

Veritiv Corp
Form DEF 14A
March 01, 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 under §240.14a-12

Veritiv Corporation

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
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o Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

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(4) Date Filed:

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2019 PROXY STATEMENT

Notice of 2019 Annual Meeting
of Shareholders to be held on April 24, 2019

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Veritiv Corporation
1000 Abernathy Road NE
Building 400, Suite 1700
Atlanta, Georgia 30328
www.veritivcorp.com

March 1, 2019

To Our Shareholders,

You are cordially invited to attend the Veritiv Corporation 2019 Annual Meeting of Shareholders to be held on Wednesday, April 24, 2019 at 9:00 a.m., Eastern Time, at the Ritz-Carlton Hotel, 181 Peachtree Street NE, Atlanta, Georgia 30303.

The accompanying Notice of Meeting and Proxy Statement describe the matters to be acted upon at the Annual Meeting and the nominees for election as directors. Please take the time to carefully read each of the proposals described in the attached Proxy Statement.

Your vote is important. You may cast your vote in person at the meeting, over the Internet, by telephone, or by mail. Your vote will ensure your representation at the Annual Meeting regardless of whether or not you attend in person.

Thank you for your continued support of Veritiv.

Sincerely,

Mary A. Laschinger
Chairman of the Board and Chief Executive Officer

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NOTICE OF 2019 ANNUAL MEETING OF SHAREHOLDERS

- Date:** Wednesday, April 24, 2019
Time: 9:00 a.m., Eastern Time
Place: Ritz-Carlton Hotel, 181 Peachtree Street NE, Atlanta, Georgia 30303
Purpose:
1. To elect as directors the eight nominees named in the proxy statement and recommended by the Board of Directors to serve for a one year term expiring at the 2020 annual meeting of shareholders and until their successors are elected and qualified;
 2. To ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for 2019;
 3. To approve, on an advisory basis, the Company's executive compensation; and
 4. To consider and act upon any other matter that may properly come before the annual meeting, or any postponements or adjournments thereof.
- Who Can Vote:** Shareholders of record at the close of business on February 25, 2019.
How Can You Vote: You may cast your vote electronically via the Internet or by telephone by following the instructions on your proxy card, voting instruction form or Notice of Internet Availability of Proxy Materials. If you received your proxy materials by mail, you may vote by completing and submitting a proxy card or voting instruction form. You may also vote in person at the annual meeting.
Who Can Attend: All shareholders are invited to attend the annual meeting. If you plan to attend the meeting in person, you must provide proof of share ownership, such as an account statement, and a form of personal identification to be admitted.

By Order of the Board of Directors,

Mark W. Hianik
Senior Vice President, General Counsel & Corporate Secretary

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 24, 2019

Our Proxy Statement for the 2019 Annual Meeting of Shareholders and our Annual Report to Shareholders for the year ended December 31, 2018 are available at

<http://www.veritivcorp.com/2018annualreport>.

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PROXY STATEMENT
FOR THE ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON APRIL 24, 2019

Veritiv Corporation (the Company, Veritiv, we, us or our) is furnishing this proxy statement to you in connection with the solicitation by the Board of Directors of the Company (Board) of the enclosed form of proxy for the Company's 2019 annual meeting of shareholders.

The Company pays for the preparation and mailing of the Notice of Annual Meeting, this proxy statement and our annual report, and the Company has also made arrangements with brokerage firms and other custodians, nominees and fiduciaries for the forwarding of this proxy statement and other proxy materials to the beneficial owners of shares of its common stock at the Company's expense. This proxy statement is dated March 1, 2019 and is first being mailed to the Company's shareholders on or about March 1, 2019.

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Why am I receiving these proxy materials?

These materials are being furnished to you because the Board is soliciting your proxy to vote at the annual meeting, and at any postponements or adjournments of the annual meeting. This proxy statement describes the matters on which you, as a shareholder, are entitled to vote. It also provides information that is intended to assist you in making an informed vote on the proposals described in this proxy statement.

What is a proxy?

A proxy is your legal designation of another person to vote the shares you own at the annual meeting. If you are a shareholder of record, you can designate a proxy by completing and submitting a proxy card. By completing and submitting a proxy card, which identifies the persons authorized to act as your proxy, you are giving each of those persons authority to vote your shares as you have instructed. If your shares are held by a broker, bank, trustee or other nominee (i.e., in street name), you may instead receive a voting instruction form. By completing and submitting a voting instruction form, you are giving your broker, bank, trustee or other nominee authority to vote your shares as you have instructed. We strongly encourage you to instruct your broker or other nominee how you wish to vote. By voting via proxy, each shareholder is able to cast his or her vote without having to attend the annual meeting in person.

Why did I receive more than one proxy card or voting instruction form?

You will receive multiple proxy cards or voting instruction forms if you hold your shares in different ways (e.g., trusts, custodial accounts, joint tenancy) or in multiple accounts. It is important that you complete, sign, date and return each proxy card or voting instruction form you receive, or vote using the Internet or by telephone as described in the instructions included with your proxy card(s), voting instruction form(s) or in the Notice of Internet Availability of Proxy Materials.

Why didn't I receive paper copies of the proxy materials?

The Company is furnishing proxy materials to our shareholders via the Internet instead of mailing printed copies of those materials, as permitted by rules adopted by the U.S. Securities and Exchange Commission (SEC). This option allows the Company to provide our shareholders with information they need, while reducing our use of natural resources, and cutting back on potentially unwanted materials in our shareholders' mail boxes.

If you received a Notice of Internet Availability of Proxy Materials by mail, you will not receive a printed copy of the proxy materials unless you request one in accordance with the instructions provided in the notice. The Notice of Internet Availability of Proxy Materials provides instructions on how you may access and review the proxy materials on the Internet.

What is the record date and what does it mean?

The Board established February 25, 2019 as the record date for the annual meeting. Shareholders who own shares of the Company's common stock at the close of business on the record date are entitled to notice of and to vote at the annual meeting or any postponements or adjournments of the annual meeting.

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How many shares are entitled to vote at the annual meeting?

As of the close of business on the record date, there were 15,901,416 shares of our common stock outstanding and entitled to vote at the annual meeting. Each share of common stock is entitled to one vote on each proposal to properly come before the meeting.

What is the difference between a shareholder of record and a beneficial owner?

Most of our shareholders hold their shares beneficially through a broker, bank, trustee or other nominee rather than of record directly in their own name with Computershare Inc., our transfer agent. As summarized below, there are some differences in the way to vote shares held of record and those owned beneficially.

If your shares are registered directly in your name with our transfer agent, you are considered the shareholder of record of those shares, and proxy materials are being sent directly to you. As a shareholder of record, you have the right to grant your voting proxy directly to the persons named as proxy holders or to vote in person at the annual meeting.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of the shares held in street name, and proxy materials are being forwarded to you by your broker or other nominee who is considered the shareholder of record of those shares. As the beneficial owner, you have the right to direct your broker or other nominee on how to vote and you are also invited to attend the annual meeting. However, because you are not the shareholder of record, you may not vote those shares in person at the annual meeting unless you have a proxy, executed in your favor, from the holder of record of your shares. Your broker or other nominee has enclosed a voting instruction form for you to use in directing your broker or other nominee as to how to vote your shares.

How many votes must be present to hold the annual meeting?

We must have a quorum to conduct the annual meeting. A quorum is a majority of the voting power of the shares entitled to vote at the meeting, present in person or by proxy. Properly signed proxies that are marked abstain are known as abstentions. Shares that are held in street name and not voted on one or more of the items before the annual meeting, but are otherwise voted on at least one item, are known as broker nonvotes. Both abstentions and broker non-votes are counted as present for the purpose of determining the presence of a quorum. Abstentions are also counted as shares represented and entitled to be voted. Broker non-votes, however, are not counted as shares entitled to be voted with respect to the matter on which the broker has expressly not voted.

Who will count the votes?

A representative from Computershare Inc. will determine if a quorum is present, tabulate the votes and serve as the Company's inspector of election at the annual meeting.

What vote is required to approve each proposal?

Proposal 1: Election of directors. In order to be elected, a director nominee must receive the affirmative vote of the holders of a majority in voting power of the shares of stock entitled to vote and represented in person or by proxy at the annual meeting. Shareholders do not have a right to cumulate their votes for the election of directors. Abstentions will be counted as represented and entitled to vote on the proposal and will therefore have the same effect as a vote against Proposal 1. Broker non-votes will not be counted as represented and entitled to vote and will therefore have no impact on the election of director nominees.

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Proposal 2: Ratification of Deloitte & Touche LLP as the Company's independent registered public accounting firm for 2019. The affirmative vote of the holders of a majority in voting power of the shares of stock entitled to vote on the proposal and represented in person or by proxy at the annual meeting is required to ratify the appointment of our independent registered public accounting firm for 2019. Abstentions will be counted as represented and entitled to vote on the proposal and will therefore have the same effect as a vote against Proposal 2.

Proposal 3: Advisory vote on executive compensation. The affirmative vote of the holders of a majority in voting power of the shares of stock entitled to vote on the proposal and represented in person or by proxy at the annual meeting is required to approve, on an advisory basis, the Company's executive compensation. Abstentions will be counted as represented and entitled to vote on the proposal and will therefore have the effect of a vote against Proposal 3. Broker non-votes will not be counted as represented and entitled to vote on the proposal and will therefore have no effect on the outcome of the proposal.

Any other matter that properly comes before the meeting will require the approval of the affirmative vote of the holders of a majority of the shares having voting power represented in person or by proxy at the annual meeting.

How do I vote my shares?

You can vote your shares in one of the following manners:

by using the Internet;

by telephone;

by mail; or

by attending the annual meeting and voting in person.

If you are a shareholder of record, please refer to the specific instructions set forth in the Notice of Internet Availability of Proxy Materials or, if you received your proxy materials by mail, on the proxy card(s).

If you are a beneficial owner of shares held in street name, your broker, bank, trustee or other nominee will provide you with instructions for voting your shares.

Can I change my vote after I vote by mail, by telephone or using the Internet?

Yes, if you are a shareholder of record, you can change your vote in any one of the following ways:

send a written notice to the Corporate Secretary of the Company at 1000 Abernathy Road NE, Building 400, Suite 1700, Atlanta, Georgia 30328 stating that you revoke your proxy, so long as it is received prior to the annual meeting;

if you received your proxy materials by mail, sign and mail a proxy card bearing a later date, so long as it is received prior to the annual meeting;

vote again by using the Internet or by telephone; or

attend the annual meeting and vote in person.

Your mere presence at the annual meeting will not revoke your proxy. You must take affirmative action in order to revoke your proxy.

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If you are a beneficial owner of shares held in street name, you must contact your broker, bank, trustee or other nominee in order to revoke your proxy.

How will my proxy be voted?

If you are a shareholder of record and you complete, sign, date and return your proxy card(s), or vote by using the Internet or by telephone, your shares will be voted in accordance with your instructions. If you sign and date your proxy card(s), but do not indicate how you want to vote, your shares will be voted in accordance with the Board's recommendation.

If you are a beneficial owner, your broker or other nominee will vote your shares with respect to Proposals 1 and 3 **only** if you instruct your broker or other nominee how to vote. If you do not provide your broker or other nominee with instructions, your broker or other nominee will not be authorized to vote your shares with respect to Proposals 1 and 3. Your broker or other nominee may, but is not required to, vote your shares with respect to Proposal 2 if you do not instruct your broker or other nominee how to vote.

What are the Board's recommendations on how I should vote my shares?

The Board unanimously recommends that you vote your shares as follows:

Proposal 1 **FOR** the election of the eight director nominees named in this proxy statement to serve for a one-year term expiring at the 2020 annual meeting of shareholders and until their successors are elected and qualified.

Proposal 2 **FOR** the ratification of the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for 2019.

Proposal 3 **FOR** the approval, on an advisory basis, of the Company's executive compensation.

What do I need to do if I plan to attend the meeting in person?

If you plan to attend the annual meeting in person, you must provide proof of your ownership of our common stock and a form of personal identification for admission to the meeting. If you hold shares in street name and you also wish to be able to vote at the meeting, you must also obtain a proxy, executed in your favor, from your broker or other nominee. All current shareholders are invited to attend the meeting, even if you did not hold shares on the record date.

Who is bearing the cost of this proxy solicitation and how is the solicitation effected?

We will bear the cost of soliciting proxies, including expenses in connection with preparing and distributing this proxy statement. Our directors, officers and employees may solicit proxies on our behalf in person or by mail or telephone and no additional compensation will be paid for such solicitation. We have engaged Innisfree M&A Incorporated to assist us in the solicitation of proxies. We expect to pay Innisfree approximately \$10,000 for these services, plus expenses. In addition, we will reimburse banks, brokers and other custodians, nominees and fiduciaries for expenses incurred in forwarding proxy materials to beneficial owners of our stock and obtaining their proxies.

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Who can answer my questions?

If you need additional copies of the proxy materials, have questions about the proxy materials or the annual meeting, or need assistance in voting your shares, you should contact:

Innisfree M&A Incorporated
501 Madison Avenue, 20th Floor
New York, New York 10022
Shareholders call toll-free at (888) 750-5834
Banks and brokers can call collect at (212) 750-5833

You may also contact us at the following address:

Veritiv Corporation
1000 Abernathy Road NE
Building 400, Suite 1700
Atlanta, Georgia 30328
Attention: Corporate Communications
Telephone: 844-VERITIV or (844) 837-4848

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The following table sets forth the number of shares of the Company's common stock beneficially owned as of February 15, 2019 (based on a total of 15,901,416 shares of our common stock outstanding as of February 15, 2019) by (i) each of the Company's directors, (ii) each of the named executive officers, (iii) all directors and executive officers of the Company as a group and (iv) owners of more than 5% of the outstanding shares of the Company's common stock. In accordance with SEC rules, beneficial ownership includes: (i) all shares the shareholder actually owns beneficially or of record; (ii) all shares over which the shareholder has or shares voting or dispositive control; and (iii) all shares the shareholder has the right to acquire within 60 days of February 15, 2019. Except as indicated in the footnotes to the table, the Company believes the persons named in the table have sole voting and investment power with respect to all shares beneficially owned by them.

David E. Flitman	6,650	*
Daniel T. Henry	15,040	*
Liza K. Landsman	6,827	*
Tracy A. Leinbach	20,040	*
William E. Mitchell	10,040	*
Michael P. Muldowney	10,040	*
Charles G. Ward, III	30,040	*
John J. Zillmer	10,040	*
Mary A. Laschinger	145,852	*
Stephen J. Smith	44,523	*
Salvatore A. Abbate	0	
Thomas S. Lazzaro	44,756	*
Daniel J. Watkoske	19,956	*
All executive officers and directors as a group (17 persons)	410,090	2.6%

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The Baupost Group, L.L.C., Baupost Group GP, L.L.C. and Seth A. Klarman (3)	3,564,439	22.4%
UWW Holdings, LLC (4)	2,783,840	17.5%
BlackRock, Inc. (5)	1,816,840	11.4%
Dimensional Fund Advisors LP (6)	1,213,433	7.6%

*

Less than 1%.

(1)

Amounts in this column include fully-vested shares of phantom stock (each equivalent in value to one share of the Company's common stock) awarded to non-employee directors as follows: 6,650 shares for Mr. Flitman and 6,827 shares for each of Ms. Landsman, Mr. Mitchell, Mr. Muldowney and Mr. Ward.

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- (2) Amounts in this column include fully-vested stock settled deferred share units (each equivalent in value to one share of the Company's common stock) awarded to non-employee directors as follows: 3,213 units for each of Mr. Henry, Ms. Leinbach, Mr. Mitchell, Mr. Muldowney, Mr. Ward and Mr. Zillmer.
- (3) Based on the information provided pursuant to the Schedule 13G/A filed by The Baupost Group, L.L.C. (Baupost), Baupost Group GP, L.L.C. (BG GP) and Seth A. Klarman with the SEC on February 13, 2019. Baupost, BG GP, and Mr. Klarman each reported that, as of December 31, 2018, it or he has shared voting and dispositive power with respect to 3,564,439 shares of Company common stock. Baupost is a registered investment adviser and acts as an investment adviser and general partner to various private investment limited partnerships. BG GP, as the Manager of Baupost, and Mr. Klarman, as the sole owner and Managing Member of BG GP and a controlling person of Baupost, may be deemed to have beneficial ownership under Section 13 of the Securities Exchange Act of 1934, as amended, of the securities beneficially owned by Baupost. Each of Baupost, BG GP and Mr. Klarman has a business address of 10 St. James Avenue, Suite 1700, Boston, Massachusetts 02116.
- (4) Based on the information provided pursuant to the Schedule 13D/A filed by UWW Holdings, LLC (UWW Schedule 13D/A) with the SEC on September 26, 2018. UWW Holdings, LLC reported that, as of September 25, 2018, it has sole voting and dispositive power with respect to 2,783,840 shares of Company common stock. The UWW Schedule 13D/A indicates that voting and dispositive power with respect to the shares of common stock held by UWW Holdings, LLC is exercised through a three-member board of managers acting by majority vote. Bain Capital Fund VII, L.P. (Fund VII) and Bain Capital VII Coinvestment Fund, L.P. (Coinvestment VII) have the right to appoint two of the three members of the board of managers of UWW Holdings, LLC. Bain Capital Investors, LLC (BCI) is the general partner of Bain Capital Partners VII, L.P., which is the general partner of each of Fund VII and Coinvestment VII (collectively, BCI and its investment funds advised or managed by it, Bain Capital). In addition, certain investment funds associated with Bain Capital collectively hold common equity interests of UWW Holdings, LLC (together with Fund VII and Coinvestment VII, the Bain Capital Funds). Each of BCI, the Bain Capital Funds and UWW Holdings, LLC has a business address c/o Bain Capital Investors, LLC, 200 Clarendon Street, Boston, Massachusetts 02116.
- (5) Based on the information provided pursuant to the Schedule 13G/A filed by BlackRock, Inc. (BlackRock) with the SEC on January 31, 2019. BlackRock reported that, as of December 31, 2018, it has sole voting power with respect to 1,784,819 shares and sole dispositive power with respect to 1,816,840 shares. BlackRock has a business address of 55 East 52nd Street, New York, New York 10055.
- (6) Based on the information provided pursuant to the Schedule 13G filed by Dimensional Fund Advisors LP (Dimensional) with the SEC on February 8, 2019. Dimensional reported that, as of December 31, 2018, it has sole voting power with respect to 1,168,255 shares of Company common stock and sole dispositive power with respect to 1,213,433 shares of Company common stock. Dimensional is a registered investment adviser and serves as an investment manager or sub-adviser to certain other commingled funds, group trusts and separate accounts (such investment companies, trusts and accounts, collectively referred to as the Funds). In certain cases, subsidiaries of Dimensional may act as an adviser or sub-adviser to certain Funds. In its role as investment adviser, sub-adviser and/or manager, Dimensional or its subsidiaries may possess voting and/or investment power over the shares that are owned by the Funds, and may be deemed to be the beneficial owner of the shares held by the Funds. However, all of the shares of Company common stock are owned by the Funds. Dimensional disclaims beneficial ownership of such shares. Dimensional has a business address of Building One, 6300 Bee Cave Road, Austin, Texas 78746.

Section 16(a) Beneficial Ownership Reporting Compliance

Under the U.S. securities laws, the Company's directors, executive officers and beneficial owners of more than 10% of our common stock are required to report their initial ownership of shares and any subsequent changes in that ownership to the SEC and the New York Stock Exchange (NYSE). Due dates for the reports are specified by those laws, and the Company is required to disclose in this proxy statement any failure in the past year to file by the required dates. Based solely upon our review of the copies of such forms received by us or written representations that no other forms were required from reporting persons, we believe that all such reports were submitted on a timely basis during 2018.

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At the 2019 annual meeting of shareholders, the eight nominees named in this proxy statement are standing for re-election as directors of the Company for a one-year term. Liza K. Landsman, a current director of the Company, is not standing for re-election, and the Board has reduced its size to eight members effective as of the date of the 2019 annual meeting. Proxies for the 2019 annual meeting cannot be voted for greater than the number of director nominees named in this proxy statement.

Each director nominee will be elected if he or she receives more "FOR" votes than "AGAINST" votes. Each nominee elected as a director will continue in office until the 2020 annual meeting of shareholders and until his or her successor has been duly elected and qualified or until his or her earlier resignation or removal.

The Nominating and Governance Committee of the Board of Directors is responsible for making recommendations to the Board concerning nominees for election as directors and nominees for Board vacancies. When assessing a director candidate's qualifications, the Nominating and Governance Committee will consider the candidate's independence, skills, current and previous occupations, other board memberships and professional experiences in the context of the needs of the Board. The Nominating and Governance Committee has adopted Director Qualification Criteria and Independence Standards, which, in general, require that director candidates have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values. The Nominating and Governance Committee seeks qualified candidates with diverse backgrounds including, but not limited to, such factors as race, gender and ethnicity. Our Corporate Governance Guidelines provide that the Nominating and Governance Committee will consider director candidates recommended by shareholders, provided such recommendations comply with the process set forth in our bylaws. In assessing such candidates, the Nominating and Governance Committee will consider the same criteria described above. See our Corporate Governance Guidelines and our Director Qualification Criteria and Independence Standards, which may be viewed in the governance section of our website at <http://ir.veritivcorp.com>, for additional information on the selection of director candidates.

Each nominee named in this proxy statement has consented to being named in this proxy statement and to serve if elected. If any nominee becomes unable to serve, proxies will be voted for the election of such other person as the Board may designate, unless the Board chooses to reduce the number of director seats. However, the Company has no reason to believe that any nominee will be unable to serve.

The following are descriptions of the business and public company director experience of our director nominees, including their current principal positions, terms of office, and ages as of March 1, 2019. We have been advised that there are no family relationships among any of our executive officers and directors.

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Background

Independent
Director

Age: 54

Director Since:
July 2017

Board
Committees:

Audit and Finance

Compensation and
Leadership
Development

Mr. Flitman is the President and Chief Executive Officer of BMC Stock Holdings, Inc., a leading provider of diversified building products, services and innovative building solutions in the U.S. residential construction market, a position he assumed in September 2018. From January 2015 to September 2018, he served as the Executive Vice President of Performance Food Group Company, a family of leading foodservice distributors, and President and Chief Executive Officer of its Performance Foodservice division. From January 2014 to December 2014, Mr. Flitman served as Chief Operating Officer and President USA and Mexico of Univar Corporation, a global chemical distributor. Mr. Flitman joined Univar in December 2012 as President USA with additional responsibility for Univar's Global Supply Chain and Export Services teams. From November 2011 to September 2012, he served as Executive Vice President and President Water and Process Services at Ecolab, the global leader in water, hygiene and energy technologies and services. From August 2008 to November 2011, Mr. Flitman served as Senior Executive Vice President of Nalco until it was acquired by Ecolab. He also served as President of Allegheny Power from February 2005 to July 2008. Formerly, Mr. Flitman spent nearly 20 years in operational, commercial, and global business leadership positions at DuPont.

Attributes and Skills

Mr. Flitman brings to the Board of Directors strong global business leadership and executive management skills, extensive commercial distribution industry experience, and experience managing newly public companies.

Other Directorships

Mr. Flitman also serves as a director of BMC Stock Holdings, Inc.

Background

Independent
Director

Age: 69

Mr. Henry served as the Chief Financial Officer of American Express Company, a global financial services company, from October 2007 until his retirement in August 2013 and as its Executive Vice President from February 2007 until his August 2013 retirement. While at American Express, Mr. Henry was responsible for leading the company's finance

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Director Since: organization and representing American Express to investors, lenders and rating agencies.
June 2014 Mr. Henry joined American Express in 1990 and served in a variety of senior finance roles including Comptroller. Prior to joining American Express, Mr. Henry was a Partner with Ernst & Young LLP.

Board
Committees:

Attributes and Skills

Audit and Finance Mr. Henry brings to the Board of Directors substantial experience and expertise with
(Chair) respect to complex financial systems, public company financial management and reporting, and financial and strategic planning.

Other Directorships

Compensation and Mr. Henry also serves as a director of The Hanover Insurance Group and formerly served
Leadership on the board of directors of Groupon, Inc.
Development

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Chairman and
CEO

Background

Age: 58

Director Since:
July 2014

Ms. Laschinger has served as Chairman and Chief Executive Officer of the Company since July 2014. Ms. Laschinger served as Senior Vice President of International Paper Company, a global packaging and paper manufacturing company, from 2007 to July 2014 and as President of its xpedx distribution business from January 2010 to July 2014. She previously served as President of International Paper's Europe, Middle East, Africa and Russia business, Vice President and General Manager of International Paper's Wood Products and Pulp businesses and in other senior management roles at International Paper in sales, marketing, manufacturing and supply chain. Ms. Laschinger joined International Paper in 1992. Prior to joining International Paper, Ms. Laschinger held various positions in sales, marketing and supply chain at James River Corporation and Kimberly-Clark Corporation.

Attributes and Skills

Ms. Laschinger brings to the Board of Directors significant knowledge and executive management experience running domestic and international manufacturing and distribution businesses as well as a deep understanding of Veritiv and the industry in which it operates.

Other Directorships

Ms. Laschinger also serves as a director of Kellogg Company and the Federal Reserve Bank of Atlanta.

Independent
Director

Background

Age: 59

Director Since:
June 2014

Ms. Leinbach served as Executive Vice President and Chief Financial Officer of Ryder System, Inc., a global leader in supply chain, warehousing and transportation management solutions, from March 2003 until her retirement in February 2006. Ms. Leinbach served as Executive Vice President of Ryder's Fleet Management Solutions from March 2001 to March 2003, Senior Vice President, Sales and Marketing from September 2000 to March 2001, and Senior Vice President, Field Management from July 2000 to September 2000. Since beginning her career at Ryder in 1985, Ms. Leinbach

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Board
Committees: served in various finance, operations and sales positions of increasing responsibility, including serving Ryder Transportation Services as Managing Director-Europe, Senior Vice President and Chief Financial Officer, Senior Vice President, Business Services and Senior Vice President, Purchasing and Asset Management. Prior to her career with Ryder, Ms. Leinbach, a former licensed CPA, worked in public accounting for Price Waterhouse.

Compensation and
Leadership
Development

Attributes and Skills

Ms. Leinbach brings to the Board of Directors particular knowledge, expertise and perspectives in corporate finance, operations, sales and logistics, strategic planning and risk management, issues regarding the management of a multinational corporation, and financial reporting, and accounting issues for large public companies.

Nominating and
Governance
(Chair)

Other Directorships

Ms. Leinbach also serves as a director of Hasbro, Inc. and formerly served on the board of directors of Forward Air Corporation.

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Independent
Director

Background

Age: 74

Director Since:
June 2014

Presiding Director

Mr. Mitchell is the managing partner of Sequel Capital Management, LLC, an investment management firm he founded in 2010. Mr. Mitchell served as Chairman of the Board of Directors of Arrow Electronics, Inc., a global electronic components and computer products distributor, from May 2006 to December 2009, and also served as Arrow's Chief Executive Officer from February 2003 to May 2009 and as Arrow's President from February 2003 to February 2008. Prior to that, Mr. Mitchell was President of Solectron Global Services, Inc. from 1999 to 2003 and was Chairman, President and Chief Executive Officer of Sequel, Inc. from 1995 to 1999 until its acquisition by Solectron.

Attributes and Skills

Mr. Mitchell brings to the Board of Directors extensive experience as president and chief executive officer of a global distribution company, extensive knowledge of international business operations, and significant experience in the governance of large publicly-traded corporations.

Other Directorships

Mr. Mitchell currently serves as a director of Humana, Inc. In addition to formerly serving as Chairman of Arrow Electronics, Inc., Mr. Mitchell formerly served on the board of directors of Brown-Forman Corporation, National Semiconductor Corporation, Spansion, Inc. and Rogers Corporation.

Independent
Director

Background

Age: 55

Director Since:
June 2014

Mr. Muldowney is the Chief Executive Officer of Foxford Capital, LLC, a strategic financial advisory and investment management firm he founded in 2012. From June 2014 to December 2018, Mr. Muldowney served as Chief Financial Officer of Gordon Brothers Group, a global advisory, restructuring and investment firm. From 2007 to 2011, Mr. Muldowney served as the Executive Vice President and Chief Financial Officer of Houghton Mifflin Harcourt Company, a global educational publishing company. From March 2011 to September 2011, Mr. Muldowney also served as Houghton Mifflin Harcourt Company's Interim Chief Executive Officer. Houghton Mifflin Harcourt

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Board
Committees: Company filed for voluntary reorganization under Chapter 11 of the U.S. Bankruptcy Code in May 2012 and emerged with a confirmed plan in June 2012. Previously, Mr. Muldowney served in various capacities, including as Chief Operating Officer, Chief Financial Officer, President and Director, at Nextera Enterprises, Inc., a consulting firm. Early in his career, Mr. Muldowney held various management positions with Marsh & McLennan Companies, including Corporate Controller and Principal of the Mercer Management Consulting subsidiary.

Audit and Finance

Attributes and Skills

Compensation and
Leadership
Development Mr. Muldowney, a former Certified Public Accountant, brings to the Board of Directors a broad-based business background and significant financial expertise and leadership skills.

Other Directorships

None.

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Background

Independent Director	Mr. Ward was a partner at Perella Weinberg Partners, a global, independent advisory and asset management firm, from March 2012 until his retirement in December 2015. From October 2010 to December 2011, Mr. Ward served as Chief Investment Officer for Arcapita Inc., a private equity firm. Arcapita filed for voluntary reorganization under Chapter 11 of the U.S. Bankruptcy Code in March 2012 and emerged with a confirmed plan in September 2013. From 2002 to 2010, Mr. Ward was President of Lazard Ltd., a leading financial advisory and investment management firm. Prior to that, Mr. Ward served as Global Head of Investment Banking and Private Equity for Credit Suisse First Boston and as a Co-Founder and member of the board of directors of Wasserstein Perella Group, a U.S. investment bank.
Age: 66	
Director Since: June 2014	
Board Committees:	

Attributes and Skills

Audit and Finance	Mr. Ward brings to the Board of Directors significant financial expertise and extensive investment banking, capital markets, and private equity experience.
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Nominating and Governance	<i>Other Directorships</i> None.
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Background

Independent Director	Mr. Zillmer is the retired Executive Chairman of Univar Inc., a leading global distributor of industrial and specialty chemicals and related services, which position he held from May 2012 to December 2012. Mr. Zillmer served as President and Chief Executive Officer of Univar Inc. from October 2009 to May 2012. Prior to joining Univar Inc., Mr. Zillmer was Chairman and Chief Executive Officer of Allied Waste Industries, Inc., the nation's second-largest waste management company, from May 2005 until December 2008, when Allied Waste Industries, Inc. merged with Republic Services, Inc. Previously, Mr. Zillmer spent 18 years at Aramark Corporation, a leading foodservice, facilities and uniforms provider, in roles of increasing responsibility, the last of which was President, Food and Support Services.
Age: 63	
Director Since: June 2014	
Board Committees:	

Attributes and Skills

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Compensation and Leadership Development (Chair) Mr. Zillmer brings to the Board of Directors strong leadership skills, broad experience with public and private boards of directors, and extensive knowledge in the areas of strategy development and execution, operational efficiencies, management of global operations, capital investments, and executive compensation.

Other Directorships

Nominating and Governance Mr. Zillmer also serves as a director of CSX Corporation, Ecolab Inc. and Performance Food Group Company and formerly served on the board of directors of Reynolds American, Inc.

OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" EACH OF THE NOMINEES NAMED IN THIS PROXY STATEMENT FOR ELECTION TO THE BOARD

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Corporate Governance Principles

Our business is managed under the direction of our Board of Directors pursuant to the Delaware General Corporation Law and our bylaws. The Board has responsibility for establishing broad corporate policies and for the overall performance of our Company. The Board is kept advised of company business through regular written reports and analyses and discussions with the Chairman and CEO and other executive officers, by reviewing materials provided to them and by participating in Board and committee meetings.

The Board has adopted policies and procedures designed to ensure effective governance of the Company. Our corporate governance materials, including our Corporate Governance Guidelines, the charters of each of the standing committees of the Board and our Code of Business Conduct and Ethics, may be viewed in the governance section of our website at <http://ir.veritivcorp.com>. We intend to include on our website information about any amendments to, or waivers from, a provision of the Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller in accordance with SEC rules.

The Nominating and Governance Committee periodically reviews our Corporate Governance Guidelines and reassesses the adequacy of such guidelines and proposes changes as warranted for approval by the Board.

Director Independence

The Company requires that a majority of its directors be independent as defined by the Director Qualification Criteria and Independence Standards adopted by the Board and the rules of the NYSE and the SEC. The Board makes a determination as to the independence of each director upon such director's initial appointment and thereafter on an annual basis. The Board has determined that each of the current members of the Board, except for Mary A. Laschinger, has no material relationship with the Company and satisfies all the criteria for being independent members of our Board within the meaning of the Director Qualification Criteria and Independence Standards and the rules of the NYSE and the SEC.

Board Composition and Leadership Structure

The Board currently consists of nine directors, eight of whom are standing for re-election at the annual meeting. With the departure of Ms. Landsman at the end of her current term, the Board has decided to reduce the size of the Board to eight directors effective as of the date of the 2019 annual meeting. Our charter and bylaws provide that the Board may increase or decrease the size of the Board and fill any vacancies. Our Corporate Governance Guidelines provide that a director must retire effective December 31 of the year in which the director attains the age of 75; however, the Board, in its discretion, may decide to recommend a retiring director for an additional year of service.

Ms. Laschinger serves as the Chairman of the Board and CEO of the Company. Our Board has concluded that combining the roles of CEO and Chairman of the Board is the most effective leadership structure for the Company at the present time as it promotes unified leadership and direction for the Company, allowing for a single, clear focus for management to execute the Company's strategic and business plans. In coming to this conclusion, the independent directors

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considered Ms. Laschinger's vast experience within the Company's industry that affords her a broad and uniquely well-informed perspective on the Company's business, as well as substantial insight into the trends and opportunities that may affect the Company's future. The combination of the Chairman and CEO roles is balanced by a supermajority of our Board being comprised of independent directors, as well as the election of a Presiding Director by our independent directors. As discussed further below, the Presiding Director is responsible for providing leadership to our Board when circumstances arise in which the joint role of the Chairman and CEO may be, or may be perceived to be, in conflict and chairing those Board sessions that are attended only by independent directors. Our Board believes that having a Presiding Director as part of its leadership structure promotes greater management accountability and ensures that directors have an independent contact on matters of concern to them.

Board Meetings, Executive Sessions and Presiding Director

During 2018, the Board met six times and each director attended at least 75% of the total number of Board meetings and of the meetings of the standing committees on which he or she then served. Our independent directors meet at regularly scheduled executive sessions at least semiannually without management representatives or non-independent directors present. Executive sessions generally coincide with regularly scheduled meetings of the Board. As provided in the Company's Corporate Governance Guidelines, executive sessions are chaired by the Presiding Director.

The responsibilities of the Presiding Director include:

in consultation with the Nominating and Governance Committee, determining a schedule and agenda for regular executive sessions attended by independent directors without management participation and presiding over such sessions;

convening meetings of independent directors;

in consultation with the Compensation and Leadership Development Committee, organizing the process pursuant to which the independent directors shall evaluate the performance of the Chairman and CEO;

coordinating, developing agenda items, moderating and maintaining a record of all meetings of independent directors;

consulting with the Chairman and CEO regarding agenda items and other logistics for Board meetings;

serving as a liaison between non-management directors and the Chairman and CEO and other leadership team members, particularly with respect to sensitive matters; and

participating in the director recruitment process along with the Chairman and CEO and the Nominating and Governance Committee.

The Presiding Director is also available to receive direct communications from shareholders through Board approved procedures and may periodically, as directed by our Board, be asked to speak for the Company or perform other responsibilities.

Annual Meeting Attendance

Our Corporate Governance Guidelines provide that members of the Board are expected to attend annual shareholders meetings and all but one of the directors attended the 2018 annual shareholders meeting.

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Board Committees

The standing committees of the Board are the Audit and Finance Committee, the Compensation and Leadership Development Committee and the Nominating and Governance Committee. All of the standing committees are comprised entirely of independent directors in accordance with the NYSE listing standards. The table below shows the current members of each of the committees and the number of meetings each committee held in 2018:

David E. Flitman	ü	ü	
Daniel T. Henry	Chair	ü	
Liza K. Landsman			ü
Tracy A. Leinbach		ü	Chair
Michael P. Muldowney	ü	ü	
Charles G. Ward, III	ü		ü
John J. Zillmer		Chair	ü

Audit and Finance Committee

The principal functions of the Audit and Finance Committee include:

reviewing and discussing with the independent auditors of the Company the scope and thoroughness of the independent auditors' examination and reports, and judgments made, and considering recommendations of the independent auditors;

reviewing and discussing with management of the Company analyses prepared, the scope and thoroughness of review, and judgments made;

appointing the independent auditor and pre-approving all services and related fees for the year;

preparing and approving the committee report required by the rules of the SEC for inclusion in the Company's annual proxy statement and annual report to shareholders;

reviewing the independent auditor's qualifications, performance and independence;

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reviewing the sufficiency and effectiveness of the Company's system of internal controls, including compliance with legal and regulatory requirements;

reviewing and discussing the Company's quarterly and annual filings on Form 10-Q and Form 10-K, respectively;

reviewing periodically the Company's antifraud programs and controls;

evaluating enterprise financial risk exposures and risk management policies;

reviewing financing and capital structure plans;

reviewing and recommending approval authority for capital expenditures, financings, acquisitions and divestments; and

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performing other functions or duties deemed appropriate by the Board.

Our Board has determined that each member of the Audit and Finance Committee satisfies all applicable financial literacy requirements, each member meets the definition of an audit committee financial expert as defined by the SEC and each member is independent as defined by the listing standards of the NYSE.

The Audit and Finance Committee charter is posted in the governance section of the Company's website at <http://ir.veritivcorp.com>.

Compensation and Leadership Development Committee

The principal functions of the Compensation and Leadership Development Committee include:

establishing, periodically reviewing and implementing the Company's compensation philosophy and overseeing the development and implementation of the compensation programs for the executive officers;

determining the corporate and individual performance measures and objectives of the Company's executive officers;

assuring that the total compensation paid to the Company's executive officers is fair, equitable and competitive, based on an internal review and comparison to survey data;

approving and administering the terms and policies of the Company's long-term incentive compensation programs for executive officers;

approving and administering the terms and policies of the Company's short-term incentive compensation programs for executive officers;

approving the Company's performance achievement as measured against its incentive compensation plan metrics and the resulting payouts;

reviewing and approving employment agreements, severance agreements and change in control agreements, and any additional special or supplemental benefits for executive officers;

reviewing and approving retirement and benefit plans for executive officers;

reviewing at least annually senior management succession planning and policies and programs for the development of leadership personnel;

preparing and approving the report of the compensation committee required by the rules of the SEC for inclusion in the Company's annual proxy statement and annual report to shareholders; and

performing other functions or duties deemed appropriate by the Board.

The Compensation and Leadership Development Committee charter is posted in the governance section of the Company's website at <http://ir.veritivcorp.com>.

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Nominating and Governance Committee

The principal functions of the Nominating and Governance Committee include:

developing qualifications/criteria for selecting and evaluating director nominees and evaluating current directors;

considering and proposing director nominees for election to the Board;

selecting candidates to fill Board vacancies as they may occur;

making recommendations to the Board regarding the committees' memberships;

reviewing and making recommendations with respect to the compensation (including equity-based compensation) of non-employee directors, including the Presiding Director;

developing and generally monitoring the Company's Corporate Governance Guidelines and procedures;

addressing possible and actual conflicts of interest and any other potential issues concerning a director's compliance with the Company's Code of Business Conduct and Ethics;

administering the annual evaluation of the Board; and

performing other functions or duties deemed appropriate by the Board.

The Nominating and Governance Committee charter is posted in the governance section of the Company's website at <http://ir.veritivcorp.com>.

Communications with the Board

Interested parties who wish to communicate with members of the Board as a group, with non-employee or independent directors as a group, or with any individual directors, including with the Presiding Director, may do so by writing to Board Members c/o Corporate Secretary, Veritiv Corporation, 1000 Abernathy Road NE, Building 400, Suite 1700, Atlanta, Georgia 30328. The directors have requested that the Corporate Secretary act as their agent in processing any communications received. All communications that relate to matters that are within the scope of responsibilities of the Board and its committees will be forwarded to the appropriate directors. Communications relating to matters within the responsibility of one of the committees of the Board will be forwarded to the chair of the appropriate committee. Communications relating to ordinary business matters are not within the scope of the Board's responsibility and will be forwarded to the appropriate officer at the Company. Solicitations, advertising materials, and frivolous or inappropriate communications will not be forwarded.

Related Person Transaction Policy

The Board recognizes that transactions with Related Persons (as defined below) present a potential for conflict of interest (or the perception of a conflict) and, together with the Company's senior management, the Board has enforced the conflict of interest provisions set forth in the Company's Code of Business Conduct and Ethics. All employees and members of the Board are subject to the Company's Code of Business Conduct and Ethics. Additionally, we have adopted a written policy regarding review and approval or ratification of related party transactions by the Audit and Finance Committee (Related Person Transaction Policy). The Related Person Transaction Policy is posted in the governance section of the Company's website at <http://ir.veritivcorp.com>. The Company's Related

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Person Transaction Policy defines a Related Person as any person who is, or at any time since the beginning of our last fiscal year was:

a director or executive officer of the Company or a nominee to become a director of the Company;

any person who is known to the Company to be the beneficial owner (within the meaning of Rule 13d-3 under the Exchange Act) of more than 5% of the Company's common stock; and

any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the director, executive officer, nominee or more than 5% beneficial owner, and any person (other than a tenant or employee) sharing the household of such director, executive officer, nominee or more than 5% beneficial owner.

For purposes of the Related Person Transaction Policy, a Related Person Transaction is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the Company (including any of its subsidiaries) was, is or will be a participant and the amount involved exceeds \$120,000, and in which any Related Person had, has or will have a direct or indirect material interest.

The Board has considered certain types of potential Related Person Transactions and preapproved them as not presenting material conflicts of interest. These transactions include (i) compensation paid to directors and executive officers that has been approved by the Board or the Compensation and Leadership Development Committee; (ii) transactions with another company in which the Related Person's interest derives solely from his or her service as a director of the other company that is a party to the transaction; (iii) transactions with another company in which the Related Person's interest derives solely from his or her direct or indirect ownership of less than 10% of the equity interest in another person (other than a general partnership interest) who is a party to the transaction; (iv) transactions where the Related Person's interest arises solely from the ownership of Company common stock and all holders of such common stock receive the same benefit on a pro rata basis (e.g., dividends); and (v) any transaction where the rates or charges are determined by competitive bids.

Pursuant to the terms of the Related Person Transaction Policy, any Related Person Transaction is required to be reported to the General Counsel, who will then determine whether it should be submitted to our Audit and Finance Committee for consideration (or if it is not practicable or desirable for the Company to wait until the next regularly scheduled Audit and Finance Committee meeting, to the Chair of the Audit and Finance Committee). The Audit and Finance Committee, or where submitted to the Chair of the Audit and Finance Committee, the Chair, must then review and decide whether to approve any Related Person Transaction. The Audit and Finance Committee (or the Chair) shall approve only those Related Person Transactions that are in, or are not inconsistent with, the best interests of the Company. When applicable, the Chair of the Audit and Finance Committee shall report to the Audit and Finance Committee at its next meeting any approval under the policy pursuant to the Chair's delegated authority. There were no Related Person Transactions from January 1, 2018 through the date of this proxy statement.

Board Role in Risk Oversight

Management is responsible for identifying and prioritizing enterprise risks facing the Company. The Board, in turn, is responsible for ensuring that material risks are managed appropriately. The Board

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and its committees regularly review material strategic, operational, financial, compensation and compliance risks with management.

The Audit and Finance Committee is responsible for discussing our overall risk assessment and risk management practices, as set forth in the Audit and Finance Committee charter. The Audit and Finance Committee also performs a central oversight role with respect to financial and compliance risks, and periodically reports on its findings to the full Board. In addition, the Audit and Finance Committee is responsible for assessing risk, including internal control over financial reporting, related to our capital structure and significant financial exposures, and regularly evaluates financial risks associated with such programs.

The Compensation and Leadership Development Committee oversees risk management as it relates to our compensation plans, policies and practices in connection with structuring our executive compensation programs and reviewing our incentive compensation programs for other employees and has reviewed with management whether our compensation programs may create incentives for our employees to take excessive or inappropriate risks which could have a material adverse effect on us.

The Nominating and Governance Committee oversees risks related to our governance structure and processes, including whether they are successful in preventing illegal or improper liability-creating conduct.

Director Compensation

2018 Cash Compensation. Each of our non-employee directors received an annual cash retainer of \$85,000. The director who served as chair of the Audit and Finance Committee received an additional annual cash retainer of \$25,000, the director who served as chair of the Compensation and Leadership Development Committee received an additional annual cash retainer of \$15,000, and the director who served as chair of the Nominating and Governance Committee received an additional annual cash retainer of \$12,000. Our Presiding Director received an additional annual cash retainer of \$25,000. We do not provide any per-meeting compensation to any of our directors. All members of our Board are reimbursed for their reasonable costs and expenses incurred in attending our Board meetings.

2018 Stock-Based Compensation. Each of our non-employee directors received an annual stock award with a grant date fair value of \$140,000. The stock awards granted to our directors were made pursuant to the Veritiv Corporation 2014 Omnibus Incentive Plan. These awards of common stock may, at the director's option, be deferred into fully-vested shares of phantom stock.

2018 Director Compensation Table. The following table summarizes the compensation that we paid or awarded to our non-employee directors during 2018. Ms. Laschinger did not receive compensation for her service as a director. Information regarding compensation for Ms. Laschinger can be found in the Executive Compensation section of this proxy statement.

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David E. Flitman	\$85,000	\$140,000	\$225,000
Daniel T. Henry	\$110,000	\$140,000	\$250,000
Liza K. Landsman	\$85,000	\$140,000	\$225,000
Tracy A. Leinbach	\$97,000	\$140,000	\$237,000
William E. Mitchell	\$110,000	\$140,000	\$250,000
Michael P. Muldowney	\$85,000	\$140,000	\$225,000
Charles G. Ward, III	\$85,000	\$140,000	\$225,000
John J. Zillmer	\$100,000	\$140,000	\$240,000

(1) The amounts disclosed in the "Stock-based Awards" column represent the aggregate grant date fair value of stock awards granted during 2018 as determined pursuant to Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation - Stock Compensation (FASB ASC Topic 718). The reported amount represents the annual stock-based compensation target of \$140,000 for 2018. See Note 15 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2018 for a discussion of the relevant assumptions used in calculating the amounts reported.

(2) As of December 31, 2018, each non-employee director held the following number of deferred share units and shares of phantom stock:

David E. Flitman		6,650	6,650
Daniel T. Henry	8,649		8,649
Liza K. Landsman		6,827	6,827
Tracy A. Leinbach	8,649		8,649
William E. Mitchell	8,649	6,827	15,476
Michael P. Muldowney	8,649	6,827	15,476
Charles G. Ward, III	8,649	6,827	15,476
John J. Zillmer	8,649		8,649

Director Stock Ownership Guidelines. Our director stock ownership guidelines require each of our non-employee directors to retain Veritiv common stock received in the form of equity awards until such time as he or she achieves and maintains an aggregate value of Veritiv common stock equal to five times his or her then current annual cash retainer. For purposes of these guidelines, stock holdings will be deemed to include deferred share units, notional share units for stock awards deferred pursuant to the Veritiv Deferred Compensation Plan and/or outright stock

grants. Ms. Laschinger is subject to the executive stock ownership guidelines described later in this proxy statement.

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The Audit and Finance Committee of the Board of Directors serves as the representative of the Board for general oversight of our financial accounting and reporting practices, systems of internal control, audit process, and monitoring compliance with laws and regulations and standards of business conduct. The Board has adopted a written charter for the Audit and Finance Committee. Management has responsibility for preparing our financial statements as well as for our financial reporting process. Deloitte & Touche LLP (Deloitte), acting as independent accountant, is responsible for expressing an opinion on the conformity of our audited financial statements with generally accepted accounting principles in the United States.

In connection with its oversight function, the Audit and Finance Committee is directly responsible for the appointment, retention and termination, evaluation and compensation of the Company's independent registered public accounting firm, and such firm reports directly to the Audit and Finance Committee. In selecting Deloitte to serve as our independent registered public accounting firm for 2019, the Audit and Finance Committee considered a number of factors, including:

Deloitte's performance during 2018 and in previous years, including the quality of Deloitte's services, the sufficiency of Deloitte's resources and the quality of the Audit and Finance Committee's ongoing discussions with Deloitte, including the professional resolution of accounting and financial reporting matters with Deloitte's national office;

the professional qualifications of Deloitte, the lead audit partner and other key engagement partners;

Deloitte's independence program and its processes for maintaining its independence;

Deloitte's tenure as the Company's independent registered public accounting firm and the depth of its understanding of our business, accounting policies and practices and internal control over financial reporting;

the appropriateness of Deloitte's fees for audit and non-audit services (on both an absolute basis and as compared to its peer firms);

consideration of Deloitte's known legal risks and significant proceedings that may impair their ability to perform our annual audit; and

the results of management's and the Audit and Finance Committee's annual evaluations of the qualifications, performance and independence of Deloitte.

Additionally, when the audit engagement partner is due to rotate off the Company's audit team following five years of service, the Audit and Finance Committee is involved in the selection of the audit engagement partner.

In this context, the Audit and Finance Committee hereby reports as follows:

- (1) The Audit and Finance Committee has reviewed and discussed the audited financial statements for fiscal year 2018 with management.

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- (2) The Audit and Finance Committee has discussed with Deloitte the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the SEC.
- (3) The Audit and Finance Committee has received the written disclosures and the letter from Deloitte required by applicable requirements of the Public Company Accounting Oversight Board regarding Deloitte's communications with the Audit and Finance Committee concerning independence and has discussed with Deloitte its independence.
- (4) Based on the review and discussion referred to in paragraphs (1) through (3) above, the Audit and Finance Committee recommended to the Board, and the Board has approved, that the audited financial statements be included in the Annual Report on Form 10-K for the year ended December 31, 2018, for filing with the SEC.

This Audit and Finance Committee Report shall not be deemed to be "filed" with the SEC or subject to Section 18 of the Exchange Act.

AUDIT AND FINANCE COMMITTEE

Daniel T. Henry, Chair

David E. Flitman

Michael P. Muldowney

Charles G. Ward, III

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Generally, the Audit and Finance Committee approves each year the specific types and estimated amounts of all audit and non-audit services that are contemplated to be performed by our independent registered public accounting firm during that calendar year, before any such work commences. The Chair of the Audit and Finance Committee may approve other services not prohibited by applicable law or regulation and not previously approved by the Audit and Finance Committee up to \$250,000 at any one time. The Chair may also approve services previously approved by the Audit and Finance Committee at amounts up to \$250,000 higher than previously approved by the Audit and Finance Committee. In either case, the Chair will report his or her approval of such additional services and/or amounts to the Audit and Finance Committee at its next scheduled meeting or at a special meeting, which may be called in the absolute discretion of the Chair, and such amounts are subject to Committee ratification. The Chair may also defer to the Audit and Finance Committee with respect to any such additional services or amounts. The Chair and/or the Audit and Finance Committee is authorized to approve such additional non-audit services without limit after they determine that such services will not impair the independence of the independent registered public accounting firm.

Aggregate fees for professional services rendered by Deloitte for the years ended December 31, 2018 and 2017 were as follows:

Audit Fees	\$ 3,587,500	\$ 4,206,400
Audit-Related Fees	409,685	383,637
Tax Fees		
All Other Fees	91,245	

Audit Fees. Audit fees for the years ended December 31, 2018 and 2017 were for professional services rendered by Deloitte for the audits of the consolidated financial statements of the Company as of and for the years ended December 31, 2018 and 2017 and reviews of the financial statements included in the Company's Quarterly Reports on Form 10-Q.

Audit-Related Fees. Audit-Related fees for the year ended December 31, 2018 consisted of services in connection with a secondary offering of Company common stock, accounting advisory services in connection with the Company's assessment of adoption and implementation of Accounting Standards Codification 842, Leases, statutory audits of certain of the Company's international subsidiaries and subscription to Deloitte's Accounting Research Tool. Audit-Related fees for the year ended December 31, 2017 consisted of reviews of the Company's Registration Statement on Form S-8, services in connection with a secondary offering of Company common stock, advice and recommendations regarding internal control design, statutory audits of certain of the Company's international subsidiaries and subscription to Deloitte's Accounting Research Tool.

Tax Fees. There were no tax fees for the years ended December 31, 2018 and 2017.

All Other Fees. All other fees for the year ended December 31, 2018 consisted of advisory services in connection with the Company's assessment of business activities and processes for robotic process automation. There were no other fees billed for the year ended December 31, 2017.

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Our Audit and Finance Committee, pursuant to its charter, has appointed Deloitte as our independent registered public accounting firm for 2019. Deloitte has served in this capacity since 2013.

While the Audit and Finance Committee is responsible for the appointment, compensation, retention, termination and oversight of the independent registered public accounting firm, the Audit and Finance Committee and our Board are requesting, as a matter of good corporate governance, that the shareholders ratify the appointment of Deloitte as our independent registered public accounting firm. The Audit and Finance Committee is not required to take any action as a result of the outcome of the vote on this proposal. However, if the shareholders do not ratify the appointment, the Audit and Finance Committee may investigate the reasons for shareholder rejection and may consider whether to retain Deloitte or to appoint another independent registered public accounting firm. Furthermore, even if the appointment is ratified, the Audit and Finance Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of our shareholders or the Company.

A formal statement by representatives of Deloitte is not planned for the annual meeting. However, Deloitte representatives are expected to be present at the meeting and available to respond to appropriate questions.

**OUR BOARD OF DIRECTORS AND THE AUDIT AND FINANCE COMMITTEE UNANIMOUSLY
RECOMMEND A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF
DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING
FIRM FOR 2019**

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EXECUTIVE SUMMARY

Who we are

Veritiv is a Fortune 500® company and a leading North American business-to-business distributor of packaging, facility solutions, print and publishing products and services, and also a provider of logistics and supply chain management solutions. Approximately 8,700 employees strong, we are driven by our Values: *Integrity, One Team, People Commitment, Customer Focus, Operational Excellence, and Passion for Results*.

We put decades of industry knowledge, expertise, and proven supply chain ingenuity to work for our customers in a wide range of industries and a variety of businesses including more than half of Fortune 500® companies. With approximately 160 distribution centers across the U.S., Canada and Mexico, our focus is on the success of our customers' businesses and their brands. Driven by our innovative people, our values and providing exceptional service, helping to shape our customers' business success is at the heart of everything we do.

COMPENSATION PROGRAM DESCRIPTION

What We Pay and Why: Elements of Compensation

Our executive compensation program has three elements: base salary, annual bonus and long-term incentive.

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The majority of our target compensation is performance-based. Performance-vested equity awards comprise the largest component of both the CEO's and the NEOs' target compensation.

Veritiv CEO Target Compensation Mix

Veritiv NEO Target Compensation Mix

The Veritiv Journey

Formation (2014). Veritiv commenced operations as a new public company on July 1, 2014 following the spin-off of International Paper Company's xpedx business and subsequent merger with UWW Holdings, Inc. (Unisource). The merger created a North American market-leading distributor better able to serve our customers and provide growth opportunities for suppliers.

Integration (2015-2018). Combining two organizations with different cultures and operating platforms required us to build foundational capabilities and consolidate our systems and footprint, while focusing on value creation by recognizing synergies and developing strategies for each segment (Packaging, Facility Solutions, Print and Publishing). 2018 was a year of critical achievements in our ongoing journey to integrate two companies, invest in growth businesses and build a broader service platform to better serve our customers and their evolving needs.

We substantially completed a large multi-year information systems integration to better manage and measure data.

We onboarded a Chief Commercial Officer, to drive customer focus and growth through leading strategy and marketing.

Moving forward: Optimization (2018+). The wind down of our multi-year integration positions us well as we shift focus to the optimization elements of our long-term strategy, which began last year with the Print business model changes. In this phase, we are focusing on improving revenue trends, margins and cash flow, reducing costs, and driving growth. The evolution of our pay programs reflects this focus. For example, for 2018, we introduced free cash flow as a metric in our annual incentive award to focus on working capital improvement.

Unique Compensation Challenges

Our evolution brings some unique challenges from an executive compensation perspective.

Higher stock price volatility due to shareholder base. We became a public company nearly five years ago and our stock is relatively closely held and thinly traded; these factors

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result in greater volatility in our stock price impacting the value of our long-term incentive (LTI) compensation.

Limited number of pay and performance comparators. We are evolving to a company focused on packaging solutions, which currently creates challenges in finding companies that are good comparators for us both for compensation benchmarking and for the relative Total Shareholder Return (TSR) metric used in our LTI program.

Our focus has been on building a new company rather than short-term financial results. Our journey of integrating two companies primarily focused on print, an industry in structural decline, into a new public company and evolving to a packaging solutions business has significant change management and systems and people integration challenges that are not reflected in our financial results.

Our ability to set long-term goals has been limited. As a relatively new company, our ability to predict long-term financial performance has been limited, which is why we tie the majority of our incentives to annual performance. As we continue to mature, we are assessing the feasibility of including additional multi-year performance measures in our incentive programs.

SHAREHOLDER ENGAGEMENT AND 2018 SAY ON PAY VOTE

At our 2018 Annual Meeting of Shareholders, 74.9% of the votes cast were voted in favor of our executive compensation program. These vote results were lower than the support our say on pay proposals have historically received and we wanted to better understand and address our shareholders' concerns. In April 2018 and January 2019, we invited our top ten shareholders, representing more than 70% of our shareholder base, to participate in discussions regarding executive compensation and governance issues to hear their views on the program design and disclosure.

Requests for more detail around our compensation programs and practices generally and greater transparency into some of our compensation payment and award decisions.

We expanded descriptions of our programs and explained in greater detail how discretionary adjustments and awards tie to company strategy, business goals and financial performance.

Executives should not receive multi-year guaranteed bonuses.

We avoided multi-year guaranteed bonuses for executive officer level hires.

Annual and long-term incentive metrics should be differentiated.

We added free cash flow as a metric to the annual incentive program for 2018 (and kept it for 2019).

Include greater transparency into special award decisions.

We limited use of special awards and described the rationale for the awards that were made (two special LTI awards made in January 2018 and sign-on awards as part of Mr. Abbate's offer).

OUR NAMED EXECUTIVE OFFICERS

In January 2019, we simplified our organization structure to drive optimization and growth, increase focus on packaging solutions and facilitate succession planning. These changes are designed to clarify decision authority and drive accountability. These changes to some of our Named Executive

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Officers (NEOs) are described in this narrative and will be shown in the tables in next year's proxy. Shown below are our NEOs and their current titles.

Mary A. Laschinger	Chairman and Chief Executive Officer
Stephen J. Smith	SVP and Chief Financial Officer
Thomas S. Lazzaro	SVP, Sales
Daniel J. Watkoske	SVP, Print
Salvatore A. Abbate	SVP, Chief Commercial Officer

Base Salary

We provide base salary, a fixed element in our compensation program, to attract and retain talent. The Compensation and Leadership Development Committee (Committee) determines a base salary for each executive officer based on the scope and complexity of the role, internal relativity, external competitiveness, input from the Committee's independent compensation consultant and individual performance.

The Committee did not increase the salary for our Chairman and Chief Executive Officer (CEO) in 2018. Our other NEOs, with the exception of Mr. Abbate who joined the company in April 2018, received nominal increases in the range of 2% - 2.5% during the regular merit process. Shown below are NEO base salaries for 2018.

Ms. Laschinger	\$1,025,000
Mr. Smith	\$575,025
Mr. Lazzaro	\$563,750
Mr. Watkoske	\$472,781
Mr. Abbate	\$460,000

The Committee increased base salaries for Mr. Watkoske and Mr. Abbate to \$560,000 for 2019 based on an increase in their responsibilities and informed by compensation benchmarking of similar roles at comparable companies. In the new organization structure implemented in 2019, Mr. Watkoske plays a critical role in leading our Print business, in an industry in structural decline, to optimize cash to fuel growth in our Packaging and other businesses. Mr. Abbate has taken on a broader role, assuming responsibility for our Packaging and Facility Solutions segments, in addition to his current responsibilities for strategy, marketing, sales operations and pricing. We will disclose the compensation impact of these changes in the executive compensation tables in next year's proxy. Mr. Smith and Mr. Lazzaro will receive salary increases of 3% and 2%, respectively, in the regular merit process; these increases will be effective July 1, 2019.

Annual Incentive Program

Our Annual Incentive Program (AIP) provides awards based on individual and company performance. We believe earnings and healthy working capital are key drivers in creating long-term shareholder value. For this reason, our AIP motivates executives to focus on optimizing profitable

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revenue, reducing costs and maximizing efficiency of resources. We use adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA) and Free Cash Flow to measure earnings and working capital improvement.

We define Adjusted EBITDA as earnings before interest, income taxes, depreciation and amortization and other adjustments as may be permitted in determining the Company's "Consolidated EBITDA" pursuant to the Company's asset based lending facility.

We define Free Cash Flow as net cash flow from / used for operating activities adjusted for capital expenditures, changes in bank overdrafts, cash payments relating to other adjustments as may be permitted in determining the Company's "Consolidated EBITDA" pursuant to the Company's asset based lending facility and adjustments for any extraordinary items as determined by the Committee.

AIP Financial Goal Setting

Each year, the Committee sets Company performance goals to fund the AIP bonus pool. The Committee sets target goals for Adjusted EBITDA and Free Cash Flow at the beginning of the year based on input from management regarding our expected performance in the upcoming year.

		Threshold (25% Target)	Target	Maximum (200% Target)
Adjusted EBITDA	75%	\$158 Million	\$192 Million	\$211 Million
Free Cash Flow	25%	\$30 Million	\$65 Million	\$100 Million