

SEALED AIR CORP/DE
Form DEF 14A
April 05, 2018
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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

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

Sealed Air Corporation

(Name of Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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Sealed Air Corporation
2415 Cascade Pointe Boulevard
Charlotte, North Carolina 28208

April 5, 2018

Dear Fellow Stockholder:

It is my pleasure to invite you to attend the Annual Meeting of Stockholders of Sealed Air Corporation to be held on Thursday, May 17, 2018, at 10:00 a.m., Eastern daylight time. We are pleased to announce that this year's Annual Meeting will be a virtual meeting. Each stockholder will be able to participate in the Annual Meeting including casting votes and submitting questions by accessing a live webcast at www.virtualshareholdermeeting.com/SEE2018 and entering the 16-digit control number included on the stockholder's Notice of Internet Availability of Proxy Materials or proxy card.

During the Annual Meeting, stockholders will be asked to elect the entire Board of Directors, to amend and restate our 2014 Omnibus Incentive Plan, and to ratify the appointment of Ernst & Young LLP as our independent auditor for 2018. We also will be asking stockholders for an approval, by an advisory vote, of our 2017 executive compensation as disclosed in the Proxy Statement for the Annual Meeting. These matters are important, and we urge you to vote in favor of the election of each of the director nominees, the amendment and restatement of the 2014 Omnibus Incentive Plan, the ratification of the appointment of our independent auditor, and the approval of our 2017 executive compensation.

We are again furnishing proxy materials to our stockholders over the Internet. This e-proxy process expedites stockholders' receipt of proxy materials, lowers our costs and reduces the environmental impact of the Annual Meeting. Today we sent to most of our stockholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our Proxy Statement for the Annual Meeting and our 2017 Annual Report to Stockholders, as well as how to vote via the Internet. Other stockholders will receive copies of the Proxy Statement, a proxy card and the 2017 Annual Report by mail or e-mail.

It is important that you vote your shares of common stock in person or by proxy, regardless of the number of shares you own. You will find the instructions for voting on your Notice of Internet Availability of Proxy Materials or proxy card. We appreciate your prompt attention.

The Board of Directors invites you to participate in the Annual Meeting so that management can discuss business trends with you, listen to your suggestions and answer your questions. Thank you for your continuing support, and we look forward to joining you at Sealed Air's first webcast stockholder meeting.

Sincerely,

Edward L. Doheny II

President and Chief Executive Officer

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Notice of Annual Meeting of Stockholders

Sealed Air Corporation, a Delaware corporation (Sealed Air), will hold its Annual Meeting of Stockholders (the Annual Meeting) on May 17, 2018, at 10:00 a.m., Eastern daylight time. Each stockholder may participate in the Annual Meeting, including casting votes and submitting questions during the Annual Meeting, by accessing a live webcast at www.virtualshareholdermeeting.com/SEE2018 and then using the 16-digit control number provided on the Notice of Internet Availability of Proxy Materials or proxy card being delivered to the stockholder.

The purposes for the Annual Meeting are to consider and vote upon:

1. Election of each of the following nominees as Directors:

Michael Chu	Henry R. Keizer	Richard L. Wambold
Edward L. Doheny II	Jacqueline B. Kosecoff	Jerry R. Whitaker
Patrick Duff	Neil Lustig	
2. Amendment and restatement of 2014 Omnibus Incentive Plan
3. Ratification of the appointment of Ernst & Young LLP as Sealed Air's independent auditor for the year ending December 31, 2018
4. Approval, as an advisory vote, of 2017 executive compensation as disclosed in the attached Proxy Statement
5. Such other matters as properly come before the Annual Meeting

The Board of Directors has fixed the close of business on March 19, 2018 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting. Sealed Air is making available or mailing its 2017 Annual Report to Stockholders to all stockholders of record as of the record date. Additional copies of the 2017 Annual Report are available upon written request to the Corporate Secretary at Sealed Air Corporation, 2415 Cascade Pointe Boulevard, Charlotte, North Carolina 28208.

Because it is important that as many stockholders as possible be represented at the Annual Meeting, stockholders should review the attached Proxy Statement promptly and carefully and then vote. A stockholder may vote by following the instructions for voting set forth on the Notice of Internet Availability of Proxy Materials or proxy card. A stockholder who receives a paper copy of the proxy card by mail will also receive a postage-paid, addressed envelope that can be used to return the completed proxy card. A stockholder who joins the Annual Meeting may vote electronically at the Annual Meeting.

Sealed Air will maintain a list of stockholders of record as of the record date at Sealed Air's corporate headquarters, 2415 Cascade Pointe Boulevard, Charlotte, North Carolina, for a period of ten days prior to the Annual Meeting.

On behalf of the Board of Directors,

THOMAS C. LAGALY

Vice President, Acting General Counsel and Secretary

Charlotte, North Carolina

April 5, 2018

Important Notice Regarding Availability of Proxy Materials for Annual Meeting on May 17, 2018:

Sealed Air's Notice of Annual Meeting of Stockholders, Proxy Statement and 2017 Annual Report to Stockholders are available at proxyreport.sealedair.com.

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Sealed Air Corporation
2415 Cascade Pointe Boulevard
Charlotte, North Carolina 28208

Proxy Statement dated April 5, 2018

2018 Annual Meeting of Stockholders

Sealed Air Corporation, a Delaware corporation, is furnishing this Proxy Statement and related proxy materials in connection with the solicitation by its Board of Directors of proxies to be voted at its 2018 Annual Meeting of Stockholders and any adjournments. Sealed Air Corporation is providing these materials to the holders of record of its common stock, par value \$0.10 per share, as of the close of business on March 19, 2018 and is first making available or mailing the materials on or about April 5, 2018.

The Annual Meeting is scheduled to be held by webcast as follows:

Date	Thursday, May 17, 2018
Time:	10:00 a.m., Eastern daylight time
Meeting Website Address:	www.virtualshareholdermeeting.com/SEE2018

Your vote is important. Please see the detailed information that follows.

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Table of Contents**2018 Proxy Summary**

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting. References in this Proxy Statement to Sealed Air, and to we, us, our and similar terms, refer to Sealed Air Corporation.

Annual Meeting of Stockholders

Time and Date	10:00 a.m., Eastern daylight time, on May 17, 2018
Meeting Webcast Address	www.virtualshareholdermeeting.com/SEE2018
Record Date	Close of business on March 19, 2018
Voting	Holders will be entitled to one vote at the Annual Meeting for each of the outstanding shares of our common stock they hold of record as of the record date.
Votes Eligible to be Cast	A total of 166,512,914 votes are eligible to be cast on each proposal at the Annual Meeting.

Annual Meeting Agenda

Proposal	Board Recommendation
1 Election of directors	FOR each nominee
2 Amendment and restatement of 2014 Omnibus Incentive Plan	FOR
3 Ratification of appointment of independent auditor for 2018	FOR
4 Approval of 2017 executive compensation on an advisory basis	FOR

How to Cast Your Vote

You can vote by any of the following methods:

Until 11:59 p.m., EDT, on May 16, 2018	At the Annual Meeting on May 17, 2018
<p>Internet: www.proxyvote.com</p> <p>Telephone:</p> <p>+1-800-454-8683 if you beneficially own shares held in street name</p> <p>+1-800-690-6903 if you are the stockholder of record</p> <p>Completed, signed and returned proxy card</p>	<p>Internet: by joining the Annual Meeting at www.virtualshareholdermeeting.com/SEE2018 if you are the stockholder of record or if you hold a proxy from the broker, bank or other nominee holding your shares in street name</p>

If you participate in our Profit-Sharing Plan or 401(k) Thrift Plan, you may use the proxy card to provide voting instructions to Fidelity Management Trust Company, as trustee, and your completed, signed card must be delivered to the trustee by 11:59 p.m., Eastern daylight time, on May 14, 2018.

Table of Contents**Proposal 1. Election of Directors**

We are asking stockholders to elect the following eight director nominees. Each of the nominees currently serves as a member of our Board of Directors.

Name	Director		Occupation	Experience/Independent Qualifications		Committee Memberships	Other Boards
	Age	Since		Yes	No		
Michael Chu	69	2002	Co-Founder and Managing Director of IGNIA Fund, Senior Advisor of Pegasus Capital	Leadership		Organization and Compensation	Arco Dorados Holdings Inc.
			Senior Lecturer at Harvard Business School	Global			
				Finance			
Edward L. Doheny II	55	2017	President and CEO	Leadership			John Bean Technologies Corporation
				Global			
				Industry			
Patrick Duff	60	2010	General Partner of Dunham Partners, LLC	Leadership		Audit	
				Global		Nominating and Corporate Governance (Chair)	
				Education			
Henry R. Keizer	61	2016	Chairman of Hertz Global Holdings, Inc.	Leadership		Audit	BlackRock Funds
				Finance			Hertz Global Holdings, Inc.
				Industry			

Jacqueline B. Kosecoff	68	2005	Managing Partner of Moriah Partners, LLC	Leadership	Nominating and Corporate Governance	WABCO Holdings Inc. athenahealth, Inc.
			Senior Advisor to Warburg Pincus	Industry	Organization and Compensation (Chair)	Houlihan Lokey, Inc.
				Global		STERIS Corporation
Neil Lustig	56	2015	CEO of Sailthru, Inc.	Leadership	Nominating and Corporate Governance	
				Innovation	Organization and Compensation	
				Industry		
Richard L. Wambold	66	2012	Retired CEO of Reynolds/Pactiv Foodservice and Consumer Products	Leadership	Organization and Compensation	
				Industry		
				Global		
Jerry R. Whitaker	67	2012	Retired President of Electrical Sector-Americas, Eaton Corporation	Leadership	Audit (Chair)	Matthews International Corporation
				Global	Nominating and Corporate Governance	
				Finance		

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Proposal 2. Amendment and Restatement of 2014 Omnibus Incentive Plan

We are asking stockholders to approve the amendment and restatement of our 2014 Omnibus Incentive Plan to, among other things, add 2,200,000 shares to the number of shares available for awards under the plan and extend the term of the plan from May 21, 2024 to May 18, 2028.

Proposal 3. Ratification of Appointment of Independent Auditor for 2018

We are asking stockholders to ratify the Audit Committee's retention of Ernst & Young LLP, an independent registered public accounting firm, as our independent auditor to examine and report on our consolidated financial statements and the effectiveness of our internal control over financial reporting for the fiscal year ending December 31, 2018.

Proposal 4. Approval of 2017 Executive Compensation on an Advisory Basis

We are asking for stockholder approval, on an advisory basis in accordance with Securities and Exchange Commission rules, of the 2017 compensation of our named executive officers as disclosed under Executive Compensation in this Proxy Statement, including the disclosures set forth thereunder in Compensation Discussion and Analysis and the compensation tables and related narrative discussion.

Table of Contents**Key Features of Our Executive Compensation Program**

The Compensation Committee believes that our executive compensation program follows best practices aligned to long-term stockholder interests, as summarized below:

What We Do

Provide a majority of compensation in performance-based compensation	Consistent with our goal of creating a performance-oriented environment, 88% of total direct compensation for CEO, and 79% of total direct compensation for other named executive officers (excluding Mr. Doheny), is performance-based
Pay for performance based on goals for both annual and long-term awards	Use multiple, balanced measures, including use of both absolute and relative measures for long-term awards
Balanced mix of awards tied to annual and long-term performance	For CEO, total direct compensation includes 16% in annual incentive award and 72% in long-term award at target; for 2017, 100% of long-term awards for named executive officers (other than Mr. Doheny) were performance-based
Stock ownership and retention policy	Multiple of base salary must be held in common stock – 6x for CEO, 3.5x for CFO and 3x for other Senior Vice Presidents; 100% of after-tax shares must be held until ownership goal is met
Compensation recoupment (clawback) policy	Recovery of annual or long-term incentive compensation based on achievement of financial results that were subsequently restated due to error or misconduct, regardless of whether named executive officer was responsible for the error or misconduct
Receive advice from independent compensation consultant	Compensation consultant (FW Cook) provides no other services to Sealed Air

What We Don't Do

× No supplemental executive retirement plans for named executive officers	Consistent with focus on performance-oriented environment; reasonable and competitive retirement programs offered
× No change in control excise tax gross-ups	Consistent with focus on performance-oriented environment and commitment to best practices aligned to long-term stockholder interests
× No excessive perquisites or severance benefits	Consistent with focus on performance-oriented environment and commitment to best practices aligned to long-term stockholder interests
× No single-trigger vesting of equity compensation upon a change in control	Under our equity compensation plans, vesting following a change in control requires involuntary termination of employment (double-trigger)

Table of Contents***Key Elements of our Executive Compensation Program***

The following table summarizes the main components of our executive compensation program for our named executive officers.

Compensation Element	Description	Objectives
Base Salary	Fixed cash compensation	Appropriate level of fixed compensation based on role and duties
Annual Incentive	Annual cash award if performance metrics are achieved	Assist with recruitment and retention Reward executives for driving superior operating and financial results over a one-year timeframe
	Target award based on a percentage of base salary	Create a direct connection between business success and financial reward
	Payouts from 0-200% of target based on company and individual performance	
	Executive may elect all or a portion of award in form of restricted stock award vesting over two years, with 25% enhancement	
Long-Term Incentives	Performance share units earned based on performance, typically over three-year period with 0-200% payout	Reward achievement of longer-term goals
	Occasional awards of restricted stock or restricted stock units that vest at end of three years of service	Create direct connection between longer-term business success and financial reward
		Encourage retention

<p>Retirement Plans</p>	<p>Standard plans generally offered to all salaried employees based on location of services</p> <p>No supplemental executive retirement plans</p>	<p>Provide retirement income for participants</p> <p>Assist with recruitment and retention</p>
<p>Deferred Compensation</p>	<p>Elective, nonqualified deferred compensation plan for select U.S. employees</p> <p>Permits deferral of salary and certain cash incentives</p> <p>No Sealed Air contributions are included</p>	<p>Provide opportunity to save for retirement</p> <p>Assist with recruitment and retention</p>
<p>Post-Employment Benefits</p>	<p>Executive Severance Plan provides competitive benefits in case of involuntary termination; no single-trigger vesting of equity awards upon a change in control</p> <p>Mr. Peribere has post-employment benefits under the terms of his employment arrangement</p> <p>Mr. Doheny also has post-employment benefits under the terms of his offer letter agreement</p>	<p>Assure continuing performance of executives in face of possible termination of employment without cause</p> <p>Assist with recruitment and retention</p>
<p>Other Benefits</p>	<p>Health care and life insurance programs</p> <p>Limited perquisites</p>	<p>Competitive with peer companies</p> <p>Assist with recruitment and retention</p>

Table of Contents*2017 Executive Total Direct Compensation Mix**Summary Compensation Table*

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Non-Equity		Total (\$)
					Incentive Plan Compensation (\$)	All Other Compensation (\$)	
Jerome A. Peribere President and CEO	2017	1,250,000	0	7,559,026	2,055,625	24,300	10,888,951
	2016	1,250,000	0	13,527,824	0	31,800	14,809,624