

NEXTERA ENERGY INC
Form DEF 14A
April 05, 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

NextEra Energy, Inc.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

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

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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

**YOUR VOTE IS IMPORTANT
PLEASE SUBMIT YOUR PROXY PROMPTLY**

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NextEra Energy, Inc.
700 Universe Boulevard
Juno Beach, Florida 33408-0420

Notice of Annual Meeting of Shareholders

May 23, 2019

The 2019 Annual Meeting of Shareholders of NextEra Energy, Inc. (NextEra Energy or the Company) will be held on Thursday, May 23, 2019, at 8:00 a.m., Central time, at Hotel Ivy, 201 South Eleventh Street, Minneapolis, Minnesota to consider and act upon the following matters:

1. Election as directors of the nominees specified in the accompanying proxy statement;
2. Ratification of appointment of Deloitte & Touche LLP as NextEra Energy s independent registered public accounting firm for 2019;
3. Approval, by non-binding advisory vote, of NextEra Energy s compensation of its named executive officers as disclosed in the accompanying proxy statement;
4. A shareholder proposal, as set forth on pages 16 to 17 of the accompanying proxy statement, if properly presented at the meeting; and
5. Such other business as may properly be brought before the annual meeting or any adjournment(s) or postponement(s) of the annual meeting.

The proxy statement more fully describes these matters. NextEra Energy has not received notice of other matters that may properly be presented at the annual meeting.

The record date for shareholders entitled to notice of, and to vote at, the annual meeting and any adjournment(s) or postponement(s) of the annual meeting is March 26, 2019.

Admittance to the annual meeting will be limited to shareholders as of the record date or their duly-appointed proxies. For the safety of attendees, all boxes, handbags and briefcases are subject to inspection. Cameras (including cell phones with photographic capabilities), recording devices and other electronic devices are not permitted at the meeting.

NextEra Energy is pleased to deliver proxy materials electronically via the Internet. Electronic delivery allows NextEra Energy to provide you with the information you need for the annual meeting, while reducing environmental impacts and costs.

Regardless of whether you expect to attend the annual meeting, please submit your proxy or voting instructions promptly so that your shares can be voted.

By order of the Board of Directors,

W. Scott Seeley

Vice President, Compliance & Corporate Secretary

Juno Beach, Florida

April 5, 2019

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR

THE ANNUAL MEETING TO BE HELD MAY 23, 2019

This proxy statement and the NextEra Energy 2018 annual report to shareholders are available at www.proxyvote.com.

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Table of Contents**Proxy Statement Summary**

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider. You should read the entire proxy statement carefully before voting. This proxy statement contains information related to the solicitation of proxies by the Board of Directors (the Board) of NextEra Energy, Inc., a Florida corporation (NextEra Energy, the Company, we, us or our), in connection with the 2019 annual meeting of NextEra Energy's shareholders and at any adjournment(s) or postponement(s) of the meeting. On or about April 5, 2019 NextEra Energy began mailing this proxy statement and a Notice of Internet Availability of Proxy Materials to shareholders.

Meeting Information

Time and Date: 8:00 a.m., Central time, May 23, 2019

Place: Hotel Ivy
201 South Eleventh Street
Minneapolis, Minnesota

Record Date: March 26, 2019

Webcast: The Company will provide a live audio webcast of the annual meeting from its website at <http://www.nexteraenergy.com>.

Voting: Shareholders as of the record date are entitled to vote. Each share of common stock, par value \$.01 per share (common stock), is entitled to one vote for each director nominee and one vote for each of the other properly presented proposals to be voted.

Admission: An admission ticket is required to enter the annual meeting. See page 81 in the *Questions and Answers about the Annual Meeting* section regarding how to obtain a ticket.

Voting Matters and Board Recommendations

Voting Matters	Board Vote Recommendation	Page Reference
Proposal 1 Election of directors	FOR each nominee	4
Proposal 2 Ratification of appointment of Deloitte & Touche LLP as NextEra Energy's independent registered public accounting firm for 2019	FOR	14
	FOR	15

Proposal 3 Advisory vote to approve NextEra Energy's compensation of its named executive officers

Proposal 4 Shareholder Proposal
How to Vote

AGAINST

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By Internet Go to the website *www.proxyvote.com*, 24 hours a day, seven days a week. You will need the control number that appears on your proxy card or on your Notice of Internet Availability of Proxy Materials (the "Notice").

By Telephone Call 1-800-690-6903, 24 hours a day, seven days a week. You will need the control number that appears on your card.

By Mail If you received a full paper set of materials, date and sign your proxy card exactly as your name appears on your proxy card and mail it in the enclosed, postage-paid envelope. If you received a Notice, you may request a proxy card by following the instructions in your Notice. You do not need to mail the proxy card if you are voting by Internet or telephone.

In person At the annual meeting.

Table of Contents**Business and Governance Highlights****Business Highlights**

NextEra Energy achieved Company-record adjusted earnings* of \$3.673 billion, adjusted earnings per share (EPS) of \$7.70 and a 1-year total shareholder return (TSR) of 14%. NextEra Energy's 2018 TSR outperformed the TSR of the S&P 500 Utilities Index of 4% and the TSR of the S&P 500 Index of -4% for 2018.

These accomplishments came as the Company continued to be a leader among the 10 largest U.S. utilities (based on market capitalization) in substantially all financial metrics. Among these largest 10 U.S. utilities, NextEra Energy ranked #2 for 1-year TSR and #1 for 2-year, 3-year, 5-year, 7-year and 10-year TSR. The Company ranked #2 among these utilities for 2018 adjusted earnings per share growth and #1 for 3-year and 5-year adjusted earnings per share growth. In 2018, NextEra Energy ranked #1 among U.S. and global utility companies, based on market capitalization.**

In 2019, NextEra Energy was named by Fortune Magazine as the World's Most Admired Electric & Gas Utility for the twelfth time in the last thirteen years. Also in 2019, NextEra Energy was named by the Ethisphere Institute as one of the World's Most Ethical Companies for the twelfth time in thirteen years.

The returns that NextEra Energy generated for its shareholders were attributable to outstanding 2018 performance by the Company's two principal operating businesses, Florida Power & Light Company (FPL) and NextEra Energy Resources, LLC and its subsidiaries (NextEra Energy Resources). Highlights of this performance are described in more detail in the Compensation Discussion and Analysis beginning on page 32.

Ultimately, the Company's financial and operational performance is reflected in the increased value of its common stock. As the table on page 33 illustrates, TSR over the three-year period from December 31, 2015 to December 31, 2018 was 82%, meaning that an investment of \$100 in NextEra Energy common stock on December 31, 2015 was worth \$181.88 on December 31, 2018.

The chart below compares the Company's TSR for the 1-, 3-, 5- and 10-year periods ended December 31, 2018 to the TSRs of the S&P 500 Electric Utilities Index, the S&P 500 Utilities Index, the Philadelphia Exchange Utility Sector Index (UTY) and the S&P 500. NextEra Energy outperformed all of these indices over all of the periods shown. NextEra Energy's outperformance over all these periods in comparison to others in its industry, and over the 1-, 3-, 5- and 10-year periods in comparison to the S&P 500, was substantial.

NextEra Energy Total Shareholder Return Through 12-31-18 vs. Various Indices (1)

	1-year TSR	3-year TSR	5-year TSR	10-year TSR
NextEra Energy	14%	82%	134%	380%
S&P 500 Electric Utilities Index, total return	4%	33%	65%	129%
S&P 500 Utilities Index, total return	4%	36%	67%	170%

UTY, total return	4%	37%	66%	154%
S&P 500, total return	(4%)	30%	50%	243%

(1) Source: FactSet Research Systems Inc.; except UTY, source: Bloomberg

* This measure is not a financial measure calculated in accordance with accounting principles generally accepted in the United States of America (GAAP). See Appendix A to this proxy statement for a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure.

**Market capitalization is as of December 31, 2018; rankings are sourced from FactSet Research Systems Inc.

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Governance Highlights

Director Independence

Twelve of thirteen director nominees are independent

Chief Executive Officer (CEO) is the only management director

All members of Board committees (other than the Executive Committee) are independent directors

Board Leadership

Independent Lead Director selected by the independent directors

Lead Director has strong role and significant governance duties, including chairing regularly-scheduled executive sessions of independent directors

Board Accountability

All directors stand for election annually and the Board has adopted a resignation policy for directors who fail to receive the required vote in uncontested elections

Simple majority voting standard for all uncontested director elections

Shareholders of 20% or more of the outstanding shares may call a special meeting

No shareholder rights (poison pill) plan

No supermajority vote requirements in the Company s Articles of Incorporation

Board Evaluation and Effectiveness

Annual Board and committee self-assessments

Annual independent director evaluation of the Chairman and CEO

Board Refreshment & Diversity

Balance of new and experienced directors, with tenure of current directors averaging nine years

In 2018, added a new independent, diverse director

Added six new directors in the last seven years and have a specified retirement age for directors

Six of thirteen directors are women or ethnically diverse and average age of directors is less than 65 years old

Director Engagement

Each director attended 100% of Board and their assigned committee meetings and attended the annual meeting in 2018

Board policy limits non-employee director membership on other public company boards to three

**Clawback and
Anti-Hedging Policies**

Recoupment or clawback policy to recover certain executive pay

Policy prohibiting short sales, hedging and margin accounts

Share Ownership

CEO required to hold shares equivalent to 7x base salary

All senior executives required to hold shares equivalent to 3x base salary

Directors required to hold shares equivalent to 7x the cash portion of their annual retainer

Proxy Access

Available to a shareholder, or group of up to 20 shareholders, owning 3% of the Company's outstanding shares for at least three years

May nominate candidates for the greater of two directorships or up to 20% of the current membership of the Board

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Business of the Annual Meeting

Proposal 1: Election as directors of the nominees specified in this proxy statement

The Board is currently composed of 13 members. Upon the recommendation of the Governance & Nominating Committee, the Board has nominated the 13 incumbent members listed below for election as directors at the 2019 annual meeting. Unless you specify otherwise, your proxy will be voted **FOR** the election of the listed nominees. If any nominee becomes unavailable for election, which is not currently anticipated, proxies instructing a vote for that nominee may be voted for a substitute nominee selected by the Board or, in lieu thereof, the Board may reduce the number of directors by the number of nominees unavailable for election.

The Board believes that membership at its current size is appropriate because such a Board size facilitates substantive discussions among Board members, provides for sufficient staffing of Board committees and allows for contributions by directors having a broad range of skills, expertise, industry knowledge and diversity of opinion. Directors serve until the next annual meeting of shareholders or until their respective successors are elected and qualified.

Board Refreshment and Diversity

Board Refreshment. The Board and the Governance & Nominating Committee engage in a continuous process of considering the mix of skills and experience needed by the Board as a whole to discharge its responsibilities. During the period from July 2012 to February 2015, five new members joined the Board, adding significantly to the skills, expertise and experience of the Board. In October 2018, the size of the Board was increased by one member and a new individual was appointed to the Board and as a member of the Audit Committee.

The Company also has a director retirement policy. Generally, no person who shall have attained the age of 72 years by the date of election shall be eligible for election as a director. However, the Board may, by unanimous action (excluding the affected director), extend a director's eligibility for one or two additional years, in which event such a director will not be eligible for subsequent election as a director if he or she would have attained the age of 73 or 74 by or prior to the date of such election.

Diversity. Diversity is among the factors that the Governance & Nominating Committee considers when identifying and evaluating potential Board nominees. NextEra Energy, Inc.'s Corporate Governance Principles & Guidelines (the Governance Guidelines) provide that, in identifying nominees for director, the Company seeks to achieve a mix of directors representing a diversity of background and experience, including diversity with respect to age, gender, race, ethnicity and specialized experience. In the Board's annual self-evaluation, it reviews the criteria for skills, experience and diversity reflected in the Board's membership and also reviews the Board's process for identification, consideration, recruitment and nomination of prospective Board members.

Darryl L. Wilson, who was appointed to the Board in October 2018, is a nominee for election to the Board this year who was not previously elected by the shareholders. Following a recommendation by a Board member, Mr. Wilson was identified to the Governance & Nominating Committee as an individual that the Governance & Nominating Committee might wish to consider as a potential candidate for Board service. Mr. Wilson was interviewed by each of the members of the Governance & Nominating Committee and by Mr. Robo. The Governance & Nominating Committee then evaluated the qualifications, background and experience of Mr. Wilson using the criteria set forth in the Governance Guidelines discussed above, noting in particular that Mr. Wilson would provide expertise beneficial to the Company in the areas of operations and leadership in global manufacturing and services businesses as a result of

his experience as a senior leader of an electrical power generation and distribution manufacturer and services provider.

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Following the evaluation by the Governance & Nominating Committee, Mr. Wilson was interviewed by the other members of the Board. The Governance & Nominating Committee then recommended Mr. Wilson for appointment to the Board and the Board approved Mr. Wilson's appointment to the Board at its regularly scheduled October meeting.

Identifying and Evaluating Nominees for Directors

The Governance & Nominating Committee uses a variety of methods for identifying and evaluating nominees for director. The Governance & Nominating Committee periodically assesses the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or otherwise. Candidates may come to the attention of the Governance & Nominating Committee through current Board members, professional search firms, shareholders or other persons. Candidates are evaluated at regular or special meetings of the Governance & Nominating Committee and may be considered at any time during the year. When considering candidates for the Board, the Governance & Nominating Committee considers all nominee recommendations, including those from shareholders, in the same manner. If any materials are provided by a shareholder in connection with the nomination of a director candidate, such materials are provided to the Governance & Nominating Committee. The Governance & Nominating Committee also reviews materials provided by professional search firms or other parties. In evaluating nominations, the Governance & Nominating Committee seeks to achieve a diverse balance of knowledge, experience and capability.

Director Resignation Policy

Under the NextEra Energy, Inc. Amended and Restated Bylaws (the "Bylaws"), in an uncontested election, directors are elected by a majority of the votes cast. The Board has adopted a Policy on Failure of Nominee Director(s) to Receive a Majority Vote in an Uncontested Election ("Director Resignation Policy"), the effect of which is to require that, in any uncontested director election, any incumbent director who is not elected by the required vote shall offer to resign and the Board shall determine whether or not to accept the resignation within 90 days of the certification of the shareholder vote. The Company will report the action taken by the Board under the Director Resignation Policy in a publicly-available forum or document. The Bylaws provide that, in a contested election, director nominees are elected by a plurality of the votes cast.

Director Qualifications

The Governance Guidelines and the Governance & Nominating Committee Charter identify Board membership qualifications, including experience, skills and attributes that are considered by the Governance & Nominating Committee in recommending non-employee nominees for Board membership. In addition to the membership qualifications identified in the Governance Guidelines, no person will be considered for Board membership who is an employee or director of a business in significant competition with the Company or of a major or potentially-major customer, supplier, contractor, counselor or consultant of the Company, or an executive officer of a business where a Company employee-director serves on the board of such other business.

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The Board views itself as a cohesive whole consisting of members who together serve the interests of the Company and its shareholders. The following matrix highlights the experience, qualifications, attributes and skills of the director nominees. This high-level summary is not intended to be an exhaustive list and information regarding the experience and qualifications of each individual director nominee is set forth in the biographies which follow.

Summary of Director Qualifications and Experience

Public Company CEO Experience	Six Directors
Financial Industry Experience and Leadership	Four Directors
Strategy Expertise	Eight Directors
Operations Management and Leadership	Eight Directors
International Experience	Seven Directors
Utility / Regulated Industry Leadership	Three Directors
Political / Legislative Experience	Two Directors
Energy Industry Leadership	Three Directors
Engineering & Construction Industry Experience	Six Directors
Nuclear Operations Leadership	Two Directors
Mergers & Acquisitions Experience	Seven Directors
Information Technology / Cyber Experience and Leadership	Two Directors
Investor Relations Management	Six Directors
Marketing / Sales / Customer Service Experience and Leadership	Seven Directors
Diversity	Six Directors
New Business Development	Nine Directors
Human Resources Development	Thirteen Directors

Table of Contents**Sherry S. Barrat**

Age: 69

Director Since: 1998

Public Company Boards:Arthur J. Gallagher &
Company (since 2013)Independent trustee or
director of certain
Prudential Insurance
mutual funds (since 2013)**Biography**

Mrs. Barrat retired in 2012 as vice chairman of Northern Trust Corporation, a financial holding company headquartered in Chicago, Illinois, where she was also a member of Northern Trust's Management Committee. Prior to being appointed as vice chairman in March 2011, Mrs. Barrat had served as president of Personal Financial Services for Northern Trust since January 2006. She served as chairman and chief executive officer of Northern Trust Bank of California, N.A. from 1999 through 2005 and as president of Northern Trust Bank of Florida's Palm Beach Region from 1992 through 1998. Mrs. Barrat joined Northern Trust in 1990 in Miami.

Qualifications

Mrs. Barrat has 38 years of leadership experience in financial services, including her service through July 1, 2012 as vice chairman, and her previous service as president of Personal Financial Services (one of four principal business units) of Northern Trust Corporation, a Fortune 500 company. She is experienced in building and leading client service businesses that operate in a variety of regulatory jurisdictions and, as a Florida native with a significant part of her former employer's business in Florida, has had extensive experience with Florida-based customers and business conditions. In addition, her 21 years of service on the Board have provided her with knowledge and experience regarding the Company's history and businesses.

James L. Camaren

Age: 64

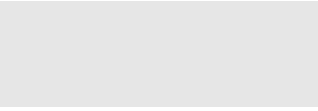
Director Since: 2002

Biography

Mr. Camaren is a private investor. Until May 2006, he was chairman and chief executive officer of Utilities, Inc. Utilities, Inc. was one of the largest investor-owned water utilities in the United States until March 2002 when it was acquired by Nuon, a Dutch company, which subsequently sold Utilities, Inc. in April 2006. He joined Utilities, Inc. in 1987 and served successively as vice president of business development, executive vice president, and vice chairman, becoming chairman and chief executive officer in 1996.

Qualifications

Mr. Camaren has 19 years of leadership experience with a large, regulated investor-owned utility. During the years he served as chairman and chief executive officer, the utility had customer growth at a rate that exceeded the industry average



and acquired and integrated over 40 utilities. In addition, Mr. Camaren has experience in managing capital expenditures, environmental compliance, regulatory affairs and investor relations.