

ENTERGY CORP /DE/  
Form DEF 14A  
March 22, 2019  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(Amendment No.    )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material 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)**



3) Filing Party:

4) Date Filed:

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**Our Mission**

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

For our Customers, we create value by delivering top-quartile customer satisfaction by anticipating customer needs and exceeding their expectations while keeping rates reasonable. For our Employees, we create value by attaining top-quartile organizational health scores and top-decile safety performance; and providing a rewarding, engaging, diverse and inclusive work environment with fair compensation and benefits and opportunities for career advancement. For our Communities, we create value by achieving top-decile corporate social responsibility performance through economic development, philanthropy, volunteerism and advocacy and by operating our business safely and in a socially and environmentally responsible way. For our Owners, we create value by delivering top-quartile shareholder returns through the relentless pursuit of opportunities to optimize our business.

For the 11<sup>th</sup> straight year, Entergy was named one of the nation's Top 10 utilities in economic development by Site Selection magazine for directly supporting projects that resulted in nearly \$4.25 billion of capital investment and the creation of 4,688 jobs in its service territory.

For the 3<sup>rd</sup> consecutive year, Entergy was recognized as one of the most community-minded companies in the United States by Points of Light, the world's largest organization dedicated to volunteer service. Entergy was ranked first in integration, which measures how closely a company ties community stewardship to the success of its business operations.

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March 22, 2019

Fellow Shareholders:

I hope you will join Entergy's Board of Directors, executive management team and employees at our 2019 Annual Meeting of Shareholders in The Woodlands, Texas. 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 The Woodlands. 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.

Our 2018 letter to stakeholders that is included in both the Annual Report and our Integrated Report discusses Entergy's 2018 performance, strategy and outlook for the future. At the Annual Meeting, I plan to share some of the 2018 highlights included in the letter in addition to conducting the official business of the meeting. I look forward to discussing 2018 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 and using charts and other graphic depictions where 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 40 describes our executive compensation programs and shows how our senior management's compensation remains linked to performance and supports our long-term strategy. 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 9.

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 can be found beginning on page 94.

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

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March 22, 2019

Dear Fellow Shareholders:

On behalf of Entergy's Board of Directors, I invite you to the 2019 Annual Meeting of Shareholders. As the 2019 Annual Meeting approaches, it is my privilege as your Lead Director to reflect on the past year and share directly with you some highlights of the work of our Board.

### **Strategy Oversight**

Over the course of the year Entergy's senior management remained steadfast in its focus on executing Entergy's long term strategy, with important milestones achieved in reducing risk and investing in our core utility business. The Board is vigilant in its oversight of this long-term strategy. We play an essential role in determining Entergy's strategic priorities and are actively engaged in directing this strategy through discussions of Entergy's strategic imperatives at our regularly scheduled Board meetings and annually at our multi-day Board Retreat, which is devoted entirely to learning about the important issues affecting our Company and industry and assessing the Company's strategic plans.

Each of our committees has a key role to play in providing this oversight. For example, to ensure that Entergy has the financial ability to execute on its strategic plan, the Finance Committee monitors Entergy's capital needs and financing plans. With the Company's corporate strategy and business priorities in mind, the Personnel Committee determines the appropriate compensation structures and levels for our senior leaders to incentivize them to achieve these goals. In response to increased investor interest in understanding accountability for sustainability oversight, we revised our Corporate Governance Committee Charter to encompass oversight of Entergy's sustainability strategy and practices.

### **Board Composition and Refreshment**

Appropriate Board composition is critical to our Board's ability to carry out its responsibilities. We are keenly aware that our shareholders, regulators and other stakeholders are highly interested in board composition and refreshment, including diversity, broadly defined. The Corporate Governance Committee periodically reviews the skill sets represented by our Board against those needed to ensure oversight of the Company's business and strategic priorities necessary to drive long-term value. With this information, we engaged a nationally recognized search firm to identify candidates with the backgrounds, skills and experiences that match these needs and complement the other directors on our Board. This year, as a result of this process, we are pleased to welcome Lisa Hyland to our Board. With her strong engineering background and deep executive experience in a capital-intensive industry, Lisa brings a background and skill set that will be very valuable as the Company executes on its capital investment plan. We plan to continue to identify and evaluate potential director candidates with a view toward adding an additional member to the Board later in 2019.

### **Succession Planning and Talent Development**

Our Board recognizes that one of our most important responsibilities is to oversee the development of executive talent and ensure continuity in our senior leadership. The Personnel Committee takes the lead in overseeing succession planning and assignments to key leadership positions, and regularly reports to the full Board during executive



sessions. Our Board conducts an annual in-depth review of senior leader development and succession planning to assure that our processes support Entergy's strategic objectives. We also interact frequently with high potential executives and employees not just in Board meetings but in less formal settings so that we get a chance to know and assess our future senior leaders firsthand.

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The Board remains focused on our oversight responsibilities and will continue to communicate with you about our efforts. We value our shareholders' views and believe that regular, transparent communication is an essential component of Entergy's success.

We hope you will find the Proxy Statement informative and look forward to seeing you at the meeting. Thank you for your investment in and support of Entergy.

Sincerely,

Stuart L. Levenick

Lead Director

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**Entergy Corporation**

639 Loyola Avenue

New Orleans, LA  
70113

*Notice of Annual Meeting of Shareholders*

**WHEN**

Friday, May 3, 2019

10:00 a.m. Central Time

**WHERE**

The Woodlands

Waterway Marriott

1601 Lake Robbins Drive

The Woodland, Texas 77380

**RECORD DATE**

March 4, 2019

By Order of the Board of Directors

**ITEMS OF BUSINESS**

To vote on the following proposals:

1. Election of 10 directors proposed by our Board of Directors for a term of one year as set forth in the attached Proxy Statement.
2. Ratification of the appointment of Deloitte & Touche LLP as Independent Registered Public Accountants for 2019.
3. An advisory vote to approve the compensation paid to our Named Executive Officers.
4. Approval of the Entergy Corporation 2019 Omnibus Incentive Plan.
5. Such other business as may properly come before the meeting

Marcus V. Brown

Executive Vice President and General Counsel

March 22, 2019

**Important Notice Regarding the Availability of Proxy Materials for Entergy's 2019 Annual Meeting. Entergy's Proxy Statement, its 2018 Annual Report and other materials are electronically available to our shareholders on our website at [http://www.entergy.com/investor\\_relations/2018\\_publications.aspx](http://www.entergy.com/investor_relations/2018_publications.aspx).**

Your vote is important to us. On or about March 22, 2019, 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. For more information, see Frequently Asked Questions Regarding Meeting Attendance and Voting.

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*This summary highlights information generally contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement before voting your shares. For more complete information regarding the Company's 2018 performance, please review our Annual Report on Form 10-K for the year ended December 31, 2018. In this Proxy Statement, we refer to Entergy Corporation as Entergy, the Company, we or us.*

**2019 Annual Meeting Information**

DATE & TIME	LOCATION	RECORD DATE
Friday, May 3, 2019	The Woodlands Waterway Marriott	Record holders as of March 4, 2019
10:00 a.m. Central Time	1601 Lake Robbins Drive The Woodlands, Texas 77380	are entitled to notice of, and to vote at, the Annual Meeting

For additional information about the 2019 Annual Meeting of Shareholders, including any adjournment or postponement of the meeting and voting (the Annual Meeting), see Frequently Asked Questions Regarding Meeting Attendance and Voting beginning on page 94.

**Summary of Matters to be Voted on at The Annual Meeting**

The following table summarizes the items that will be brought for a vote of our shareholders at the Annual Meeting, along with the voting recommendations of our Board of Directors (the Board) and the required vote for approval:

Proposal No.	Description of Proposal	Required Vote	
		for Approval	Board's Recommendation
1	To elect 10 director nominees  <i>For more information see page 9.</i>	For each director, majority of votes cast	<b>FOR</b> Each Nominee
2	Ratification of Independent Registered  Public Accountants	Majority of shares present	<b>FOR</b>

and entitled to  
vote

*For more information see page 36.*

3

[Advisory Vote to Approve Named Executive Officer Compensation](#)

Majority of shares  
present

and entitled to  
vote

**FOR**

*For more information see page 39.*

4

[To approve the Entergy Corporation 2019 Omnibus Incentive Plan](#)

Majority of shares  
present

and entitled to  
vote

**FOR**

*For more information see page 81.*

In addition, a shareholder has notified us of his intent to propose a resolution at the meeting requesting that, beginning in 2019, Entergy annually publish a report of actually incurred corporate costs and associated actual and significant benefits accruing to shareholders and the climate from Entergy's climate-related activities that are voluntary and exceed government regulatory requirements, to be prepared at reasonable cost and omitting proprietary information. This shareholder proposal is referred to as the Floor Proposal. The Floor Proposal was not submitted under Rule 14a-8 under the



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Securities Exchange Act of 1934 (the Exchange Act), and the shareholder did not seek to have the Floor Proposal included in this Proxy Statement. Accordingly, the Floor Proposal may be presented at the meeting, but is not included in this Proxy Statement. If the Floor Proposal is presented at the Annual Meeting, the proxy holders will have, and intend to exercise, discretionary voting authority under Rule 14a-4(c) under the Exchange Act to vote **AGAINST** the Floor Proposal.

***You may vote in the following ways:***

Using the Internet at	Calling 1-800-690-6903 if	Mailing your signed and	Attending the Annual
<a href="http://www.proxyvote.com">www.proxyvote.com</a>	in the United States and	dated proxy card	Meeting
	Canada	or voting instruction form	

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 1, 2019 for shares held in Entergy's qualified employee savings plans (the Savings Plans) and through 11:59 p.m. Eastern Time on Thursday, May 2, 2019 for all other shares.

**Director Nominees**

You are being asked to vote on the election of these 10 director nominees, each of whom is currently serving on the Board. The following table provides summary information about each of our director nominees as well as their committee memberships as of the date of this proxy statement. The table below also discloses the Board's determination as to the independence of each nominee under the listing standards of the New York Stock Exchange (NYSE), relevant rules of the Securities and Exchange Commission (the SEC) and the Board's categorical standards for director independence. Each director is elected annually. Additional information about each director's background and experience can be found beginning on page 11.

Name	Age	Director Since	Primary Occupation	Independent	Committee Memberships
John R.	55	2018	Former President, Corporate Development and Strategy,	Yes	Finance

<b>Burbank Patrick J.</b>	70	2015	Nielsen Holdings plc Retired Audit Partner, Deloitte & Touche LLP	Yes	Personnel Audit (Chair)
<b>Condon Leo P. Denault (Chairman)</b>	59	2013	Chairman of the Board and Chief Executive Officer, Entergy Corporation	No	Nuclear Executive (Chair)
<b>Kirkland H. Donald</b>	65	2013	Former President and Chief Executive Officer, Systems Planning and Analysis, Inc.	Yes	Finance Nuclear (Chair)

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Name	Age	Director Since	Primary Occupation	Independent	Committee Memberships
<b>Philip L. Frederickson</b>	62	2015	Former Executive Vice President, ConocoPhillips	Yes	Audit Executive Finance (Chair)
<b>Alexis M. Herman</b>	71	2003	Chair and Chief Executive Officer, New Ventures, LLC	Yes	Corporate Governance Personnel
<b>M. Elise Hyland</b>	59	2019	Former Senior Vice President, EQT Corporation and Senior Vice President and Chief Operating Officer, EQT Midstream Services, LLC	Yes	*
<b>Stuart L. Levenick</b>  (Lead Director)	66	2005	Former Group President and Executive Office Member, Caterpillar Inc.	Yes	Corporate Governance Executive
<b>Blanche L. Lincoln</b>	58	2011	Founder and Principal, Lincoln Policy Group	Yes	Nuclear Audit Corporate Governance (Chair)
<b>Karen A. Puckett</b>	58	2015	Former President and Chief Executive Officer, Harte Hanks, Inc.	Yes	Audit Personnel (Chair)

\* Ms. Hyland joined the Board in March 2019, and if elected, will be assigned to Board committees at the Board's organizational meeting immediately following the Annual Meeting.

**Our Board of Directors***Board Composition*

The Entergy 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. Key characteristics of our Board are:

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***Refreshment***

We are committed to Board refreshment and a robust director nominee selection process. On an ongoing basis, the Corporate Governance Committee considers emerging business needs and desired skills when evaluating potential candidates. In 2018, we continued an intensive search process initiated in 2017 to identify director candidates with the skills, backgrounds and experiences that we believe should be represented on the Board. This search process resulted in the election of Ms. Hyland, former Senior Vice President, EQT Corporation, effective March 2019. Ms. Hyland brings to the Board her extensive senior executive and operations experience in a capital-intensive industry, as well as her experience in finance and strategic planning.

**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 corporate governance and Board policies:

***Changes Since 2018***

Modified Corporate Governance Committee Charter to assign responsibility for oversight of the Company’s sustainability strategies and practices to the Corporate Governance Committee

***Annual Meeting***

Created a new sustainability and environmental policy organization to determine and coordinate the Company’s sustainability strategies, policies and practices, including sustainability reporting

<b>Corporate Governance Highlights</b>	<b>Board of Directors Highlights</b>
Annual election of directors	Independent Lead Director with broad authority when role of Chairman and Chief Executive Officer are combined
Majority voting for directors	Resignation policy for directors who do not receive majority vote
Proxy access right for our shareholders	

Regular executive sessions of independent directors	Mandatory director retirement at 74
Year-round shareholder outreach program	9 out of 10 directors are independent and all committee members are independent
No poison pill; Board policy requires shareholder approval for adoption	Continued refreshment of the Board with 5 new Board members since 2015
Disclosure of corporate political contributions and oversight of lobbying and political activity	Robust and active director succession and nomination process serves to identify talented and diverse Board members.
Limits on the number of public-company boards on which our directors may serve	The Board and its committees conduct annual self-assessments and individual peer assessments
No supermajority voting provisions	Director education program
Maintain executive stock ownership requirements, which support mandatory stock retention requirements and aligns executives interests with shareholders	Stock ownership policy for directors of five times annual cash retainer by fifth anniversary of service
Prohibit short selling, hedging, pledging and margin transactions involving Entergy securities	Deep engagement with Company personnel through off-site Board Retreat and management presentations to the Board
	Led by the Audit Committee, the Board is broadly focused on risk assessment, management and mitigation

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**PROXY SUMMARY**

**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 9,000 megawatts of nuclear power. Entergy delivers electricity to 2.9 million utility customers in Arkansas, Louisiana, Mississippi and Texas. Entergy has annual revenues of \$11 billion and more than 13,000 employees.

**2018 Performance and Strategic Accomplishments**

The following items highlight our 2018 performance and recent accomplishments. For more information about these accomplishments and their relationship to our executive compensation programs, please see Compensation Discussion and Analysis on page 40 of this Proxy Statement.

**Financial Performance**

As-reported GAAP EPS of \$4.63, up \$2.43 from 2017

Operational EPS of \$7.31, up \$0.11 from 2017 and above original guidance range

Utility, Parent & Other adjusted EPS of \$4.71, up \$0.14 from 2017, in line with guidance and growth expectations

Total shareholder return of 10.6%, ranking 6<sup>th</sup> of 20 companies in PHLX

Increased dividend for straight year

## **Sustainability**

Named to Dow Jones Sustainability North America Index, with top scores in policy influence, climate strategy, water-related risks and corporate citizenship and philanthropy

Prepared climate strategy and scenario analysis report and announced new climate commitment to reduce our<sub>2</sub>CO emission rate to 50% below 2000 levels by 2030

Continued investment in our workforce, resulting in improvements in safety and organizational health, and invested \$18 million in our communities

## **Investing in the Utility**

Continued execution on portfolio transformation strategy, with nearly 3,000 MW of new generation under construction and an additional approximately 1,270 MW under contract for purchase

Continued investment in renewables projects, with 1,000 MW of renewable resources completed in 2018 or in various stages of development

Invested approximately \$900 million in transmission capital projects

Continued execution on AMI, with installation of advanced meters beginning in early 2019

## **Exiting the Wholesale Business**

Received final regulatory approvals and, in January 2019, completed the sale of the previously shut down Vermont Yankee Nuclear Power Station

Entered into agreements to sell the Pilgrim Nuclear Power Station and Palisades Power Plant after the plants are shut down in 2019 and 2022, respectively, and filed for NRC approval of Pilgrim sale



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

### **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 2018, we contacted shareholders owning approximately 48% of our outstanding shares of common stock, resulting in substantive engagements with the holders of approximately 27% of our outstanding

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shares. In these engagements, we discussed topics that included industry and business developments, corporate strategy, director refreshment and other corporate governance issues, environmental and social issues, including the climate strategy and scenario analysis report that we published contemporaneously with the issuance of this proxy statement, and proxy statement disclosures. The perspectives provided by our shareholders informed our decision making and helped to guide our actions in continuing to enhance our environmental, social and governance disclosures and our disclosures related to our Board of Directors.

**Executive Compensation Highlights**

Following is a summary of key features of our executive compensation programs and policies and pay outcomes for 2018. For additional information, see the Compensation, Discussion and Analysis beginning on page 40.

***Executive Compensation Best Practices***

What We Do	What We Don't Do
Executive compensation programs are highly correlated to performance and focused on long-term value creation	× No 280G tax gross up payments in the event of a change in control
Double trigger for severance payments or equity acceleration in the event of a change in control	× No tax gross up payments on any executive perquisites, other than relocation benefits
Clawback policy	× No option repricing or cash buy-outs for underwater options
Maximum payout capped at 200% of target under our Annual Incentive Plan and Long-Term Performance Unit Program for members of the Office of the Chief Executive	× No agreements providing for severance payments to executive officers that exceed 2.99 times annual base salary and annual incentive awards without shareholder approval
Minimum vesting periods for equity based awards	× No unusual or excessive perquisites
Long-term compensation mix weighted more toward performance units than service-based equity awards	× No new officer participation in the System Executive Retirement Plan
All long-term performance units settled in shares of Entergy stock	

Rigorous stock ownership requirements	× No grants of supplemental service credit to newly-hired officers under any of the Company's non-qualified retirement plans
Executives required to hold substantially all equity compensation received from the Company until stock ownership guidelines are met	
Annual Say-on-Pay vote	

***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 86% 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 annual target TDC is fixed.

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**PROXY SUMMARY**

**FY 2018 CEO Compensation Mix**

**Ø *Base Salary***

Provides a base level of competitive cash compensation for executive talent

Salary level based on experience, job scope, market data and individual performance

Only fixed element of compensation

**Ø *Annual Incentive***

Motivates and rewards executives for performance on key financial measures during the year

Payout based on success in meeting consolidated operational earnings per share ( *EPS* ), consolidated operational operating cash flow ( *OCF* ) targets and Personnel Committee judgement

100% performance based

Ensures that significant portion of annual compensation is at-risk

**Ø *Long-Term Performance Units***

Focuses our executive officers on building long-term shareholder value and growing earnings and increases our executive officers' ownership of our common stock and encourages retention

Performance Units are paid 100% in stock and are earned based on total stockholder return ( *TSR* ) relative to peers and for performance periods beginning in 2018, utility earnings growth

## Ø Time-Based Equity

Stock Options and Restricted Stock reward executives for absolute value creation, provide competitive compensation, retain executive talent and increase our executive officers' ownership in our common stock

Awarded based on job scope, market data, individual performance and Company performance

## *2018 Incentive Compensation Outcomes*

### Annual Incentive Plan

The 2018 Entergy Achievement Multiplier ( EAM ), which is the performance metric used to determine the maximum funding available for awards under the plan, was determined based in equal part on our success in achieving our consolidated operational EPS and consolidated operational 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.

- v **2018 Annual Incentive Plan Payout.** For 2018, the Personnel Committee, based on a recommendation of the Finance Committee, determined that management exceeded its consolidated operational EPS goal of \$6.55 per share by \$2.08 per share, but fell short of its consolidated operational OCF goal of \$3.000 billion by approximately \$180 million. Based on the targets and ranges previously established by the Personnel Committee, these results resulted in a calculated EAM of 134%.

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After considering individual performance, including not only the role played by each of the Named Executive Officers in advancing the Company's strategies and delivering the strong financial results achieved in 2018, but also each such individual's degree of accountability for certain operational and regulatory challenges the Company experienced in 2018, the Personnel Committee approved payouts ranging from 115% to 122% of target for each of the Named Executive Officers.

**Long-Term Performance Unit Program**

Performance under our Long-Term Performance Unit Program for the 2016 – 2018 period was 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 for the 2016 – 2018 performance period were based solely on the Company's relative performance and were not subject to adjustment by the Personnel Committee.

- v **Long-Term Performance Unit Program Payout.** For the three-year performance period ending in 2018, the Company's TSR was 9th out of the 20 companies in the Philadelphia Utility Index, resulting in a payout of 111% of target for our executive officers. Payouts were made in shares of Entergy stock which are required to be held by our executive officers until they satisfy our executive stock ownership guidelines.

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**BOARD OF DIRECTORS**

**Proposal 1 Election of Directors**

Our Board is presenting 10 nominees for election as directors at our Annual Meeting. Each nominee currently serves as a director of the Company, and other than Ms. Hyland, each was elected by our shareholders at our 2018 Annual Meeting of Shareholders. The number of directors constituting our Board is currently set at 10. The Corporate Governance Committee is actively engaged in the process of recruiting an additional director and has engaged an outside search firm to assist it in identifying qualified candidates.

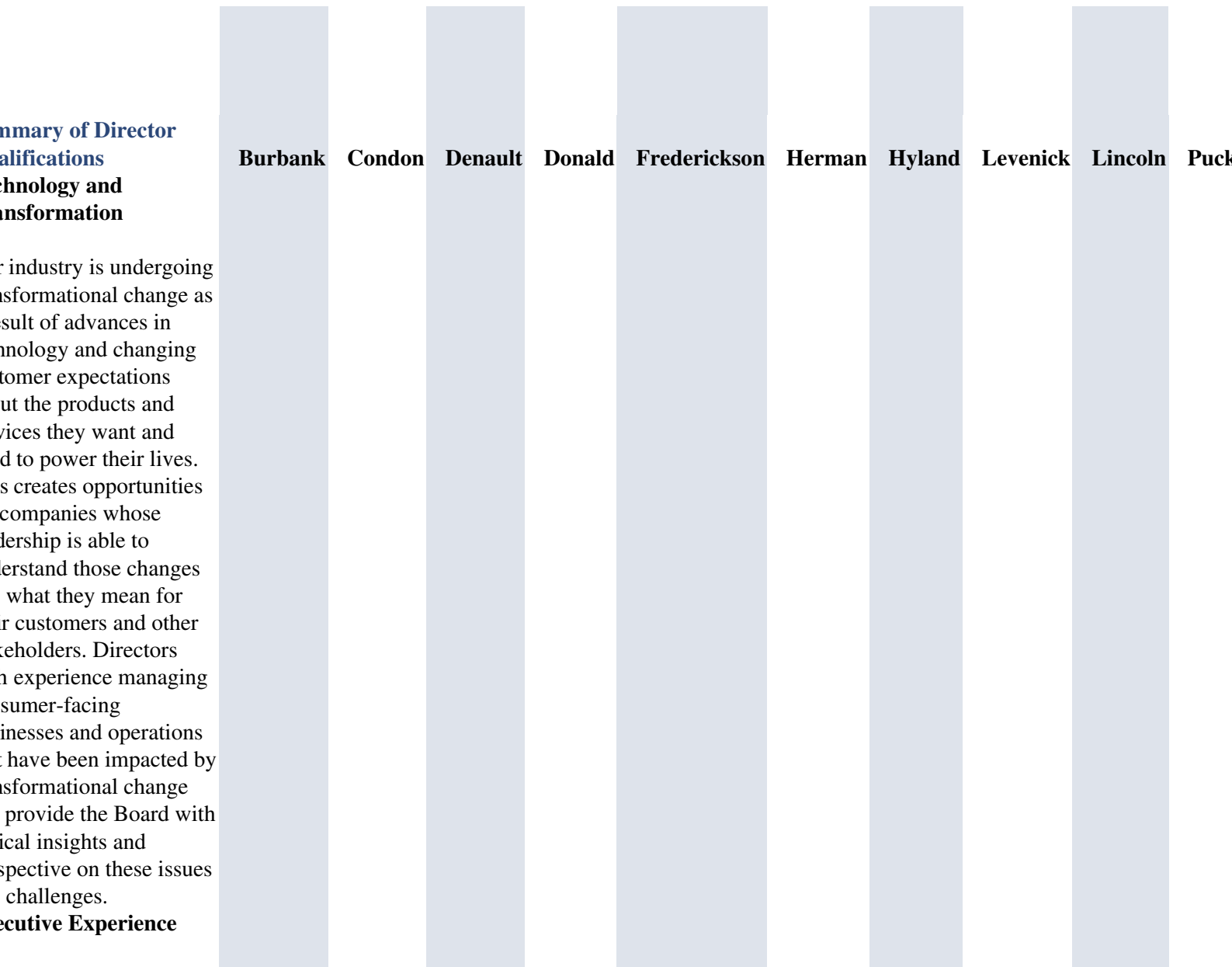
Each director elected will serve until the next annual meeting and until his or her successor is duly elected and qualified. Each director nominee has consented to being named in this Proxy Statement and to serve as a director if elected. If any nominee is unable to stand for election for any reason, the shares represented at our Annual Meeting by proxy may be voted for another candidate proposed by our Board. Proxies cannot be voted for a greater number of directors than the 10 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 10 persons recommended by the Board of Directors.

The biographies of each of the nominees below contain information regarding the person's service as a director, business experience, and director positions held. Below is a summary regarding the experience, qualifications and attributes of each nominee that caused our Corporate Governance Committee and Board to determine that the person should serve as a director. The Board also believes that all of the nominees have personal traits such as candor, integrity, commitment, and collegiality that are essential to an effective board of directors. Each of our director nominees is committed to working with, and participating in, their communities and the communities we serve. The non-employee director nominees collectively also satisfy the Corporate Governance Committee's goal of geographic diversity, with the 10 nominees residing in seven states, including nominees with strong ties to the states of Arkansas, Louisiana and Texas where we have significant operations.

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The following chart displays information about the skills and experience our Board members bring to their service:





ectors who hold or have  
d significant executive  
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in large organizations  
vide the Company with  
que insights. These  
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ess extraordinary  
adership qualities as well  
he ability to identify  
develop those qualities  
others. Their  
periences developing  
nt and solving  
blems in large, complex  
anizations prepare them  
l for the responsibilities  
Board service.

**Finance and Accounting**

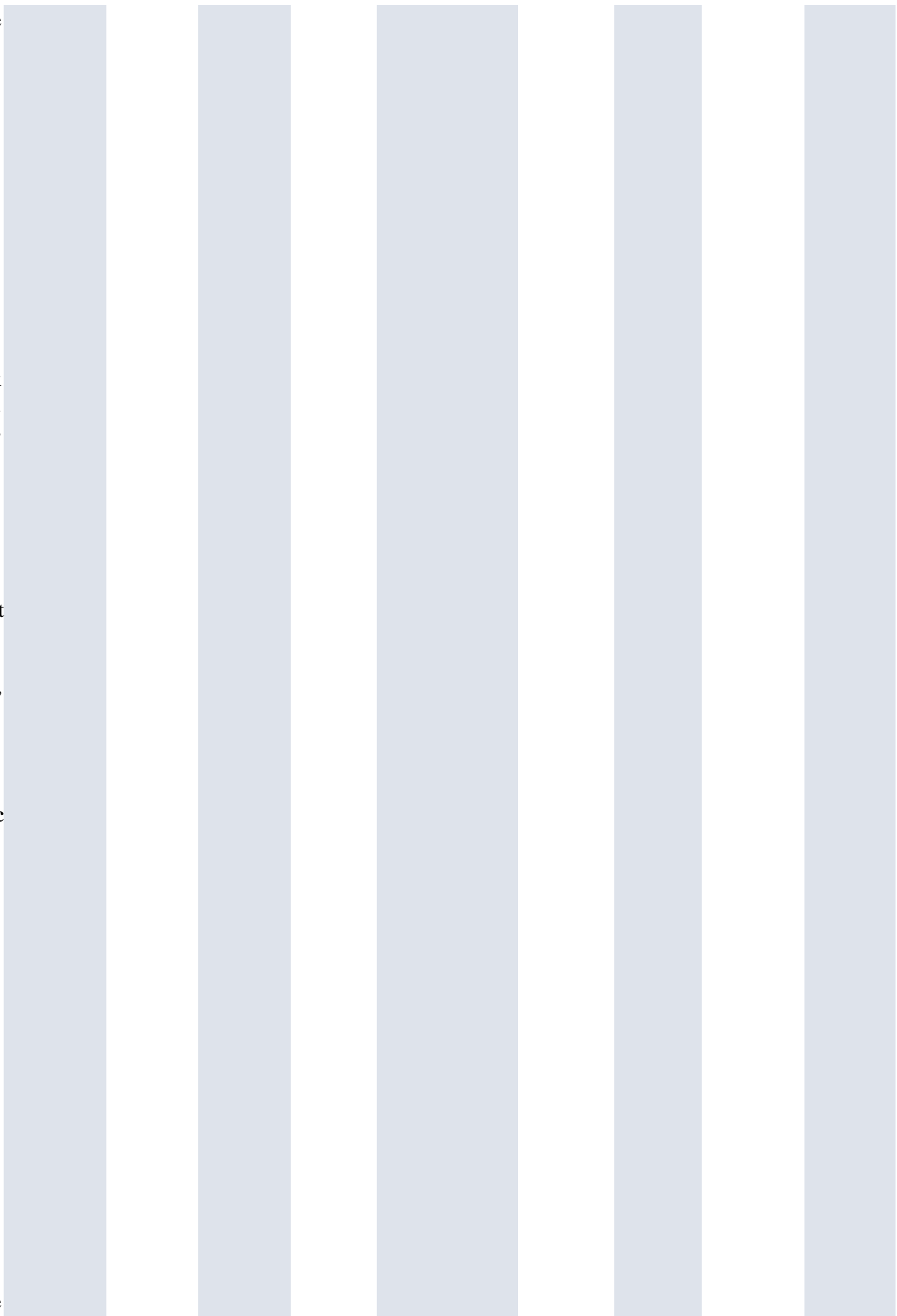
urate financial  
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iting are critical to our  
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lifies as an audit  
nmittee financial expert,  
we expect all of our  
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**Government/Legal/Public  
Policy**

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ave directors with  
erience in government,  
and public policy to  
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tegies in these areas.

**Generations**

a capital intensive  
npany, we seek to have  
ctors with deep  
erience in a significant  
erations role with a large



business to develop, implement and assess our capital plan and our business strategy

**Regulated Utility/Nuclear**

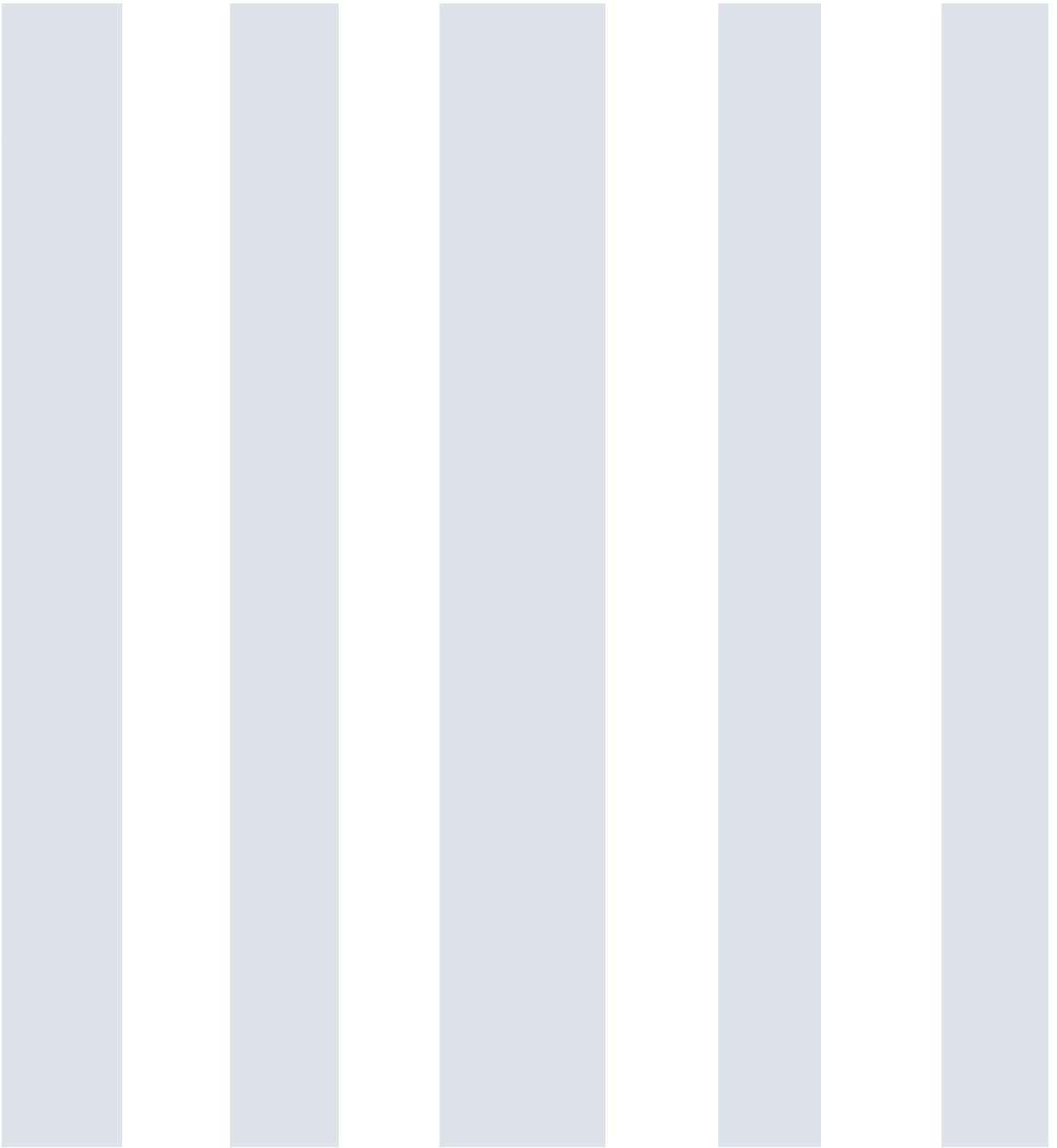
Due to the complexity of our business, we believe it is important to have directors with experience in the utility industry or in nuclear power operations to enable the Board to provide effective oversight of our operations.

**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 use their experience and leadership to provide effective oversight of risk management processes.

**Former Public Boards**

Directors who have served on other public company boards are able to draw on lessons learned on their former boards, as they seek to develop and implement best practices for the company.



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**BOARD OF DIRECTORS**

**Our 2019 Director Nominees**

The following pages contain information concerning each of the nominees for director, including each nominee's age as of March 22, 2019, 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.

**John R. Burbank**

**Entergy Board Committees**

Southport, Connecticut

Finance

Age 55

Director Since 2018

Personnel

*Professional Experience*

Former President, Corporate Development and Strategy, Nielsen Holdings plc (a global information, data and measurement company) 2017-2019

President, Strategic Initiatives, Nielsen Holdings plc 2011-2017

Director, Change Labs, LTD

Trustee, March of Dimes

*Skills and Attributes*

Mr. Burbank brings to the Board his extensive management experience in consumer-facing businesses that have been and continue to be disrupted by technological change. Accordingly, he brings valuable insights and perspective on the potential impact of technological change on our industry and our company. Mr. Burbank also brings the benefit of his extensive senior management experience leading strategic investments and corporate development and strategy at Nielsen Holdings plc.

<b>Patrick J. Condon</b>	<b>Entergy Board Committees</b>
Frankfort, Illinois	Audit (Chair)
Age 70	
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)  
 Former Director, Cloud Peak Energy, Inc. and 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. As leader of Arthur Andersen's utility group, Mr. Condon acquired in-depth knowledge of the utility industry. 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.

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**BOARD OF DIRECTORS**

**Leo P. Denault**

**Entergy Board Committees**

New Orleans, Louisiana

Executive (Chair)

Age 59

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, Edison Electric Institute

Director, Institute of Nuclear Power Operations

Director, Atlanta Center Regional Governing Board of the World Association of Nuclear 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.

<p><b>Admiral Kirkland H. Donald, USN (Ret.)</b></p> <p>Mount Pleasant, South Carolina</p> <p>Age 65</p> <p>Director Since 2013</p>	<p><b>Entergy Board Committees</b></p> <p>Finance</p> <p>Nuclear (Chair)</p>
---	--

*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, Huntington Ingalls Industries, Inc.  
 Director, Battelle Memorial Institute  
 Director, CyberCore Technologies  
 Director, Naval Submarine League  
 Executive Advisor to NexPhase Capital Partners (private equity firm, formerly Moelis Capital Partners) since January 2013  
 Committee on Foreign Investment in the United States (CFIUS) Security Monitor, LANXESS Corporation  
 CFIUS Voting Trustee, Broadcom Limited  
 Member, Board of Managers, Robbins Gioia LLC

*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.

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**BOARD OF DIRECTORS**

<b>Philip L. Frederickson</b>	<b>Entergy Board Committees</b>
Horseshoe Bay, Texas	Audit
Age 62	
Director Since 2015	Executive
	Finance (Chair)

*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

Former Director, Sunoco Logistics Partners L.P., Rosetta Resources Inc. and Williams Partners LP

*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.

**Alexis M. Herman**

**Entergy Board Committees**

McLean, Virginia

Corporate Governance

Age 71

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, Cummins, Inc.

Director, 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. Through her service on other boards, Ms. Herman has also gained experience addressing the strategic issues of companies impacted by changing consumer demands and technological change.



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**BOARD OF DIRECTORS**

**M. Elise Hyland**

**Entergy Board Committees**

Pittsburgh, Pennsylvania

\*

Age 59

Director Since 2019

\* Ms. Hyland was elected to the Board effective March 4, 2019. If she is reelected, Ms. Hyland will be assigned to Board committees at the Board's organizational meeting immediately following the Annual Meeting.

*Professional Experience*

Former Senior Vice President, EQT Corporation and Senior Vice President and Chief Operating Officer, EQT Midstream Services, LLC (a petroleum and natural gas exploration and pipeline company) 2017-2018  
 Executive Vice President of Midstream Operations and Engineering, EQT Midstream Services, LLC 2013-2017  
 President of Commercial Operations, EQT Midstream Services, LLC 2010-2013  
 President of Equitable Gas Company, a previously owned entity of EQT 2007-2010  
 Director of Marathon Oil Corporation  
 Former Director, EQT Midstream Partners LP

*Skills and Attributes*

Ms. Hyland brings to the Board her extensive senior executive and operations experience in a capital-intensive industry, gained through her career at EQT Corporation and EQT Midstream Services, LLC. This experience, combined with her experience in finance and strategic planning, will enable her to contribute valuable insights as we grow our utility business and execute on our capital plan.

<b>Stuart L. Levenick</b>	<b>Entergy Board Committees</b>
Peoria, Illinois	Corporate Governance
Age 66	
Director Since 2005	Executive
	Nuclear

*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, W. W. Grainger, Inc.  
 Director, 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 offers an informed perspective on leadership development, management and business issues arising out of evolving customer needs and desires in response to technological change.



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**BOARD OF DIRECTORS**

<b>Blanche Lambert Lincoln</b>	<b>Entergy Board Committees</b>
Arlington, Virginia	Audit
Age 58	
Director Since 2011	Corporate Governance (Chair)

*Professional Experience*

Founder and Principal of Lincoln Policy Group (a consulting firm) since July 2013  
 Special Policy Advisor for Alston & Bird LLP (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, Rayonier, Inc.  
 Trustee of the Center for the Study of the Presidency and Congress  
 Director, Hope Enterprise Corporation

*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.

**Karen A. Puckett**

**Entergy Board Committees**

Houston, Texas

Audit

Age 58

Director Since 2015

Personnel (Chair)

*Professional Experience*

Former President and Chief Executive Officer, Harte Hanks, Inc. (marketing services company) 2015 - 2018

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. 2000-2009

Former 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.

***The Board of Directors unanimously recommends that the shareholders vote FOR the election of each nominee.***

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**BOARD OF DIRECTORS**

**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 2015. These directors have brought to the Board, among other things, deep finance and accounting experience, nuclear expertise, operational experience 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 Corporate Governance Committee follows these core principles:

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 and contributions 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.

***Director Recruitment Process***

In 2017, in anticipation of three upcoming director retirements in 2018, the Corporate Governance Committee commenced the process illustrated above to identify and evaluate prospective director candidates. The committee engaged Russell Reynolds Associates, a director and executive search firm, to assist it in identifying potential director

candidates. The Corporate Governance Committee, with Russell Reynolds' assistance, sought to identify candidates with backgrounds and qualifications that would add to the collective knowledge and expertise of the Board, while also reflecting an appropriate diversity of backgrounds and experiences. The committee considered candidates identified by Russell Reynolds and other candidates identified by our directors. The Corporate Governance Committee envisioned a thoughtful and deliberate multi-year process of Board refreshment in which the Board would address needs arising not only as a result of the loss of the experiences and backgrounds represented by the retiring directors, but also as a result of technological and other changes affecting the utility industry.

Initially, the Corporate Governance Committee sought to identify a director who would help us to both respond to, and benefit from, the significant technological changes affecting the utility industry, combined with rapidly evolving customer expectations about the products and services they want and

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**BOARD OF DIRECTORS**

need to power their lives. As a result of this initial phase, John R. Burbank was appointed to the Board in March 2018 and subsequently elected by the Company's shareholders at the 2018 Annual Meeting.

Subsequent to Mr. Burbank's election, in recognition of the continuing importance of successfully executing on the Company's substantial capital plan, the committee asked Russell Reynolds to help it identify candidates with senior executive experience implementing major capital investment projects or leading companies in capital-intensive industries. Through this process Russell Reynolds identified M. Elise Hyland as a candidate who offered that experience, based on, among other things, her senior executive experience at EQT Corporation, a large natural gas production company, and EQT Midstream Services, LLC. Her more than 35 years of operations experience also has included positions in finance, strategic planning and customer service. Prior to joining EQT Ms. Hyland, who holds undergraduate and graduate degrees in metallurgical engineering and materials science, held roles of increasing responsibility in research, materials and business development at Alcoa, Inc.

Ms. Hyland was interviewed by our Chairman of the Board, our Lead Director, the Chair of the Corporate Governance Committee and the immediate past Chair of the Corporate Governance Committee. Her background and qualifications were reviewed and discussed by the Corporate Governance Committee and with the full Board of Directors prior to her recommendation for election to the Board. Following this review, the Corporate Governance Committee concluded that Ms. Hyland would be an outstanding candidate for election to the Board and unanimously recommended her election. Following the Corporate Governance Committee's recommendation, Ms. Hyland was elected to the Board effective March 2019.

**Shareholder Nominations and Recommendations of Director Candidates**

Shareholders who wish to nominate directors for election at an Annual Meeting should follow the procedures and instructions set forth in our Bylaws.

Our Bylaws also include a proxy access right that permits a group of up to 20 shareholders who have owned at least 3% of our outstanding common stock for at least three years to submit director nominees for up to 20% of the Board for inclusion in our Proxy Statement, if the shareholder and the nominee meet the requirements in our Bylaws.

Shareholders who wish to recommend, but not directly nominate, candidates for consideration should send their recommendations to the Company's Secretary at 639 Loyola Avenue, New Orleans, Louisiana 70113. The committee will consider director candidates recommended by shareholders in accordance with the criteria for director selection described above under Identifying Director Candidates.

**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 our corporate governance



practices. This program is considered a valuable part of the director onboarding process and is annually reviewed for effectiveness by the Corporate Governance Committee. In 2018, this policy was revised to, among other things, clarify that meetings with a new director should be tailored to complement the background of the new director and should take into account whether the new director currently serves or has previously served on a public company board. 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.

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**BOARD OF DIRECTORS**

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. The annual Retreat also includes a director education component, programmed by the Corporate Governance Committee, which focuses on director duties and responsibilities and current issues in corporate governance. 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.

## **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 through 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.

### **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 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 and our Corporate Governance Guidelines.

Our Board has determined, upon the recommendation of the Corporate Governance Committee, that all directors other than Mr. Denault are independent within the meaning of the rules of the NYSE and our Corporate Governance Guidelines. In making this determination, the Board considered Ms. Lincoln's service as a director of Hope Enterprises Corporation, a non-profit community development financial institution (HEC), that provides financial products and services in Arkansas, Louisiana and Mississippi. In 2010, one of our subsidiaries renewed a \$1,500,000 loan to a

subsidiary of HEC. Ms. Lincoln is neither an officer nor an employee of HEC or any of its subsidiaries.

**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 SEC and the NYSE applicable to members of such committees. All of the members of the Audit and Personnel Committees satisfy the heightened independence standards established for those committees under the rules of the SEC and NYSE.

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**CORPORATE GOVERNANCE AT ENTERGY**

**Structure of Our Board**

*Our Board Leadership Structure*

Our Corporate Governance Guidelines provide the flexibility to split or combine the Chairman and Chief Executive Officer responsibilities. However, when the roles of Chairman of the Board and the Chief Executive Officer are combined, the guidelines require the Board of Directors to appoint, from among its independent members, a Lead Director. The independent directors annually review our leadership structure to determine the structure that is in the best interest of Entergy and its shareholders. Currently our Company is led by Leo P. Denault, who has served as Chief Executive Officer and Chairman of the Board since 2013, and Stuart L. Levenick who has served as our Lead Director since 2016. Our Board is currently composed of Mr. Denault and 9 independent directors.

**How We Select The Lead Director**

The Corporate Governance Committee considers feedback from our Board members 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.

**Role of the Lead Director**

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

- 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
- Serves as a liaison with the Chairman and Chief Executive Officer when requested by the independent directors
- Serves as the point of contact for shareholders and others to communicate with the Board
- Meets individually with each director to discuss the performance of the individual director, the Board and its committees
- Reviews and advises on Board meeting agendas and consults with the Chairman and Chief Executive Officer on the preparation of 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

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**

The Board understands and appreciates the reasons many boards choose to be led by a fully independent Chairman of the Board. In recognition of the importance of this issue, our Corporate Governance Committee annually evaluates whether we continue to have the appropriate Board leadership structure. However, the Board believes that its current leadership structure, under which it is led by a combined Chairman and Chief Executive Officer and a strong independent Lead Director, with

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independent directors chairing each of the Board committees, is most suitable for the Company at this time because it provides the optimal balance between independent oversight of management and efficient, unified leadership. Given his deep involvement in the Company's business and industry, we believe Mr. Denault is uniquely positioned to determine the issues and topics that should be on the Board's agenda, subject to the Lead Director's review and concurrence. At the same time, we believe that having an otherwise entirely independent Board of Directors, led by a strong independent Lead Director and independent chairs of each of our standing committees, provides ample assurance that the Board will not be unduly dominated or influenced by management and will always act independently and in the best interests of the Company's shareholders.

***Board Committees***

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

- Operate pursuant to a written charter;
- 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. The specific membership of each committee allows us to take advantage of our directors' diverse skill sets, which enables deep focus on committee matters.

***Board Committee Composition and Responsibilities***

The tables below show the current chairs and membership of each standing committee. All of the directors are independent, except Mr. Denault.

**Audit****Key Responsibilities**

Patrick J. Condon  (Chair)	Oversees our accounting and financial reporting processes and the audits of our financial statements;
Philip L. Frederickson	Assists the Board in fulfilling its oversight responsibilities with respect to our compliance with legal and regulatory requirements, including our disclosure controls and procedures;
Blanche L. Lincoln	

Karen A. Puckett	Decides whether to appoint, retain or terminate our independent auditors;
<b>11 meetings in 2018</b>	Pre-approves all audit, audit-related, tax and other services, if any, provided by the independent auditors;
<i>Mr. Condon and Mr. Frederickson have been determined to be Financial Experts as defined by the SEC</i>	Appoints and oversees the work of our Vice President, Internal Audit and assesses her performance annually; and Prepares the Audit Committee Report.

**Corporate Governance**

**Key Responsibilities**

Blanche L. Lincoln (Chair)	Develops policies and practices relating to corporate governance and reviews compliance with the Company's Corporate Governance Guidelines;
Alexis M. Herman	Recommends the director nominees for approval by the Board and shareholders;
Stuart L. Levenick	Establishes and implements self-evaluation procedures for the Board and its committees;
<b>9 meetings in 2018</b>	Reviews annually the form and amount of non-employee director compensation, and makes recommendations to the Board with respect thereto; and Provides oversight of the Company's sustainability strategies, policies and practices.

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**CORPORATE GOVERNANCE AT ENTERGY**

**Finance**

**Key Responsibilities**

Philip L. Frederickson  
(Chair) Oversees corporate capital structure and budgets and recommends approval of capital projects;

John R. Burbank Oversees financial plans and key financial risks;

Kirkland H. Donald Reviews and makes recommendations to the Board regarding our financial policies, strategies, and decisions, including our dividend policy;

**8 meetings in 2018** Reviews our investing activities; and  
Reviews and makes recommendations to the Board with respect to significant investments.

**Nuclear**

**Key Responsibilities**

Kirkland H. Donald  
(Chair) Provides non-management oversight and reviews all of the Company's nuclear generating plants;

Patrick J. Condon Focuses on safety, operating performance, operating costs, staffing and training; and

**5 meetings in 2018\*** Consults with management concerning internal and external nuclear-related issues.

**Personnel**

**Key Responsibilities**

Karen A. Puckett  
(Chair) Determines and approves the compensation of our Chief Executive Officer and other senior executive officers;

John R. Burbank Approves or makes recommendations to the Board to approve incentive, equity-based and other compensation plans;

Alexis M. Herman Develops and implements compensation policies;

**9 meetings in 2018** 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**

**Key Responsibilities**

Leo P. Denault (Chair)

Authorized to act for the Board on all matters, except those matters specifically reserved by Delaware law to the entire Board.

Phillip L. Frederickson

Stuart L. Levenick

**No meetings in 2018**

\* The number of Nuclear Committee meetings in 2018 does not include visits to our nuclear sites or meetings with the Institute of Nuclear Power Operations by members of the Nuclear Committee.

*Director Attendance and Executive Sessions*

**Board Meetings.** In 2018, our Board of Directors held 16 meetings. No incumbent director attended fewer than 75% of the total number of meetings of our Board and the committees on which he or she served. Overall attendance at Board and committee meetings during 2018 was an average of 93% for our directors as a group.

**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 2018 Annual Meeting of Shareholders.

**Executive Sessions.** The Corporate Governance Guidelines require the independent directors to meet in executive session without any members of management present at least four times a year. In practice, our Board typically meets in executive session during each regular Board meeting.

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**CORPORATE GOVERNANCE AT ENTERGY**

***How Our Board and Committees Evaluate Their Performance***

Annually, the Board and each of its committees conduct a rigorous self-evaluation of their respective performance and effectiveness. This process, which is conducted in the early part of the calendar year, 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 2018, a comprehensive questionnaire was circulated to all independent members of the Board that asked the directors to assign ratings and comment on a wide range of issues relating to Board effectiveness. 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 Board evaluations cover the following areas:

- Board effectiveness;
- Board and committee structure and composition;
- Satisfaction with the performance of the Chairman;
- Satisfaction with the performance of the Lead Director;
- Access to the Chief Executive Officer and other members of senior management;
- Quality of the Board discussions and balance between presentations and discussion;
- Quality of materials presented to directors;
- Board and committee information needs;
- Satisfaction with Board agendas and the frequency of meetings and time allocation;
- Areas where directors want to increase their focus;
- Board dynamics and culture;
- Board dialogue;
- Board and committee succession planning;
- Director access to experts and advisors; and
- Satisfaction with the format of the evaluation.

In 2018, our Board self-assessment process was revised to provide for the Lead Director and the Chairman of the Board to meet individually with each director to discuss the director's individual performance and to obtain any additional feedback on the performance of the Board and its committees that the director wishes to provide. The Board believes that combining the confidential questionnaire-based process with the additional feedback that will be provided through these one-on-one meetings will help to ensure that the Board continues to function at the highest level.

**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, including the cybersecurity risks discussed below, 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.

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In accordance with NYSE standards, our Audit Committee has the primary responsibility for overseeing risk management. Our standing Board committees also regularly consider risks arising within their respective functional areas of responsibility. Each of these committees receives regular reports from management which assist it in its oversight of risk in its respective area of responsibility. Current risk assignments for our Board committees are as follows:

<b>Party Responsible</b>	<b>Areas of Risk Oversight</b>
Board	Overall identification, management and mitigation of risk, with a focus on strategic risks
Audit Committee	Financial reporting process and internal control risks
	Risks associated with environmental compliance, corporate compliance, significant legal matters, and the Company's insurance programs
	Market and credit risks
Corporate Governance Committee	Cybersecurity risks Corporate governance and legislative and regulatory policy risks
	Board succession risks
	Risks related to shareholder activism
Finance Committee	Environmental, sustainability and corporate social responsibility Risks associated with strategic decisions and major transactions
Nuclear Committee	Financial risks, including liquidity, credit and capital market risks
Personnel Committee	Risks related to the operation of our nuclear fleet Executive compensation risks
	Risks associated with safety and employee matters
	Management succession risks

We have identified cybersecurity as a key enterprise risk. As a result, the Audit Committee, on a regular basis, reviews our cybersecurity risk management practices and performance, primarily through reports provided by the Chief Information Officer, Chief Security Officer and General Auditor on the Company's cybersecurity management

program. Among other things, these reports have focused on:

- Ø recent cyber risk and cybersecurity developments;
- Ø industry engagement activities;
- Ø legislative and regulatory developments;
- Ø cyber risk governance and oversight;
- Ø cyber incident response plans and strategies;
- Ø cybersecurity drills and exercises;
- Ø assessments by third party experts;
- Ø key cyber risk metrics and activities; and
- Ø major projects and initiatives.

The Audit Committee receives these reports at least four times per year, and more frequently as needed. In addition, the Board has received briefings from outside experts on cybersecurity risks and cyber risk oversight. We have also established a governance structure under our Chief Security Officer that oversees investments in tools, resources, and processes that allows for the continued maturity of our cyber security posture.

We also 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. Each year management, with the assistance of the Personnel Committee's independent compensation

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consultant, undertakes a review of our various compensation programs to assess the risks arising from our compensation policies and practices. Management presents these risk assessments to the Personnel Committee. The risk assessments have included a review of the primary design features of the Company's compensation plans, the process to determine compensation pools and awards for employees and an analysis of how those features could directly or indirectly encourage or mitigate risk-taking. In February 2019, the committee agreed with the study's conclusions 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.

***Succession Planning for the Chief Executive Officer***

The Personnel Committee and the Chief Executive Officer maintain an ongoing dialogue 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 discusses management succession issues frequently with the Board and provides a comprehensive review of management succession plans for all of the members of the Office of Chief Executive to the Personnel Committee 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 Chief Executive Officer 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.

***Key Corporate Governance Features*****Board Governance*****Director Retirement******Policy***

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.

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## CORPORATE GOVERNANCE AT ENTERGY

<b><i>Limits on Other Board Service</i></b>	Without the approval of the Corporate Governance Committee, non-employee directors may not serve on more than 4 other public-company boards, and directors who are either an executive of the Company or an executive of another company may not serve on more than 2 other public-company boards. Our Corporate Governance Guidelines also require directors to advise the Chairman of the Board, the Lead Director, the Chair of the Corporate Governance Committee and the General Counsel in advance of accepting an invitation to sit on the board of another publicly-held company so that an appropriate evaluation can be made of the potential for any conflicts of interest or other issues that should be considered before the Board member accepts another board position. In addition, no director may serve as a member of the Audit Committee if that director serves on the audit committees of more than 2 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.
<b><i>Mandatory Resignation Upon Change in Circumstances</i></b>	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.
<b><i>Stock Ownership</i></b>	Within five years of their election, directors must hold shares or units of Entergy common stock having a market value of at least five times the annual cash retainer or \$537,500. A review of non-employee director stock ownership was conducted at the December 2018 Corporate Governance Committee meeting, and the committee determined that all of our non-employee directors satisfied this requirement, 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.
<b><u>Shareholder Rights</u></b>	
<b><i>Majority Voting in Director Elections</i></b>	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 shares voted 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.

***Annual Election of***

All of our directors are elected annually at our annual meeting of shareholders.

***Directors***

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<b><i>Proxy Access</i></b>	Any shareholder (or any group of up to 20 shareholders) owning at least 3 percent of Entergy's outstanding common stock for at least three years may include a specified number of director nominees in our proxy materials for the annual meeting of shareholders. Our Bylaws specify qualifying stock ownership, the number of permitted nominees and other requirements related to proxy access.
<b><i>Policy on Poison Pills</i></b>	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.
<b><i>Executive Severance Agreements</i></b>	Shareholders must ratify any employment or severance agreement with an executive officer that provides severance benefits exceeding 2.99 times the sum of the executive's annual base salary and annual incentive award. This policy is described on page 58.

**Sustainability**

Our sustainability mission is to create sustainable value for our customers, employees, owners and the communities we serve through the use of sustainable business practices that integrate environmental, social and economic objectives and concerns. Achieving this mission is possible only through a balanced review of opportunities and risks to our business strategy. On an ongoing basis, we analyze material environmental, social and economic issues that impact our ability to create value for our key stakeholders.

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 sustainability efforts and strategies incorporate, among other things, the following:

*Social.* We believe that our people and our culture provide a significant strategic advantage in helping us achieve our objectives for our stakeholders. Our holistic approach to employee wellness includes effective and forward-looking talent management, competitive compensation and benefits, workforce safety and wellness, diversity and inclusion and organizational health. We are also committed to creating value for our communities through economic development, philanthropy, volunteerism and advocacy, and by operating our business in a socially and environmentally responsible way.

*Environmental.* We have been a long-time advocate for policy action and societal investments to address climate change and to adapt to physical environmental risks. We recently announced a new climate goal beyond our 2020 commitment – a 50 percent reduction in our emission rate from our 2000 level by 2030. Entergy’s current CO<sub>2</sub> emissions reduction commitment is to maintain CO<sub>2</sub> emissions from Entergy-owned

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power plants and controllable power purchases through 2020 at 20 percent below year 2000 levels. Through 2018, our cumulative emissions were approximately 8 percent below our target.

*Economic.* Our utilities provide power at some of the lowest rates in the country to our customers. We have been making significant customer-centric investments in our generation, transmission and distribution infrastructure. As new technologies, data and analytics continue to improve, so too will our ability to deliver solutions that better meet our evolving customer expectations through a dynamic integrated energy network and new products and services beyond basic power delivery. We are focused on delivering tailored customer solutions that include uninterrupted service, tools and tips to save money, improved predictability, renewable energy options, sustainability and environmental performance, and more convenient ways to do business.

***Recent Developments***

In 2018, two important developments in Entergy's sustainability journey were the creation of a specific sustainability organization and the commitment to publish a climate strategy and scenario analysis in 2019. Entergy's new sustainability organization includes an officer-level position focused on implementing the company's sustainability mission. The organization established a sustainability working group comprised of representatives from across the company to provide leadership on developing strategic priorities and action plans in all pillars of sustainability, including climate strategy, supply chain management, human resources, corporate social responsibility and other areas.

Entergy's climate strategy and scenario analysis report, published contemporaneously with this proxy statement, is an evolution of the company's recognition and evaluation of the key risk of climate change and opportunities to innovate, invest and improve the world around us. This report presents a thorough discussion of the company's historic leadership on climate issues, including its action in 2001 as the first U.S. investor-owned utility to adopt a voluntary cap on its carbon emissions, compares Entergy's generation and emission profile to potential future emission limitation and carbon pricing scenarios and shares Entergy's future strategic plans to reduce emission intensity even further while providing the power needed to electrify additional sectors of the economy. The purpose of this analysis and report is to continue the Company's long history of managing the risk of climate change, to use scenario planning to analyze potential impacts to and opportunities for Entergy's business, and to inform and engage stakeholders on this important issue. Entergy's climate strategy and scenario analysis report may be accessed on our website at <http://entergy.com/climatereport>.

***Disclosure***

Our 2018 Integrated Report further describes our sustainability strategies and efforts, particularly as they relate to social, economic and environmental issues. Our Integrated Report provides a single integrated source of information for all stakeholders and explains 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 2018 Integrated Report may be accessed on our website

at [integratedreport.entergy.com](http://integratedreport.entergy.com).

Additionally, in partnership with the Edison Electric Institute, Entergy is utilizing a new means to report sustainability goals and actions, including environmental, social and governance measurements. The new reporting measures provide greater consistency for our investors as they evaluate our company and industry. The link for the EEI Template is: <http://www.entergy.com/content/sustainability/EEI-Quantitative.pdf>.

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In recognition of our commitment to sustainability, Entergy was again named to the Dow Jones Sustainability North America Index, which measures performance in economic, environmental and social dimensions against industry peers around the globe. We earned top scores in the areas of policy influence, climate strategy, water-related risks and corporate citizenship and philanthropy. It was the 17th consecutive year for Entergy to be included on either the World or North America sustainability index or both. For information on other areas of recognition, such as being named one of the nation's Top 10 Utilities in Economic Development or being named a Corporate Citizenship Awards Finalist, see our 2018 Integrated Report at [integratedreport.entergy.com](http://integratedreport.entergy.com).

**Public Policy Engagement and Political Participation**

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* (the *Public Advocacy Policy*) which can be found on our website at [http://www.entergy.com/investor\\_relations/corporate\\_governance.aspx](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.

***Corporate Political Contributions***

We comply fully with all federal, state and local laws and reporting requirements governing corporate political contributions. In compliance with the Public Advocacy Policy, annually, we post the Advocacy and Political Contribution Report that provides:

all 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 Internal Revenue Code (the *Code*); 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; and information about Entergy's sponsorship of two Political Action Committees ( *PACs* ) the Entergy Corporation PAC and the Entergy Corporation PAC - New York.

All political contributions must go through our approval process. At the federal level, all contributions must be approved by the Senior Vice President, Federal Policy, and at the state level, contributions must be approved by the President of the appropriate subsidiary.

*Federal and State Lobbying Activity*

The Company's legislative and regulatory lobbying activities are overseen by the Senior Vice President, Federal Policy who also directs 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. In compliance with the Honest Leadership and Open Government Act of 2007, we file quarterly reports on our federal lobbying activity.

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**CORPORATE GOVERNANCE AT ENTERGY**

***Board Oversight***

The Corporate Governance Committee is responsible for monitoring public policies applicable to the Company and oversight of the Company's corporate political activity. Management provides regular updates on lobbyists and lobbying activities to the Corporate Governance Committee, and annually, the Corporate Governance Committee reviews and approves our Advocacy and Political Contributions Report.

Our website also provides our shareholders with useful information about political contributions and lobbying activity. Please see our website at [http://www.entergy.com/investor\\_relations/corporate\\_governance.aspx](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.

**Shareholder Engagement**

***Our Board's 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. The Board's and management's 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:

- Provide visibility and transparency into our business and our financial and operational performance;
- Discuss with our shareholders the issues that are important to them, hear their expectations for us and share our views;
- Share our perspective on Company and industry developments;
- Discuss and seek feedback on our executive compensation and corporate governance policies and practices;
- Share our environmental and sustainability strategy and record; and
- Seek 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 investor relations, executive compensation, corporate governance and environmental groups discuss, among other matters, Company performance, executive compensation, emerging



corporate governance practices and environmental and sustainability oversight and performance.

During our 2018 off-season outreach effort, we contacted the holders of approximately 48% of our outstanding shares, resulting in substantive engagements with shareholders representing approximately 27% 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, including incentive plan metrics and target setting;

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**CORPORATE GOVERNANCE AT ENTERGY**

Workforce planning and investing in human capital;  
Corporate governance issues, including director refreshment and assessment;  
Environmental and social issues, including environmental, social and governance scoring and disclosure frameworks, our ongoing two-degree scenario analysis, and enhancements to our existing environmental, social and governance disclosures; and  
Proxy Statement and Integrated Report 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. We spent relatively more of our time with investors discussing environmental and sustainability issues and topics than we have in past years, in keeping with the increased prominence of these issues with investors generally and particularly in our industry. We also discussed Board composition and refreshment and related disclosures and the Board self-assessment process. 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 2019 and beyond.

***Outcomes from Investor Feedback***

Input received through our shareholder engagement process has been a significant factor in numerous changes to our executive compensation programs, governance practices and disclosures, and was an important consideration in our decision to prepare and publish a climate strategy and scenario analysis report in 2019. Some of the specific actions we have taken in response to shareholder input over the last few years include:

Addition of a cumulative utility earnings measure, as a second performance metric, in addition to relative total shareholder return, to our Long-Term Performance Unit Program;  
Adoption of proxy access for director nominations;  
Addition of a one-on-one individual assessment component to our Board self-evaluation process;  
Amendments to our Corporate Governance Guidelines to limit the number of public-company boards on which our directors may serve;  
Enhancements to our proxy disclosure, including in the areas of risk oversight (including cyber risk oversight), director backgrounds and qualifications, and incentive plan target setting;  
Our decision to prepare and publish a two degree scenario analysis in 2019; and  
Other enhancements to the environmental and sustainability disclosures in our Integrated Report.

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**CORPORATE GOVERNANCE AT ENTERGY**

*How You Can Communicate With Our Board*

We believe communication between the Board and the Company's shareholders and other interested parties is an important part of the corporate governance process. Shareholders and other interested parties may communicate with our Board, our Lead Director or any individual director in care of the Lead Director at:

Entergy Corporation

639 Loyola Avenue

P.O. Box 61000

New Orleans, LA 70161

Email: [etrbod@entergy.com](mailto:etrbod@entergy.com)

However, spam junk mail and mass mailings, service complaints, service inquiries, new service suggestions, resumes and other forms of job inquiries, surveys, business solicitations and advertisements or request for donations and sponsorships will not be forwarded.

**Corporate Governance Policies**

*Entergy Policies on Business Ethics and Conduct*

All of our employees, including our Chief Executive Officer, Chief Financial Officer and other senior members of management, are required to abide by our Code of Entegrity, which sets forth the ethical responsibilities of our employees, officers and representatives. Our Code of Entegrity, along with other Entergy policies on business conduct, helps ensure that our business is conducted in a consistently legal and ethical manner. Entergy's policies form the foundation of a comprehensive process that includes compliance with corporate policies and procedures, an open relationship among employees to foster good business conduct, and a high level of integrity. Our policies and procedures cover all major areas of professional conduct, including employment practices, conflicts of interest, intellectual property and the protection of confidential information, and require strict adherence to laws and regulations applicable to the conduct of our business. Annually, all employees with computer access are required to acknowledge that they are familiar with the Code of Entegrity and agree to uphold Entergy's core values and follow Entergy's policies.

Employees are required to report any conduct that they believe in good faith to be an actual or apparent violation of Entergy's policies. Retaliation against any employee who in good faith seeks advice, raises a concern, reports misconduct, or provides information in an investigation is strictly prohibited. Our Internal Audit department has procedures to receive, retain and treat complaints received regarding accounting, internal accounting controls, or auditing matters and to allow for confidential and anonymous submissions by employees with concerns regarding questionable accounting or auditing matters.

*Code of Business Conduct and Ethics*

Our directors, officers and employees are required to comply with a Code of Business Conduct and Ethics (the Code). The Code is intended to focus individuals on areas of ethical risk, help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and foster a culture of honesty and accountability. The Code covers a wide range of professional conduct, including conflicts of interest, unfair or unethical use of corporate opportunities, strict protection of confidential information, compliance with applicable laws and regulations, and oversight of ethics and compliance by employees of the Company. The Code emphasizes our expectation that directors act ethically and with integrity and to clarify the process for reporting suspected violations of the Code.

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**CORPORATE GOVERNANCE AT ENTERGY**

***Key Corporate Governance Documents***

Our Corporate Governance Guidelines, Certificate of Incorporation, Bylaws and Board committee charters form the framework of our corporate governance. 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](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.

***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.

The policy does not apply to:

- Compensation and related party transactions involving a director or an executive officer solely resulting from 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);
- Transactions involving public utility services at rates or charges fixed in conformity with law or governmental authority; or
- 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, 2018, neither the Company nor any of its affiliates has participated in any Related Person Transaction.

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**Table of Contents****2018 NON-EMPLOYEE DIRECTOR COMPENSATION**

The Company uses a combination of cash and equity-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 recommends to the Board any changes it considers appropriate. In making such recommendations, the Corporate Governance 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 Board members.

**2018 Compensation Changes**

In 2018, based on a recommendation of the Corporate Governance Committee, the Board of Directors approved certain changes to the Company's non-employee director compensation structure and programs to better align such structure and programs with evolving market practice. The Corporate Governance Committee based its recommendation on a competitive analysis and advice it received from its independent compensation consultant, Pay Governance LLC. Pay Governance reviewed the competitiveness of the Company's non-employee director compensation programs, including an evaluation of each of the elements used to deliver total non-employee director compensation. Pay Governance compared Entergy's non-employee director pay practices to the companies in the Philadelphia Utility Index and to companies within the S&P 500 Index. The changes recommended by the Corporate Governance Committee were designed to align certain elements of compensation and total compensation at a level approximately equal to the blended utility industry and general industry median. This resulted in an increase of \$1,875 in the quarterly cash retainer, a \$1,875 increase in the value of the quarterly stock grant received by non-employee directors, and a \$2,500 increase in the annual Personnel Committee Chair retainer. These changes continued our practice of delivering a majority of non-employee director compensation in the form of equity, which further aligns the interests of our non-employee directors with the interests of our shareholders.

**Cash Compensation Paid To Non-Employee Directors**

Our non-employee directors receive the cash compensation and retainers as provided below:

<b>Compensation</b>	<b>Amount</b>
Quarterly Cash Retainer	\$ 26,875
Annual Lead Director Retainer	\$ 30,000
Annual Audit, Nuclear and Personnel Committee Chair Retainer	\$ 20,000
Annual Finance and Corporate Governance Chair Retainer	\$ 15,000
Annual Nuclear Committee Member Retainer	\$ 18,000

**Equity-Based Compensation**

All non-employee directors receive two types of equity-based compensation grants:

**Non-Employee Director Stock Program.** Each of our non-employee directors receives a quarterly stock grant of shares of our common stock with a fair market value at the time of grant equal to \$18,125. 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 the economic equivalent of one share of our common stock and 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.



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## 2018 NON-EMPLOYEE DIRECTOR COMPENSATION

***Service Recognition Program.*** 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 the economic equivalent of one share of our common stock, are vested at the time of grant and payable upon the 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.

**2018 Non-Employee Director Compensation Table**

The table below provides information regarding non-employee director compensation for the fiscal year ended December 31, 2018:

Name <sup>(1)</sup>	Fees	Stock Awards	Option	All Other	Total (\$)
	<b>Earned</b>	(\$)	<b>Awards</b>	<b>Compensation</b>	
	<b>or Paid</b>	<sup>(3)</sup>	(\$)	(\$)	
	<b>in Cash</b>			<sup>(4)</sup>	
	(\$)				
	<sup>(2)</sup>				

<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(g)</b>	<b>(h)</b>
Maureen S. Bateman	83,055	102,228		47,851	233,134
John R. Burbank	81,750	72,582		445	154,777
Patrick J. Condon	155,250	148,919		10,702	314,871
Kirkland H. Donald	154,500	148,919		14,679	318,098
Philip L. Frederickson	118,750	148,919		8,081	275,750
Alexis M. Herman	103,750	148,919		43,713	296,382
Donald C. Hintz	67,056	102,228		41,637	210,921
Stuart L. Levenick	138,250	148,919		37,380	324,549
Blanche L. Lincoln	120,250	148,919		21,517	290,686
Karen A. Puckett	117,250	148,919		14,013	280,182
W.J. Billy Tauzin	43,055	102,228			