governance Best Practices	Annual election of directors Majority voting for directors Resignation policy for directors who do not receive majority vote Regular executive sessions of independent directors Independent lead director with broad authority when role of Chairman and Chief Executive Officer are combined Mandatory director retirement policy Year-round shareholder outreach program Robust director and executive stock ownership guidelines No poison pill; Board policy requires shareholder approval for adoption Disclosure of corporate political contributions and oversight of lobbying and political activity
Lead Director Responsibilities	Presides at executive sessions of the independent directors and all meetings of the Board at which the Chairman and Chief Executive Officer is not present Assists with director recruitment Calls meetings of the independent directors Reviews and advises on Board meeting agendas Provides feedback from the Board to the Chairman and Chief Executive Officer following each executive session of independent directors and, together with the Chair of the Personnel Committee, provides the Chairman and Chief Executive Officer with an annual performance review

Sustainability and Corporate Social Responsibility

Sustainability. Achieving our mission of creating sustainable value for all of our stakeholders is possible only through a balanced review of opportunities and risks to our business strategy. On an ongoing basis, we analyze material economic, environmental and social issues that impact our ability to create value for our stakeholders. Entergy assesses the range of potentially relevant topics for our business and the relevance to our key stakeholders: ***owners, customers, employees and communities***. We engage in a variety of informal and formal communications with our key stakeholders and other important groups, and then use this stakeholder input from dialogue, surveys and other means to help prioritize the most material issues and ensure that our sustainability focus is on these most important areas.

Table of Contents

PROXY SUMMARY

Integrated Reporting. Our integrated reporting reflects how we measure and manage our overall performance with a combination of financial, environmental, community and employee measures. More importantly, it reflects our central belief that the interests of all of our stakeholders are inextricably linked.

Corporate Social Responsibility. Entergy s approach to social responsibility is grounded in the philosophy that Entergy can only be as successful as the communities we serve. For our communities, we are committed to creating value through economic development, philanthropy, volunteerism and advocacy, and by operating our business safely and in a socially and environmentally responsible way. In 2016, we demonstrated our social responsibility commitment through a wide variety of initiatives, including:

- Grants totaling $2.2 million to 17 programs across our four-state region as part of a $5 million, 5-year workforce development program;
- Approximately $16 million in charitable contributions to organizations in our communities; and
- More than 114,000 volunteer hours by our employees and retirees in support of community service projects and activities.

Shareholder Outreach

Each year we conduct a vigorous shareholder outreach program to share our approach to corporate governance and obtain your insights and feedback on matters of mutual interest. During 2016, we contacted shareholders owning approximately 49% of our outstanding shares, resulting in substantive engagements with the holders of approximately 17% of our outstanding shares. In these engagements, we discussed topics that included industry and business developments, corporate strategy, executive compensation, proxy access and other corporate governance issues, environmental and social issues, and proxy statement disclosures. The perspectives provided by our shareholders informed our decision making and helped to guide our actions in adopting a proxy access Bylaw that provides long-term shareholders with the right to nominate directors who will be included in our proxy statement. We also have continued to enhance our disclosures in our proxy statement and 2016 Integrated Report based on feedback received through these engagements.

Our Business

We are an integrated energy company engaged primarily in electric power production and retail distribution operations. Entergy owns and operates power plants with approximately 30,000 megawatts of electric generating capacity, including nearly 10,000 megawatts of nuclear power. Entergy delivers electricity to 2.9 million utility customers in Arkansas, Louisiana, Mississippi and Texas. Entergy has annual revenues of approximately $10.8 billion and more than 13,000 employees.

2016: A Pivotal Year

In 2016, we delivered on our commitment to grow our core utility business and completed our plan to exit the merchant power business.

In 2016, Entergy s commitment to grow the core utility business while managing risk led to strong operational results. While charges relating to our actions to exit the merchant power business led to an as-reported loss of $(3.26) per share, our operational earnings in 2016 were $7.11 per share, which included a more than 40% increase in earnings from our core utility, parent and other business, after adjusting for the impact of taxes and weather.* Our strong operational results for the year are the outcome of disciplined execution on our strategy to grow the utility while managing risk, including an orderly wind-down of our Entergy Wholesale Commodities (EWC) business.

* See Appendix A for the reconciliation of non-GAAP financial measures to GAAP results.

Table of Contents

PROXY SUMMARY

To grow the utility, we made major investments in clean, efficient and reliable generation and needed transmission infrastructure. We completed our acquisition of the 1,980 MW Union Power Station in Arkansas. We also are moving forward with plans for four new build generation plants within our footprint which together represent nearly 4,000 MW of highly efficient, low-emission capacity. In 2016, we also placed more than $1 billion in transmission capital projects into service to connect new generation units, support economic development and enhance system reliability, efficiency and resiliency.

We began the regulatory process to deploy advanced metering infrastructure technology (AMI). We filed in four jurisdictions to implement AMI, and we expect to file in Texas in 2017. We also began several new pilot programs to gain valuable experience in how to optimize and operate the grid of the future, including installing chargers for electric vehicles (EVs) in each jurisdiction and at our corporate headquarters to gain experience with EV resource integration, developing plans for expanded operations and integration of our utility solar and battery storage facility in New Orleans, and installing smart thermostats in New Orleans to help low-income customers save on their electricity consumption.

We reduced the risk in our business by completing our plan to exit the merchant power business and reposition Entergy as a pure utility holding company. In 2016 and early 2017, we reached agreements or otherwise committed to sell or shut down all of the remaining nuclear plants in our merchant portfolio. With sustained low wholesale energy prices and increased operating costs, the merchant power business has weighed on our as-reported earnings and stock price in relation to our utility peers for several years. Exiting the merchant power business, while difficult, is a sound strategic decision that we believe is necessary in order for us to continue to deliver on our mission to create sustainable value for all of our stakeholders.

Executive Compensation Highlights

Following is a summary of key features of our executive compensation programs and policies and pay outcomes for 2016. For additional information, see the Compensation, Discussion and Analysis beginning on page 33.

Sound Program Design

Our executive compensation programs are:

- Designed to attract, retain and motivate key executive officers who drive our success and industry leadership
- Intended to provide market compensation payout opportunities
- Aligned with the interests of our long-term shareholders

Reviewed regularly in light of emerging best practices in the market

Table of Contents

PROXY SUMMARY

Executive Compensation Best Practices

What We Do		What We Don t Do
Require a double trigger for severance payments or equity acceleration in the event of a change in control	×	No 280G tax gross up payments in the event of a change in control
Maintain a clawback policy that goes beyond Sarbanes-Oxley requirements	×	No tax gross up payments on any executive perquisites, other than relocation benefits available to all eligible employees
Cap the maximum payout at 200% of target under our Long-Term Performance Unit Program and under our Annual Incentive Plan for members of the Office of the Chief Executive	×	No option repricing or cash buy-outs for underwater options under our equity plans
Require minimum vesting periods for equity based awards	×	No agreements providing for severance payments to executive officers that exceed 2.99 times annual base salary and annual incentive awards without shareholder approval
Target our long-term compensation mix to give more weight to performance units than to service-based restricted stock and stock options combined	×	No unusual or excessive perquisites
Settle 100% of long-term performance units in shares of Entergy stock	×	New officers are excluded from participation in the System Executive Retirement Plan
Require our Chief Executive Officer to own 6 times base salary in stock and our other executive officers to own 1 to 3 times base salary in stock	×	No grants of supplemental service credit to newly-hired officers under any of the Company s non-qualified retirement plans
Require executives to hold substantially all equity compensation received from the Company until stock ownership guidelines are met		
Prohibit directors and officers from pledging or entering into hedging or other derivative transactions with respect to their Entergy shares		
Mitigate undue risk taking in compensation programs		
Subject executive officer equity grants to non-compete and non-solicitation covenants		

Table of Contents

PROXY SUMMARY

Our Pay for Performance Philosophy

Entergy s executive compensation programs are based on a philosophy of pay for performance that is embodied in the design of our annual and long-term incentive plans. We target total direct compensation (TDC) for our executive officers at market median and place a substantial portion of that compensation at risk subject to achieving both short-term and long-term performance goals. Approximately 85% of the annual target TDC of our Chief Executive Officer and, on average, approximately 71% of the annual target TDC of our other Named Executive Officers (in each case excluding non-qualified supplemental retirement income) is equity or performance-based compensation.

2016 Executive Compensation Elements

The following table summarizes the elements of TDC granted or paid to our executive officers under our 2016 executive compensation program:

	Salary	Annual Incentive	LTIP Performance Units	Stock Options and Restricted Stock
Who Receives	All Named Executive Officers			
When Granted	Reviewed Annually	Annually Every January		
Form of Delivery	Cash		Equity	
Type of Performance	Short-Term		Long-Term	
Performance Period	Ongoing	1 Year	3 Years	3 Year Vesting
How Payout Determined	Committee Judgment, market data	Formulaic (operational EPS and OCF) and Committee Judgment	Formulaic (Relative TSR)	Individual performance, market data

2016 Incentive Compensation Outcomes

Annual Incentive Plan

Awards under our Annual Incentive Plan are tied to our financial performance through the funding mechanism for the plan, the Entergy Achievement Multiplier (EAM), which for 2016 was based in equal part on management s degree of success in achieving our operational earnings per share (EPS) and operational operating cash flow (OCF). In determining the targets to set for 2016, the Committee reviewed anticipated drivers for operational EPS and OCF for 2016 as set forth in the Company s financial plan and reflected in the Company s published earnings guidance. Under the plan, operational EPS was expected to decline from 2015 results due primarily to the significant impact on 2015 operational results of tax benefits and, to a lesser extent, favorable weather, which were not anticipated to recur in 2016. Under the plan, operational OCF was also expected to decline slightly in 2016 from 2015 results, due primarily to the timing of recovery of certain fuel and purchased power costs in the utility business.

After adjusting to eliminate the impact of weather and tax benefits, the 2016 plan targets required management to achieve strong growth in utility operational earnings and modest growth in EWC operational earnings, despite an expectation for further declines in wholesale energy and capacity prices. While the resulting targets represented declines from 2015 operational results, the Committee concluded, based on a careful review of the overall plan, that the targets derived from the plan challenged management appropriately to deliver strong growth in the Company s core business while continuing to manage the significant risks at EWC and represented an appropriate balancing of the Company s business risks and opportunities for 2016.

v **2016 Annual Incentive Plan Payout**. After reviewing the 2016 financial results, the Personnel Committee, based on a recommendation of the Finance Committee, determined that management exceeded its operational EPS goal of $5.35 per share by $1.76, but fell short of its operational OCF goal of $3.180 billion by approximately $176 million. This resulted in a calculated EAM of 133%, which determined the maximum funding level for the plan and the maximum award, as a percentage of target, that could be received by any of the executive officers, subject to downward adjustment based on individual performance. After considering individual performance, the Personnel Committee approved a payout of 133% of target for the Chief Executive Officer and payouts ranging from 100% to 130% of target for the other Named Executive Officers.

Long-Term Performance Unit Program

Performance under our Long-Term Performance Unit Program is measured over a three-year period by assessing Entergy s total shareholder return (TSR) in relation to the total shareholder return of the companies included in the Philadelphia Utility Index. Payouts are based solely on the Company s relative performance and are not subject to adjustment by the Personnel Committee.

v **Long-Term Performance Unit Program Payout**. For the three year performance period ending in 2016, the Company s total shareholder return was in the third quartile, resulting in a payout of 36% of target for our executive officers. Payouts were made in shares of Entergy stock which are required to be held by executives until they satisfy our executive stock ownership guidelines.

Table of Contents

BOARD OF DIRECTORS

Proposal 1 Election of Directors

Our Board is presenting 11 nominees for election as directors at our Annual Meeting. Each nominee currently serves as a director of the Company and was elected by our shareholders at our 2016 annual meeting. Each director elected will serve until the next annual meeting and until his or her successor is duly elected and qualified. Each director nominee has consented to being named in this Proxy Statement and to serve as a director if elected. If any nominee is unable to stand for election for any reason, the shares represented at our Annual Meeting by proxy may be voted for another candidate proposed by our Board or our Board may choose to reduce its size. Proxies cannot be voted for a greater number of directors than the 11 nominees identified in this Proxy Statement. If you sign and properly submit your proxy card, but do not give instructions with respect to voting for directors, your shares will be voted for the 11 persons recommended by the Board of Directors.

Director Nominee Qualifications

The Board includes a diverse group of leaders in their respective fields, with the result that each of the following key qualifications is well represented on our Board:

Key Qualification	*Why It s Important*
Leadership and Senior Management Experience	Directors who hold or have held significant leadership positions provide the Company with unique insights. These people generally possess extraordinary leadership qualities as well as the ability to identify and develop those qualities in others. Their experiences developing talent and solving problems in large, complex organizations prepare them well for the responsibilities of Board service.
Finance and Accounting	Accurate financial reporting and robust auditing are critical to our success. We seek to have at least one director who qualifies as an audit committee financial expert, and we expect all of our directors to be literate in finance and financial reporting processes.
Government, Legal, Public Policy	Our businesses are heavily regulated and are directly affected by governmental actions. As such, we seek directors with experience in government, law and public policy to provide insight and understanding of effective strategies in these areas.
Risk Management	Managing risk in a rapidly changing environment is critical to our success. Directors should have a sound understanding of the most significant risks facing the Company and the experience and leadership to provide effective oversight of risk management processes.
Industry/Nuclear	Due to the complexity of our business, we believe it is important to have directors with experience in the utility industry or in nuclear power operations to enable the Board to provide effective oversight of our operations.

Table of Contents

BOARD OF DIRECTORS

Key Qualification	*Why It s Important*
Community Experience	Our business is embedded in the communities we serve, which we consider key stakeholders. Having directors with experience working with and participating in their communities and the communities we serve helps to assure that our decisions properly reflect the concerns and interests of our customers and communities.

In addition, all of the nominees have personal traits such as candor, integrity, commitment, and collegiality that are essential to an effective board of directors. The non-employee director nominees collectively also satisfy the Corporate Governance Committee s goal of geographic diversity, with the 11 nominees residing in six states and the District of Columbia, including nominees with strong ties to the states of Arkansas, Louisiana and Texas where we have significant operations. Additional information concerning each director nominee s skills and qualifications is provided under the director s name below.

Our 2017 Director Nominees

The following pages contain information concerning each of the nominees for director, including each nominee s age as of December 31, 2016, period served as a director, position (if any) with the Company, business experience and qualifications, directorships of other publicly-owned corporations (if any) and other professional affiliations.

Maureen Scannell Bateman	**Entergy Board Committees**
New York, New York	Audit
Age 73	
Director Since 2000	Nuclear
	Personnel (Chair)

Professional Experience

- Former Managing Director, Rose Hill Consultants 2010-2013
- Former Executive Vice President and General Counsel of State Street Corporation (banking and financial services for institutional investors)
- Former Of Counsel, Butzel Long (legal services) 2007-2010
- Former General Counsel, Manhattanville College 2007-2010
- Former Partner, Holland & Knight LLP (legal services) 2004-2007
- Former Managing Director and General Counsel of United States Trust Company of New York (banking, trust and investment advisory services)
- Director of Evercore Trust Company
- Director of the American Irish Historical Society
- Trustee of the Gregorian University Foundation
- Fellow of the American Bar Association
- Trustee-Fellow of Fordham University
- Trustee of Fordham Law Alumni Trustees

Skills and Attributes

Ms. Bateman brings to the Board her deep legal knowledge acquired through her experience as an accomplished corporate attorney, as well as expertise in financial and business matters gained through her extensive experience in the banking and financial services industries. Ms. Bateman s civic involvement as an officer, director or trustee of various charitable organizations also provides valuable insight into issues of importance to the communities we serve.

Table of Contents

BOARD OF DIRECTORS

Patrick J. Condon	**Entergy Board Committees**
Frankfort, Illinois	Audit (Chair)
Age 67	
Director Since 2015	Nuclear

Professional Experience

- Retired Audit Partner of Deloitte & Touche LLP (international public accounting firm) 2002-2011
- Former Audit Partner of Arthur Andersen LLP (international public accounting firm)
- Director of Cloud Peak Energy, Inc.
- Former Director of Roundy s, Inc.

Skills and Attributes

As a retired audit partner of a Big Four accounting firm, Mr. Condon brings his many years of experience in auditing and accounting to the Board. The Board also benefits from his regional and national leadership experience gained at Deloitte & Touche LLP and his current and prior service to community and charitable organizations and on other public company boards.

Leo P. Denault	**Entergy Board Committees**
New Orleans, Louisiana	Executive (Chair)
Age 57	
Director Since 2013	

Professional Experience

- Chairman of the Board of Directors of Entergy Corporation since February 2013
- Chief Executive Officer of Entergy Corporation and Entergy Services, Inc. since February 2013
- Executive Vice President and Chief Financial Officer of Entergy Corporation 2004-2013
- Director of Edison Electric Institute
- Director of Institute of Nuclear Power Operations

Skills and Attributes

As our Chairman and Chief Executive Officer and former Executive Vice President and Chief Financial Officer, Mr. Denault brings to the Board his leadership skills, his extensive senior executive experience in the utility industry and his deep knowledge of the Company.

Table of Contents

BOARD OF DIRECTORS

Admiral Kirkland H. Donald, USN (Ret.)	**Entergy Board Committees**
	Finance
Alexandria, Virginia	
Age 63	Nuclear
Director Since 2013	

Professional Experience

Former President and Chief Executive Officer of Systems Planning and Analysis, Inc. (developer of national defense and homeland security programs) 2014-2015
Former Executive Vice President, Chief Operating Officer and Director of Systems Planning and Analysis, Inc. 2013-2014
Admiral (retired) U.S. Navy
Former Director, Naval Nuclear Propulsion 2004-2013
Director of Huntington Ingalls Industries, Inc.
Director of Battelle Memorial Institute
Director of CyberCore Technologies
Director, Naval Submarine League
Executive Advisor to NexPhase Capital Partners (private equity firm, formerly Moelis Capital Partners) since January 2013

Skills and Attributes

Mr. Donald brings to the Board deep nuclear expertise and valuable leadership and risk-management experience gained through his distinguished military career in the United States Navy s nuclear program and through his business and senior management experience since retiring from the Navy.

Philip L. Frederickson	**Entergy Board Committees**
Horseshoe Bay, Texas	Audit
Age 60	
Director Since 2015	Finance

Professional Experience

- Former Executive Vice President, Planning, Strategy and Corporate Affairs of ConocoPhillips (international oil and gas company) 2006-2008
- Former Executive Vice President, Commercial of ConocoPhillips 2002-2006
- Director of Williams Partners LP
- Former Director of Sunoco Logistics Partners L.P. and Rosetta Resources Inc.

Skills and Attributes

Mr. Frederickson brings to the Board his extensive senior management, operating and leadership experience gained through his business career at ConocoPhillips and its predecessor, Conoco Inc., where he held a variety of senior management positions in operations, strategy and business development. In addition to his diverse senior-level management experience, Mr. Frederickson brings his experience leading strategic change both at ConocoPhillips and on the other public company boards on which he has served. His strong ties to the State of Texas also enable him to provide insight into the issues and concerns of our service territories.

Table of Contents

BOARD OF DIRECTORS

Alexis M. Herman	**Entergy Board Committees**
McLean, Virginia	Corporate Governance (Chair)
Age 69	
Director Since 2003	Personnel

Professional Experience

- Chair and Chief Executive Officer of New Ventures, LLC (corporate consultants) since 2001
- Former Secretary of Labor of the United States of America
- Former White House Assistant to the President of the United States of America
- Lead Director of Cummins, Inc.
- Director of The Coca-Cola Company and MGM Resorts International
- Co-Chair of the Presidential Leadership Scholar Program and Trustee for the National Urban League
- Chair, Toyota Motor Corporation North American Diversity Advisory Board and Member, Global Advisory Board
- President, Dorothy I. Height Education Foundation

Skills and Attributes

Secretary Herman brings to the Board a combination of high-level U.S. government service, experience as a strategic advisor to numerous U.S. and international companies and broad public policy expertise, as well as her public company board experience, including her service as Lead Independent Director to another public company. Her extensive service to charitable organizations also provides the Board with valuable insight into the needs and concerns of the communities we serve.

Donald C. Hintz	**Entergy Board Committees**
Punta Gorda, Florida	Executive
Age 73	
Director Since 2004	Finance
	Nuclear (Chair)

Professional Experience

Former President of Entergy Corporation and Entergy Services, Inc. (retirement commenced in 2004)
Former President and Chief Executive Officer of Entergy Operations, Inc. and Former President and Chief Operating Officer of System Energy Resources, Inc.
Member of the U.S. Department of Energy s Nuclear Energy Advisory Committee
Former President and Vice President of the American Nuclear Society
Former Director of Ontario Power Generation Inc.
Former Director of Electric Power Research Institute Board
Former Member of International Technical Advisory Board of Nuclear Electric Insurance Limited
Former Chair of the Nuclear Electric Insurance Limited International Technical Advisory Committee

Skills and Attributes

Mr. Hintz brings to the Board his leadership skills and extensive knowledge of the Company and our nuclear business acquired as our former President. The Board also benefits from the valuable regulatory and risk management expertise he has gained through his experience in the nuclear industry, including as a member of various advisory boards and other industry bodies.

Table of Contents

BOARD OF DIRECTORS

Stuart L. Levenick	**Entergy Board Committees**
Peoria, Illinois	Corporate Governance
Age 63	
Director Since 2005	Executive
	Finance (Chair)

Professional Experience

- Lead Director of Entergy Corporation since May 2016
- Former Group President and Executive Office Member of Caterpillar Inc. (a manufacturer of construction and mining equipment) 2004-2015
- Former Executive Director of U.S. Chamber of Commerce, Washington, D.C.
- Former Executive Director and Past Chairman of Association of Equipment Manufacturers, Washington, D.C.
- Lead Independent Director of W. W. Grainger, Inc.
- Director of Finning International, Inc.

Skills and Attributes

Mr. Levenick brings to the Board his extensive senior executive experience at a major manufacturing company, as well as his experience as a public company director, including as Lead Independent Director of another public company. This experience enables him to contribute valuable operational and financial expertise and offer an informed perspective on leadership development, management and business issues.

Blanche Lambert Lincoln	**Entergy Board Committees**
Arlington, Virginia	Audit
Age 56	
Director Since 2011	Corporate Governance

Professional Experience

- Founder and Principal of Lincoln Policy Group (a consulting firm) since July 2013
- Special Policy Advisor for Alston & Bird LLP (legal, legislative and public policy services) 2011-2013
- Former United States Senator for the State of Arkansas 1999-2011
- Former United States Representative for the State of Arkansas 1993-1997
- Former Chair, U.S. Senate Committee on Agriculture, Nutrition and Forestry
- Former Member, U.S. Senate Committee on Finance, Committee on Energy and Natural Resources, and Special Committee on Aging
- Former Member of the U.S. House Committee on Energy and Commerce, Committee on Agriculture and Committee on Natural Resources (formerly House Committee on Merchant Marine and Fisheries)
- Director of Rayonier, Inc.

Skills and Attributes

As a former member of the U.S. Senate and House of Representatives, Ms. Lincoln brings to the Board her extensive background and experience in governmental, public policy and legislative affairs, providing her with a unique and valuable perspective on many of the critical issues and opportunities facing the Company. Her strong ties to the State of Arkansas also provide the Board with insight into the issues and concerns of our service territories.

Table of Contents

BOARD OF DIRECTORS

Karen A. Puckett	**Entergy Board Committees**
Houston, Texas	Audit
Age 56	
Director Since 2015	Personnel

Professional Experience

- President and Chief Executive Officer, Harte Hanks, Inc. (marketing services company) since 2015
- Former President-Global Markets of CenturyLink, Inc. (a telecommunications company) 2014-2015
- Former Executive Vice President and Chief Operating Officer of CenturyLink, Inc. 2009-2014
- Former President and Chief Operating Officer of CenturyTel, Inc. 2002-2009
- Director of Harte Hanks, Inc.

Skills and Attributes

Ms. Puckett brings to the Board her extensive management, operations and business experience acquired through her senior leadership positions in a rapidly changing and highly regulated industry and her deep experience with technology-driven innovation. Ms. Puckett s ties to the State of Louisiana also enable her to offer insight into the issues and concerns of our service territories.

W. J. Billy Tauzin	**Entergy Board Committees**
Washington, DC	Corporate Governance
Age 73	
Director Since 2005	Executive
	Finance
	Personnel

Professional Experience

- Owner of Tauzin Strategic Networks (a consulting firm) since July 2010
- Consultant (Affiliate) of Tauzin Consultants, LLC (a consulting firm) since January 2011
- Former President and Chief Executive Officer of Pharmaceutical Research and Manufacturers of America (PhRMA) (trade association) 2005-2010
- Former United States Representative for the State of Louisiana 1980-2005
- Former Chairman, U.S. House Committee on Energy and Commerce
- Former Chairman, U.S. Subcommittee on Telecommunications, Trade and Consumer Affairs
- Former Chairman, U.S. House Subcommittee on Coast Guard and Maritime Transportation
- Former Member, Louisiana House of Representatives 1972-1980
- Former Board Chairman, South Louisiana Savings & Loan Association
- Attorney-at-Law, State of Louisiana
- Lead Independent Director of LHC Group, Inc.

Skills and Attributes

As a former member of the U.S. House of Representatives, Mr. Tauzin brings to the Board his many years of governmental, public policy and legislative affairs experience, enabling him to provide critical insights into many of the most important issues facing the Company. Mr. Tauzin also brings governance and risk management skills gained through his experience as the president of a leading trade industry association and his experience as trustee or director of public and private companies and organizations, including his service as Lead Independent Director to another public company. His strong ties to the State of Louisiana also enable him to provide insight into the issues and concerns of our service territories.

The Board of Directors unanimously recommends that the shareholders vote <u>FOR</u> the election of each nominee.

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

Entergy s Board of Directors

The Board of Directors provides oversight with respect to our overall performance, strategic direction and key corporate policies. It approves major initiatives, advises on key financial and business objectives, and monitors progress with respect to these matters. Members of the Board are kept informed of our business by various reports and documents provided to them on a regular basis, including operating and financial reports made at Board and Committee meetings by the Chairman and Chief Executive Officer and other senior executive officers.

Our Board Structure

Director Independence

Board Members. A director is considered independent if the Board affirmatively determines that he or she has no material relationship with the Company and otherwise satisfies the independence requirements of the New York Stock Exchange (NYSE). A director is independent under the NYSE listing standards and our Corporate Governance Guidelines if the Board affirmatively determines that the director has no material relationship with us directly or as a partner, shareholder or officer of an organization that has a material relationship with us. In addition, the Board of Directors considers all of the independence factors specified in the rules of the NYSE in making its determination. The Board of Directors has reviewed information concerning each of its non-employee directors and has considered all relevant transactions, relationships and arrangements to determine compliance with the independence standards established by the NYSE. The Board has affirmatively determined that each of our non-employee directors is independent within the meaning of the rules of the NYSE and our Corporate Governance Guidelines.

Heightened Standards for Audit and Personnel Committee Members. In addition to the general independence requirements of the NYSE, all members of the Audit and Personnel Committees must meet the heightened independence standards imposed by the Securities and Exchange Commission (SEC) and the NYSE applicable to members of such committees. Each member of the Audit and Personnel Committees meets these heightened independence standards and each member of the Personnel Committee also qualifies as an independent director for purposes of the Internal Revenue Code of 1986, as amended (the Code). In addition, no director may serve as a member of the Audit Committee if that director serves on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of that director to serve effectively on the Audit Committee.

Director Attendance

Board/Committee Meetings. During 2016, the Board held 14 meetings. Members of the Board attended on average approximating 97% of the total number of meetings of the Board and the committees on which he or she served, with no member attending less than 75%.

Annual Shareholder Meeting. We encourage, but do not require, our Board members to attend our annual meeting of shareholders. All of our Board members then in office attended our 2016 Annual Meeting of Shareholders.

Executive Sessions of the Board of Directors. The non-employee directors meet in executive session (separate from management) at least 4 times a year. In addition, if there are any non-employee directors who are not independent, the independent directors meet in executive session at least once a year. Currently, all of our non-employee directors are independent. The Lead Director, or in his absence, an independent non-employee director presides at all executive sessions. The non-employee directors met in executive session 7 times in 2016.

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

Board Committees

The Board has 6 standing committees: Audit, Corporate Governance, Personnel, Finance, Nuclear and Executive. The committees:

Operate pursuant to a written charter; the charters of the Audit, Corporate Governance and Personnel Committees are available on the Company s Investor Relations website at http://www.entergy.com/investor_relations/corporate_governance.aspx;
Evaluate their performance annually; and
Review their charters annually.

The Members of the Board committees and their Chairs are nominated by the Corporate Governance Committee and appointed by the Board.

Board Committee Composition

The table below shows the current chairs and membership of the Board and each standing committee and the number of Board and Board committee meetings held in 2016. All of the directors are independent, except Mr. Denault.

Director	Board	Audit	Corporate Governance	Executive	Finance	Nuclear	Personnel
Maureen S. Bateman							C
Patrick J. Condon*		C					
Leo P. Denault	C			C			
Kirkland H. Donald							
Philip L. Frederickson*							
Alexis M. Herman			C				
Donald C. Hintz						C	
Stuart L. Levenick					C		
Blanche L. Lincoln							
Karen A. Puckett							
W.J. Billy Tauzin							
Number of 2016 Meetings	14	13	8	0	7	5	11

Member **C** Chair * Financial Expert

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

Board Committee Responsibilities

Audit Committee	Oversees our accounting and financial reporting processes and the audits of our financial statements; and Assists the Board in fulfilling its oversight responsibilities with respect to our compliance with legal and regulatory requirements, including our disclosure controls and procedures, the independent registered public accounting firms qualifications and independence, the performance of our internal audit function and independent registered public accounting firm.
Corporate Governance Committee	Develops policies and practices relating to corporate governance and reviews compliance with the Company s Corporate Governance Guidelines; Recommends the director nominees for approval by the Board and shareholders; and Establishes and implements self-evaluation procedures for the Board and its committees.
Finance Committee	Reviews and makes recommendations to the Board regarding our financial policies, strategies, and decisions; Reviews our investing activities; and Reviews and makes recommendations to the Board with respect to significant investments.
Nuclear Committee	Provides non-management oversight and review of all of the Company s nuclear generating plants; Focuses on safety, operating performance, operating costs, staffing and training; and Consults with management concerning internal and external nuclear-related issues.

Personnel Committee	Develops and implements compensation policies and programs for hiring, evaluating, promoting and setting compensation for our executive officers, including any employment agreement with an executive officer; Evaluates the performance of our Chairman and Chief Executive Officer; and Reports at least annually to the Board on succession planning, including succession planning for the Chief Executive Officer.
Executive Committee	Authorized to act for the Board on all matters, except those matters specifically reserved by Delaware law to the entire Board.

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

Identifying Director Candidates

Our Corporate Governance Committee is charged with reviewing the composition of the Board and refreshing the Board as appropriate through the recommendations it makes to the Board. This is an ongoing process through which the Board has added 5 new directors since 2012. These directors have brought to the Board, among other things, deep finance and accounting experience, nuclear expertise and senior leadership experience in companies or industries undergoing transformational change.

The Corporate Governance Committee has not established any minimum qualifications that must be met by director candidates or identified any set of specific qualities or skills that it believes our directors must possess. The Corporate Governance Committee s policy regarding consideration of potential director nominees acknowledges that choosing a Board member involves a number of objective and subjective assessments, many of which are difficult to quantify or categorize. However, the following are certain principles the Corporate Governance Committee follows:

- Seeks to nominate candidates with superior credentials, sound business judgment and the highest ethical character.
- Takes into account the candidate s relevant experience with businesses or other organizations of comparable size to the Company and seeks to identify candidates whose experience will add to the collective experience of the Board.
- Believes the Board should reflect a diversity of backgrounds and experiences in various areas, including age, gender, race, geography and specialized experience, and candidates are assessed to determine the extent to which they would contribute to that diversity.

The Corporate Governance Committee also seeks to confirm that candidates are not disqualified from serving on the Board under applicable legal or regulatory

Director Recruitment Process

Candidate Recommendations

From shareholders, management, directors and search firms

Corporate Governance Committee

- Evaluates Board needs and screens and interviews candidates
- Reviews qualifications and expertise, tenure, regulatory requirements and diversity
- Recommends nominees

Board of Directors

Discusses, analyzes independence and selects nominees requirements and evaluates each candidate s independence, as that term is defined under applicable legal and regulatory requirements. The Corporate Governance Committee annually evaluates the effectiveness of its policy and procedures for the evaluation of director candidates.

Shareholders

Vote on nominees at annual meeting

The Corporate Governance Committee will consider candidates identified by current directors, management, third party search firms engaged by the committee, and shareholders. Shareholders who wish to recommend a candidate to the Corporate Governance Committee or submit nominees for election at an annual or special meeting should follow the procedures described on page 88.

Director Retirement Policy and Term Limits

To facilitate proactive Board succession planning and self-renewal, our Corporate Governance Guidelines provide that a person may not be nominated for election or re-election to the Board if he or she has reached the age of 74 on or before January 1 of the year in which such person would be elected or re-elected, unless specifically recommended to serve beyond the age of 74 by the Corporate Governance Committee and approved by the Board of Directors. The Company does not have term limits for its directors. Instead, our Board addresses the suitability for continued service as a director upon the expiration of each director s term.

Mandatory Resignation Upon Change in Circumstances

Our Corporate Governance Guidelines provide that non-employee directors should offer their resignations when either their employment or the major responsibilities they held when they joined the Board change. The Corporate Governance Committee then reviews the change in circumstances and makes a recommendation to the Board as to whether it is appropriate for the director to continue to serve on the Board and be nominated for re-election.

Director Orientation and Continuing Education

Upon joining the Board, new directors undergo a comprehensive orientation program that introduces them to the Company, including our business operations, strategy, key members of management and corporate governance. This program is considered a valuable part of the director onboarding process and is annually reviewed for effectiveness by the Corporate Governance Committee. Directors also are encouraged to enroll in director education programs, and the Corporate Governance Committee annually reviews and reports on director participation in such programs. The Board is briefed regularly on industry and corporate governance developments affecting the Company, and, at its annual retreat, the Board has the opportunity to discuss some of the most critical strategic issues facing the Company with outside experts in the applicable fields. To enhance the Board s understanding of some of the unique issues affecting our nuclear fleet, directors are regularly invited to visit our nuclear plant sites, where they tour the facilities and interact directly with the personnel responsible for our day-to-day nuclear operations. These activities collectively help to ensure that the Board remains knowledgeable about the most important issues affecting our Company and its business.

Board Operations

Our Board Leadership Structure

Our Company is led by Leo P. Denault, who has served as Chief Executive Officer and Chairman of the Board since February 2013. Our Board is currently composed of Mr. Denault and 10 independent directors. Our Corporate Governance Guidelines require that when the roles of Chairman of the Board and the Chief Executive Officer are combined, the Board of Directors appoints from among its independent members a Lead Director.

How We Select The Lead Director. The Corporate Governance Committee considers feedback from our Board members and the Chairman and then makes a recommendation to the Board s independent directors. Based on this recommendation, the Lead Director is appointed by a majority of the independent members of the Board of Directors. The Lead Director, subject to his or her annual election to the Board of Directors, serves for a term of three years. In 2016, Stuart L. Levenick was elected as the Company s Lead Director.

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

Lead Director Responsibilities: Under our Corporate Governance Guidelines and other governance policies, the Lead Director has the following responsibilities:

Leadership Independent Director Meetings	Calls meetings of the independent directors Presides at executive sessions of the independent directors and all meetings of the Board at which the Chairman and Chief Executive Officer is not present Serves as a member of the Executive Committee of the Board
Chairman Independent Director Liaison	Serves as a liaison with the Chairman and Chief Executive Officer when requested by the independent directors
Stakeholder Communication	Serves as the point of contact for shareholders and others to communicate with the Board
Board Agendas	Reviews and advises on Board meeting agendas and consults with the Chairman and Chief Executive Officer on the preparation of agendas
Chair and CEO Feedback Evaluation	Provides feedback from the Board to the Chairman and Chief Executive Officer following each executive session of independent directors and, together with the Chair of the Personnel Committee, provides the Chairman and Chief Executive Officer with an annual performance review
Director Recruitment	Assists with recruitment of director candidates and, along with the Chairman, may extend the invitation to a new potential director to join the Board

Why Our Board Structure Is Appropriate. Our Corporate Governance Committee annually evaluates the Board s leadership structure. We believe having a combined Chairman and Chief Executive Officer, independent chairs for each of our Board committees and an independent Lead Director provides the right form of leadership for our Company. This leadership structure is commonly utilized by other public companies, and we believe it has been an effective structure for us because it facilitates swift and effective decision making and helps to ensure that the Company speaks with one voice, while at the same time encouraging open and constructive dialogue among Board members. We also believe the independent leadership provided by our independent Lead Director and the independent chairs of each of our Board committees, combined with the fact that all of the directors other than our Chairman and Chief Executive Officer are independent, assures that the Board will act in an independent manner and free of any undue or inappropriate influence by management.

Our Board s Governance Role

How Our Board Oversees Risk Management

We believe the Board of Directors provides effective oversight of the risks we face and our risk assessment and risk management processes. The Board reviews the Company s processes for identifying and managing risks and communicating with the Board about those risks to help ensure that the processes are effective. Like other companies, Entergy is subject to many diverse risks. These include financial and accounting risks, market and credit risks, capital deployment risks, operational risks, compensation risks, liquidity risks, litigation risks, strategic risks, regulatory risks, reputation risks, natural-disaster risks and technology risks, among others. Some critical risks having enterprise-wide significance, such as corporate strategy and capital budget, require the full Board s active oversight, but our Board committees also play a key role because they can devote more time to reviewing specific risks within their respective areas of responsibility.

In accordance with NYSE standards, our Audit Committee has the primary responsibility for overseeing risk management. To assist the Audit Committee in discharging its oversight responsibility, management provides the committee with regular reports on specific risk areas, including environmental compliance, corporate compliance, significant legal matters, the Company s insurance programs, market and credit risks and cybersecurity risks.

We have identified cybersecurity as a key enterprise risk. As a result, the Audit Committee receives comprehensive periodic reports on cybersecurity risks and issues from management. Among other things, these reports have focused on recent cyber risk and cybersecurity developments, industry engagement activities, legislative and regulatory developments, cyber risk governance and oversight, cyber incident response plans and strategies, cybersecurity drills and exercises, assessments by third party experts, key cyber risk metrics and activities, and major projects and initiatives. In addition to these management briefings, the Board has received briefings from outside experts on cybersecurity risks and cyber risk oversight.

Our standing Board committees also regularly consider risks arising within their respective functional areas of responsibility, with broad operational risks reviewed by the full Board. Thus, under their respective committee charters, the Finance Committee evaluates risks associated with strategic decisions and major transactions; the Audit Committee reviews risks relating to the financial reporting process and the Company s internal controls; the Corporate Governance Committee considers risks relating to the Company s corporate governance and legislative and regulatory policy; the Personnel Committee considers risks relating to compensation, safety, employee matters and succession planning; and the Nuclear Committee considers risks relating to safety and other matters unique to our nuclear fleet. Each of these committees receives regular reports from management which assist it in its oversight of risk in its respective area of responsibility.

Succession Planning for the Chief Executive Officer

The Personnel Committee, the Chief Executive Officer, and the Senior Vice President, Human Resources maintain an ongoing focus on executive development and succession planning to prepare the Company for future success. In addition to preparing for Chief Executive Officer succession, the succession planning process includes all other senior management positions. A comprehensive review of executive talent, including, from time to time, assessments by an independent consulting firm, determines readiness to take on additional leadership roles and identifies developmental and coaching opportunities needed to prepare our executives for greater responsibilities. The Chief Executive Officer makes a formal succession planning presentation to the Board annually.

Our succession planning also includes appropriate contingencies for the unexpected retirement or incapacity of the Chief Executive Officer. In 2016, our Board adopted a detailed plan to address emergency Chief Executive Officer and senior management succession in extraordinary circumstances. Our emergency CEO succession plan is intended to enable our Board and our Company to respond quickly and effectively to an unplanned and unexpected vacancy in the position of Chief Executive Officer, regardless of cause and regardless of the surrounding circumstances, so as to assure continuity of leadership and minimize any disruption to our business and operations.

How Our Board and Committees Evaluate Their Performance

Each year, the Board and each of its committees conduct an evaluation of their respective performance and effectiveness. This process is overseen by the Corporate Governance Committee and is reviewed annually to determine whether it is well designed to maximize its effectiveness and to ensure that all appropriate feedback is being sought and obtained by the Corporate Governance Committee. Under the process followed in 2016, a comprehensive questionnaire was circulated to all independent members of the Board that asked the directors to assign ratings and comment on a wide

CORPORATE GOVERNANCE AT ENTERGY

range of issues relating to Board effectiveness including: Board and Committee structure and composition; Board and Committee succession planning; meeting structure, process and agendas; the Board evaluation process; management support and Board and management interface issues; and overall Board effectiveness, including the effectiveness of the Personnel Committee in its oversight of executive compensation and review of senior executive performance. The collective ratings and comments were then compiled (on an anonymous basis), summarized and presented to the Corporate Governance Committee and the full Board for discussion.

Our Commitment to Shareholder Engagement

We welcome the opportunity to engage with you, our shareholders, to share our perspective on and obtain your insights and feedback on matters of mutual interest. Our commitment to understanding the interests and perspectives of our shareholders is a key component of our corporate governance strategy and compensation philosophy. We engage with shareholders throughout the year to:

- Discuss our financial and operational performance,
- Share our perspective on Company and industry developments,
- Discuss and solicit feedback on our corporate governance practices, and
- Solicit feedback on our communications and disclosures to investors.

How We Engage

We approach shareholder engagement as an integrated, year-round process involving senior management, our investor relations team and our corporate governance team. Throughout the year, we meet with analysts and institutional investors to inform and share our perspective and to solicit their feedback on our performance. This includes participation in investor conferences and other formal events and group and one-on-one meetings throughout the year. We also engage with governance representatives of our major shareholders, through conference calls that occur during and outside of the proxy season. Members of our corporate governance, investor relations and executive compensation groups discuss, among other matters, company performance, executive compensation and emerging corporate governance practices.

During our 2016-17 off-season outreach effort, we contacted the holders of approximately 49% of our outstanding shares, resulting in substantive engagements with the holders of approximately 17% of our outstanding shares. In these engagements, we discussed the following issues and topics of mutual interest, among others:

- Industry and business developments;
- Corporate strategy;
- Executive compensation;
- Corporate governance issues, including proxy access;

- Environmental and social issues; and
- Proxy statement disclosures.

The investors we spoke with remain supportive of the leadership our Board and management are providing and the business strategies our management is pursuing. They generally agreed with our view that our executive compensation programs are well designed to align pay with performance and had done so effectively over the past several years, despite significant challenges that have led to total shareholder return that, with the exception of 2014, has lagged the median total shareholder return of the Philadelphia Utility Index for a significant period of time. In addition to this feedback, we received suggestions for enhancing our proxy statement disclosures, and we have sought to respond to those suggestions. The comments, questions and suggestions offered by our investors were shared with, and discussed by the full Board, and their perspectives will inform the Board s decision making in 2017 and beyond.

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

How We Have Responded To Investor Feedback

After considering feedback received from investors since our last annual meeting, we:

- **Adopted Proxy Access for Director Nominations.** We amended our Bylaws to add a new Bylaw providing long term shareholders with the right to nominate candidates for election to the Entergy Board and have those nominees included in the Company s proxy statement and ballot. You can find a summary of the new proxy access Bylaw under Other Corporate Policies and Practices Shareholder Rights Proxy Access.
- **Enhanced our Disclosure.** We added more charts and graphs to better explain our performance, compensation and corporate governance practices, expanded our disclosure about our Audit Committee and made other changes to simplify the presentation of information and make important information more accessible.

Our 2016 Advisory Say-On-Pay Vote

The Company conducts an annual advisory vote on executive compensation. While the votes are not binding, the Personnel Committee believes that an annual Say-on-Pay advisory vote offers shareholders the opportunity to express their views regarding the Company s executive compensation programs and the Personnel Committee s decisions on executive compensation. At our 2016 Annual Meeting of Shareholders, approximately 92% of the votes cast with respect to our Say-on-Pay proposal were voted in favor of the Company s Named Executive Officer compensation. Given this high level of support for the Company s executive compensation programs and the feedback received through our annual shareholder outreach process, the Personnel Committee believes that the Company s shareholders are supportive of our executive compensation pay practices. As a result, the Personnel Committee did not make any changes to Entergy s executive compensation programs in response to this advisory vote.

How You Can Communicate With Our Board

We believe communication between the Board of Directors and the Company s shareholders and other interested parties is an important part of the corporate governance process. The independent members of the Board have adopted procedures on how to submit communications to our Lead Director or any individual director. Information on how to submit any such communication can be found in our Shareholder and Third Party Communications with the Board Policy on Entergy s website at http://www.entergy.com/investor_relations/corporate_governance.aspx.

Key Corporate Governance Documents

Our Corporate Governance Guidelines, Certificate of Incorporation, Bylaws and Board committee charters form the framework of our corporate governance. In addition, we have adopted a Code of Business Conduct and Ethics for the members of our Board of Directors, a Code of Business Conduct and Ethics for our employees and a Code of Entegrity, which sets forth the ethical responsibilities of our employees, officers and representatives.

Our Corporate Governance Guidelines, the charters of our Audit, Corporate Governance and Personnel Committees, and our Code of Entegrity and other ethics policies, including any amendments or waivers, are available at http://www.entergy.com/investor_relations/corporate_governance.aspx and in print to any shareholder who requests a copy from the Secretary of the Company.

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

Other Governance Policies and Practices

Shareholder Rights

Proxy Access

As a result of the Board s ongoing review of our corporate governance practices and policies, discussions with our institutional shareholders and consideration of a shareholder proposal that was subsequently withdrawn, the Board amended Entergy s Bylaws in January 2017 to provide for a right of proxy access. The Board believes that implementation of proxy access provides long term shareholders with a valuable and important right to nominate directors to the Board. Below is a summary of key details of our proxy access Bylaw:

- **Ownership Threshold**: Ownership of 3% of Entergy s common stock
- **Required Ownership Period**: 3-year holding period
- **Shareholder Groups**:
  - Up to 20 shareholders may combine to meet the 3% ownership requirement
  - Funds under common management are treated as a single shareholder
- **Maximum Number of Nominees**: greater of 2 or 20% of Board seats
- **Definition of Ownership**:
  - Holder must have full economic and voting rights
  - Excludes borrowed shares, and shares subject to options, derivatives or similar agreements
  - Loaned stock is considered owned as long as it is recallable within 5 business days
- **Proxy Disclosure**: May include 500 word statement of support in proxy for the candidate

Policy on Shareholder Rights Plan (Poison Pill)

Entergy does not have a shareholder rights plan, otherwise known as a Poison Pill. The Board will obtain shareholder approval prior to adopting a future shareholder rights plan unless the Board, in the exercise of its fiduciary duties, determines that under the circumstance then existing, it would be in the best interest of the Company and our shareholders to adopt a rights plan without prior shareholder approval. If a rights plan is adopted by the Board without prior shareholder approval, the plan must be approved by shareholders at the next annual meeting.

Vote Required to Elect Directors Annually

Our Bylaws require each director to be elected by a majority of the votes cast with respect to such director in uncontested elections (the number of shares voted For a director must exceed the number of votes cast Against that director). In a contested election (a situation in which the number of nominees exceeds the number of directors to be elected), the standard for election of directors will be a plurality of votes cast by holders of shares entitled to vote at any meeting for the election of directors at which a quorum is present. All of our directors are elected annually at our annual meeting of shareholders.

Sustainability and Corporate Social Responsibility

Corporate Sustainability

Achieving our mission of creating sustainable value for all of our stakeholders is possible only through a balanced review of opportunities and risks to our business strategy. On an ongoing basis, we analyze material economic, environmental and social issues that impact our ability to create value for our stakeholders. Entergy assesses the range of potentially relevant topics for our business and the relevance to our key stakeholders: owners, customers, employees and communities.

CORPORATE GOVERNANCE AT ENTERGY

We also use stakeholders input to help identify the most material issues and guide our strategic imperatives. We engage in a variety of informal and formal communications with our key stakeholders and other important groups, including regulators, suppliers, nongovernmental and nonprofit organizations, and professionals in industry, government, labor and education. Feedback is obtained through engagement at many levels. We then use this stakeholder input from dialogue, surveys and other means to help prioritize the most material issues and ensure that our sustainability focus is on these most important areas.

Our 2016 Integrated Report provides a single integrated source of information for all stakeholders. Integrated reporting better reflects how we measure and manage our overall performance with a combination of financial, environmental, community and employee measures. Most importantly, it reflects our central belief that the interests of all of our stakeholders are inextricably linked. The 2016 Integrated Report may be accessed at our website at integratedreport.entergy.com.

Political Contributions and Lobbying Oversight and Disclosure

We are committed to participating constructively in the political and legislative process, as we believe such participation is essential to our Company s long-term success. Our participation in the political and legislative process includes contributions to political organizations and lobbying activity in a manner that is compliant with all applicable laws and reporting requirements. Entergy s Board has adopted the *Public Policy and Advocacy Policy* which can be found on our website at http://www.entergy.com/investor_relations/corporate_governance.aspx. This policy outlines our principles governing political and lobbying activities, including our policy prohibiting corporate contributions directly to federal, state or local candidates.

Permitted political contributions at the federal level must be approved by our Senior Vice President Federal Governmental Affairs, and at the state level, contributions must be approved by the President of the appropriate subsidiary. The Company s legislative and regulatory lobbying activities are overseen by the Company s Senior Vice President Federal Governmental Affairs who also approves the participation or the engagement of individuals and/or entities which perform any federal lobbying activities on our behalf. For each subsidiary of the Company, these activities must be approved by the applicable subsidiary s Vice President for External or Governmental Affairs. Management provides regular updates on lobbyists and lobbying activities to the Corporate Governance Committee.

Our website also provides our shareholders with useful information about political contributions and lobbying activity, including an annual posting of a report on political contributions made by Entergy and its subsidiaries to political parties, political committees and political entities organized under Sections 527 and 501(c)(4) of the Code and the portion of annual dues or payments made by Entergy to all trade associations in excess of $50,000 that are not deductible under Section 162(e)(1) of the Code. The report also discloses information concerning Entergy s sponsorship of the Entergy Corporation Political Action Committee (ENPAC) and the Entergy Corporation Political Action Committee New York (ENPAC-NY), their purposes and governance mechanisms and that information about ENPAC s and ENPAC-NY s activities can be found on the Federal Elections Commission and the New York State Board of Elections websites. Prior to its publication, the Corporate Governance Committee reviews and approves this report. Please see our website at http://www.entergy.com/investor_relations/corporate_governance.aspx for a copy of the annual report and more information about the ways in which we participate in the political process.

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

Corporate Community Initiatives

For our **Communities**, we are committed to creating value through economic development, philanthropy, volunteerism and advocacy, and by operating our business safely and in a socially and environmentally responsible way. In 2016, we demonstrated this commitment through:

- **Economic Development.** Entergy launched a $5 million, 5-year workforce development initiative. As part of this initiative, Entergy made grants totaling $2.2 million to 17 programs across our four-state region to help create a competitive advantage for our region and to help our communities land industrial and corporate expansion and/or relocation projects. We made:
  - **Industry-Specific Workforce Training** grants that will help improve the quality of the workforce talent pool; and
  - **School-to-Career Readiness** grants that focus on increasing high school graduation rates and ensuring that students are career and/or college ready when they graduate.
- **Philanthropy and Volunteerism.** We made approximately $16 million in charitable contributions to organizations in our communities. In addition, our employees and retirees logged more than 114,000 volunteer hours. To encourage our employees to volunteer, we have implemented a volunteer employee benefit that provides employees up to 16 hours of paid leave to volunteer in the community.
- **Advocacy.** Entergy partners with customers on a variety of energy efficiency programs, which help lower bills by reducing energy usage. This effort included working with multiple constituencies to advocate for the expansion of the Low Income Home Energy Assistance Program, a federal initiative that helps families with energy costs.
- **Environmental.**
  - **Entergy has demonstrated its environmental leadership and performance in the industry through effective actions.** Entergy was the first electric utility in the U.S. to adopt a voluntary cap on its carbon dioxide emissions, and we continue to exceed that goal of limiting emissions to 20% below our 2000 levels.
  - **Entergy s fleet is environmentally efficient.** According to a 2016 Benchmarking Air Emissions report, Entergy produces fewer CO_2 emissions than 78 of the top 100 U.S. power producers, even though we produce the eighth-largest amount of electricity. Entergy s total fleet emission rate for 2015 was 540 pounds per MWh, which is well below the Environmental Protection Agency s standard for a new, highly-efficient combined cycle natural gas unit.
  - **Entergy is exploring a wide range of opportunities with respect to renewables and new technology**. In 2016:
    - Entergy Mississippi launched three solar pilot installations in three different locations, each capable of generating 500 KW from fixed-tilt solar arrays.
    - Entergy New Orleans launched a 1 MW solar generation project with state-of-the-art battery storage technology to help compensate for cloud cover.

Entergy Arkansas entered into a power purchase agreement to facilitate construction of an 81 MW photovoltaic solar energy generating facility that is expected to be connected to the grid in mid-2019. When complete, the 500-acre project will be capable of generating enough clean energy to power approximately 13,000 homes.

Entergy Arkansas, Entergy Louisiana and Entergy New Orleans also have requests for proposals underway to acquire in aggregate an additional 320 MW of renewable resources.

We also sponsor initiatives to raise the environmental awareness of customers and the public. Entergy continues to partner with the Center for

Table of Contents

CORPORATE GOVERNANCE AT ENTERGY

Climate and Energy Solutions on the Make an Impact program. The website provides a personalized CO_2 footprint analysis and action plans for more energy-efficient lifestyles.

Each year since 2000, Entergy has dedicated $1 million to grants for environmentally beneficial projects. In 2016, Entergy supported the Point-aux-Chenes Restoration (Restore the Earth Foundation) near New Orleans to plant bald cypress on 200 acres to provide carbon sequestration, increased storm protection, habitat improvement, and environmental education opportunities. Entergy also supported the Mathews Brake and Money Bayou Watershed Restoration, which included the design and installation of water control structures to conserve over 4,000 acres of critical wetland habitat in the Mississippi Delta. A report on the 15 year history of the Environmental Initiative Fund is available at http://entergy.com/content/environment/docs/eif_history.pdf

Our efforts have been recognized:

- In 2016, Entergy was named to the Dow Jones Sustainability (DJS) North America Index; our 15^{th} consecutive year to appear on the World or North America Index (DJSI) or both, ranking in the 97^{th} percentile for Corporate Social Responsibility (CSR) performance among DJSI companies and achieving a philanthropy/CSR score of 100 out of 100 for the 5^{th} consecutive year. We also achieved perfect scores of 100 in the focus areas of biodiversity, climate strategy and water-related risks.
- Entergy was named one of the nation s Top 100 Corporate Citizens by Corporate Responsibility Magazine, ranking 4^{th} in philanthropy and community support out of the largest 1,000 U.S. based companies.
- Points of Lights Foundation named Entergy as one of the top 50 most community-minded corporations in the U.S.
- Entergy was named one of the nation s Top 10 utilities in economic development by Site Selection Magazine for the integral role that resulted in nearly $10.3 billion of capital investment and the creation of over 4,800 new jobs in our service territory. It was the 9^{th} straight year we were named to this list.
- Climate Change Magazine gave Entergy the Climate Change Adaptation and Resilience Award in recognition of Entergy s support of pilot projects and methodologies to make wetlands enhancement and restoration a viable source of carbon offsets.

Our Transactions with Related Persons Policy

Our Board of Directors has adopted written policies and procedures for the review, approval or ratification of any transaction involving an amount in excess of $120,000 in which any director or executive officer of the Company, any nominee for director, or any immediate family member of the foregoing has or will have a material interest as contemplated by Item 404(a) of Regulation S-K (Related Person Transactions). Under these policies and procedures, the Corporate Governance Committee or a subcommittee of the Board of Directors consisting entirely of independent directors reviews the transaction and either approves or rejects the transaction after taking into account the following factors:

Whether the proposed transaction is on terms that are at least as favorable to the Company as those achievable with an unaffiliated third party;
Size of the transaction and amount of consideration;
Nature of the interest;
Whether the transaction involves a conflict of interest;
Whether the transaction involves services available from unaffiliated third parties; and
Any other factors that the Corporate Governance Committee or subcommittee deems relevant.

Table of Contents

The policy does not apply to (a) compensation and related person transactions involving a director or an executive officer solely resulting from that person s service as a director or employment with the Company so long as the compensation is approved by the Board of Directors (or an appropriate committee), (b) transactions involving the rendering of services as a public utility at rates or charges fixed in conformity with law or governmental authority or (c) any other categories of transactions currently or in the future excluded from the reporting requirements of Item 404(a) of Regulation S-K.

Related Party Transactions

Since January 1, 2016, neither the Company nor any of its affiliates has participated in any Related Person Transaction.

2016 NON-EMPLOYEE DIRECTOR COMPENSATION

The Company uses a combination of cash and stock-based compensation to attract and retain qualified candidates to serve on the Board. The Corporate Governance Committee periodically reviews non-employee director compensation with the advice of its independent compensation consultant and makes recommendations to the Board for any changes it considers appropriate. In making such recommendations, the Committee considers the type and amount of compensation paid to non-employee directors by comparable companies and the amount of time that directors expend in fulfilling their duties to the Company, as well as the backgrounds and skill level required by the Company of members of the Board.

Cash Compensation Paid To Non-Employee Directors

***Quarterly Cash Retainer*.** Each of our non-employee directors receives a quarterly cash retainer equal to $23,750.

***Lead Director, Committee Chair and Nuclear Committee Cash Retainers*.** Our Lead Director receives an additional annual cash retainer of $25,000. The chairs of the Audit Committee and Nuclear Committee each receive an additional annual cash retainer of $20,000 and the chairs of the Personnel Committee, Corporate Governance Committee and Finance Committee each receive an additional annual cash retainer of $15,000. All members of the Nuclear Committee receive an additional annual cash retainer of $18,000. Each of these additional retainers is provided in consideration of the additional time required to fulfill the responsibilities of the respective position.

Equity-Based Compensation

All non-employee directors receive two types of equity-based compensation grants: common stock and phantom stock units (which are the economic equivalent of one share of our common stock).

Quarterly Common Stock Grants. Each of our non-employee directors receives a quarterly grant of shares of common stock with a fair market value at the time of grant equal to $15,000. Directors may elect to defer receipt of these shares and receive phantom units of Entergy common stock in lieu of the quarterly common stock grant. The phantom stock units are paid in cash in an amount equal to the market value of our common stock at the time of distribution. Deferred shares accrue dividend equivalents until distribution.

Service Recognition Program for Non-Employee Directors. Annually, non-employee directors receive a grant of phantom stock units having a value of $80,000 on the date of grant. All phantom stock units granted under this program are vested at the time of grant and payable upon the

Table of Contents

2016 NON-EMPLOYEE DIRECTOR COMPENSATION

conclusion of the director s service on the Board. Upon the conclusion of his or her service on the Board, the director will receive one share of our common stock for each phantom stock unit held by the director on the date of the director s retirement or separation from the Board. Phantom stock units accumulate dividend equivalents based on the dividends paid on the Company s common stock, which also are payable in shares of common stock following the conclusion of the director s service. Payouts under this program, which we refer to as the Director Service Recognition Program, are made in five annual installments beginning on the first day of the month following the director s separation from the Board or in one lump sum upon the non-employee director s death.

Other Benefits

Non-employee directors receive $1,500 per day for participation in director education programs, director orientation or business sessions, inspection trips or conferences not held on the same day as a Board meeting. We also provide, but do not require, annual physical exams for our non-employee directors. The Company reimburses non-employee directors for their expenses in attending Board and committee meetings, director education programs, travel for physical exams and other Board-related activities. Our directors do not receive tax gross ups on any benefits they receive.

Director Stock Ownership Guidelines

The Board believes the alignment of directors interests with those of shareholders is strengthened when Board members are also shareholders. This view is reflected in the compensation arrangements for non-employee directors, which provide for the payment of a substantial majority of the compensation of non-employee directors in shares of Entergy common stock or phantom stock units. The Board also has adopted guidelines that require all non-employee directors, within five years of being first elected, to own shares or units of Entergy common stock having a market value of at least $475,000, or five times the annual cash retainer. A review of non-employee director stock ownership was conducted at the December 2016 Corporate Governance Committee meeting, and the committee determined that all of our non-employee directors satisfied these guidelines, as all non-employee directors who had been members of the Board for at least five years held the requisite number of shares or units.

2016 Director Compensation Table

The table below provides information regarding non-employee director compensation for the fiscal year ended December 31, 2016:

Name[1]	Fees Earned or Paid	Stock Awards ($) [3]	Option Awards ($)	All Other Compensation ($)	Total ($)

	in Cash ($) (2)			(4)	
(a)	(b)	(c)	(d)	(g)	(h)
Maureen S. Bateman	$ 140,000	$ 140,138	$ -	$ 43,574	$ 323,712
Patrick J. Condon	$ 127,250	$ 140,138	$ -	$ 2,476	$ 269,864
Kirkland H. Donald	$ 146,000	$ 140,138	$ -	$ 15,241	$ 301,379
Gary W. Edwards	$ 66,430	$ 101,037	$ -	$ 27,818	$ 195,285
Philip L. Frederickson	$ 95,000	$ 116,906	$ -	$ 1,287	$ 213,193
Alexis M. Herman	$ 110,750	$ 140,138	$ -	$ 34,806	$ 285,694
Donald C. Hintz	$ 159,250	$ 140,138	$ -	$ 32,355	$ 331,743
Stuart L. Levenick	$ 111,500	$ 140,138	$ -	$ 29,404	$ 281,042
Blanche L. Lincoln	$ 95,000	$ 140,138	$ -	$ 13,602	$ 248,740
Karen A. Puckett	$ 98,000	$ 140,138	$ -	$ 7,170	$ 245,308
W.J. Billy Tauzin	$ 95,000	$ 140,138	$ -	$ 32,854	$ 267,992
Steven V. Wilkinson	$ 83,930	$ 101,037	$ -	$ 29,882	$ 214,849

Table of Contents

2016 NON-EMPLOYEE DIRECTOR COMPENSATION

(1) Leo P. Denault, the Company s current Chairman and Chief Executive Officer is not included in this table as he was an employee of the Company and thus received no additional compensation for his service as a director during 2016. The compensation received by Mr. Denault as an employee of the Company is shown in the Summary Compensation Tables on page 57. Mr. Edwards and Mr. Wilkinson retired from the Board effective May 6, 2016. The compensation reported in this table for Mr. Edwards and Mr. Wilkinson represent prorated compensation for their service in 2016.

(2) The amounts reported in column (b) consist of all fees earned or paid in cash for services as a director, including retainer fees, and Lead Director, Committee Chair and Nuclear Committee annual retainers, all of which are described under Cash Compensation Paid to Non-Employee Directors above.

(3) The amounts in this column represent the aggregate grant date fair value determined in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation Stock Compensation (FASB ASC Topic 718) for the shares of common stock granted on a quarterly basis to each non-employee director during 2016 and the 1,054 phantom units granted to each director in 2016 under the Director Service Recognition Program other than Mr. Frederickson who received a pro-rata award of 748 phantom stock units under this program. For a discussion of the relevant assumptions used in valuing these amounts, see Note 12 to the Financial Statements in our Form 10-K for the year ended December 31, 2016. As of December 31, 2016, the outstanding phantom units held by each individual serving as a director during 2016 were: Ms. Bateman, 13,101; Mr. Condon, 1,248; Mr. Donald, 2,591; Mr. Edwards, 7,090; Mr. Frederickson, 748; Ms. Herman, 10,701; Mr. Hintz, 9,901; Mr. Levenick, 8,932; Ms. Lincoln, 4,501; Ms. Puckett, 1,248; Mr. Tauzin, 8,794; and Mr. Wilkinson, 8,207.

(4) The amounts in column (g) include dividend equivalents accrued under the Director Service Recognition Program, Company paid physical exams and related expenses and director education related expenses. None of the perquisites referenced above exceeded $25,000 for any of the non-employee directors. For 2016, accrued dividends under the Director Service Recognition Program were: Ms. Bateman, $43,014; Mr. Condon, $2,476; Mr. Donald, $7,069; Mr. Edwards, $25,587; Mr. Frederickson, $1,287; Ms. Herman, $34,806; Mr. Hintz, $32,070; Mr. Levenick, $28,756; Ms. Lincoln, $13,602; Ms. Puckett, $2,476; Mr. Tauzin, $28,284; and Mr. Wilkinson, $29,882.

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Compensation Discussion and Analysis

In this section, we discuss the compensation earned in 2016 by the following executive officers (referred to herein as our Named Executive Officers). Each officer s age and title is provided as of December 31, 2016.

Name	Age	Title
Leo P. Denault	57	Chairman of the Board and Chief Executive Officer
Andrew S. Marsh	45	Executive Vice President and Chief Financial Officer
A. Christopher Bakken, III*	55	Executive Vice President, Nuclear Operations/Chief Nuclear Officer
Marcus V. Brown	55	Executive Vice President and General Counsel
Roderick K. West	48	Executive Vice President

* Mr. Bakken joined Entergy as Executive Vice President and Chief Nuclear Officer in April 2016.

CD&A Table of Contents

Table of Contents

EXECUTIVE OFFICER COMPENSATION

CD&A Highlights

2016: A Pivotal Year

In 2016, we delivered on our commitment to grow our core utility business and completed our plan to exit the merchant power business.

2016 Earnings

In 2016, Entergy s commitment to grow the core utility business while managing risk led to strong growth in operational earnings. Although charges relating to our actions to exit the merchant power business led to an as-reported loss of $(3.26) per share, our operational earnings for 2016 were $7.11 per share, compared to an as-reported loss of $(0.99) per share and operational earnings of $6.00 per share for 2015.* Our operational earnings substantially exceeded the $5.35 midpoint of the guidance range we set at the beginning of the year and reflected a more than 40% increase in earnings from our core utility, parent and other business, after adjusting for the impact of taxes and weather. Also in 2016, our Board approved an increase in the dividend for the second consecutive year, and our financial position remains strong. These results are the outcome of disciplined execution on our strategy to grow the utility while managing risk and have positioned us well to deliver on the promise of the Integrated Energy Network of tomorrow.

Growing the Utility: Portfolio Transformation and the Integrated Energy Network

We continue to transform our generation portfolio with investments in cleaner, more efficient generation to improve the reliability of our system, increase environmental efficiency and reduce costs for customers. In 2016, we completed the acquisition of the Union Power Station in Arkansas, and we are moving forward with plans for new build options at the St. Charles Power Station and the Lake Charles Power Station in Louisiana, the Montgomery County Power Station in Texas, and the New Orleans Power Station which represent, in the aggregate, nearly 4,000 MW of new generation.

In 2016, we also placed more than $1 billion in transmission capital projects into service to connect new generation units, support economic development and enhance system reliability, efficiency and resiliency. This included upgraded 230 kV transmission lines from our Nine Mile generating facilities for Entergy Louisiana and Entergy New Orleans; three major projects completed by Entergy Texas to comply with NERC reliability standards and to reduce congestion in its service territory; and investments in substations and other projects across our service territory to serve new industrial customers and provide opportunities for growth and development. In December 2016, the Midcontinent Independent System Operator (MISO) board approved all 48 of our proposed transmission projects, totaling approximately $480 million of new transmission investment.

Entergy is investing today to build the Integrated Energy Network of tomorrow a dynamic, interactive power system that will include both centralized generation and distributed energy sources, connected by an intelligent, resilient, multi-directional network. This new network will enable enhanced products and services beyond basic power delivery that are environmentally friendly and give customers more control and greater reliability. A key step in the development of this new network is the deployment of an advanced metering infrastructure. We filed in four jurisdictions to implement advanced metering in 2016, and expect to file in Texas in 2017. Advanced meters will enable operating efficiencies and faster outage response while providing customers with better information and control of their energy use. Ahead of meter deployment, we are constructing and implementing back office systems, new distribution and outage systems and new communications infrastructure.

* See Appendix A for the reconciliation of non-GAAP financial measures to GAAP results.

Table of Contents

EXECUTIVE OFFICER COMPENSATION

We also have begun several pilot programs to gain valuable experience in how to optimize and operate the grid of the future. These programs include installing chargers for electric vehicles in each jurisdiction and at our corporate headquarters to gain experience with EV resource integration, developing plans for expanded operations and integration of our utility solar and battery storage facility in New Orleans, and installing smart thermostats in New Orleans to help low-income customers save on their electricity consumption. As we work today to design and construct the right resource mix and distribution infrastructure for our customers, we continue to explore and evaluate new technologies for potentially broader deployment in the future.

Exiting the Merchant Power Business

With sustained low wholesale energy prices and increased operating costs, the merchant power business has weighed on our as-reported earnings and stock price in relation to our utility peers for several years. Because of the increasing costs and risks associated with this business, our stock has traded at a discount to the utility industry for several years and our as-reported earnings have suffered despite consistently strong operational results from our utility business. In 2016, charges resulting from our actions to exit the business led to an as reported loss of $(3.26) per share, and our total shareholder return of 12.5% placed us in the bottom quartile of our utility industry peer group. For these reasons, reducing the risk from the EWC business has been a strategic focus for us for several years.

In 2016, we completed our plan to exit the merchant power business by announcing the sale or closure of each of our remaining merchant nuclear assets and the sale of our wind assets. Our exit from this business began with our 2013 decision to shut down the Vermont Yankee nuclear plant at the end of 2014, followed by our decisions in 2015 to shut down our Pilgrim Nuclear Power Station and to sell the gas-fired Rhode Island State Energy Center. In 2016 and early 2017, we completed our plan to exit the merchant power business:

- We reached an agreement to sell our James A. FitzPatrick Nuclear Power Plant in New York, which we expect to close in the first half of 2017;
- We reached an agreement to terminate the power purchase agreement that has been in place for the Palisades Nuclear Power Plant early, in 2018, and announced our decision to close the plant at that time; and
- We announced that our two nuclear generating units at the Indian Point Energy Center will shut down in 2020 and 2021.

Also in 2016, we reached an agreement to transfer the decommissioning obligations for the closed Vermont Yankee Nuclear Power Station to a third party that specializes in decommissioning nuclear plants.

With these steps, we are fundamentally repositioning Entergy as a pure play utility that will no longer carry the risk of the EWC business. We believe continued execution on this strategy combined with our continued commitment to achieving stable, predictable growth in earnings at the utility has the clear potential to return us to delivering top quartile total shareholder return for our shareholders again in the future.

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Our Executive Compensation Programs and Practices

We regularly review our executive compensation programs to align them with commonly viewed best practices in the market.

Executive Compensation Best Practices:

What We Do	What We Don t Do
Require a double trigger for severance payments or equity acceleration in the event of a change in control	× No 280G tax gross up payments in the event of a change in control
Maintain a clawback policy that goes beyond Sarbanes-Oxley requirements	× No tax gross up payments on any executive perquisites, other than relocation benefits available to all eligible employees
Cap the maximum payout at 200% of target under our Long-Term Performance Unit Program and under our Annual Incentive Plan for members of the Office of the Chief Executive	× No option repricing or cash buy-outs for underwater options under our equity plans
Require minimum vesting periods for equity based awards	× No agreements providing for severance payments to executive officers that exceed 2.99 times annual base salary and annual incentive awards without shareholder approval
Target our long-term compensation mix to give more weight to performance units than to service-based restricted stock and stock options combined	× No unusual or excessive perquisites
Settle 100% of long-term performance units in shares of Entergy stock	× New officers are excluded from participation in the System Executive Retirement Plan
Require our Chief Executive Officer to own 6 times base salary in stock and our other executive officers to own 1 to 3 times base salary in stock	× No grants of supplemental service credit to newly-hired officers under any of the Company s non-qualified retirement plans
Require executives to hold substantially all equity compensation received from the Company until stock ownership guidelines are met	
Prohibit directors and officers from pledging or entering into hedging or other derivative transactions with respect to their Entergy shares	

Mitigate undue risk taking in compensation programs
Subject executive officer equity grants to non-compete and non-solicitation covenants

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Our Pay for Performance Philosophy

Entergy s executive compensation programs are based on a philosophy of pay for performance that is embodied in the design of our annual and long-term incentive plans. We believe the executive pay programs described in this section and in the accompanying tables have played a significant role in our ability to drive strong financial and operational results and to attract and retain a highly experienced and successful management team. Our Annual Incentive Plan incentivizes and rewards the achievement of operational financial metrics that are deemed by the Personnel Committee to be consistent with the overall goals and strategic direction that the Board has approved for the Company. Our long-term incentive programs further align the interests of our executives and our shareholders by directly tying the value of the equity awards granted to executives under these programs to our stock price performance and total shareholder return. By incentivizing officers to achieve important financial and operational objectives and create long-term shareholder value, these programs play a key role in creating sustainable value for the benefit of all of our stakeholders, including our shareholders, customers, employees and communities.

At Risk Compensation

Our total direct compensation (TDC) consists of base salary, annual cash incentive and long-term compensation. We target TDC for our executive officers at market median and place a significant portion of that compensation at risk subject to achieving both short-term and long-term performance goals. Approximately 85% of the annual target TDC of our Chief Executive Officer and, on average, approximately 71% of the annual target TDC of our other Named Executive Officers (in each case excluding non-qualified supplemental retirement income) is equity or performance-based compensation. Only the base salary portion of executive compensation is fixed.

Incentive Programs and 2016 Incentive Pay Outcomes

The 2016 incentive pay outcomes for our Named Executive Officers demonstrated the application of our pay for performance philosophy.

Annual Incentive Plan

Awards under our Executive Annual Incentive Plan, or Annual Incentive Plan, are tied to our financial and operational performance through the Entergy Achievement Multiplier (EAM), which is the performance metric used to determine the maximum funding available for awards under the plan. The 2016 EAM was determined based in equal part on our success in achieving our operational

Table of Contents

EXECUTIVE OFFICER COMPENSATION

earnings per share (EPS) and operational operating cash flow (OCF) goals set at the beginning of the year. These goals were approved by the Personnel Committee based on the Company s financial plan and the Board s overall goals for the Company and were consistent with the Company s published earnings guidance.

- **2016 Annual Incentive Plan Payout.** For 2016, the Personnel Committee, based on a recommendation of the Finance Committee, determined that management exceeded its operational EPS goal of $5.35 per share by $1.76, but fell short of its operational OCF goal of $3.180 billion by approximately $176 million. Based on the targets and ranges previously established by the Committee, these results resulted in a calculated EAM of 133%. This determined the maximum funding level for the plan and the maximum award, as a percentage of target, that could be received by any of the executive officers, subject to downward adjustment based on individual performance. After considering individual performance, the Personnel Committee approved a payout of 133% of target for the Chief Executive Officer and payouts ranging from 100% to 130% of target for the other Named Executive Officers.

Long-Term Incentives

Our long term incentives consist of three components to incentivize long-term value creation performance units, stock options and restricted stock. Performance under our Long-Term Performance Unit Program is measured over a three year period by assessing Entergy s total shareholder return in relation to the total shareholder return of the companies included in the Philadelphia Utility Index. Payouts, if any, are based on our total shareholder return performance in relation to our peers and are not subject to adjustment by the Personnel Committee. We also use stock options, which reward increases in the market value of our common stock, and restricted stock, which is an effective retention mechanism.

- **Long-Term Performance Unit Program Payout.** For the three-year performance period ending in 2016, the Company s total shareholder return was in the third quartile, resulting in a payout of 36% of target for our executive officers. Payouts were made in shares of Entergy stock which are required to be held by executives until they satisfy our executive stock ownership guidelines.

The Link Between Pay and Performance

The chart below compares, for each of the past three years, the Chief Executive Officer s target TDC comprising (i) base salary, (ii) Annual Incentive Plan target, and (iii) long-term incentive compensation consisting of performance unit, stock option and restricted stock grants, all valued at their grant date fair values with the value of such compensation actually delivered or deliverable under our programs as of December 30, 2016, calculated as described below. The chart also illustrates how our total shareholder return (consisting of stock price appreciation/depreciation and dividends paid during the period) has compared to the total shareholder return of the companies in the Philadelphia Utility Index over the three-year period presented. We believe this chart illustrates the important role that at risk performance-based compensation plays in linking the value of compensation actually received by our Chief Executive Officer to the various performance measures used by our programs and to the Company s total shareholder return.

The compensation delivered or deliverable for each year was calculated as of December 31, 2016 based on:

- amounts actually paid under the Annual Incentive Plan;
- payouts actually received under the Long-Term Performance Unit Program or, for performance periods still in progress, the estimated value of the shares that would be payable if the performance periods ended on December 30, 2016, valued based on the closing price of Entergy common stock of $73.47 on December 30, 2016;
- the intrinsic (in-the-money) value of the stock options granted in the applicable year based on the closing price of Entergy common stock of $73.47 on December 30, 2016; and
- for restricted stock grants, the value of such shares at December 30, 2016.

We reflect as unvested LTI the sum of the values, determined as set forth above, of (i) long-term performance units for in-progress performance periods, (ii) shares of restricted stock that are unvested as of January 31, 2017, and (iii) stock options that are unvested as of January 31, 2017. The actual payouts for the performance unit grants made in 2015 and 2016 (for the 2015-2017 and the 2016-2018 performance periods) will be determined based on our total shareholder return in relation to our peers for the applicable performance period. The value of other equity-based compensation will change depending on our future stock price performance.

Table of Contents

EXECUTIVE OFFICER COMPENSATION

What We Pay and Why

How We Set Target Pay

To develop a competitive compensation program, the Personnel Committee annually reviews compensation data from two sources:

Use of Competitive Data

The Committee uses published and private compensation survey data to develop marketplace compensation levels for our executive officers. The data, which are compiled by Pay Governance LLC, the Committee s independent compensation consultant, compare the current compensation opportunities provided to each of our executive officers against the compensation opportunities provided to executives holding similar positions at companies with corporate revenues similar to ours. For non-industry specific positions, the Committee reviews general industry data for total cash compensation (base salary and annual incentive) since the market for talent is broader than the utility sector. For management positions that are industry-specific, such as Group President, Utility Operations, the Committee reviews data from utility companies for total cash compensation. However, for long-term incentives, all positions are reviewed relative to utility market data. The survey data reviewed by the Committee cover hundreds of companies across a broad range of industries and approximately 60 investor-owned utility companies. In evaluating compensation levels against the survey data, the Committee considers only the aggregated survey data. The identities of the companies participating in the compensation survey data are not disclosed to, or considered by, the Committee in its decision-making process and, thus, are not considered material by the Committee.

The Committee uses this survey data to develop compensation opportunities that are designed to deliver total target compensation at approximately the 50th percentile of the surveyed companies in the aggregate. The survey data are the primary data used for purposes of assessing target compensation. As a result, Mr. Denault, our Chief Executive Officer, is compensated at a higher level than our other Named Executive Officers, reflecting market practices that compensate chief executive officers at greater potential compensation levels with more pay at risk than other Named Executive Officers, due to the greater responsibilities and accountability required of a Chief Executive Officer. In most cases, the Committee considers its objectives to have been met if our Chief Executive Officer and the eight (8) other executive officers (including all of the Named Executive Officers) who constitute what we refer to as our Office of the Chief Executive each has a target compensation opportunity that falls within the range of 85% 115% of the 50th percentile of the survey data. Promoted officers or officers who are new to their roles may be transitioned into the targeted market range over time. Actual compensation received by an individual officer may be above or below the targeted range based on an individual officer s skills, performance, experience and responsibilities, Company performance and internal pay equity. For 2016, the total target compensation of each of our Named Executive Officers fell within the targeted range, except for one officer whose total targeted compensation was set slightly above the targeted range based on the Committee s assessment of his skills, performance, experience and responsibilities and internal pay equity.

Proxy Analysis

Although the survey data described above are the primary data used in determining compensation, the Committee reviews data derived from the proxy statements of companies included in the Philadelphia Utility Index as an additional point of comparison. The proxy data are used to compare the compensation levels of our Named Executive Officers with the compensation levels of the corresponding top five highest paid executive officers of the companies included in the Philadelphia Utility Index, as reported in their proxy statements. The Personnel Committee uses this analysis to evaluate the overall reasonableness of the Company s compensation programs. The following companies were included in the Philadelphia Utility Index at the time the proxy data from the 2016 filings were compiled:

AES Corporation	El Paso Electric
Ameren Corporation	EverSource Energy
American Electric Power Co. Inc.	Exelon Corporation
American Water Works	FirstEnergy Corporation
CenterPoint Energy Inc.	NextEra Energy
Consolidated Edison Inc.	PG&E Corporation
Dominion Resources Inc.	Public Service Enterprise Group Inc.
DTE Energy Company	Southern Company
Duke Energy Corporation	Xcel Energy
Edison International	

Executive Compensation Elements

The following table summarizes the elements of TDC granted or paid to our executive officers under our 2016 executive compensation program. The program uses a mix of fixed and variable compensation elements and provides alignment with both short- and long-term business goals through annual and long-term incentives. The Committee establishes the performance measures and ranges of performance for the variable compensation elements. An individual s award is based primarily on corporate performance, market-based compensation levels and individual performance.

Element	Key Characteristics	Why We Pay This Element	How We Determine the Amount	2016 Decisions
Base Salary	Fixed compensation component payable in cash. Reviewed annually and adjusted when appropriate.	Provides a base level of competitive cash compensation for executive talent.	Experience, job scope, market data, individual performance and internal pay equity.	All of the Named Executive Officers, other than Mr. Bakken, received increases in their base salaries ranging from 2.5% to 4.0%. In addition to his merit increase, Mr. Brown s salary was increased by approximately 18% to reflect the additional responsibilities he assumed in 2016. Mr. Bakken s base salary was determined using market data. See

				page 43.
Annual Incentive Awards	Variable compensation component payable in cash based on performance against goals established annually.	Motivate and reward executives for performance on key financial and operational measures during the year.	Target opportunity is determined based on job scope, market data and internal pay equity. For 2016, awards were determined based on success in meeting operational EPS and operational	Mr. Denault s target annual incentive award for 2016 was 135% of base salary, and target awards were 70% of base salary for the other Named Executive Officers. Strong operational and financial performance and a review of individual

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Element	Key Characteristics	Why We Pay This Element	How We Determine the Amount	2016 Decisions
			OCF targets, subject to downward adjustment at the Personnel Committee s discretion.	performance resulted in an award at 133% of target for our Chief Executive Officer and payouts ranging from 100% to 130% of target for the other Named Executive Officers. See pages 44-46.
Long-Term Performance Unit Program	Each performance unit equals one share of our common stock. Performance is measured at the end of a three-year performance period. Each unit also earns the equivalent of the dividends paid during the performance period. Performance units granted under the Long-Term Performance Unit Program are settled in shares of Entergy common stock.	Focuses our executive officers on building long-term shareholder value and increases our executive officers ownership of our common stock.	Payout based on Entergy s total shareholder return relative to the total shareholder return of the companies in the Philadelphia Utility Index.	Performance unit grants for the 2016 to 2018 performance period represented approximately 39% of target TDC for our Chief Executive Officer and approximately 31% for the other Named Executive Officers. Unfavorable relative total shareholder return in 2015 and 2016, partially offset by strong relative total shareholder return for 2014, resulted in performance in the third quartile for the 2014 to 2016 performance period, yielding a payout of 36% of target for the Named Executive Officers.
Stock Options	Non-qualified stock options are granted at fair market value, have a ten-year term and vest over 3 years 33 ⅓% on each anniversary of the grant date.	Reward executives for absolute value creation and coupled with restricted stock provide competitive compensation, retain executive talent and increase our executive	Job scope, market data, individual performance and Company performance.	Stock options granted in 2016 represented approximately 13% of target TDC for our Chief Executive Officer and approximately 10% for the other Named Executive Officers.

		officers ownership in our common stock.		
Restricted Stock Awards	Restricted stock awards vest over 3 years 33 ⅓% on each anniversary of the grant date, have	Coupled with stock options, align interests of executives with long-term	Job scope, market data, individual performance and Company performance.	Restricted stock granted in 2016 represented approximately 13% of target TDC for our Chief Executive Officer and

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Element	Key Characteristics	Why We Pay This Element	How We Determine the Amount	2016 Decisions
	voting rights and accrue dividends during the vesting period.	shareholder value, provide competitive compensation, retain executive talent and increase our executive officers ownership in our common stock.		approximately 10% for the other Named Executive Officers.

Fixed Compensation

Base Salary

The Personnel Committee determines the base salaries for all of our Named Executive Officers based on competitive compensation data, performance considerations and advice provided by the Committee s independent compensation consultant. The Committee also considers internal pay equity; however, the Committee has not established any predetermined formula against which the base salary of one Named Executive Officer is measured against another officer or employee.

In 2016, all of the Named Executive Officers, other than Mr. Bakken, received merit increases in their base salaries ranging from approximately 2.5% to 4.0%. The increases in base salary were made in light of current economic conditions and the projected growth in executive salaries in 2016 based on the market data previously discussed in this CD&A under What We Pay and Why How We Set Target Pay, as well as an internal pay equity comparison.

The following table sets forth the 2015 and 2016 base salaries for our Named Executive Officers. Except as indicated below, changes in base salaries for 2016 were effective in April.

Named Executive Officer	2015 Base Salary	2016 Base Salary
Leo P. Denault	$1,170,000	$1,200,000
Andrew S. Marsh	$537,892	$559,408
A. Christopher Bakken, III[(1)]		$605,000

Marcus V. Brown(2)	$491,500	$605,000
Roderick K. West	$643,044	$659,120

(1) When Mr. Bakken joined Entergy in April 2016, his base salary was set at $605,000 based on competitive market data that placed him at the 50th percentile of the market data discussed above, as well as internal pay equity considerations.

(2) In April 2016, Mr. Brown received a merit increase of 4% to his base salary. In May 2016, his base salary was further adjusted to $605,000 following an external market competitive pay analysis to reflect his additional responsibilities when he assumed leadership of the Company s corporate communications and regulatory and governmental affairs groups, in addition to his leadership of the Company s legal department.

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Variable Compensation

Short-Term Incentive Compensation

Annual Incentive Plan

We include performance-based incentives in the Named Executive Officers compensation packages because we believe performance-based incentives encourage our Named Executive Officers to pursue objectives consistent with the overall goals and strategic direction that the Board has approved for our Company.

EAM is the performance metric used to determine the maximum percentage of target annual plan opportunities that will be paid each year to each Named Executive Officer under the Annual Incentive Plan. Once the EAM has been determined, individual awards may be adjusted downward, but not upward, from the EAM at the Personnel Committee s discretion, based on individual performance and other factors deemed relevant by the Personnel Committee. Mr. Denault s target annual plan opportunity for 2016 was 135% of base salary and the target annual plan opportunity for the other Named Executive Officers was 70% of base salary. The target opportunities established for these officers were comparable to the target opportunities historically set for these positions and levels of responsibility, except for Mr. Denault s. Mr. Denault s target opportunity was set to align it with target opportunities of other chief executive officers based on the compensation survey data compiled by Pay Governance. The Named Executive Officers may earn a maximum payout ranging from 0% to 200% of their target opportunity, calculated as described in the table below.

Each year the Personnel Committee reviews the performance measures used to determine the EAM. In December 2015, the Personnel Committee decided to retain operational EPS and operational OCF, each measure weighted equally, as the performance measures for determining the EAM. The Committee considered a variety of other potential measures, but determined that operational EPS and OCF continued to be the best metrics to use because, among other things, they are objective measures that our investors consider to be important in evaluating our financial performance and because our goals in that regard are broadly communicated both internally and externally. This provides both discipline and transparency that the Committee believes are important objectives of any well designed incentive compensation plan.

The Personnel Committee also engages in a rigorous process each year to establish the targets for the Annual Incentive Plan with a goal of establishing target achievement levels that are consistent with the Company s strategy and business objectives for the upcoming year, as reflected in its financial plan, and sufficient to drive results that represent a high level of achievement for the Company, taking into consideration the applicable business environment and specific challenges facing the Company. These targets are approved based on a comprehensive review by the full Board of the Company s financial plan, including changes in commodity market conditions and other key drivers of anticipated changes in performance from the preceding year. The Committee also reviews the effects on plan results of various risks and opportunities that are recognized at the time the plan is set, to assure that targets that are determined based on the plan reflect an appropriate balance of risks and opportunities. The Committee further confirms that the targets it approves are aligned with the earnings guidance that will be communicated to the financial markets, which ensures that the internal targets we set for purposes of our incentive compensation plans are aligned with the external expectations set and communicated to our shareholders.

In January 2016, after full Board review of management s 2016 financial plan for the Company and engaging in the process discussed above, the Committee determined the Annual Incentive Plan targets to be used for purposes of determining Annual Incentive Plan awards for 2016. In keeping with its past practice, the Committee also determined that for purposes of measuring performance against

EXECUTIVE OFFICER COMPENSATION

such targets, the Committee would exclude the effect on reported results of any major storms that may occur during the year. This exclusion was viewed by the Committee as appropriate because although the Company includes estimates for minor storm events in its financial plan, it does not include estimates for a major storm event, such as a hurricane. The Committee also approved the exclusion from reported results of the outcome of a pending regulatory litigation matter, to the extent such outcome was not treated as a special item and excluded from operational results. Neither of these pre-approved exclusions ultimately resulted in any adjustment to the reported results.

In determining the targets to set for 2016, the Committee reviewed anticipated drivers for operational EPS and OCF for 2016 as set forth in the Company s financial plan and as reflected in our published earnings guidance. Under the plan, operational EPS was expected to decline from 2015 results due primarily to the significant impact on 2015 operational results of tax benefits and, to a lesser extent, favorable weather, which were not anticipated to recur in 2016. Together, these factors accounted for $1.89 of operational EPS for 2015. Under the plan, operational OCF was also expected to decline slightly in 2016 from 2015 results, due primarily to the timing of recovery of certain fuel and purchased power costs in the utility business.

After adjusting to eliminate the impact of weather and tax benefits, the 2016 plan targets required management to achieve strong growth in utility operational earnings and modest growth in EWC operational earnings, despite an expectation for further declines in wholesale energy and capacity prices. While the resulting targets represented declines from 2015 operational results, the Committee concluded, based on a careful review of the overall plan, that the targets derived from the plan challenged management appropriately to deliver strong growth in the Company s core business while continuing to manage the significant risks at EWC and represented an appropriate balancing of the Company s business risks and opportunities for 2016.

The following table shows the resulting Annual Incentive Plan targets established by the Personnel Committee in January 2016, and 2016 results:

Annual Incentive Plan Targets and Results

	Performance Goals[1]			
	Minimum	**Target**	**Maximum**	**2016 Results**
Operational Earnings Per Share ($)	4.82	5.35	5.88	7.11
Operational Operating Cash Flow ($ billion)	2.795	3.180	3.565	3.004
EAM as % of Target	25%	100%	200%	133%

(1) Payouts for performance between minimum and target achievement levels and between target and maximum levels are calculated using straight-line interpolation. There is no payout for performance below minimum.

In January 2017, the Finance and Personnel Committees jointly reviewed the Company s financial results against the performance objectives reflected in the table above. Management discussed with the Committees the Company s operational EPS and OCF results for 2016, including primary factors explaining how those results compared to the 2016 business plan and Annual Incentive Plan targets. Operational EPS exceeded the Company s operational EPS goal of $5.35 per share set at the beginning of the year by $1.76, but management fell short of achieving its operational OCF goal of $3.180 billion by approximately $176 million, leading to a calculated EAM of 133%. Operational results excluded the impact of certain special items that were excluded from as-reported (GAAP) EPS and OCF to determine operational EPS and OCF, including asset impairments and related write-offs at

Table of Contents

EXECUTIVE OFFICER COMPENSATION

EWC related to the Company s 2016 decision to close two nuclear generating plants and certain costs associated with the nuclear plant closings. The Personnel Committee did not make any adjustments to the operational EPS and OCF results to determine the EAM for 2016.

In determining individual executive officer awards under the Annual Incentive Plan, the Committee considered individual performance and, in particular, whether there were additional factors beyond those captured by the EAM measures that should be taken into account in determining whether to exercise negative discretion to reduce awards below the levels determined by the EAM. In determining the extent of negative discretion, if any, that it would exercise with respect to each executive officer, the Committee considered the executive s key accountabilities and accomplishments, time in role, and individual performance executing on the Company s strategies in 2016. This resulted in a payout equal to the EAM, or 133% of target, for the Chief Executive Officer and awards ranging from 100% of target to 130% of target for the other Named Executive Officers.

Based on the foregoing evaluation of management performance, the Personnel Committee approved the following Annual Incentive Plan payouts to each Named Executive Officer for 2016:

Named Executive Officer	Base Salary	Target as Percentage of Base Salary	Payout as Percentage of Target	2016 Annual Incentive Award
Leo P. Denault	$1,200,000	135%	133%	$2,154,600
Andrew S. Marsh	$559,408	70%	130%	$509,061
A. Christopher Bakken, III	$605,000	70%	125%	$529,375
Marcus V. Brown	$605,000	70%	130%	$550,550
Roderick K. West	$659,120	70%	100%	$461,384

Long-Term Incentive Compensation

Our goal for our long-term incentive compensation is to focus our executive officers on building shareholder value and to increase our executive officers ownership of our common stock in order to more closely align their interest with those of our shareholders. In our long-term incentive compensation programs, we use a mix of performance units, restricted stock and stock options. Performance units reward the Named Executive Officers on the basis of total shareholder return, which is a measure of stock price appreciation and dividend payments, in relation to the companies in the Philadelphia Utility Index. Restricted stock ties our executive officers long-term financial interest to the long-term financial interests of our shareholders. Stock options provide a direct incentive to increase the value of our common stock. In general, we seek to allocate the total value of long-term incentive compensation as follows:

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Awards for individual Named Executive Officers may vary from this target as a result of individual performance, promotions and internal pay equity. The performance units for the 2014-2016 and 2015-2017 performance periods were awarded under our 2011 Equity Ownership Plan and Long-Term Cash Incentive Plan (2011 Equity Ownership Plan) and the performance units for the 2016-2018 performance period and all of the shares of restricted stock, stock options and restricted stock units granted to our Named Executive Officers in 2016 were granted pursuant to the 2015 Equity Ownership Plan (the 2015 Equity Ownership Plan, together with the 2011 Equity Ownership Plan, the Equity Ownership Plans). The Equity Ownership Plans require both a change in control and an involuntary job loss or substantial diminution of duties (a double trigger) for the acceleration of these awards upon a change in control.

Performance Unit Program

We issue performance unit awards to our Named Executive Officers under our Long-Term Performance Unit Program. Each performance unit represents the value of one share of our common stock at the end of the three-year performance period, plus dividends accrued during the performance period. The Personnel Committee sets payout opportunities for the program at the outset of each performance period, and the program is structured to reward Named Executive Officers only if performance goals approved by the Personnel Committee are met. The Personnel Committee has no discretion to make awards if minimum performance goals are not achieved.

The performance units granted under the Long-Term Performance Unit Program and accrued dividends on any shares earned during the performance period are settled in shares of Entergy common stock rather than cash. No shares are issued, including shares attributable to accrued dividends, unless performance goals are achieved. All shares paid out under the Long-Term Performance Unit Program are required to be retained by our officers until applicable executive stock ownership requirements are met.

The Long-Term Performance Unit Program specifies a minimum, target and maximum achievement level, the achievement of which will determine the number of performance units that may be earned by each participant. We measure performance by assessing Entergy s total shareholder return relative to the total shareholder return of the companies in the Philadelphia Utility Index, which we refer to as our peer companies. The Personnel Committee identified the Philadelphia Utility Index as the appropriate industry peer group for this purpose because the companies included in this index, in the aggregate, approximate the Company in terms of business and scale. The Personnel Committee chose relative total shareholder return as a measure of performance because it reflects the Company s creation of shareholder value relative to other electric utilities over the performance period. It also takes into account dividends paid by the companies in this index and normalizes certain events that affect the industry as a whole. Minimum, target and maximum performance levels are determined by reference to the ranking of Entergy s total shareholder return against the total shareholder return of the companies in the Philadelphia Utility Index.

Performance Unit Program Grants. At any given time, a participant in the Long-Term Performance Unit Program may be participating in up to three performance periods. During 2016, eligible participants were participating in the 2014-2016, 2015-2017 and 2016-2018 performance periods. Subject to achievement of the applicable performance levels as described below, the Personnel Committee established the following target performance unit payout opportunities for each of the 2014-2016, 2015-2017 and the 2016-2018 performance periods:

Named Executive Officer	2014-2016 Target	2015-2017 Target	2016-2018 Target
Leo P. Denault	40,000	33,100	41,700
Andrew S. Marsh	9,400	6,550	8,200
A. Christopher Bakken, III[1]		3,639	7,289
Marcus V. Brown	9,400	6,550	8,200
Roderick K. West	9,400	6,550	8,200

Table of Contents

EXECUTIVE OFFICER COMPENSATION

(1) As a new hire in 2016, Mr. Bakken did not participate in the 2014-2016 performance period, but received pro-rated target award opportunities for the 2015-2017 and 2016-2018 performance periods.

The range of potential payouts for the 2014-2016, 2015-2017 and 2016-2018 performance periods under the program is shown below.

Performance Level	Zero	Minimum	Target	Maximum
Total Shareholder Return	4th Quartile	Bottom of 3rd Quartile	Median percentile	Top Quartile
Payout	No Payout	Minimum Payout of 25% of target	100% of target	200% of Target

For the 2015-2017 and 2016-2018 performance periods, there is no payout for performance that falls within the lowest quartile of performance of the peer companies, and for top quartile performance a maximum payout of 200% of target is earned. Payouts between minimum and target and between target and maximum are calculated by interpolating between the performance of the company at the top of the fourth quartile of performance of the peer companies and the median or between the median and the performance of the company at the bottom position of the top quartile of performance of the peer companies, respectively.

Payout for the 2014-2016 Performance Period. In January 2017, the Committee reviewed the Company s total shareholder return for the 2014-2016 performance period in order to determine the payout to participants for the 2014-2016 performance period. The Committee compared the Company s total shareholder return against the total shareholder return of the companies that comprise the Philadelphia Utility Index, with the performance measures and range of potential payouts for the 2014-2016 performance period similar to that discussed above. As recommended by the Finance Committee, the Personnel Committee determined that the Company s relative total shareholder return fell in the third quartile, resulting in payouts to the Named Executive Officers of 36% of target. Payouts under our performance unit program are made in shares of Entergy common stock. For the 2014-2016 performance period, the following numbers of shares of Entergy common stock, including dividend equivalents were issued:

Named Executive Officer	2014-2016 Target	Number of Shares Issued	Value of Shares Actually Issued(1)	Grant Date Fair Value
Leo P. Denault	40,000	16,375	$1,177,199	$2,686,400
Andrew S. Marsh	9,400	3,848	$276,633	$631,304
A. Christopher Bakken, III(2)				
Marcus V. Brown	9,400	3,848	$276,633	$631,304

Roderick K. West	9,400	3,848	$276,633	$631,304

(1) Value determined based on the closing price of our common stock on January 18, 2017 ($71.89), the date the Personnel Committee certified the 2014-2016 performance period results.

(2) As a new hire in 2016, Mr. Bakken was not eligible to participate in the 2014-2016 performance period.

Stock Options and Restricted Stock

We grant stock options and restricted stock as a long-term incentive to our executive officers. As previously discussed, the Personnel Committee considers several factors in determining the number of stock options and shares of restricted stock it will grant to our Named Executive Officers,

Table of Contents

EXECUTIVE OFFICER COMPENSATION

including Company and individual performance, internal pay equity, prevailing market practice, targeted long-term value created by the use of stock options and restricted stock, and the potential dilutive effect of stock option and restricted stock grants. The Committee s assessment of individual performance of each Named Executive Officer is the most important factor in determining the number of shares of restricted stock and stock options awarded, except with respect to the Chief Executive Officer for whom comparative market data is the most important factor. The Committee, in consultation with our Chief Executive Officer, reviews each other Named Executive Officer s performance, role and responsibilities, strengths and developmental opportunities. Stock option and restricted stock awards for our Chief Executive Officer are determined solely by the Personnel Committee on the basis of the same considerations. Mr. Denault s 2016 awards are comparable to historical awards granted to our Chief Executive Officer and reflect the decreased stock price at the time of grant.

The following table sets forth the number of stock options and shares of restricted stock granted to each Named Executive Officer in 2016. The exercise price for each option was $70.56, which was the closing price of Entergy s common stock on the date of grant.

Named Executive Officer	Stock Options	Shares of Restricted Stock
Leo P. Denault	167,000	15,700
Andrew S. Marsh	45,000	6,400
A. Christopher Bakken, III[(1)]		
Marcus V. Brown	45,000	6,400
Roderick K. West	41,000	6,000

(1) Mr. Bakken was not eligible to receive stock options or restricted stock in 2016.

Restricted Stock Units

Restricted stock units granted under our 2015 Equity Ownership Plan represent phantom shares of Company common stock (i.e., non-stock interests that have an economic value equivalent to a share of our common stock). We occasionally grant restricted stock units for retention purposes, to offset forfeited compensation from a previous employer or for other limited purposes. If all conditions of the grant are satisfied, restrictions on the restricted units lift at the end of the restricted period and the restricted stock units are settled in shares of Entergy common stock. Restricted stock units are generally service-based awards for which restrictions lift, subject to continued employment, generally over a two- to five-year period.

On April 6, 2016, in connection with the commencement of his employment as Chief Nuclear Officer, the Personnel Committee granted Mr. Bakken 30,000 restricted stock units. Mr. Bakken s award was made in part to recruit him to join the Company, to offset compensation that Mr. Bakken forfeited by joining Entergy, in recognition of his leadership role as the Company s Chief Nuclear Officer to transform our nuclear fleet and to encourage retention of his leadership in light of his marketability as a chief nuclear officer.

Mr. Bakken s restricted stock units will vest and be settled in shares of our common stock in three equal installments on April 6, 2019, April 6, 2022 and April 6, 2025, provided that he remains continually employed as our Chief Nuclear Officer or in a comparable position through each vesting date. Pursuant to his restricted stock unit agreement, if Mr. Bakken s employment terminates due to total disability or death, then he will vest in and be paid the 10,000 restricted stock units that otherwise would have vested had he satisfied the vesting conditions of the restricted stock unit agreement through the next vesting date to occur following the date of his death or total disability. Additionally, if Mr. Bakken s employment is terminated by his Entergy employer other than for cause on or before April 5, 2019, then he will vest in and be paid the 10,000 restricted stock units in which he otherwise would have vested on April 6, 2019, subject to Mr. Bakken timely executing and not revoking a release of claims against the Company and its affiliates. In the event of a change in control, the unvested restricted stock units will fully vest upon Mr. Bakken s termination of employment by his Entergy

EXECUTIVE OFFICER COMPENSATION

employer without cause or by Mr. Bakken with good reason during a change in control period (as defined in the 2015 Equity Ownership Plan). Otherwise, if Mr. Bakken voluntarily resigns or is terminated, he will forfeit all unvested stock units.

Benefits and Perquisites

Entergy s Named Executive Officers are eligible to participate in or receive the following benefits:

Plan Type	Description
Retirement Plans	Company-sponsored: Entergy Retirement Plan a tax-qualified final average pay defined benefit pension plan that covers a broad group of employees hired before July 1, 2014. Cash Balance Plan a tax-qualified cash balance defined benefit retirement plan that covers a broad group of employees hired on or after July 1, 2014. Pension Equalization Plan a non-qualified pension restoration plan for a select group of management or highly compensated employees who participate in the Entergy Retirement Plan. Cash Balance Equalization Plan a non-qualified restoration plan for a select group of management or highly compensated employees who participate in the Cash Balance Plan. System Executive Retirement Plan a non-qualified supplemental retirement plan for individuals who became executive officers before July 1, 2014. See the 2016 Pension Benefits Table on page 64 of this Proxy Statement for additional information regarding the operation of the plans described above.
Savings Plan	Company-sponsored 401(k) Savings Plan that covers a broad group of employees. Additional information about the Savings Plan can be found on page 66 of this Proxy Statement.
Health & Welfare Benefits	Medical, dental and vision coverage, life and accidental death and dismemberment insurance, business travel accident insurance and long-term disability insurance.

	Eligibility, coverage levels, potential employee contributions and other plan design features are the same for the Named Executive Officers as for the broad employee population.
2016 Perquisites	Corporate aircraft usage, annual mandatory physical exams, relocation assistance and event tickets. The Named Executive Offices do not receive tax gross ups on any benefits, except for relocation assistance. For additional information regarding perquisites, see the All Other Compensation column in the 2016 Summary Compensation Table on page 57 of this Proxy Statement.
Deferred Compensation	The Named Executive Officers are eligible to defer up to 100% of their base salary and Annual Incentive Plan awards into the Company-sponsored Executive Deferred Compensation Plan
Executive Disability Plan	Eligible individuals who become disabled under the terms of the plan are eligible for 65% of the difference between their annual base salary and $276,923 (the annual base salary that produces the maximum $15,000 monthly disability payment under our general long-term disability plan).

We provide these benefits to our Named Executive Officers as part of providing a competitive executive compensation program and because we believe that these benefits are important retention and recruitment tools since many, if not all, of the companies with which we compete for executive talent provide similar arrangements to their senior executive officers.

Compensation Arrangements

Mr. Bakken s Employment

In connection with the commencement of his employment, Mr. Bakken received a sign-on bonus of $650,000 and received a grant of 30,000 restricted stock units on April 6, 2016, the terms of which are previously described. Mr. Bakken is also eligible for certain relocation benefits pursuant to our Relocation Assistance Policy and to certain additional relocation benefits, including the direct purchase of his home at an agreed upon price, which the Personnel Committee determined was necessary to facilitate Mr. Bakken s transition to the Company and to mitigate the expenses associated with his relocation. Mr. Bakken s sign-on bonus and certain of his relocation benefits are subject to forfeiture if Mr. Bakken terminates his service prior to the one year anniversary of his date of hire.

Mr. Bakken is expected to be eligible to participate in our annual and long-term incentive plans at the same level as the other Named Executive Officers, except Mr. Denault. Mr. Bakken was not eligible to participate in the 2014-2016 performance period, but received pro-rated target award opportunities for the 2015-2017 and 2016-2018 performance periods, in accordance with the terms of the program. Mr. Bakken also participates in our Cash Balance Plan and our Cash Balance Equalization Plan, retirement plans that are available to all eligible executive officers hired on or after July 1, 2014. For more information about the Cash Balance Plan and our Cash Balance Equalization Plan, see 2016 Pension Benefits. Beginning in 2017, Mr. Bakken also is eligible to participate in our annual stock option and restricted stock programs.

Mr. Bakken also participates in the Nuclear Retention Plan, a retention plan for officers and other leaders with expertise in the nuclear industry. The Personnel Committee authorized this plan to attract and retain key management and employee talent in the nuclear power field, a field that requires unique technical and other expertise that is in great demand in the utility industry. The plan provides for bonuses to be paid annually over a three-year employment period with the bonus opportunity dependent on the participant s management level and continued employment. Each annual payment is equal to an amount ranging from 15% to 30% of the employee s base salary as of their date of enrollment in the Plan. Mr. Bakken s participation in the plan commenced in May 2016 and in accordance with the terms and conditions of the plan, in May 2017, 2018 and 2019, subject to his continued employment, Mr. Bakken will receive a cash bonus equal to 30% of his base salary as of May 1, 2016. This plan does not allow for accelerated or prorated payout upon termination of any kind. The three year coverage period and percentage of base salary payable under the plan are consistent with the terms of participation of other senior nuclear officers who participate in this plan.

The terms of Mr. Bakken s employment were reviewed by the Personnel Committee, were determined based on competitive market data, and were designed to reflect the competition for chief nuclear officer talent in the marketplace and the Committee s assessment of the critical role this position plays in transforming our nuclear fleet and to encourage retention of his leadership in light of his marketability as a chief nuclear officer.

Post Termination Plans and Arrangements

The Personnel Committee believes that retention and transitional compensation arrangements are an important part of overall compensation. The Committee believes that these arrangements help to secure the continued employment and dedication of our Named Executive Officers, notwithstanding any concern that they might have at the time of a change in control regarding their own continued

EXECUTIVE OFFICER COMPENSATION

employment. In addition, the Committee believes that these arrangements are important as recruitment and retention devices, as all or nearly all of the companies with which we compete for executive talent have similar arrangements in place for their senior employees.

To achieve these objectives, we have established a System Executive Continuity Plan under which each of our Named Executive Officers is entitled to receive change in control payments and benefits if such officer s employment is involuntarily terminated in connection with a change in control of the Company. Severance payments under the System Executive Continuity Plan are based on a multiple of the sum of an executive officer s annual base salary plus his average Annual Incentive Plan award for the two calendar years immediately preceding the calendar year in which the termination of employment occurs. Under no circumstances can this multiple exceed 2.99 times the sum of (a) the executive officer s annual base salary as in effect at any time within one year prior to the commencement of a change in control period or if higher, immediately prior to a circumstance constituting good reason plus (b) his annual incentive, calculated using the average annual target opportunity derived under the Annual Incentive Plan for the two calendar years immediately preceding the calendar year in which the officer s termination occurs, or if higher, the annual incentive award actually received under the Annual Incentive Plan for the calendar year immediately preceding the calendar year in which the termination of employment occurs. We strive to ensure that the benefits and payment levels under the System Executive Continuity Plan are consistent with market practices. Our executive officers, including the Named Executive Officers, will not receive any tax gross up payments on any severance benefits received under this plan. For more information regarding the System Executive Continuity Plan, see 2016 Potential Payments Upon Termination or Change in Control System Executive Continuity Plan.

In certain cases, the Committee may approve the execution of a retention agreement with an individual executive officer. These decisions are made on a case by case basis to reflect specific retention needs or other factors, including market practice. If a retention agreement is entered into with an individual officer, the Committee considers the economic value associated with that agreement in making overall compensation decisions for that officer. The Company has voluntarily adopted a policy that any employment or severance agreements providing severance benefits in excess of 2.99 times the sum of an officer s annual base salary and annual incentive award (other than the value of the vesting or payment of an outstanding equity-based award or the pro rata vesting or payment of an outstanding long-term incentive award) must be approved by the Company s shareholders.

We currently have a retention agreement with Mr. Denault. In general, Mr. Denault s retention agreement provides for certain payments and benefits in the event of his termination of employment by his Entergy employer other than for cause, by Mr. Denault for good reason or on account of his death or disability. See 2016 Potential Payments Upon Termination or Change in Control Mr. Denault s 2006 Retention Agreement. Because Mr. Denault has reached age 55, certain severance payment provisions in his retention agreement no longer apply. Mr. Denault will not receive tax gross up payments on any payments or benefits he may receive under his agreement. Mr. Denault s retention agreement was entered into in 2006 when he was our Chief Financial Officer and was designed to reflect the competition for chief financial officer talent in the marketplace at that time and the Committee s assessment of the critical role this position played in executing the Company s long-term financial and other strategic objectives. Based on the market data provided by its former independent compensation consultant, the Committee believes the benefits and payment levels under Mr. Denault s retention agreement are consistent with market practices.

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Compensation Policies and Practices

We strive to ensure that our compensation philosophy and practices are in line with the best practices of companies in our industry as well as other companies in the S&P 500. Some of these practices include the following:

Clawback Provisions

We have adopted a clawback policy that covers all individuals subject to Section 16 of the Securities Exchange Act of 1934 (the Exchange Act), including all of the members of our Office of the Chief Executive. Under the policy, the Committee will require reimbursement of incentives paid to these executive officers where:

(i) the payment was predicated upon the achievement of certain financial results with respect to the applicable performance period that were subsequently determined to be the subject of a material restatement other than a restatement due to changes in accounting policy; or (ii) a material miscalculation of a performance award occurs, whether or not the financial statements were restated and, in either such case, a lower payment would have been made to the executive officer based upon the restated financial results or correct calculation; or

in the Board of Directors view, the executive officer engaged in fraud that caused or partially caused the need for a restatement or caused a material miscalculation of a performance award, in each case, whether or not the financial statements were restated.

The amount the Committee requires to be reimbursed is equal to the excess of the gross incentive payment made over the gross payment that would have been made if the original payment had been determined based on the restated financial results or correct calculation. Further, following a material restatement of our financial statements, we will seek to recover any compensation received by our Chief Executive Officer and Chief Financial Officer that is required to be reimbursed under Section 304 of the Sarbanes-Oxley Act of 2002.

Stock Ownership Guidelines and Share Retention Requirements

For many years, the Company has had stock ownership guidelines for executives, including the Named Executive Officers. These guidelines are designed to align the executives long-term financial interests with those of shareholders. Annually, the Personnel Committee monitors the executive officers compliance with these guidelines.

Our ownership guidelines are as follows:

Role	Value of Common Stock to be Owned
Chief Executive Officer	6 times base salary
Executive Vice Presidents	3 times base salary

Senior Vice Presidents	2 times base salary
Vice Presidents	1 time base salary

Further, to ensure compliance with the guidelines, until an executive officer satisfies the stock ownership guidelines, the officer must retain:

- all net after-tax shares paid out under our Long-Term Performance Unit Program;
- all net after-tax shares of our restricted stock received upon vesting; and

EXECUTIVE OFFICER COMPENSATION

at least 75% of the after-tax net shares received upon the exercise of Company stock options, except for stock options granted before January 1, 2014, as to which the executive officer must retain at least 75% of the after-tax net shares until the earlier of achievement of the stock ownership guidelines or five years from the date of exercise.

Trading Controls and Anti-Pledging and Anti-Hedging Policies

Executive officers, including the Named Executive Officers, are required to receive the permission of the Company s General Counsel prior to entering into any transaction involving company securities, including gifts, other than the exercise of employee stock options. Trading is generally permitted only during open trading windows occurring immediately following the release of earnings. Employees, who are subject to trading restrictions, including the Named Executive Officers, may enter into trading plans under Rule 10b5-1 of the Exchange Act, but these trading plans may be entered into only during an open trading window and must be approved by the Company. The Named Executive Officer bears full responsibility if he violates Company policy by permitting shares to be bought or sold without pre-approval or when trading is restricted.

We also prohibit our directors and executive officers, including the Named Executive Officers, from pledging any Entergy securities or entering into margin accounts involving Entergy securities. We prohibit these transactions because of the potential that sales of Entergy securities could occur outside trading periods and without the required approval of the General Counsel.

We also have adopted an anti-hedging policy that prohibits officers, directors and employees from entering into hedging or monetization transactions involving our common stock. Prohibited transactions include, without limitation, zero-cost collars, forward sale contracts, purchase or sale of options, puts, calls, straddles or equity swaps or other derivatives that are directly linked to the Company s stock or transactions involving short-sales of the Company s stock. The Board adopted this policy to require officers, directors and employees to continue to own Company stock with the full risks and rewards of ownership, thereby ensuring continued alignment of their objectives with those of the Company s other shareholders.

How We Make Compensation Decisions

Role of the Personnel Committee

The Personnel Committee has overall responsibility for approving the compensation program for our Named Executive Officers and makes all final compensation decisions regarding our Named Executive Officers. The Committee works with our executive management to ensure that our compensation policies and practices are consistent with our values and support the successful recruitment, development and retention of executive talent so we can achieve our business objectives and optimize our long-term financial returns. Each year, our Senior Vice President, Human Resources presents the proposed compensation model for the following year, including the compensation elements, mix of elements and measures for each element and consults with our Chief Executive Officer on recommended compensation for senior executives. The Committee evaluates executive pay each year to ensure that our compensation policies and practices are consistent with our philosophy. The Personnel Committee is responsible for, among its other duties, the following actions related to our Named Executive Officers:

- developing and implementing compensation policies and programs for hiring, evaluating and setting compensation for our executive officers, including any employment agreement with an executive officer;
- evaluating the performance of our Chairman and Chief Executive Officer; and
- reporting, at least annually, to the Board on succession planning, including succession planning for the Chief Executive Officer.

Table of Contents

EXECUTIVE OFFICER COMPENSATION

Role of the Chief Executive Officer

The Personnel Committee solicits recommendations from our Chief Executive Officer with respect to compensation decisions for the other Named Executive Officers. Our Chief Executive Officer provides the Personnel Committee with an assessment of the performance of each of the other Named Executive Officers and recommends compensation levels to be awarded to each of them. In addition, the Committee may request that the Chief Executive Officer provide management feedback and recommendations on changes in the design of compensation programs, such as special retention plans or changes in the structure of bonus programs. However, the Chief Executive Officer does not play any role with respect to any matter affecting his own compensation, nor does he have any role determining or recommending the amount or form of director compensation. The Personnel Committee also relies on the recommendations of our Senior Vice President, Human Resources with respect to compensation decisions, policies and practices.

The Chief Executive Officer may attend meetings of the Personnel Committee only at the invitation of the chair of the Personnel Committee and cannot call a meeting of the Committee. Since he is not a member of the Committee, he has no vote on matters submitted to the Committee. During 2016, Mr. Denault attended 6 meetings of the Personnel Committee.

Role of the Compensation Consultant

Our Personnel Committee has the sole authority for the appointment, compensation and oversight of its outside compensation consultant. The Committee conducts an annual review of the compensation consultant, and in 2016 it retained Pay Governance LLC as its independent compensation consultant to assist it in, among other things, evaluating different compensation programs and developing market data to assess our compensation programs. Also in 2016, the Corporate Governance Committee retained Pay Governance to review and perform a competitive analysis of non-employee director compensation.

During 2016, Pay Governance assisted the Committee with its responsibilities related to the Company s compensation programs for its executives. The Committee directed Pay Governance to: (i) regularly attend meetings of the Committee; (ii) conduct studies of competitive compensation practices; (iii) identify the Company s market surveys and proxy peer group; (iv) review base salary, annual incentives and long-term incentive compensation opportunities relative to competitive practices; and (v) develop conclusions and recommendations related to the executive compensation plan of the Company for consideration by the Committee. A senior consultant from Pay Governance attended all Personnel Committee meetings to which he was invited in 2016.

Compensation Consultant Independence

To maintain the independence of the Personnel Committee s compensation consultant, the Board has adopted a policy that any consultant (including its affiliates) retained by the Board of Directors or any Committee of the Board of Directors to provide advice or recommendations on the amount or form of executive or director compensation should not be retained by the Company or any of its affiliates to provide other services in an aggregate amount that exceeds

$120,000 in any year. In 2016, the Personnel Committee s independent compensation consultant, Pay Governance, did not provide any services to the Company other than its services to the Personnel Committee and the Corporate Governance Committee in connection with our non-employee director compensation program. Annually, the Committee reviews the relationship with its compensation consultant, including services provided, quality of those services, and fees associated with services in its evaluation of the executive compensation consultant s independence. The Committee also assesses Pay Governance s independence under NYSE rules and has concluded that no conflicts of interest exist that would prevent Pay Governance from independently advising the Personnel Committee.

EXECUTIVE OFFICER COMPENSATION

Tax and Accounting Considerations

Section 162(m) of the Code limits the tax deductibility by a publicly held corporation of compensation in excess of $1 million paid to the Chief Executive Officer or any of its other Named Executive Officers who may be Section 162(m) covered employees, unless that compensation is performance-based compensation within the meaning of Section 162(m). The Personnel Committee considers deductibility under Section 162(m) as it structures the compensation packages that are provided to its Named Executive Officers. Likewise, the Personnel Committee considers financial accounting consequences as it structures the compensation packages that are provided to the Named Executive Officers. However, the Personnel Committee and the Board believe that it is in the best interest of the Company that the Personnel Committee retains the flexibility and discretion to make compensation awards, whether or not deductible. This flexibility is necessary to foster achievement of performance goals established by the Personnel Committee, as well as other corporate goals that the Committee deems important to the Company s success, such as encouraging employee retention and rewarding achievement of key Company goals.

Personnel Committee Report

The Personnel Committee of the Company has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Personnel Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement and incorporated by reference in the Company s Annual Report on Form 10-K for the year ended December 31, 2016.

The Personnel Committee of the Entergy Corporation Board of Directors:

Maureen S. Bateman, Chair	Karen A. Puckett
Alexis M. Herman	W.J. Billy Tauzin

Personnel Committee Interlocks and Insider Participation

Each member of the Personnel Committee is an independent director. During the last completed fiscal year, none of the Personnel Committee members served as an officer of the Company, and none of the Company s executive officers served as a member of a compensation committee or board of directors of any other entity that had an executive officer serving as a member of the Company s Board of Directors.

Annual Compensation Risk Assessment

We monitor the risks associated with our executive compensation programs, as well as the components of our programs and individual compensation decisions, on an ongoing basis. In February 2017, the Committee was presented with the results of a study reviewing our compensation programs, including our executive compensation programs, to assess the risk arising from our compensation policies and practices. The Committee agreed with the study s findings that these risks were within our ability to effectively monitor and manage, and that these compensation programs do not encourage unnecessary or excessive risk-taking and do not create risks that are reasonably likely to have a material adverse effect on the Company.

Table of Contents

EXECUTIVE COMPENSATION TABLES

Executive Compensation Tables

2016 Summary Compensation Tables

The following table summarizes the total compensation paid or earned by each of the Named Executive Officers for the fiscal year ended December 31, 2016, and to the extent required by SEC executive compensation disclosure rules, the fiscal years ended December 31, 2015 and 2014.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
lame and cipal Position (1)	Year	Salary(2)	Bonus(3)	Stock Awards(4)	Option Awards(5)	Non-Equity Incentive Plan Compensation(6)	Change in Pension Value and Non-qualified Deferred Compensation Earnings(7)	All Other Compensation(8)	Tota
. Denault man of the l and Chief utive Officer	2016	$1,191,462	$ -	$4,632,276	$1,235,800	$2,154,600	$4,166,800	$97,786	$13,478
	2015	$1,153,385	$ -	$4,356,362	$1,004,080	$1,681,875	$4,802,400	$88,795	$13,086
	2014	$1,103,173	$ -	$3,564,463	$923,260	$2,597,400	$3,578,200	$57,538	$11,824
ew S. Marsh utive Vice dent and Financial er	2016	$553,284	$ -	$1,144,648	$333,000	$509,061	$593,700	$47,484	$3,181
	2015	$532,245	$ -	$2,600,401	$273,840	$508,308	$670,200	$39,131	$4,624
	2014	$512,721	$ -	$940,837	$304,850	$706,388	$750,900	$26,722	$3,242
ristopher en, III utive Vice dent and Nuclear er	2016	$426,990	$650,000	$3,292,700	$ -	$529,375	$27,900	$140,601	$5,067

us V. Brown utive Vice lent and ral Counsel	2016	$563,208	$ -	$1,144,648	$333,000	$550,550	$934,600	$34,381	$3,560
rick K. West	2016	$654,514	$ -	$1,116,424	$303,400	$461,384	$601,000	$73,706	$3,210
utive Vice	2015	$638,876	$ -	$1,071,111	$262,430	$607,677	$543,900	$71,790	$3,195
lent	2014	$623,854	$ -	$1,010,324	$313,560	$857,280	$782,400	$43,648	$3,631

(1) Effective April 6, 2016, Mr. Bakken was named Executive Vice President and Chief Nuclear Officer. Mr. Brown was not a Named Executive Officer in 2014 and 2015.

(2) The amounts in column (c) represent the actual base salary paid to the Named Executive Officers. The 2016 changes in base salaries noted in the Compensation Discussion and Analysis were effective in April 2016, except for an additional adjustment in Mr. Brown s base salary which was effective in May 2016.

(3) The amount in column (d) in 2016 for Mr. Bakken represents a cash sign-on bonus paid to Mr. Bakken in connection with his commencement of employment with the Company which is subject to forfeiture if Mr. Bakken terminates his service prior to the one-year anniversary of his date of hire. See Compensation Arrangements Mr. Bakken s Employment in Compensation Discussion and Analysis.

(4) The amounts in column (e) represent the aggregate grant date fair value of restricted stock, performance units, and restricted stock units granted under the Equity Ownership Plans, each

Table of Contents

EXECUTIVE COMPENSATION TABLES

calculated in accordance with FASB ASC Topic 718, without taking into account estimated forfeitures. The grant date fair value of the restricted stock and restricted stock units is based on the closing price of the Company s common stock on the date of grant. The grant date fair value of performance units is based on the probable outcome of the applicable performance conditions, measured using a Monte Carlo simulation valuation model. The simulation model applies a risk-free interest rate and an expected volatility assumption. The risk-free interest rate is assumed to equal the yield on a three-year treasury bond on the grant date. Volatility is based on historical volatility for the 36-month period preceding the grant date. If the highest achievement level is attained, the maximum amounts that will be received with respect to the performance units granted in 2016 are as follows: Mr. Denault, $5,884,704; Mr. Marsh, $1,157,184; Mr. Bakken $1,643,134; Mr. Brown, $1,157,184; and Mr. West, $1,157,184.

(5) The amounts in column (f) represent the aggregate grant date fair value of stock options granted under the Equity Ownership Plans calculated in accordance with FASB ASC Topic 718. For a discussion of the relevant assumptions used in valuing these awards, see Note 12 to the Financial Statements in our Form 10-K for the year ended December 31, 2016.

(6) The amounts in column (g) represent cash payments made under the Annual Incentive Plan.

(7) For all Named Executive Officers, the amounts in column (h) include the annual actuarial increase in the present value of these Named Executive Officers benefits under all pension plans established by the Company using interest rate and mortality rate assumptions consistent with those used in the Company s financial statements and include amounts which the Named Executive Officers may not currently be entitled to receive because such amounts are not vested. See the 2016 Pension Benefits Table on page 64 of this Proxy Statement. None of the increase for any of the Named Executive Officers is attributable to above-market or preferential earnings on non-qualified deferred compensation.

(8) The amounts set forth in column (i) for 2016 include (a) matching contributions by the Company under the Savings Plan to each of the Named Executive Officers; (b) dividends paid on restricted stock when vested; (c) life insurance premiums; (d) tax gross up payments on relocation expenses; and (e) perquisites and other compensation. The amounts are listed in the following table:

	Leo P. Denault	Andrew S. Marsh	A. Christopher Bakken, III	Marcus V. Brown	Roderick K. West
Company Contribution Savings Plan	$11,130	$11,130	$15,900	$-	$11,130

Dividends Paid on Restricted Stock	$67,465	$31,494	$-	$24,907	$37,370
Life Insurance Premium	$7,482	$4,860	$8,168	$7,482	$2,610
Tax Gross Up Payments	$-	$-	$5,950	$-	$-
Perquisites and Other Compensation	$11,709	$-	$110,583	$1,992	$22,596
Total	$97,786	$47,484	$140,601	$34,381	$73,706

Table of Contents

EXECUTIVE COMPENSATION TABLES

Perquisites and Other Compensation

The amounts set forth in column (i) also include perquisites and other personal benefits that we provide to our Named Executive Officers as part of providing a competitive executive compensation program and for employee retention. The following perquisites were provided to the Named Executive Officers in 2016.

Named Executive Officer	Relocation	Personal Use of Corporate Aircraft	Executive Physical Exams	Event Tickets
Leo P. Denault		X	X	
Andrew S. Marsh			X	
A. Christopher Bakken, III	X		X	
Marcus V. Brown			X	X
Roderick K. West		X	X	

For security and business reasons, we permit our Chief Executive Officer to use our corporate aircraft for personal use at Company expense. Our other Named Executive Officers may use the corporate aircraft for personal travel subject to the approval of our Chief Executive Officer. The amounts included in column (i) for the personal use of corporate aircraft, reflect the incremental cost to the Company for use of the corporate aircraft, determined on the basis of the variable operational costs of each flight, including fuel, maintenance, flight crew travel expense, catering, communications and fees, including flight planning, ground handling and landing permits. In addition, we require our executive officers who are members of the Office of the Chief Executive to have a comprehensive annual physical exam at our expense. Tickets to cultural and sporting events are purchased for business purposes, and if not utilized for business purposes, the tickets are made available to our employees, including our Named Executive Officers, for personal use.

Entergy also provides relocation benefits to a broad base of employees which include assistance with moving expenses, purchase and sale of homes, and transportation of household goods. In connection with his employment, in accordance with Entergy s relocation policies and pursuant to certain additional relocation benefits, Entergy paid $103,849 in relocation expenses for Mr. Bakken in 2016. The relocation assistance amounts reported above represent the amounts paid to our relocation service provider or Mr. Bakken, as applicable. Certain of Mr. Bakken s relocation benefits are subject to forfeiture if Mr. Bakken terminates his service prior to the one year anniversary of his date of hire. None of the other perquisites referenced above exceeded $25,000 for any of the Named Executive Officers.

Table of Contents

EXECUTIVE COMPENSATION TABLES