DOVER Corp
Form PRE 14A
March 06, 2019
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE

SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-2.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-12.

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

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Notice of 2019 Annual Meeting of Shareholders

May 2, 2019

1:00 p.m. Eastern Time

Conrad Fort Lauderdale Beach

551 North Fort Lauderdale Beach Boulevard

Fort Lauderdale, Florida 33304

Dear Fellow Shareholder:

You are cordially invited to attend our Annual Meeting of Shareholders (the Annual Meeting) at the Conrad Fort Lauderdale Beach hotel on May 2, 2019 at 1:00 p.m., Eastern Time, to be held for the following purposes:

1. To elect nine directors.
2. To ratify the appointment of PricewaterhouseCoopers LLP (PwC) as our independent registered public accounting firm for 2019.
3. To approve, on an advisory basis, named executive officer (NEO) compensation.
4. To approve amendments to Article 15 of our Restated Certificate of Incorporation (our charter) to eliminate the super-majority voting requirement.
5. To approve amendments to Article 16 of our charter to eliminate the super-majority voting requirement.
6. To consider such other business as may properly come before the Annual Meeting, including any adjournments or postponements thereof.

All holders of record at the close of business on March 8, 2019 are entitled to notice of and to vote at the Annual Meeting or any adjournments or postponements thereof. **Whether or not you plan to attend the Annual Meeting, we urge you to vote your shares as soon as possible.**

March 21, 2019

By authority of the Board of Directors,

Ivonne M. Cabrera

Secretary

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Annual Meeting Information

Date:	May 2, 2019
Time:	1:00 p.m., Eastern Time
Record Date:	March 8, 2019
Location:	Conrad Fort Lauderdale Beach 551 North Fort Lauderdale Beach Boulevard Fort Lauderdale, Florida 33304 For additional information about our Annual Meeting, please see *General Information About The Annual Meeting*

Items of Business

There are five proposals to be voted on at the Annual Meeting:

ITEM	Proposal	Board Voting Recommendation	Page Reference
ITEM 1	The election of nine nominees for director	**FOR each director nominee**	10
ITEM 2	The ratification of the appointment of PwC as our independent registered public accounting firm for 2019	**FOR**	34
ITEM 3	An advisory resolution to approve NEO compensation	**FOR**	75
ITEM 4		**FOR**	78

	To approve amendments to Article 15 of our charter to eliminate the super-majority voting requirement		
ITEM 5	To approve amendments to Article 16 of our charter to eliminate the super-majority voting requirement	**FOR**	79

How to Cast Your Vote

Even if you plan to attend the Annual Meeting in person, please cast your vote as soon as possible using one of the following methods:

Via **internet** by visiting www.proxyvote.com

Via **telephone** by calling 1-800-690-6903

Via **mail** by marking, signing and dating your proxy card or voting instruction form (if you received proxy materials by mail) and returning it to the address listed therein

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Company Overview

Dover is a diversified global manufacturer delivering innovative equipment and components, specialty systems, consumable supplies, software and digital solutions, and support services through three operating segments: Engineered Systems, Fluids and Refrigeration & Food Equipment. Our entrepreneurial business model encourages, promotes, and fosters deep customer engagement and collaboration, which has led to Dover s well-established and valued reputation for providing superior customer service and industry-leading product innovation.

Our businesses are aligned in three segments structured around our key end markets and designed to support focused growth strategies. Our segment structure also allows us to leverage our scale and channel presence, and capitalize on productivity initiatives.

Management Philosophy

Our leadership team is committed to generating shareholder value through a combination of sustained long-term profitable growth, operational excellence, and superior free cash-flow generation.

Our operating culture fosters high ethical standards that value accountability, rigor, trust, respect, and open communications, designed to allow individual growth and operational effectiveness.

Our businesses seek to be leaders in our end markets as measured by market share, customer satisfaction, growth, and return on invested capital.

Our operating structure of three business segments allows for focused acquisition activity, accelerates opportunities to identify and capture operating synergies, including global sourcing and supply chain integration, shared services, and manufacturing, and advances the development of our executive talent.

Our segment and executive management teams formulate strategy, develop strategic initiatives and goals, and oversee progress by our operating companies on these matters, and with oversight from our Board of

Directors (Board), make capital allocation decisions regarding organic investment initiatives, major capital projects, acquisitions, and the return of capital to our shareholders.

Our businesses are committed to creating value for our customers, employees, and shareholders through sustainable business practices that protect the environment and the development of products that help our customers meet their sustainability goals.

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Company Goals

We are committed to driving shareholder return through three key objectives:

First, we are committed to **achieving organic sales growth above gross domestic product growth (or 3% to 5% annually on average) over a long-term business cycle**, absent prolonged adverse economic conditions, complemented by **growth through strategic acquisitions**.

Second, we continue to focus on **improving returns on capital and segment margins** through effective cost management and productivity initiatives, including supply chain activities, targeted restructuring activities, strategic pricing, and portfolio management.

Third, we aim to generate **free cash flow as a percentage of sales of approximately 8-12%** through strong earnings performance, productivity improvements, and active working capital management.

We support these goals through (1) alignment of management compensation with financial objectives, (2) well-defined and actively managed mergers and acquisitions (M&A) processes, and (3) talent development programs.

Our Strategic Priorities to Realize Earnings and Growth Potential

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2018 Performance Overview

US GAAP from continuing operations	FY2018	FY2017	D
Revenue ($M)	6,992	6,821	3%
Earnings ($M)	591	747	(21%)
Diluted EPS ($)	3.89	4.73	(18%)
Non-GAAP(1) from continuing operations			
Adjusted Earnings ($M)	756	655	15%
Adjusted diluted EPS ($)	4.97	4.15	20%

(1) Definitions and reconciliations of Non-GAAP measures are included at the end of this proxy statement.

Apergy Spin-off Complete

On May 9, 2018, we **completed the tax-free spin-off of Apergy Corporation (Apergy)**, which was comprised of the upstream energy businesses previously included in our former Energy segment. The separation concluded our **Board s strategic review of our upstream energy businesses** announced in September 2017, and was the **culmination of a comprehensive process to determine the best separation alternatives to maximize shareholder value**.

Following the spin-off, our remaining portfolio is well-positioned for **long-term sustainable growth and returns** with **less cyclicality**.

Capital Return Program

We continued our history of providing regular capital returns to shareholders. We increased our quarterly dividend by 2%, marking our **63rd consecutive year of dividend increases**. We have the **third longest record of consecutive annual dividend increases of all listed companies**, as reported by Mergent s Dividend Achievers.

We **completed the $1 billion of share repurchases** announced in November 2017, primarily funded with proceeds received from Apergy in connection with the consummation of the spin-off.

Rightsizing & Footprint Consolidation

We pursued several programs in order to further optimize our operations, including (1) **rightsizing to align our cost structure** in preparation for the Apergy separation, (2) **broad-based selling, general and administrative expense reductions**, and (3) initiation of **footprint consolidation actions**.

Other Portfolio & Strategic Actions

We made a total of **two acquisitions** for an aggregate consideration of $68.6 million, net of cash acquired, including the acquisition of **Ettlinger**, a leading manufacturer of filtering solutions for the plastics recycling industry, which enhances our ability to serve the Process Solutions end market within our Fluids segment.

We opened our **new Digital Labs center** in the greater Boston area which will serve as the **hub for our digital strategy and platform**, and also serve as an **R&D Center** for our Marking & Coding business.

Investment in Sustainable Businesses

Over the past several years, we have accelerated our efforts and processes around **innovation**, focusing on **technologies** which both create **tangible value** for our customers and enhance the **sustainable nature** of our products.

Ø Passive Cooling Unit utilizes existing underground energy	Ø 14 Series fueling nozzle family prevents dripping of excess fuel

Continued Focus on Cash Flow

Our businesses **generate annual free cash flow** of approximately **8-12% of revenue**. We are focused on the most efficient allocation of our capital to maximize returns on investment. To do this, we prioritize organic reinvestment to grow and strengthen our existing businesses with **average annual investments in capital spending of approximately 2% to 4% of revenue** with a focus on internal projects to expand markets, develop products, and improve productivity.

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CEO Succession

On May 1, 2018, Richard J. Tobin became our new President and Chief Executive Officer (CEO) following Robert A. Livingston s retirement. Mr. Tobin continues to serve on our Board, which he joined in August 2016. Mr. Livingston resigned as a director concurrent with his retirement. Michael F. Johnston, as independent Chair of the Board, provided continuity of oversight of management through the transition.

Mr. Tobin s appointment is the result of our Board s active engagement in a thoughtful and comprehensive succession planning process led by our independent Chair and the independent Chair of our Governance and Nominating Committee, who identified talented external leaders and worked with our former CEO to evaluate and develop internal candidates. Ultimately, our Board determined that Mr. Tobin s extensive experience as a public company CEO leading complex global industrial businesses and his expertise in finance and technology made him the best candidate to lead Dover. Our Board was impressed with Mr. Tobin s contributions as a director and is confident that he is the right leader to guide us through the next phase of our evolution.

Immediately after starting as President and CEO, Mr. Tobin performed an in-depth study of our businesses, making on-site visits, conducting management team reviews, and analyzing the three-year strategic plans for each of our operating companies. As an outgrowth of this review, he identified and began executing on strategic priorities designed to position us to realize our earnings and growth potential, including near-term initiatives to improve our margins through cost rightsizing and footprint consolidation. Mr. Tobin also has articulated our Board s capital allocation priorities and developed a disciplined framework for portfolio enhancement and a balanced operating model for Dover. He has committed to report to shareholders in 2019 on our progress on operational improvements and capital allocation priorities as well as to present a holistic view on portfolio strategy, growth drivers, and areas for reinvestment and to articulate longer term strategic goals for the next evolution of Dover.

Board Refreshment

Our Board welcomed H. John Gilbertson, Jr. as a director in August 2018. As a former Managing Director of Goldman Sachs Group Inc. (Goldman Sachs), Mr. Gilbertson has extensive experience in corporate finance, capital markets, and mergers and acquisitions. The insights he gained as an advisor to clients across a broad range of industries will bring valuable perspective to our Board. Mr. Gilbertson serves on our Audit Committee and Finance Committee.

Current directors Peter T. Francis and Richard K. Lochridge are not standing for re-election and will retire from the Board effective as of the Annual Meeting. Mr. Francis has been a director since 2007, and Mr. Lochridge has been a director since 1999. The Board expresses its deep gratitude to each of Messrs. Francis and Lochridge for their guidance and significant contributions to Dover during their years of dedicated service on the Board.

New Finance Committee

The Board established a new Finance Committee comprised of independent directors in 2018. The Finance Committee assists the Board in overseeing policies, practices, strategies, and risks relating to our financial affairs, including with respect to capital allocation matters such as share repurchases, dividend policy, capital expenditures and M&A, as well as global treasury activities, insured risk management, and tax planning.

Shareholder Engagement

In 2018, we continued our focus on regularly engaging with our shareholders. We reached out to holders of over 51% of our shares outstanding, and engaged with governance professionals and/or portfolio managers at investors holding 32% of our shares outstanding. During these discussions, we discussed many topics, including our recent CEO transition, executive compensation program, and Board refreshment practices. Investors continued to express broad support for our governance structures and shared their views on matters related to shareholder rights and our

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independent, well-qualified Board. Further, investors highlighted the importance of engaging with them in the future on long-term corporate strategy and sustainability initiatives. For more detailed information regarding these discussions, please see *Shareholder Engagement* .

These discussions provide our Board with valuable insights into our shareholders views. In this proxy statement, we describe the feedback we received, and acted upon, regarding several matters, including our Board s proposals to remove super-majority voting provisions from our charter. We plan to continue to actively engage with our shareholders on a regular basis to better understand and consider their views.

Management Proposals to Remove Super-Majority Voting Provisions

Proposals 4 and 5 of this proxy statement request that shareholders approve the removal of the remaining super-majority provisions in our charter. The super-majority voting provisions are limited to (1) amendments to Article 15 of our charter relating to certain share repurchases from interested stockholders (defined in our charter as a beneficial holder of 5% or more of our shares, unless held for more than four years) at a per share price in excess of the applicable market price or the ability for shareholders to use cumulative voting in the election of directors once there is a substantial stockholder (defined in our charter as a beneficial holder of 40% or more of our shares) (Proposal 4), and (2) amendments to the provision of Article 16 of our charter that prohibits action by written consent of shareholders (Proposal 5). These provisions were originally designed to ensure that the interests of all shareholders were adequately represented in the event any of the actions contemplated by these provisions were to occur. However, the Board is aware that some shareholders oppose super-majority provisions, arguing that super-majority voting provisions may limit the ability of a majority of common shareholders to effect changes they desire.

Informed in part by engagement with our shareholders, we presented these proposals at our 2017 and 2018 Annual Meetings. The proposals were supported by holders of just over 79% of our outstanding common stock in both 2017 and 2018, a level of support below the required affirmative vote of the holders of at least 80% of our outstanding shares of common stock.

Following the 2018 meeting, we sought further shareholder input as our Board considered next steps regarding the remaining super-majority provisions. Shareholders expressed appreciation for our continued efforts to remove the provisions and acknowledged our continued responsiveness to shareholder feedback while facing the high hurdle presented by the current 80% voting requirement in our charter to approve amendments to remove the super-majority provisions. Given our proactive and continued efforts to remove the remaining super-majority provisions over the past several years, a number of investors stated that they would have been supportive if our Board did not present a management proposal to eliminate supermajority provisions in 2018. However, several shareholders continued to express a preference for simple majority voting requirements and encouraged us to put forth another management proposal to remove the remaining super-majority voting provisions in our charter. Shareholder feedback was a factor in the Board s decision to again present these two proposals at the 2019 Annual Meeting in order to continue evolving our governance practices to ensure we operate with a best-in-class governance structure.

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Executive Compensation

Our compensation program for executive officers is designed to emphasize performance-based compensation in alignment with our business strategy.

New CEO Employment Agreement

In connection with Mr. Tobin s appointment as President and CEO and to ensure a smooth executive transition, our independent directors, after considering market data, advice from our independent compensation consultant, and other factors, including Mr. Tobin s position as a sitting CEO, approved Dover s entry into a three-year employment agreement with Mr. Tobin. In order to offset forfeited compensation and pension benefit from his prior company, Mr. Tobin received a one-time award when he joined Dover, subject to termination and claw-back provisions, comprised of restricted stock units (RSUs) and internal Total Shareholder Return (iTSR) performance share units and a make-whole cash payment.

We sought shareholder feedback on Mr. Tobin s compensation arrangements after his appointment, including his one-time award. Our shareholders indicated they were supportive of the structure because it ensured a smooth transition and the Board s ability to hire a highly qualified candidate.

2018 Executive Compensation

The following table summarizes pay mix for our CEO and other NEOs, which is highly performance based.

Executive Compensation Program Highlights

Pay-for-performance philosophy a substantial majority of NEO pay is performance based and tied to Dover s stock price performance

Significant portion of long-term compensation is performance based, with long-term incentives vesting over three years subject to rigorous three-year performance period

Strong share ownership guidelines for NEOs

Equity awards with anti-hedging and anti-pledging provisions

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Director Nominees

Our Governance and Nominating Committee maintains an active and engaged Board through a robust refreshment process, which focuses on ensuring our Board has a diverse skill set that benefits from both the industry- and company-specific knowledge of our longer-tenured directors, as well as the fresh perspectives brought by our newer directors.

NAME	OCCUPATION	INDEPENDENT	COMMITTEES MEMBERSHIPS*	OTHER PUBLIC COMPANY BOARDS
H. John Gilbertson, Jr. Age: 62 Director Since: 2018	Retired Managing Director at Goldman Sachs	Yes	A, F	0
Kristiane C. Graham Age: 61 Director Since: 1999	Private Investor	Yes	C, G	0
Michael F. Johnston *Chair of the Board* Age: 71 Director Since: 2013	Retired CEO of Visteon Corporation	Yes	C, G	2
Eric A. Spiegel Age: 61 Director Since: 2017	Former President and CEO of Siemens USA; Special Advisor at General Atlantic	Yes	A, F (Chair)	0
Richard J. Tobin Age: 55	President and CEO of Dover	No (CEO of Dover)		0

Director Since: 2016				
Stephen M. Todd Age: 70 Director Since: 2010	Former Global Vice Chairman of Assurance Professional Practice of Ernst & Young Global Limited	Yes	A (Chair)	2
Stephen K. Wagner Age: 71 Director Since: 2010	Former Senior Adviser, Center for Corporate Governance, Deloitte & Touche LLP	Yes	A, G (Chair)	1
Keith E. Wandell Age: 69 Director Since: 2015	Former President and CEO of Harley-Davidson, Inc.	Yes	C (Chair), F	2
Mary A. Winston Age: 57 Director Since: 2005	President of WinsCo Enterprises Inc.; Former Executive Vice President and Chief Financial Officer (CFO) of Family Dollar Stores, Inc.	Yes	C, F	2

*A = Audit Committee; C = Compensation Committee; G = Governance and Nominating Committee; F = Finance Committee

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Board Composition

Upon the retirement of Messrs. Francis and Lochridge, the Board will have the following composition:

Governance Highlights

Our Board is committed to sound governance practices designed to promote the long-term interests of shareholders and strengthen Board and management accountability. Highlights include:

BOARD OF DIRECTORS	GOVERNANCE HIGHLIGHTS
Separate independent Chair and CEO roles	New Finance Committee established in 2018
All directors are independent, other than CEO	Proxy access right at 3%/3 years/2 or 20% of Board/20 shareholder aggregation allowance
Annual election of directors	Strong share retention guidelines for directors and executive officers
Majority voting for directors and director resignation policy in uncontested elections	Executive compensation driven by pay-for-performance philosophy
Comprehensive annual individual evaluations of one-third of the directors	Executive officers not permitted to hedge or pledge company shares

Regular executive sessions of independent directors	Shareholder right to call special meetings at 25%
Robust succession planning	No super-majority vote required for business combinations

COMMITTEES & ATTENDANCE	SHAREHOLDER ENGAGEMENT
Average Board attendance of over 95% in 2018	In 2018, reached out to holders of over 51% of outstanding shares
Annual Board and committee evaluations	Engaged with holders of 32% of outstanding shares
	Topics included Board oversight of our long-term business strategy, our CEO transition, key governance and compensation practices, sustainability, and our Board refreshment practices
	Shareholder feedback informs Board decision-making, including re-inclusion of management proposals to eliminate super-majority vote provisions

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Proposal 1 Election of Directors

Criteria for Director Nominees

The Board, in part through its delegation to the Governance and Nominating Committee, seeks to recommend qualified individuals to become members of the Board. The Board selects individuals as director nominees who, in the opinion of the Board, demonstrate the highest personal and professional integrity as well as exceptional ability and judgment, who can serve as a sounding board for our CEO on planning and policy, and who will be most effective, in connection with the other nominees to the Board, in collectively serving the long-term interests of all our shareholders.

Key areas of expertise for director nominees, which are reflected in our current director nominees, include:

Strategic M&A	Experience with international acquisitions, post-merger integration, and portfolio restructuring
Global Operations and Management	Experience with cross-border transactions, global market entry and expansion, and implementation of operational efficiency
Strategy Development and Execution	Capital allocation and strategic planning expertise
Capital Markets Expertise	Experience with capital markets and complex financing transactions
Deep and Diverse Industry Knowledge	Experience with diversified manufacturing in many of the markets and product areas relevant to Dover s businesses
Risk Management Expertise	Experience evaluating risk management policies and procedures
Audit and Corporate Governance Matter	Experience with assurance and audit, regulation, and financial reporting
Human Capital Management	Experience attracting, developing and retaining talent and building strong cultures
Executive Leadership Experience	Leadership experience as former CEOs and CFOs of global public companies

In considering diversity in selecting director nominees, the Governance and Nominating Committee gives weight to the extent to which candidates would increase the effectiveness of the Board by broadening the mix of experience, knowledge, backgrounds, skills, ages and tenures represented among its members.

The Governance and Nominating Committee also considers our current Board composition and the projected retirement date of current directors, as well as such other factors it may deem to be in the best interests of Dover and its shareholders, including a director nominee s leadership and operating experience (particularly as a CEO), financial and investment expertise and strategic planning experience.

The Board prefers nominees to be independent, but believes it is desirable to have our CEO on the Board as a representative of current management. Given the global reach and broad array of the types of businesses operated by Dover, the Governance and Nominating Committee highly values director nominees with multi-industry and multi-geographic experience.

Director Nomination Process

Whenever the Governance and Nominating Committee concludes that a new nominee to our Board is required or advisable, it will consider recommendations from directors, management, shareholders and, if it deems appropriate,

PROPOSAL 1 ELECTION OF DIRECTORS

consultants retained for that purpose. In such circumstances, it will evaluate individuals recommended by shareholders in the same manner as nominees recommended from other sources.

Shareholder Nominations for Director

Shareholders who wish to recommend an individual for nomination should send that person s name and supporting information to the Governance and Nominating Committee, care of the Corporate Secretary at our principal executive offices, 3005 Highland Parkway, Downers Grove, Illinois, 60515, or through our communications coordinator. Shareholders who wish to directly nominate an individual for election as a director, without going through the Governance and Nominating Committee, must comply with the procedures in our by-laws. Please see *General Information About the Annual Meeting* for nomination deadlines.

Proxy Access Shareholder Right

Following extensive engagement with our shareholders, our Board determined to adopt proxy access in February 2016, permitting a shareholder or group of up to 20 shareholders holding 3% of our outstanding shares of common stock for at least three years to nominate a number of directors constituting the greater of two directors or 20% of the number of directors on our Board, as set forth in detail in our by-laws.

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PROPOSAL 1 ELECTION OF DIRECTORS

2019 Director Nominees

There are nine nominees for election to our Board at this Annual Meeting, each to serve until the next annual meeting of shareholders or his or her earlier removal, resignation or retirement. All of the nominees currently serve on our Board and are being proposed for re-election by our Board.

Current directors Peter T. Francis and Richard K. Lochridge are not standing for re-election and will retire from the Board effective as of the Annual Meeting.

If any nominee for election becomes unavailable or unwilling for good cause to serve as a director before the Annual Meeting, an event which we do not anticipate, the persons named as proxies will vote for a substitute nominee or nominees as may be designated by our Board, or the Board may reduce the number of directors. Directors will be elected by a majority of the votes cast in connection with their election.

H. John Gilbertson, Jr.

Independent Director Nominee

Age: 62

Director since 2018

Committees Served: Audit, Finance

Business Experience: Retired Managing Director (1997 to 2012) at Goldman Sachs, a global investment banking, securities and investment management firm; also served as Advisory Director (2013 to 2015), and Partner-in-Charge, Midwest Region Investment Banking Services (2001 to 2010); prior thereto, various positions within Goldman Sachs (since 1987, except where noted). Mr. Gilbertson previously served as Managing Director at Travelers Group Inc. (1995), a financial services company; Associate, Mergers and Acquisitions at Morgan Stanley & Co. Incorporated (1985 to 1987), a financial services firm; Consultant, Corporate Strategy at Bain & Company (1982 to 1985), a management consulting firm; Assistant Treasurer, Corporate Banking at Chase Manhattan Bank (1979 to 1981), a commercial bank; and News Reporter at The Providence Journal Company (1978), a metropolitan daily newspaper.

Other Board Experience: Director and Chair of Audit Committee of Meijer, Inc. (Meijer)

Skills and Qualifications:

Mr. Gilbertson has extensive experience in corporate finance, capital markets, and mergers and acquisitions, and the insights he gained as an advisor to clients across a broad range of industries bring valuable perspective to our Board.

Throughout his career, Mr. Gilbertson has served as a strategic and financial advisor to his clients, forming deep relationships with companies in a range of industries including Baxter International, Walgreens, The Boeing Company, W.W. Grainger, Inc. and Exelon Corporation.

He has nearly four decades of experience in the professional and financial services industry, starting his career with Chase Manhattan Bank, then working at Bain & Company, where he lived abroad and served in a corporate strategy consulting role, next joining Morgan Stanley in mergers and acquisitions, and finally at Goldman Sachs, where he helped expand the Midwestern practice.

His deep expertise in financial management, coupled with his analytical and collaborative mindset, allow him to make invaluable contributions to our Board as it focuses on delivering greater returns from our businesses, funding investments to drive profitable growth, and enhancing shareholder value.

Mr. Gilbertson has a strong background in senior leadership development, succession planning, and organizational culture development, gained from his time at Goldman Sachs and his service as a director at Meijer, and has first-hand experience assisting in onboarding new CEOs.

He also brings to the Board considerable expertise in financial risk oversight and capital allocation.

He earned a bachelor s degree in political economy from Dartmouth College and an MBA from Harvard University.

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PROPOSAL 1 ELECTION OF DIRECTORS

Kristiane C. Graham

Independent Director Nominee

Age: 61

Director since 1999

Committees Served: Compensation, Governance and Nominating

Business Experience: Private Investor.

Skills and Qualifications:

Ms. Graham s experience as a private investor with substantial holdings of Dover stock and her shared interests in Dover, including interests through charitable organizations of which she is a director, makes her a good surrogate for our individual and retail investors.

Ms. Graham also has past experience with a commercial bank, primarily as a loan officer. She founded and operated an advisory company and a publication regarding international thoroughbred racing and now co-manages her family s investments.

During her time on the Board, she has devoted substantial time to monitoring the development of Dover operating company leaders, enabling her to provide the Board valuable insights regarding management succession.

As a member of one of the founding families of Dover, Ms. Graham also brings to the Board a sense of Dover s historical values, culture and strategic vision which the Board believes is beneficial as it considers various strategic planning alternatives for shaping Dover s future.

Michael F. Johnston

Independent Board Chair; Independent Director Nominee

Age: 71

Director since 2013

Committees Served: **Compensation, Governance and Nominating**

Business Experience*:* Former CEO (from 2004 to 2008) and President and Chief Operating Officer (from 2000 to 2004) of Visteon Corporation, an automotive components supplier; former President of North America/Asia Pacific, Automotive Systems Group (from 1999 to 2000), President of Americas Automotive Group (from 1997 to 1999), and other senior management positions at Johnson Controls, Inc., an automotive and building services company. In May 2009, Visteon filed for voluntary reorganization under Chapter 11 of the U.S. Bankruptcy Code.

Other Board Experience: Director of Armstrong Flooring, Inc. and Whirlpool Corporation. Former Chairman and Director of Visteon Corporation. Former Director of Armstrong World Industries and Flowserve Corporation.

Skills and Qualifications:

Mr. Johnston brings to the Board industry insight, financial expertise and leadership experience garnered from his 17 years on the boards of global companies.

During his career, he has served as CEO of an $18 billion global manufacturer, and has been a lead Director and Chair of other major public companies.

Mr. Johnston also brings valuable corporate governance perspectives from his prior board service, while his operations experience has helped him gain knowledge and a deep understanding in manufacturing, design, innovation, engineering, accounting and finance and capital structure.

In addition, he has nearly 20 years of experience in building businesses in emerging economies.

Mr. Johnston holds a bachelor s degree in industrial management from the University of Massachusetts and an MBA from Michigan State University.

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PROPOSAL 1 ELECTION OF DIRECTORS

Eric A. Spiegel

Independent Director Nominee

Age: 61

Director since 2017

Committees Served: Audit, Finance *(Chair)*

Business Experience: Special Advisor at General Atlantic, a private equity firm, where he supports the firm s sector investment teams and portfolio companies by providing strategic counsel on industry trends and growth strategies. Former President and CEO (from 2010 to 2016) of Siemens USA, a global business focusing on the areas of electrification, automation and digitalization; former Managing Partner, Global Energy, Chemicals, and Power, and Managing Partner, Washington, D.C. office, and other roles at Booz & Company, Inc. (now known as Strategy&) and Booz Allen Hamilton, Inc., global consulting firms (1986 to 2010); former Associate, Energy and Industrials Practice, at Temple, Barker & Sloane, Inc., a management consulting firm (now known as Oliver Wyman) (1984 to 1985; 1980 to 1982): former Marketing and Strategy Manager at Brown Boveri & Cie (now known as ABB), a Swiss group of electrical engineering companies (1982 to 1984). In connection with his position at General Atlantic, Mr. Spiegel serves as Chair of the Board of CLEAResult, a privately held portfolio company that provides energy efficiency programs and services in North America.

Other Board Experience: Director and Audit Committee Chair of Liberty Mutual Holding Company, Inc.

Skills and Qualifications:

Mr. Spiegel is an experienced business leader with diversified, global experience who brings deep and valuable expertise in strategy development, corporate restructuring, portfolio management and M&A to our Board.

He has over 35 years of experience working with large, global companies in the energy and industrial markets, mostly recently as President and CEO of Siemens USA. At Siemens, he led strategic reviews across a portfolio of ~45 businesses in the company s largest market with over $22 billion in revenue, 50,000 employees and over 60 manufacturing facilities. During that time, he led the acquisition, divestiture, joint venture and carve-out of over 30 business units and segments. He also executed Siemens Vision 2020 initiative to optimize growth and margins in the U.S., across all sectors.

Prior to Siemens, Mr. Spiegel was a global consultant at Booz Allen Hamilton focused on complex organizations in the energy, power, chemical, water, industrial and automotive fields. At Booz, he lived, and worked with major energy clients, in Asia, the Middle East, Europe, and Latin America on projects around corporate strategy, M&A, major capital projects, cost restructuring, margin enhancement and supply chain re-design and was also closely involved with the government sector.

An expert on the global energy industry, Mr. Spiegel co-authored the book *Energy Shift: Game-changing Options for Fueling the Future.*

He holds a bachelor s degree in economics from Harvard University and an MBA from the Tuck School of Business at Dartmouth College.

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PROPOSAL 1 ELECTION OF DIRECTORS

Richard J. Tobin

Chief Executive Officer

Age: 55

Director since 2016

Committee Served: None

Business Experience: President and CEO of Dover (since 2018): former CEO (2013 to 2018) of CNH Industrial NV (CNH Industrial), a global manufacturer of agricultural and construction equipment, trucks, commercial vehicles, buses, specialty vehicles and powertrain applications; former Group Chief Operating Officer of Fiat Industrial S.p.A., a global capital goods manufacturer, and President and CEO (each from 2012 to 2013) of CNH Global NV, a multinational manufacturer of agricultural and construction equipment; former CFO of CNH Global NV (2010 to 2012); former Chief Finance Officer & Head of Information Technology (2004 to 2010) of SGS Group, a multinational provider of inspection, verification, testing and certification services; and former Chief Operating Officer for North America (2002 to 2004) of SGS Group.

Skills and Qualifications:

Mr. Tobin is Dover s current CEO. The Board believes it is desirable to have one active management representative on the Board to facilitate its access to timely and relevant information and its oversight of management s long-term strategy, planning, and performance.

He has a broad range of industry and functional experiences acquired through regional and global leadership positions of significant responsibility and scope.

He is the former CEO of CNH Industrial, a complex international industrial company, where he led efforts to increase efficiencies, innovate through new technologies, expand geographically, and maximize the company s portfolio of businesses.

Mr. Tobin gained extensive experience in international finance, operations, management, and information technology in his prior roles as CFO of CNH Global NV and Chief Finance Officer & Head of Information Technology at SGS Group.

He has developed deep expertise with global capital markets through his international finance leadership roles.

Prior to beginning his business career, Mr. Tobin was an officer in the United States Army.

He is a member of the Board of Trustees of the John G. Shedd Aquarium in Chicago. He formerly served on the U.S. Chamber of Commerce Board of Directors, and is a former member of the Business Roundtable. Mr. Tobin holds a bachelor of arts from Norwich University and an MBA from Drexel University.

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PROPOSAL 1 ELECTION OF DIRECTORS

Stephen M. Todd

Independent Director Nominee

Age: 70

Director since 2010

Committee Served: Audit *(Chair)*

Business Experience: Former Global Vice Chairman (from 2003 to 2010) of Assurance Professional Practice of Ernst & Young Global Limited, London, UK, an assurance, tax, transaction and advisory services firm; and prior thereto, various positions with Ernst & Young (since 1971).

Other Board Experience: Director and Audit Committee member of Apergy Corporation and Member of the Board of Trustees of PNC Funds (registered management investment company).

Skills and Qualifications:

Mr. Todd s experience in the accounting profession makes him a valuable resource for the Board and Audit Committee.

Mr. Todd brings to the Board significant financial experience in both domestic and international business following a 40-year career at Ernst & Young where he specialized in assurance and audit.

Mr. Todd developed and directed Ernst & Young s Global Capital Markets Centers, which provide accounting, regulatory, internal control and financial reporting services to multinational companies in connection with cross-border debt and equity securities transactions and acquisitions, making him well suited to advise the Board on capital allocation decisions, financing alternatives, and acquisition activities.

His experience, especially his years as Global Vice Chairman of Ernst & Young Global Limited s Assurance Professional Practice and as audit partner for several multinational companies, gives him unique insights into accounting and financial issues relevant to multinational companies like Dover, and he brings the perspective of an outside auditor to the Audit Committee.

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PROPOSAL 1 ELECTION OF DIRECTORS

Stephen K. Wagner

Independent Director Nominee

Age: 71

Director since 2010

Committees Served: Audit, Governance and Nominating *(Chair)*

Business Experience: Former Senior Advisor, Center for Corporate Governance, of Deloitte & Touche LLP, an audit, financial advisory, tax and consulting firm (from 2009 to 2011); Managing Partner, Center for Corporate Governance, of Deloitte (from 2005 to 2009); Deputy Managing Partner, Innovation, Audit and Enterprise Risk, United States, of Deloitte (from 2002 to 2007); and Co-Leader, Sarbanes-Oxley Services, of Deloitte (from 2002 to 2005).

Other Board Experience: Director and Audit Committee member of Apergy Corporation

Skills and Qualifications:

Mr. Wagner s over 30 years of experience in accounting make him a valuable resource for the Board and the Audit Committee.

His work with Sarbanes-Oxley and other corporate governance regulations, including his years as Managing Partner at Deloitte & Touche s Center for Corporate Governance, makes him well suited to advise the Board on financial, auditing and finance-related corporate governance matters as well as risk management.

Mr. Wagner is an expert in risk oversight and co-authored a book on risk management entitled *Surviving and Thriving in Uncertainty: Creating the Risk Intelligent Enterprise*.

He brings to the Board an outside auditor s perspective on matters involving audit committee procedures, internal control and accounting and financial reporting matters.

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PROPOSAL 1 ELECTION OF DIRECTORS

Keith E. Wandell

Independent Director Nominee

Age: 69

Director since 2015

Committees Served: Compensation *(Chair)*, Finance

Business Experience: Former President and CEO (from 2009 to 2015) of Harley-Davidson, Inc., a global motorcycle manufacturer; and former President and Chief Operating Officer (from 2006 to 2009), former Executive Vice President (from 2005 to 2006), former Corporate Vice President (from 1997 to 2005), former President of the Automotive Experience business (from 2003 to 2006) and President of the Power Solutions business (from 1997 to 2003) of Johnson Controls, Inc., a global manufacturer of automotive, power and building solutions.

Other Board Experience: Director of Dana Incorporated and Constellation Brands, Inc. Former Chairman of Harley Davidson, Inc. and former Director of Clarcor, Inc.

Skills and Qualifications:

Mr. Wandell brings to the Board the valuable perspective of a strategic, experienced leader with a strong record focused on growth, profitability, international expansion and innovation.

He has over 30 years of experience in diversified manufacturing businesses, most recently as the former Chairman and CEO of Harley-Davidson, Inc., where he led transformation efforts across the company s product development, manufacturing and retail functions, focused on international expansion and implemented a restructuring plan.

Prior to joining Harley-Davidson, Inc., Mr. Wandell served as President and Chief Operating Officer of Johnson Controls, Inc. and helped manage the company s entry into the Chinese car-battery market as well as its subsequent joint venture with China s largest battery manufacturer.

Mr. Wandell has gained valuable insights into the effective development of executive leadership capabilities and strong corporate cultures through his experience as a senior leader at companies such as Harley-Davidson and Johnson Controls.

In addition to his significant operating, financial and leadership experience in both domestic and international business, Mr. Wandell has served on the boards of four other public companies, including the two on which he currently serves.

He holds a bachelor s degree in business administration from Ohio University and an MBA from the University of Dayton.

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PROPOSAL 1 ELECTION OF DIRECTORS

Mary A. Winston

Independent Director Nominee

Age: 57

Director since 2005

Committees Served: Compensation, Finance

Business Experience: President of WinsCo Enterprises Inc., a consulting firm providing financial and board governance advisory services (since 2016); former Executive Vice President and CFO of Family Dollar Stores, Inc., a general merchandise retailer (from 2012 to 2015); former Senior Vice President and CFO of Giant Eagle, Inc., a grocery and fuel retailer (from 2008 to 2012); former President of WinsCo Financial LLC, a financial and strategic consulting firm (from 2007 to 2008); and former Executive Vice President and CFO of Scholastic Corporation, a children s publishing and media company (from 2004 to 2007).

Other Board Experience: Director of Domtar Corporation and Acuity Brands, Inc.; Former Director of SUPERVALU INC. and Plexus Corporation.

Skills and Qualifications:

Ms. Winston brings to the Board valuable experience and expertise based on her years of broad financial management and leadership experience.

Ms. Winston, who started her career as a CPA with Arthur Andersen & Co, has extensive experience with financial, accounting and internal control matters for large public companies.

Ms. Winston served as CFO of three large companies: Family Dollar Stores, Inc., Giant Eagle, Inc. and Scholastic, Inc., as well as prior global finance leadership roles at Visteon Corporation and Pfizer, Inc. Through these experiences, she developed deep expertise in capital markets, M&A, capital structure matters, capital allocation, financial risk management, real estate financing transactions, dividend and stock repurchase programs, and investor relations.

Ms. Winston s background and experience make her a valuable contributor to the Board on matters involving risk oversight and capital allocation, as well as executive compensation and general corporate governance matters.

She holds a bachelor s degree in accounting from the University of Wisconsin and an MBA from Northwestern University s Kellogg School of Management. She has been designated as a Board Leadership Fellow by the NACD and serves as Chair of the NACD Carolinas chapter.

THE BOARD RECOMMENDS A VOTE FOR THE ELECTION OF EACH

OF THE NOMINEES NAMED ABOVE.

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PROPOSAL 1 ELECTION OF DIRECTORS

Board Oversight and Governance Practices

Our Board is responsible for, and committed to, overseeing our long-term strategic development as well as managing the principal and most significant risks that we face. In carrying out this duty, our Board advises senior management to help drive long-term value creation for our shareholders. The following summarizes our Board s key areas of oversight responsibility.

Board Oversight

KEY AREAS OF BOARD OVERSIGHT	
Long-Term Business Strategy	One of the primary responsibilities of our Board is the **oversight of management s long-term strategy and planning**. Accordingly, our Board maintains a deep level of engagement with management in setting and overseeing Dover s long-term business strategy.
	The Apergy spin-off in May 2018 was the **culmination of a comprehensive process** publicly announced in September 2017 **to determine the best separation alternatives to maximize shareholder value**.
	Following the spin-off, our remaining portfolio is well-positioned for **long-term sustainable growth and returns with less cyclicality**.
Capital Allocation	Our Board is focused on the **efficient allocation of capital to drive growth and provide returns to our shareholders.** Our capital allocation priorities are organic investments, strategic acquisitions, and the return of capital to our shareholders.
	We consistently **return cash to shareholders** by paying **dividends**, which **have increased annually over each of the last 63 years**.

	We also undertake **share repurchases** as part of our capital allocation strategy, including **$1 billion of share repurchases completed in 2018**.
	We employ a **prudent financial policy** to support our capital allocation strategy, which includes maintaining an **investment grade credit rating**.
Portfolio Management	Businesses in our portfolio are continually evaluated for **strategic fit** and our acquisitions are **targeted in our key growth markets** which include printing and identification, refrigeration and food equipment, pumps, fueling and transport, hygienic and pharma and select energy markets.
Risk Management	Our Board has established a **comprehensive enterprise risk management process to identify and manage risks**, and periodically reviews the processes established by management to identify and manage risks and **communicates** with management about these processes.
	We have established a risk assessment team consisting of senior executives, which annually, with the assistance of a consultant, oversees a risk assessment made at the segment and operating company levels and, with that information in mind, performs an assessment of the overall risks our company may face. Each quarter, this team reassesses the risks at the Dover level, the severity of these risks and the status of efforts to mitigate them and **reports to the Board** on that reassessment.
Sustainability	As part of its oversight of risk management, **our Board reviews any material risks related to environmental and social issues**.
	Our Board receives periodic updates on **company-wide energy and carbon performance against targets**, and is regularly briefed on each segment s **productivity and safety metrics**.

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PROPOSAL 1 ELECTION OF DIRECTORS

KEY AREAS OF BOARD OVERSIGHT	
Culture	We foster **an operating culture with high ethical standards** that values accountability, rigor, trust, respect, and open communication and is designed to encourage individual growth and operational effectiveness. We continue to make significant investments in talent development, especially in the area of operational management, and **recognize that the growth and development of our employees is essential for our continued success**. As part of our commitment to strong corporate governance practices, **we maintain an active and robust ethics program**. Our Code of Conduct & Business Ethics applies to all employees and directors of Dover and its subsidiaries. We enforce our Code fairly and consistently, regardless of one s position in Dover, and **will not tolerate retaliation** against those who report suspected misconduct in good faith.
Succession Planning	Another of the Board s primary responsibilities is **overseeing a sound Board and management succession process**. The Board has developed a **comprehensive plan** to address management succession both over the long term and for emergency purposes. The framework for the long-term plan includes thoughtful, deliberate monitoring of management beyond our top executives to ensure Dover continues to build a deep internal bench of talent. The **recent appointment of Mr. Tobin as our new President and CEO in May 2018** was the result of our **Board s active engagement in a thoughtful and comprehensive succession planning process**. Our Board is also focused on its **own succession plan**, which drives not only our director selection efforts, but also how we approach Board and committee leadership structure and membership, with a **focus on critical board skills, diversity, and independence**.
Cybersecurity	The full Board is briefed on enterprise-wide **cybersecurity risk management** and the overall cybersecurity risk environment, and oversees major tasks related to cybersecurity risk management, periodically reviews our response capabilities, and meets with the Chief

Information Officer on at least an annual basis.

Dover employs the National Institute of Standards & Technology Framework for Improving Critical Infrastructure Cybersecurity (**The NIST Framework**). This voluntary guidance developed with much private sector input provides a framework and a toolkit for organizations to manage cybersecurity risk.

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PROPOSAL 1 ELECTION OF DIRECTORS

Corporate Governance

Our Board is committed to sound governance practices and regularly reviews and refines our profile to reflect evolving best practices and matters raised by our shareholders. The following summarizes key aspects of our governance framework.

GOVERNANCE HIGHLIGHTS	
Independent Chair/Directors	We have an independent Chair and all directors are independent, other than our CEO.
New Finance Committee	Our Board established a new Finance Committee comprised of independent directors in 2018.
	The Finance Committee assists the Board in overseeing policies, practices, strategies, and risks relating to our financial affairs, including with respect to capital allocation matters such as share repurchases, dividend policy, capital expenditures and M&A, as well as global treasury activities, insured risk management, and tax planning.
Board Committee Refreshment	Our Board periodically reviews committee composition and chair positions, seeking the appropriate blend of continuity and fresh perspectives on committees.
	In addition to establishing a new Finance Committee, we refreshed the composition of our standing committees in 2018, including appointing new Chairs for the Audit and Compensation Committees.
Annual Majority Vote Director	All of our directors are elected annually by our shareholders.

Elections & Mandatory Resignation Policy	Our directors must receive a majority of the votes cast in uncontested elections to be elected.
	We have a director resignation policy that requires a current director to tender his or her resignation to the Board if he or she does not receive a majority of the votes cast. The Governance and Nominating Committee will recommend to the full Board whether to accept the resignation or whether to take other action.
Proxy Access	Our by-laws permit a shareholder or a group of up to 20 shareholders owning 3% or more of our outstanding common stock continuously for at least three years to nominate and include in our proxy materials director candidates constituting up to the greater of two individuals or 20% of the Board, provided that the shareholder(s) and the nominee(s) satisfy the requirements specified in our by-laws.
Special Shareholder Meetings	Our by-laws provide that shareholders who hold 25% or more of our outstanding stock may call a special meeting of shareholders.
Elimination of Super-majority Provisions	We amended our charter to eliminate the super-majority voting provision applicable to business combinations with related persons.
	At this Annual Meeting, the Board is recommending to shareholders that they approve the Board s proposals to amend our charter to remove our remaining super-majority voting provisions.

Board Leadership Structure

We believe that having an independent leader of the Board is important to the Board s oversight role and decision-making involving corporate strategy, performance, succession, and other critical matters. Under our current Board

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leadership structure, our Board has leadership that is independent from management by way of an independent Chair. Our CEO is also a member of the Board as a management representative. We believe this is important to make information and insight directly available to the directors in their deliberations. In our view, this board leadership structure gives us an appropriate, well-functioning balance between non-management and management directors that combines experience, accountability and effective risk oversight.

Board, Committee and Individual Director Evaluations

Our Board and its committees conduct robust annual self-evaluations of their performance. In addition, our Board evaluates one-third of our directors on a rotating individual basis each year with the purpose of assisting each director to be a more effective member of the Board. New directors undergo the evaluation process in each of their first two years on the Board. Our directors believe the rotational nature of our evaluation process enables a more in-depth, comprehensive evaluation for each of our directors.

Directors   Meetings and Attendance

During 2018, the Board met 8 times. No director attended less than 75% of the board and standing committee meetings held while he or she was a member of the Board and relevant standing committee. Average board attendance was over 95% in 2018. Our independent directors meet at regularly scheduled executive sessions at least quarterly without management representatives or non-independent directors present. The Chair of the Board presides at these sessions. We expect our directors to attend the Annual Meeting. All directors then on the Board attended the 2018 Annual Meeting.

Our directors also regularly engage with management and outside subject matter experts outside of formal meetings. Examples include developing agendas and reviewing the content of materials in advance of meetings, calls or in-person meetings with members of management to prepare for meetings, receiving periodic updates from management on significant operational or strategic developments between meetings, and, from time to time, engaging with shareholders.

Management Meetings and Site Visits

We encourage our directors to meet with senior managers throughout the enterprise and attend management s strategic planning sessions. When considering businesses to visit, priority goes to those businesses identified as strategically important as well as those that were recently acquired. From time to time, the Board makes on-site visits to our businesses to tour the manufacturing facilities and meet face-to-face with company management and employees. These visits serve as an important tool in the Board s succession planning process for our senior leadership team and enable a deeper understanding of our businesses and our culture.

Director Orientation and Education

All new directors participate in our director orientation program. New directors meet in-person with senior corporate and segment leaders to review and discuss our businesses, operations, strategy, end markets, governance and culture. We believe that our on-boarding approach, coupled with participation in regular Board and committee meetings, provides new directors a strong foundation in our businesses and accelerates their effectiveness to fully engage in

Board deliberations.

Our Board also encourages directors to annually participate in continuing director education programs outside of the Boardroom, and we reimburse directors for their expenses associated with this participation.

Director Independence

Our Board has determined that each of the current members of the Board, except for Richard J. Tobin, who is our CEO, has no material relationship with Dover and satisfies all the criteria for being independent members of our Board. This includes the criteria established by the U.S. Securities and Exchange Commission (SEC) and the New

PROPOSAL 1 ELECTION OF DIRECTORS

York Stock Exchange (NYSE) listing standards, as well as our standards for classification as an independent director which are available on our website at www.dovercorporation.com. Our Board makes an annual determination of the independence of each nominee for director prior to his or her nomination for re-election. No director may be deemed independent unless the Board determines that he or she has no material relationship with Dover, directly or as an officer, shareholder or partner of an organization that has a material relationship with Dover.

Majority Standard for Election of Directors and Mandatory Resignation Policy

Under our by-laws and corporate governance guidelines, the voting standard in director elections is a majority of the votes cast. Under the majority standard, a director must receive more votes in favor of his or her election than votes against his or her election. Abstentions and broker non-votes do not count as votes cast with respect to a director s election. In contested director elections (where there are more nominees than available seats on the board), the plurality standard will apply.

For an incumbent director to be nominated for re-election, he or she must submit an irrevocable resignation letter. The resignation will be contingent on the nominee not receiving a majority of the votes cast in an uncontested election and on the Board s acceptance of the resignation. If an incumbent director fails to receive a majority of the votes cast in an uncontested election, the Governance and Nominating Committee will make a recommendation to our Board concerning the resignation. Our Board will act on the resignation within 90 days following certification of the election results, taking into account the committee s recommendation. The Board will publicly announce its decision and, if the resignation is rejected, the rationale for its decision.

Governance Guidelines and Code of Ethics

Our Board long ago adopted written corporate governance guidelines that set forth the responsibilities of our Board and the qualifications and independence of its members and the members of its standing committees. The Board reviews these guidelines at least annually, in light of evolving best practices, shareholder feedback and the evolution of our business. In addition, our Board has a long-standing code of business conduct and ethics setting forth standards applicable to all of our companies and their employees, a code of ethics for our CEO and senior financial officers, and charters for each of its standing committees. All of these documents (referred to collectively as governance materials) are available on our website at www.dovercorporation.com.

Procedures for Approval of Related Person Transactions

We generally do not engage in transactions in which our senior executive officers or directors, any of their immediate family members or any of our 5% shareholders have a material interest. Should a proposed transaction or series of similar transactions involve any such persons and an amount that exceeds $120,000, it would be subject to review and approval by the Governance and Nominating Committee in accordance with a written policy and the procedures adopted by our Board, which are available with the governance materials on our website.

Under the procedures, management determines whether a proposed transaction requires review under the policy and, if so, presents the transaction to the Governance and Nominating Committee. The Governance and Nominating Committee reviews the relevant facts and circumstances of the transaction and approves or rejects the transaction. If the proposed transaction is immaterial or it is impractical or undesirable to defer the proposed transaction until the next committee meeting, the Chair of the committee decides whether to (i) approve the transaction and report the transaction at the next meeting or (ii) call a special meeting of the committee to review and approve the transaction. Should the proposed transaction involve the CEO or enough members of the Governance and Nominating Committee to prevent a quorum, the disinterested members of the committee will review the transaction and make a recommendation to the Board, and the disinterested members of the Board will then approve or reject the transaction. No director may participate in the review of any transaction in which he or she is a related person.

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PROPOSAL 1 ELECTION OF DIRECTORS

Communication with Directors

The Audit Committee has established procedures for (i) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters (accounting matters), and (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting matters. Such complaints or concerns may be submitted to Dover, care of our Corporate Secretary or through the communications coordinator, an external service provider, by mail, fax, telephone, or via the internet as published on our website. The communications coordinator forwards such communications to Dover without disclosing the identity of the sender if anonymity is requested.

Shareholders and other interested persons may also communicate with our Board and the non-management directors in any of these same manners. Such communications are forwarded to the Chair of the Governance and Nominating Committee.

Board Committees

Our Board has four standing committees the Audit Committee, the Compensation Committee, the Governance and Nominating Committee, and the Finance Committee. The table below sets forth a summary of our committee structure and membership information.

DIRECTOR	Audit Committee	Compensation Committee	Governance and Nominating Committee	Finance Committee
PETER T. FRANCIS*				
H. JOHN GILBERTSON, JR.				
KRISTIANE C. GRAHAM				
MICHAEL F. JOHNSTON				
RICHARD K. LOCHRIDGE*				
ERIC A. SPIEGEL				(Chair)
RICHARD J. TOBIN				
STEPHEN M. TODD	(Chair)			
STEPHEN K. WAGNER			(Chair)	
KEITH E. WANDELL		(Chair)		
MARY A. WINSTON				
MEETINGS IN 2018	9	7	4	4

*

Messrs. Francis and Lochridge are not standing for re-election and will retire from the Board effective as of the Annual Meeting, at which time the size of our Board will be reduced to 9 members.

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PROPOSAL 1 ELECTION OF DIRECTORS

Overview of Committee Responsibilities

Audit Committee	
	Key Responsibilities
Stephen M. Todd (Chair)	Selecting and engaging our independent registered public accounting firm (independent auditors)
H. John Gilbertson, Jr. Eric A. Spiegel Stephen K. Wagner	Overseeing the work of our independent auditors and our internal audit function
	Approving in advance all services to be provided by, and all fees to be paid to, our independent auditors, who report directly to the committee
	Reviewing with management and the independent auditors the audit plan and results of the auditing engagement
	Reviewing with management and our independent auditors the quality and adequacy of our internal control over financial reporting
	The Audit Committee holds regular quarterly meetings at which it meets separately with each of our independent registered public accounting firm, PwC, our internal audit function, financial management and our general counsel to assess certain matters including the status of the independent audit process, management s assessment of the effectiveness of internal control over financial

reporting and the operation and effectiveness of our compliance program. In addition, the Audit Committee, as a whole, reviews and meets to discuss the contents of each Form 10-Q and Form 10-K (including the financial statements) prior to its filing with the SEC.

Our Board has determined that all members of the Audit Committee qualify as audit committee financial experts as defined in the SEC rules.

The Audit Committee s responsibilities and authority are described in greater detail in its written charter.

Compensation Committee

Key Responsibilities

Keith E. Wandell (Chair)

Peter T. Francis

Kristiane C. Graham

Michael F. Johnston

Richard K. Lochridge

Mary A. Winston

The Compensation Committee, together with our independent directors, approves compensation for the CEO of Dover. The functions of the Compensation Committee also include:

Approving compensation for executive officers who report directly to the CEO (together with the CEO, senior executive officers)

Granting awards and approving payouts under our 2012 Equity and Cash Incentive Plan (the LTIP) and our Executive Officer Annual Incentive Plan (the AIP)

Approving changes to our executive compensation plans

Reviewing and recommending compensation for the Board

Overseeing succession planning and management development programs

The Compensation Committee s responsibilities and authority are described in greater detail in its written charter.

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Governance and Nominating Committee	
	Key Responsibilities
Stephen K. Wagner (Chair)	Developing and recommending corporate governance principles to our Board
Kristiane C. Graham Michael F. Johnston	Annually reviewing the requisite skills and characteristics of board members as well as the size, composition, functioning and needs of our Board as a whole
	Considering and recommending to the Board nominees for election to, or for filling any vacancy on, our Board in accordance with our by-laws, our governance guidelines, and the committee s charter
	Identifying and recommending to our Board any changes it believes desirable in the size and composition of our Board
	Recommending to our Board any changes it believes desirable in structure and membership of our Board s committees
	The Governance and Nominating Committee s responsibilities and authority are described in greater detail in its written charter.

Finance Committee

Members	Key Responsibilities
Eric A. Spiegel (Chair)	Reviewing and recommending for approval by the Board proposed changes to dividend policies, stock splits, and repurchase programs
Peter T. Francis	Reviewing our capital structure, liquidity, and financing plans
H. John Gilbertson, Jr.	Reviewing and recommending for Board approval the registration and issuance of debt or equity securities
Keith E. Wandell	Subject to thresholds determined from time to time by the Board, reviewing and approving, or reviewing and recommending for Board approval, capital expenditures
Mary A. Winston	Reviewing and approving, or recommending for Board approval, capital expenditures and M&A
	Oversight of treasury, insurance, and tax planning matters.
	The Finance Committee s responsibilities and authority are described in greater detail in its written charter.

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PROPOSAL 1 ELECTION OF DIRECTORS

Shareholder Engagement

Annual Engagement Program

In 2018, we continued our focus on regularly engaging with our shareholders. We reached out to holders of over 51% of our shares outstanding and engaged with governance professionals and portfolio managers at investors holding 32% of our shares outstanding. Our stockholder engagement team consists of senior management from our Legal, Human Resources, and Investor Relations departments and has also included our Chair from time to time. Members of our engagement team also participate in various governance forums with our shareholders and regularly engage with shareholders through industry conferences and meetings.

Our Board continues to find the feedback it receives from these discussions to be invaluable. We plan to continue our program of proactive, regular engagement to further deepen our relationship with our investors.

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PROPOSAL 1 ELECTION OF DIRECTORS

Shareholder Engagement in 2018

	Key Items of Discussion and Feedback
Long-Term Strategy	We discussed the recently completed spin-off of Apergy, which represented the culmination of a comprehensive process led by our Board to determine the best separation alternatives to maximize shareholder value.
	We also reviewed our Board s commitment to margin improvement, long-term investment in the business, and operational excellence.
CEO Transition	We discussed the robust succession planning process, led by our independent Chair and the independent Chair of our Governance and Nominating Committee, which resulted in the appointment of our new President and CEO, Richard J. Tobin, in May 2018.
	Shareholders were supportive of the structure of Mr. Tobin s performance-based compensation as well as his employment agreement, including the make-whole payment which ensured a smooth transition and our ability to hire a highly qualified candidate.
Capital Allocation	We discussed our Board s capital allocation priorities invest organically, acquire strategically, and return capital to shareholders.
Corporate Governance	Our shareholders continued to express their broad support for our governance practices and shareholder rights, including special meeting right, use of annual director elections, and independent Board leadership structure, and thoughtful and active refreshment process.
Supermajority	Shareholders noted appreciation for our continued efforts to remove the remaining super-majority provisions in our charter and acknowledged the high hurdle presented by the

Provisions	current 80% voting requirement in our charter to approve amendments to remove the super-majority provisions. Given our proactive and continued efforts to remove the remaining super-majority provisions over the past several years, a number of investors stated that they would have been supportive if our Board did not include a management proposal to eliminate supermajority provisions in our proxy statement in 2018. However, several shareholders continued to express a preference for simple majority voting requirements and encouraged us to put forth another management proposal to remove the remaining super-majority voting provisions.
Sustainability	We discussed how we approach sustainability from a risk management perspective, the governance of our sustainability program, and our robust goals to reduce energy usage and greenhouse emissions from operations by 20% indexed to net revenue by 2020 from a base year of 2010. We also reviewed product innovations which demonstrate our commitment to sustainability-driven innovation as a growth opportunity for our businesses.
Executive Compensation	Shareholders were supportive of our compensation program, including the effective use of our company-specific iTSR metric, viewing it as strongly incentivizing performance and value creation.

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PROPOSAL 1 ELECTION OF DIRECTORS

Sustainability

We are committed to creating economic value for shareholders by developing products designed to help our customers meet their sustainability goals in response to evolving regulatory and environmental standards. We also foster sustainable business practices across our own businesses in order to reduce our greenhouse gas emissions and energy consumption.

Key Areas of Focus	
Governance	Our Board oversees risk management, and periodically reviews the processes established by management to identify and manage risks, including those related to environmental and social issues. The Board is focused on our long-term business strategy, including fostering sustainability-driven innovations, and incorporates our sustainability risks and opportunities into its overall strategic decision-making. Our Board also receives periodic updates on company-wide energy and carbon performance against targets, and is regularly briefed on each segment s operational performance including productivity and safety performance.
Environment	In 2010, in response to our concerns around global sustainability, we developed and implemented a process to conduct an inventory of our greenhouse gas emissions. Since then, we have evaluated our climate change risks and opportunities, as well as developed an energy and climate change strategy that includes goals, objectives, and related projects for reducing energy use and greenhouse gas emissions. To further promote our sustainability efforts, we committed to reducing our overall energy and greenhouse gas intensity indexed to net revenue by 20% from 2010 to 2020. We are near our goal for reducing overall energy intensity and have surpassed our goal for reducing greenhouse gas intensity. We believe that our focus on sustainability results in enhanced efficiency in our operations, which reduces costs, improves margins and helps us achieve operational excellence, and we will continue to work proactively to reduce our energy usage and carbon emissions amidst acquisition and business growth.

We have also participated as a voluntary respondent in the Carbon Disclosure Project since 2010 and have maintained our scoring range since we began reporting.

Human Capital

We foster an operating culture with high ethical standards that values accountability, rigor, trust, respect and open communications and is designed to encourage individual growth and operational effectiveness.

We have implemented numerous workplace safety initiatives to help ensure the health and welfare of our employees.

We continue to make significant investments in talent development, especially in the area of operational management, and recognize that the growth and development of our employees is essential for our continued success.

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PROPOSAL 1 ELECTION OF DIRECTORS

Key Areas of Focus	
Business Model & Innovation	We believe that sustainability-driven innovation presents a significant growth opportunity while contributing positively to enhanced resource efficiency and reduced waste. Accordingly, over the past several years, we have accelerated our efforts and processes around innovation, focusing on technologies which create tangible value for our customers. Our businesses stay close to their customers, and our customers are demanding more energy-efficient products to serve their own sustainability needs. Whether related to demand for more energy efficient refrigeration cases in grocery or convenience stores, or clothing retailers using digital printing equipment requiring less water than traditional analog printing equipment, we believe we are well-positioned to have a positive impact on a broad scale.
Climate Risk	There have been no material effects upon our earnings and competitive position resulting from our compliance with laws or regulations relating to the protection of the environment. We are aware of a number of existing or upcoming regulatory initiatives intended to reduce emissions in geographies where our manufacturing and warehouse/distribution facilities are located and have evaluated the potential impact of these regulations on our businesses. We anticipate that direct impacts from regulatory actions will not be significant in the short- to medium-term. We expect the impacts associated with climate change regulation would be primarily indirect and would result in pass through costs from energy suppliers, suppliers of raw materials and other services related to our operations.
Materials Sourcing	We have adopted a conflict free supply chain policy. The policy has been communicated to suppliers through our Supplier Code of Conduct, the Conflict Minerals survey process, and through efforts to implement related terms and conditions in supplier contracts.

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PROPOSAL 1 ELECTION OF DIRECTORS

Directors Compensation

Our non-employee directors receive annual compensation in an amount our Board sets from time to time. The directors annual compensation is payable partly in cash and partly in common stock in an allocation our Board may adjust from time to time. If any director serves for less than a full calendar year, the compensation to be paid to that director for the year will be pro-rated as deemed appropriate by the Compensation Committee.

Our Board has adopted a policy that directors are expected to hold at any time a number of shares at least equal to the aggregate number of shares they received as the stock portion of their annual retainer during the past five years, net of an assumed 30% tax rate.

FOR 2018, NON-EMPLOYEE DIRECTOR COMPENSATION WAS AS FOLLOWS:
Annual retainer of $250,000, payable $130,000 in common stock and $120,000 in cash
Audit Committee Chair additional annual cash retainer of $15,000
Compensation Committee Chair, Nominating and Governance Committee Chair and Finance Committee Chair additional annual cash retainer of $10,000
Board Chair additional annual retainer of $150,000, payable $125,000 in cash and $25,000 in common stock

Under our LTIP, each non-employee director can elect to defer the receipt of 0%, 50%, or 100% of the equity compensation payable in a year until termination of services as a non-employee director. Shares deferred are converted into deferred stock units representing the right to receive one share of our common stock for each unit held at the end of the deferral period. Dividend equivalents are credited on deferred stock units and will be distributed in cash at the time that shares are distributed in settlement of deferred stock units. Messrs. Francis, Johnston, Spiegel, Tobin, Todd and Wagner and Ms. Graham elected to defer receipt of their 2018 equity compensation and received deferred stock units.

The table below sets forth the compensation paid to our directors for services in 2018.

NAME	FEES EARNED OR PAID IN CASH ($)(1)	STOCK AWARDS ($)(1)(2)	TOTAL ($)
PETER T. FRANCIS	120,000	129,975	249,975
H. JOHN GILBERTSON, JR	60,000	54,127	114,127
KRISTIANE C. GRAHAM	120,000	129,975	249,975
MICHAEL F. JOHNSTON	245,000	154,970	399,970
RICHARD K. LOCHRIDGE	125,000	129,975	254,975
ERIC A. SPIEGEL	127,500	129,975	257,475
MICHAEL B. STUBBS	60,000	63,177	123,177
RICHARD J. TOBIN	40,000	49,904	89,904
STEPHEN M. TODD	131,250	129,975	261,225
STEPHEN K. WAGNER	130,000	129,975	259,975
KEITH E. WANDELL	127,500	129,975	257,475
MARY A. WINSTON	127,500	129,975	257,475

(1) Amounts include the standard annual cash retainer, the Chair s additional cash retainer and the additional annual cash retainer for committee Chairs. Mr. Stubbs retired from the Board effective as of the 2018 Annual Meeting. Mr. Tobin appears in this table only for the portion of compensation he received for his services as an

independent director prior to commencing services as our President and CEO on May 1, 2018. Mr. Gilbertson was first elected to the Board on August 2, 2018; his compensation reflects his partial year of service.

(2) *On November 15, 2018, each of Messrs. Lochridge and Wandell and Ms. Winston received 1,508 shares of common stock with an aggregate grant date fair market value of $129,975. Messrs. Francis, Spiegel, Todd and Wagner and Ms. Graham each received 1,508 deferred stock units with an aggregate grant date fair market value of $129,975. Mr. Gilbertson received 628 shares of common stock with an aggregate grant date fair market value of $54,127 reflecting his partial year of service. Mr. Johnston received 1,798 deferred stock units with an aggregate grant date fair market value of $154,970, which included his additional compensation as Board Chair. Mr. Stubbs received 733 shares of common stock with an aggregate date fair market value of $63,177 for his partial year of service prior to his May 2018 retirement. Mr. Tobin received 579 deferred stock units with an aggregate grant date fair market value of $49,904 reflecting his partial year of service as an independent director prior to becoming President and CEO.*

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Proposal 2 Ratification of Appointment of Independent Registered Public Accounting Firm

The Audit Committee has appointed the independent registered public accounting firm of PwC to audit the annual accounts of Dover and its subsidiaries for 2019. PwC has audited the financial statements for the Company since 1995. Representatives of PwC are not expected to be present at the Annual Meeting.

Although shareholder ratification of PwC s appointment is not required by Dover s by-laws or otherwise, our Board is submitting the ratification of PwC s appointment for the year 2019 to Dover s shareholders. If the shareholders do not ratify the appointment of PwC, the Audit Committee will reconsider whether or not to retain PwC as Dover s independent registered public accounting firm for the year 2019 but will not be obligated to terminate the appointment. Even if the shareholders ratify the appointment of PwC, the Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit Committee determines that such a change would be in Dover s interests.

THE BOARD RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF PWC AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR 2019.

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PROPOSAL 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Audit Committee Report

The Audit Committee is composed of directors who, in the opinion of the Board, are independent and financially literate under NYSE rules and qualify as audit committee financial experts as defined by the SEC. Information concerning the credentials of the Audit Committee members can be found in the section of this proxy statement entitled Proposal 1 Election of Directors .

The Audit Committee operates under a written charter adopted by the Board and available on Dover s website. The Audit Committee assists the Board in overseeing the quality and integrity of Dover s financial statements, compliance with legal and regulatory requirements, the qualifications, performance and independence of the independent auditors, and the performance of the internal audit function.

Among other things, the Audit Committee appoints the Company s independent auditors and is directly involved in the selection of the lead audit engagement partner, discusses with the internal audit function and independent auditors the overall scope and plans for their respective audits, reviews the Company s accounting policies and system of internal controls, reviews significant financial transactions, discusses with management and with the Board processes relating to risk management, pre-approves audit and permissible non-audit services provided by the independent auditors, and approves all fees paid to the independent auditors for such services.

For 2018, the Audit Committee engaged the independent registered public accounting firm PwC as Dover s independent auditor. In selecting PwC, the Audit Committee considered, among other things: the experience and qualifications of the lead audit partner and other senior members of the PwC team; PwC s historical performance on Dover s audit and the quality of its communications with the Audit Committee; the results of the most recent internal quality control review or Public Company Accounting Oversight Board (PCAOB) inspection; PwC s independence; its reputation for integrity and competence in the fields of accounting and auditing; the appropriateness of its fees; and its tenure as Dover s independent auditors, including its understanding of the Company s global businesses, accounting policies and practices, and internal control over financial reporting.

The Audit Committee discussed with PwC the overall scope and plans for the audit of Dover s 2018 financial statements. The Audit Committee met with PwC, with

and without management present, to discuss the results of PwC s examination, their assessment of internal controls and the overall quality of financial reporting.

The Audit Committee reviewed and discussed, with both the management of Dover and PwC, Dover s 2018 audited financial statements, including a discussion of critical accounting policies, the quality, not just the acceptability, of the accounting principles followed, the reasonableness of significant judgments reflected in such financial statements and the clarity of disclosures in the financial statements. The Audit Committee met a total of nine times in 2018 and 2019 to discuss 2018 quarterly and full-year financial results and related disclosures.

The Audit Committee has received the written disclosures and the Rule 3526 letter from PwC required by the applicable requirements of PCAOB regarding the independent auditor s communications with the Audit Committee concerning independence, and discussed with PwC its independence, including the impact of any relationships or permitted non-auditing services on PwC s independence. The Audit Committee also discussed with PwC the matters required to be discussed under PCAOB Auditing Standard No. 1301. The Audit Committee has also received written materials addressing PwC s internal control procedures and other matters required by NYSE listing standards.

Based upon the review and discussions referred to above, the Audit Committee recommended that the audited financial statements for the year ended December 31, 2018 be included in Dover s Annual Report on Form 10-K.

Audit Committee:

Stephen M. Todd (Chair)

H. John Gilbertson, Jr.

Eric A. Spiegel

Stephen K. Wagner

This report does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any filing under the Securities Act of 1933 or under the Securities Exchange Act of 1934, except to the extent we specifically incorporate this report by reference, and shall not otherwise be deemed filed under such Acts.

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PROPOSAL 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Fees Paid to Independent Registered Public Accounting Firm

Fees paid to, or accrued for, PwC for services to us and our subsidiaries for 2018 and 2017 (including reimbursable expenses) were as follows:

	2018	2017
AUDIT FEES	$ 9,658,287	$ 12,169,363
AUDIT-RELATED FEES	$ 400,000	$ 400,000
TAX FEES	$ 603,942	$ 283,394
ALL OTHER FEES	$ 4,500	$ 3,600