

DANA INC  
Form DEF 14A  
March 14, 2019  
Table of Contents

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**SCHEDULE 14A**

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES**

**EXCHANGE ACT OF 1934**

(AMENDMENT NO. )

Filed by the Registrant

Filed by a Party other than the Registrant

**Check the appropriate box:**

Preliminary Proxy Statement  
CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14a-6(e)(2))  
Definitive Proxy Statement  
Definitive Additional Materials  
Soliciting Material Pursuant to Section 240.14a-12

**DANA INCORPORATED**

(NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

(NAME OF PERSON(S) FILING PROXY STATEMENT, IF OTHER THAN THE REGISTRANT)

Payment of Filing Fee (Check the appropriate box):

No fee required.

## Edgar Filing: DANA INC - Form DEF 14A

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

- (1) Title of each class of securities to which transaction applies:
  
- (2) Aggregate number of securities to which transaction applies:
  
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
  
- (4) Proposed maximum aggregate value of transaction:
  
- (5) Total fee paid:

Fee paid previously with preliminary materials.

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

- (1) Amount Previously Paid:
  
- (2) Form, Schedule or Registration Statement No.:
  
- (3) Filing Party:
  
- (4) Date Filed:

Table of Contents

**Dana Incorporated**  
**Proxy Statement and Notice of**  
**2019 Annual Meeting of Shareholders**  
**Our Proxy Statement and Annual Report**  
**are Available at [www.dana.com/proxy](http://www.dana.com/proxy)**

Table of Contents

**Dana Incorporated**

**3939 Technology Drive**

**Maumee, Ohio 43537**

March 14, 2019

Dear Fellow Shareholder:

It is our pleasure to invite you to attend the 2019 Annual Meeting of Shareholders of Dana Incorporated at 8:30 a.m., Eastern Time, on Wednesday, May 1, 2019 at our World Headquarters located at 3939 Technology Drive, Maumee, Ohio 43537. Registration will begin at 7:30 a.m., Eastern Time.

The annual report, which is included in this package, summarizes Dana's major developments and includes our consolidated financial statements.

Whether or not you plan to attend the 2019 Annual Meeting of Shareholders, please either sign and return the accompanying proxy card in the postage-paid envelope or instruct us by telephone or via the Internet indicating how you would like your shares voted. Instructions on how to vote your shares by telephone or via the Internet are on the proxy card enclosed with this proxy statement.

Sincerely,

Keith E. Wandell  
Chairman of the Board of Directors

**Table of Contents**

**PROXY STATEMENT**

**Table of Contents**

<u>Questions and Answers</u>	1
<u>Executive Officers</u>	7
<u>Compensation of Executive Officers</u>	8
<u>Compensation Discussion and Analysis</u>	8
<u>Officer Stock Ownership Guidelines</u>	23
<u>Compensation Committee Report</u>	26
<u>Summary Compensation Table</u>	27
<u>Grants of Plan-Based Awards</u>	28
<u>Outstanding Equity Awards at Fiscal Year End</u>	29
<u>Options Exercised and Stock Vested During Fiscal Year</u>	29
<u>Nonqualified Deferred Compensation at Fiscal Year End</u>	30
<u>Retirement Plans</u>	30
<u>CEO Employment Agreement</u>	30
<u>Potential Payments and Benefits Upon Termination or Change in Control</u>	31
<u>CEO Pay Ratio</u>	37
<u>Transactions of Executive Officers with Dana</u>	38
<b><u>Proposal I Submitted for Your Vote Election of Directors</u></b>	39
<u>Information about the Nominees</u>	40
<u>Corporate Governance</u>	44
<u>Risk Oversight</u>	45
<u>Committees and Meetings of Directors</u>	46
<u>Non-Management Directors and Communication with the Board</u>	47
<u>Director Independence and Transactions of Directors with Dana</u>	47
<u>Compensation Committee Interlocks and Insider Participation</u>	49
<u>Compensation of Directors</u>	50
<u>Security Ownership of Certain Beneficial Owners and Management</u>	51
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	52
<b><u>Proposal II Submitted for Your Vote Advisory Vote on Executive Compensation</u></b>	53
<b><u>Proposal III Submitted for Your Vote Ratification of the Appointment of the Independent Registered Public Accounting Firm</u></b>	54
<u>Independent Registered Public Accounting Firm</u>	54
<u>Audit Committee Report</u>	55
<b><u>Proposal IV Submitted for Your Vote Shareholder Proposal</u></b>	57
<u>Annual Report to Shareholders</u>	60
<u>Other Matters</u>	60

Table of Contents

**Dana Incorporated**

**Notice of Annual Meeting of Shareholders**

**March 14, 2019**

Date: May 1, 2019  
Time: 8:30 a.m., Eastern Time  
Place: Dana Incorporated  
World Headquarters  
3939 Technology Drive  
Maumee, Ohio 43537

We invite you to attend the Dana Incorporated 2019 Annual Meeting of Shareholders to:

1. Elect eight Directors for a one-year term expiring in 2020 or upon the election and qualification of their successors;
2. Act on an advisory vote to approve executive compensation;
3. Ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm for the fiscal year ending December 31, 2019;
4. Consider a shareholder proposal regarding special shareholder meetings, if properly presented at the Annual Meeting; and
5. Transact any other business that is properly submitted before the Annual Meeting or any adjournments or postponements of the Annual Meeting.

The record date for the Annual Meeting is March 4, 2019 (the Record Date). Only shareholders of record at the close of business on the Record Date can vote at the Annual Meeting. Dana mailed this Notice of Annual Meeting or a Notice of Availability of Proxy Materials to those shareholders. Action may be taken at the Annual Meeting on any of the foregoing proposals on the date specified above or any date or dates to which the Annual Meeting may be adjourned or postponed.

Dana will have a list of shareholders who can vote available for inspection by shareholders at the Annual Meeting, and for 10 days prior to the Annual Meeting, during regular business hours at Dana's Law Department, 3939 Technology Drive, Maumee, Ohio 43537.

Whether or not you plan to attend the Annual Meeting and whether you own a few or many shares of stock, the Board of Directors urges you to vote promptly. Registered holders may vote by signing, dating and returning the enclosed proxy card, by using the automated telephone voting system, or by using the Internet voting system. You will find instructions for voting by telephone, by the Internet on the proxy card, and in the

## Edgar Filing: DANA INC - Form DEF 14A

Questions and Answers section of the proxy statement. If you wish to attend the Annual Meeting in person, you must register in advance. Please vote your proxy, then follow the instructions in the Questions and Answers section below.

By Order of the Board of Directors,

March 14, 2019

Douglas H. Liedberg  
Senior Vice President, General Counsel, and Corporate Secretary

**Table of Contents**

**Dana Incorporated**

**3939 Technology Drive**

**Maumee, Ohio 43537**

**2019 PROXY STATEMENT**

**QUESTIONS AND ANSWERS**

The Board of Directors is soliciting proxies to be used at the Annual Meeting of Shareholders to be held on Wednesday, May 1, 2019, beginning at 8:30 a.m., Eastern Time, at our World Headquarters located at 3939 Technology Drive, Maumee, Ohio 43537. This proxy statement and the enclosed form of proxy are being made available to shareholders beginning March 14, 2019.

**What is a proxy?**

A proxy is your authorization for someone else to vote for you in the way that you want to vote. When you complete and submit a proxy card or use the automated telephone voting system or the Internet voting system, you are submitting a proxy. Dana's Board of Directors is soliciting this proxy. All references in this proxy statement to "you" will mean you, the shareholder, and to "yours" will mean the shareholder's or shareholders', as appropriate.

**What is a proxy statement?**

A proxy statement is a document the United States Securities and Exchange Commission (the SEC) requires to explain the matters on which you are asked to vote on by proxy and to disclose certain related information. This proxy statement and the accompanying proxy card were first mailed to the shareholders on or about March 14, 2019.

**What is the purpose of the Annual Meeting?**

At our Annual Meeting, shareholders will act upon the matters outlined in the notice of meeting, including i) the election of directors; ii) an advisory vote on executive compensation; iii) ratification of the appointment of Dana's independent registered public accounting firm; and iv) a shareholder proposal, if properly presented at the Annual Meeting. Also, management will report on the state of Dana and respond to questions from shareholders.



**What is the record date and what does it mean?**

The record date for the Annual Meeting is March 4, 2019 (the Record Date). The Record Date was established by the Board of Directors as required by Delaware law. Holders of our common stock at the close of business on the Record Date are entitled to receive notice of the meeting and to vote at the meeting and any adjournments or postponements of the meeting.

**Who is entitled to vote at the Annual Meeting?**

Holders of our common stock at the close of business on the Record Date may vote at the meeting. On March 4, 2019, 143,461,011 shares of our common stock were outstanding, and accordingly, are eligible to be voted.

**What are the voting rights of the holders of common stock?**

Each outstanding share of common stock will be entitled to one vote on each matter to be voted upon.

**Table of Contents**

**What is the difference between a shareholder of record and a street name holder?**

If your shares are registered directly in your name, you are considered the shareholder of record with respect to those shares.

If your shares are held in a stock brokerage account or by a bank or other nominee, then the brokerage firm, bank or other nominee is considered to be the shareholder of record with respect to those shares. However, you still are considered the beneficial owner of those shares, and your shares are said to be held in street name. Street name holders generally cannot vote their shares directly and must instead instruct the brokerage firm, bank or other nominee how to vote their shares. See [How do I vote my shares?](#) below.

**How do I vote my shares?**

If you are a shareholder of record as of March 4, 2019, as opposed to a street name holder, you will be able to vote in four ways: In person, by telephone, by the Internet, or by proxy card.

To vote by proxy card, sign, date and return the enclosed proxy card. To vote by using the automated telephone voting system or the Internet voting system, the instructions for shareholders of record are as follows:

**TO VOTE BY TELEPHONE: 866-883-3382**

Use any touch-tone telephone to vote your proxy.

Have your proxy card and the last four digits of your Social Security Number or Tax Identification Number available when you call.

Follow the simple instructions the system provides you.

You may dial this toll-free number at your convenience, 24 hours a day, 7 days a week. The deadline for telephone voting is 11:59 p.m. (ET) on April 30, 2019.

(OR)

**TO VOTE BY THE INTERNET: [www.proxypush.com/DAN](http://www.proxypush.com/DAN)**

Use the Internet to vote your proxy.

Have your proxy card and the last four digits of your Social Security Number or Tax Identification Number available when you access the website.

Follow the simple instructions to obtain your records and create an electronic ballot.

## Edgar Filing: DANA INC - Form DEF 14A

You may log on to this Internet site at your convenience, 24 hours a day, 7 days a week. The deadline for Internet voting is 11:59 p.m. (ET) on April 30, 2019.

If you submit a proxy to Dana before the Annual Meeting, the persons named as proxies will vote your shares as you directed. If no instructions are specified, the proxy will be voted: i) FOR all of the listed director nominees; ii) FOR approval of the advisory vote on executive compensation; iii) FOR ratification of PricewaterhouseCoopers LLP as the independent registered public accounting firm; and iv) AGAINST the shareholder proposal.

You may revoke a proxy at any time before the proxy is exercised by:

- (1) delivering written notice of revocation to the Corporate Secretary of Dana at the Dana Law Department, 3939 Technology Drive, Maumee, Ohio 43537;
- (2) submitting another properly completed proxy card that is later dated;
- (3) voting by telephone at a subsequent time;

## **Table of Contents**

(4) voting by Internet at a subsequent time; or

(5) voting in person at the Annual Meeting.

If you hold your shares in street name, you must provide voting instructions for your shares in the manner prescribed by your brokerage firm, bank or other nominee. Your brokerage firm, bank or other nominee has enclosed or otherwise provided a voting instruction card for you to use in directing the brokerage firm, bank or other nominee how to vote your shares. If you hold your shares in street name and you want to vote in person at the Annual Meeting, you must obtain a legal proxy from your broker and present it at the Annual Meeting. You will also need to provide to us a brokerage statement if you intend to attend the Annual Meeting.

### **What is a quorum?**

There were 143,461,011 shares of Dana's common stock issued and outstanding on the Record Date. A majority of the issued and outstanding shares or 71,730,506 shares, present or represented by proxy, constitutes a quorum. A quorum must exist to conduct business at the Annual Meeting.

### **Will my shares be voted if I do not provide my proxy?**

For shareholders of record: If you are the shareholder of record and you do not vote by proxy card, by telephone or via the Internet or in person at the Annual Meeting, your shares will not be voted at the Annual Meeting.

For holders in street name: If your shares are held in street name, your shares may be voted even if you do not provide the brokerage firm with voting instructions. Under New York Stock Exchange (NYSE) rules, your broker may vote shares held in street name on certain routine matters. The NYSE rules consider the ratification of the appointment of our independent registered public accounting firm to be a routine matter. As a result, your broker is permitted to vote your shares on this matter at its discretion without instruction from you.

When a proposal is not a routine matter, such as the election of directors, the advisory vote on executive compensation, and the shareholder proposal, and you have not provided voting instructions to the brokerage firm with respect to that proposal, the brokerage firm cannot vote the shares on that proposal. The missing votes for these non-routine matters are called broker non-votes. Broker non-votes will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum, but not as shares present and voting on a specific proposal.

### **What vote is required?**

*Proposal 1 Election of Directors:* If a quorum exists, the election requires a plurality vote of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote, meaning that the director nominees with the most affirmative votes are elected to fill the available seats. As outlined in our Bylaws, regardless of this plurality vote any director who receives more withheld votes than for votes in an uncontested election is required to tender his or her resignation to the Board for consideration in accordance with the procedures set forth in the Bylaws. Our Nominating and Corporate Governance Committee will then evaluate the best interests of Dana and its shareholders and will recommend to the Board the action to be taken with respect to the tendered resignation. Following the Board's determination, Dana will promptly publicly disclose the Board's decision of whether or not to accept the resignation and an explanation of how the decision was reached, including, if applicable, the reasons for rejecting the resignation. Broker non-votes will not be counted as eligible to vote and, therefore, will have no effect

on the outcome of the voting.

*Proposal II Advisory Vote on Executive Compensation:* The proposal represents an advisory vote and the results will not be binding on the Board or Dana. If a quorum exists, the affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote on the matter will constitute the shareholders' non-binding approval with respect to our executive compensation programs. Therefore, abstentions will have the same effect as voting against the proposal. Broker non-votes will not be counted as eligible to vote on the proposal and, therefore, will have no effect on the outcome of the voting on the

## **Table of Contents**

proposal. The Board will review the voting results and take them into consideration when making future decisions regarding executive compensation.

*Proposal III Ratification of the Appointment of the Independent Registered Public Accounting Firm:* If a quorum exists, the proposal to ratify the appointment of the independent registered public accounting firm must receive the affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote on the proposal. Therefore, abstentions will have the same effect as voting against the proposal. Brokers will have discretionary voting power to vote this proposal so we do not anticipate any broker non-votes (described above).

*Proposal IV Shareholder Proposal:* The shareholder proposal will be voted on at the Annual Meeting only if properly presented by or on behalf of the shareholder proponent. If a quorum exists, the shareholder proposal must receive the affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote on the proposal. Therefore, abstentions will have the same effect as voting against the proposal. Broker non-votes will not be counted as eligible to vote on the proposal and, therefore, will have no effect on the outcome of the voting on the proposal.

Dana will vote properly completed proxies it receives prior to the Annual Meeting in the way you direct. If you do not specify how you want your shares voted, they will be voted in accordance with the Board's recommendations. If you hold shares in more than one account, you must vote each proxy and/or voting instruction card you receive to ensure that all shares you own are voted. No other matters are currently scheduled to be presented at the Annual Meeting. An independent third party, Equiniti Trust Company (formerly Wells Fargo Bank, N.A.), will act as the inspector of the Annual Meeting and the tabulator of votes.

## **How do I attend the annual meeting?**

All shareholders as of the Record Date, or their duly appointed proxies, may attend the Annual Meeting. You must pre-register to attend. Please contact Dana Shareholder Services by email at [InvestorRelations@dana.com](mailto:InvestorRelations@dana.com) or by telephone at 1-800-537-8823 providing your name, address, telephone number with area code, and note that you plan to attend the annual meeting. Dana will independently verify the status of shareholders of record as of the Record Date. Beneficial Shareholders must provide evidence of share ownership to Dana Shareholder Services.

*Beneficial Shareholders* Those shareholders that hold their shares in street name must contact their brokerage firm, bank or other nominee and obtain a legal proxy in order to attend the meeting and vote their shares in person. Generally, there will be a box that you can check on the voting instruction card or website to indicate that you wish to attend and vote your shares at the annual meeting. You must provide a copy of the legal proxy to Dana Shareholder Services as definitive proof of ownership as of the Record Date in order to attend the meeting and to vote your shares in person.

If a beneficial shareholder does not obtain a legal proxy, but still wants to attend the annual meeting (and not vote their shares in person), you may provide other evidentiary material, such as broker statements, trade advices or a letter from your broker proving ownership as of the Record Date. Dana reserves the right to restrict admission if evidentiary material is not definitive proof of proper and timely ownership.

Dana will maintain a list of verified shareholders at the Annual Meeting of Shareholders. To gain admission at the meeting, you must present government-issued photo identification that matches the name on the pre-registration list.

Annual meeting pre-registration requests must be received by the end of business on Tuesday, April 30, 2019.

Seating is limited and admission is on a first-come basis.

---

**Table of Contents**

**Who pays for the costs of the Annual Meeting?**

Dana pays the cost of preparing and printing the proxy statement and soliciting proxies. Dana will solicit proxies primarily by mail, but may also solicit proxies personally and by telephone, the Internet, facsimile or other means. Dana will use the services of D.F. King & Co., Inc., a proxy solicitation firm, at a cost of approximately \$12,500 plus out-of-pocket expenses and fees for any special services. Officers and regular employees of Dana and its subsidiaries may also solicit proxies, but they will not receive additional compensation for soliciting proxies. Dana also will reimburse banks, brokerage houses and other custodians, nominees and fiduciaries for their out-of-pocket expenses for forwarding solicitation materials to beneficial owners of Dana's common stock.

**How can shareholders propose business (other than nominations) for consideration by shareholders at the 2020 Annual Meeting of Shareholders?**

*Proposals to be Considered for Inclusion in Dana's Proxy Materials* Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the Exchange Act), we must receive shareholder proposals by November 14, 2019 to consider them for inclusion in our proxy materials for the 2020 Annual Meeting of Shareholders. A shareholder submitting a proposal for inclusion in our proxy materials must comply with Rule 14a-8.

*Other Proposals for Consideration at the 2020 Annual Meeting* A shareholder who intends to propose an item of business at the 2020 Annual Meeting of Shareholders (not for inclusion in our proxy materials) must comply with the requirements set forth in our Bylaws. Under Dana's Bylaws, our shareholders must provide advance notice to Dana in such cases. For the 2020 Annual Meeting of Shareholders, notice must be received by Dana's Corporate Secretary no later than the close of business on February 1, 2020 and no earlier than the open of business on January 2, 2020.

If Dana moves the 2020 Annual Meeting of Shareholders to a date that is more than 25 days before or after the date which is the one-year anniversary of this year's Annual Meeting date (*i.e.*, May 1, 2020), Dana must receive your notice no later than the close of business on the 10th day following the day on which notice of the meeting date is first distributed to shareholders or Dana makes a public announcement of the meeting date, whichever occurs first.

Under Dana's Bylaws, the notice of proposed business must include a description of the business and the reasons for bringing the proposed business to the meeting, any material interest of the shareholder in the business and certain other information about the shareholder. Dana's Bylaws specifying the advance notice and additional requirements for submission of shareholder proposals are available on Dana's website at [www.dana.com](http://www.dana.com).

**How can shareholders nominate individuals for election as directors for consideration by shareholders at the 2020 Annual Meeting of Shareholders?**

*Director Nominations for Inclusion in Dana's Proxy Materials (Proxy Access)* Pursuant to Dana's Bylaws, a shareholder (or a group of up to 20 shareholders) who has continuously owned at least 3% of our shares for at least three years and has complied with the other requirements of our Bylaws may nominate and include in Dana's proxy materials director nominees constituting up to 25% of Dana's Board. Notice of a proxy access nomination for consideration at the 2020 Annual Meeting must be received no later than the close of business on November 14, 2019 and no earlier than the open of business on October 15, 2019.

*Other Nominations for Consideration at the 2020 Annual Meeting* A shareholder who intends to nominate a person for election as a director at the 2020 Annual Meeting of Shareholders (other than under proxy access) must comply with the requirements set forth in our Bylaws. Under

## Edgar Filing: DANA INC - Form DEF 14A

Dana's Bylaws, our shareholders must provide advance notice to Dana in such cases. For the 2020 Annual Meeting of Shareholders, notice must be received by Dana's Corporate Secretary no later than the close of business on February 1, 2020 and no earlier than the open of business on January 2, 2020.



## **Table of Contents**

If Dana moves the 2020 Annual Meeting of Shareholders to a date that is more than 25 days before or after the date which is the one-year anniversary of this year's Annual Meeting date (*i.e.*, May 1, 2020), Dana must receive your notice no later than the close of business on the 10th day following the day on which notice of the meeting date is first distributed to shareholders or Dana makes a public announcement of the meeting date, whichever occurs first.

*In All Cases* Whether a nomination is made under our proxy access bylaw or under our advance notice bylaw, a shareholder's notice to nominate individuals for election to the Board of Directors must provide information about the shareholder and the nominee, as well as the written consent of the proposed nominee to being named in the proxy statement and to serve as a director if elected. Dana's Bylaws specifying the proxy access, advance notice and additional requirements for submission of nominations are available on Dana's website at [www.dana.com](http://www.dana.com).

### **Where should shareholders send proposals for business and director nominations for consideration at the 2020 Annual Meeting of Shareholders?**

All shareholder nominations of individuals for election as directors or proposals of other items of business to be considered by shareholders at the 2020 Annual Meeting of Shareholders must be submitted in writing to our Corporate Secretary, Dana Incorporated, 3939 Technology Drive, Maumee, Ohio 43537.

### **How many of Dana's directors are independent?**

Dana's Board of Directors has determined that seven of Dana's eight directors are independent. For a discussion of the Board of Directors' basis for this determination, see the section of this proxy statement entitled "Director Independence and Transactions of Directors with Dana."

### **Does Dana have a Code of Ethics?**

Yes, Dana has *Standards of Business Conduct for Employees*, which applies to employees and agents of Dana and its subsidiaries and affiliates, as well as *Standards of Business Conduct for Members of the Board of Directors*. The *Standards of Business Conduct for Employees* and *Standards of Business Conduct for Members of the Board of Directors* are available on Dana's website at [www.dana.com](http://www.dana.com).

### **Is this year's proxy statement available electronically?**

Yes. You may view this proxy statement and the proxy card, as well as the 2018 Annual Report, electronically by going to our website at [www.dana.com/proxy](http://www.dana.com/proxy) and clicking on the document you wish to view, either the proxy statement and proxy card or annual report.

**How can I find the results of the Annual Meeting?**

Preliminary results will be announced at the Annual Meeting. Final results will be published in a Current Report on Form 8-K to be filed with the SEC within four business days after the Annual Meeting. If the official results are not available at that time, we will provide preliminary voting results in the Form 8-K and will provide the final results in an amendment to the Form 8-K as soon as they become available.

**A copy of Dana's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as filed with the SEC, may be obtained without charge upon written request to the Corporate Secretary, Dana Incorporated, 3939 Technology Drive, Maumee, Ohio 43537.**

**The proxy statement and Dana's annual report to shareholders are available on our website at [www.dana.com/proxy](http://www.dana.com/proxy).**

**Table of Contents****EXECUTIVE OFFICERS**

Following are the names and ages of the executive officers of Dana, their positions with Dana and summaries of their backgrounds and business experience. Our executive officers are those individuals who serve on Dana's Executive Leadership Team. All executive officers are elected or appointed by the Board of Directors and hold office until the annual meeting of the Board of Directors following the annual meeting of shareholders in each year.

Name	Age as of March 4, 2019	Principal Occupation and Business	
		Experience During Past 5 Years	Executive Officer
Aziz S. Aghili	60	Executive Vice President, President of Off-Highway Drive and Motion Systems (since August 2018), President of Off-Highway Drive and Motion Systems (July 2011 to August 2018), Dana Incorporated.	2011 Present
Jonathan M. Collins	39	Executive Vice President and Chief Financial Officer (since January 2017), Senior Vice President and Chief Financial Officer (March 2016 to January 2017), Dana Incorporated; Senior Vice President and Chief Financial Officer (April 2013 to March 2016), Vice President, Finance (October 2010 to April 2013), ProQuest (a global information, content and technology company).	2016 Present
James K. Kamsickas	52	President and Chief Executive Officer (since August 2015), Dana Incorporated; President, Chief Executive Officer (April 2012 to August 2015), Global Co-Chief Executive Officer and President of North America and Asia (January 2011 to April 2012), President and Chief Executive Officer of North America and Asia (April 2007 to December 2010), International Automotive Components Group, S.A. (global supplier of automotive interior components and systems). Prior to IAC, Mr. Kamsickas held numerous domestic and international positions over 18 years with Lear Corporation (a leading global supplier of automotive seating and electrical systems).	2015 Present
Douglas H. Liedberg	52	Senior Vice President, General Counsel and Secretary (since May 2017), Associate General Counsel (November 2008 to April 2017), Dana Incorporated.	2017 Present
Dwayne E. Matthews	59	President of Power Technologies (since September 2009), Dana Incorporated.	2011 Present
Robert D. Pyle	52	President of Light Vehicle Driveline Technologies (since January 2014); President of Asia Pacific (May 2012 to December 2013), Dana Incorporated.	2014 Present
Mark E. Wallace	52	Executive Vice President, President of Dana Commercial Vehicle Driveline Technologies, Aftermarket & Operational Excellence (since August 2016), Executive Vice President, Dana On-Highway Driveline Technologies (January 2014 to August 2016), Executive Vice President (June 2011 to January 2014), President of Light Vehicle Driveline Technologies (September 2012 to January 2014), Dana Incorporated.	2008 Present

**Table of Contents**

**Table of Contents**

**Introduction**

Our Compensation Discussion and Analysis (CD&A) describes the key principles and approaches used to determine the elements of compensation awarded to, earned by, and paid to each of our named executive officers (NEOs) during 2018. This discussion provides information and context to the compensation disclosures included in the accompanying compensation tables and corresponding narrative discussion and footnotes below, and it should be read in conjunction with those disclosures.

The following Dana executives are our NEOs for 2018:

<b>Name</b>	<b>Title</b>
James K. Kamsickas	President and Chief Executive Officer
Jonathan M. Collins	Executive Vice President and Chief Financial Officer
Mark E. Wallace	Executive Vice President and President, Commercial Vehicle Driveline Technologies and Aftermarket
Aziz S. Aghili	Executive Vice President and President, Off-Highway Drive and Motion Technologies
Robert D. Pyle	President, Light Vehicle Driveline Technologies

We begin by providing an executive overview of our compensation program followed by an in-depth discussion and analysis of the following topics:

Relationship Between Dana's Pay & Performance

How Compensation Decisions are Made

Elements of the Executive Compensation Program

Compensation Policies & Practices

**Executive Overview**

**Financial Performance**

Dana's 2018 financial performance reflected the continuation of profitable growth and enhanced cash flows:

Sales were \$8.1 billion, an increase of approximately \$0.9 billion (13%) compared with 2017, primarily due to strong end-market demand across the markets we serve, and conversion of sales backlog.

Adjusted EBITDA of \$957 million increased \$122 million (15%) compared with 2017, resulting in an Adjusted EBITDA Margin of 11.8%, an improvement of 20 bps over 2017.

Free Cash Flow conversion of 3% of sales (\$243 million), an \$82 million (20 bps) increase over 2017.

Diluted Adjusted Earnings Per Share of \$2.97 reflected an increase of \$0.45 per share (18%) over 2017.

## **Table of Contents**

### **Dana's Compensation Philosophy**

Our compensation program is designed to balance short-term performance with long-term growth. Our compensation and benefits must be competitive with executive compensation arrangements provided to executive officers at similar levels at comparably-sized companies with whom we compete for talent. Dana's executive compensation philosophy is reviewed annually by the Compensation Committee, and has the following key objectives:

**Reward performance** A substantial percentage of executive pay is performance-based and therefore at risk. Our pay programs reflect our pay-for-performance culture that aligns incentives with shareholder interests.

**Emphasize long-term incentive compensation** We share a portion of the value created for shareholders with those responsible for the results through our performance-based long-term incentive compensation plans. Performance Shares reward executives for delivering long-term Adjusted EBITDA Margin and Return on Invested Capital (ROIC) performance.

#### **Compensation Alignment with Business Strategy**

Our long-range enterprise strategy builds on our strong technology foundation and leverages our operating model driven by cross functional resource sharing while maintaining a customer centric focus. Our strategy furthers the expansion of our global markets while accelerating the commercialization of new technology as we continue our evolution into the era of vehicle electrification and a broader definition of mobility.

Our executive pay program reflects our enterprise strategy in its design and with the metrics used to evaluate performance in our incentive plans. These metrics are important financial measures that provide focus on critical results in running our business effectively and efficiently.

### **Enterprise Strategy**

**Table of Contents**

**Dana’s Executive Compensation Practices**

Dana’s executive compensation program features many best practices that serve shareholder interests.

**What We Do....**

Base half of our long-term compensation on the achievement of objective, pre-established goals tied to financial, operational, and strategic measures.

Award incentive compensation based on objective measures.

Apply an accelerated schedule to meet minimum stock ownership guidelines.

Maintain a clawback policy to recapture unearned incentive payments.

Retain an independent compensation consultant.

Include double trigger vesting of equity awards and severance payments upon a change in control.

**What We Don’t Do....**

No excise tax gross ups.

No excessive perquisites.

No hedging or pledging of Dana stock.

No excessive change-in-control or executive severance provisions.

**Say on Pay**

Last year’s advisory vote on executive compensation (Say on Pay) was strongly supported by our shareholders with 93% of votes cast in favor of our pay practices. After review of the effectiveness of the executive compensation program, its linkage to Dana’s Enterprise Strategy, and given the level of shareholder support through the Say on Pay vote, the Compensation Committee elected not to make modifications to the program and to continue its practice of aligning compensation with Dana’s business goals and objectives and shareholder interests.

**Relationship Between Dana’s Pay & Performance**

**Comparator Compensation Data**

One of the factors our Compensation Committee uses in setting executive compensation is an evaluation of how our target compensation and benefits levels compare to those of similarly-situated executives at companies that comprise our executive compensation peer group (Peer Group). Dana’s philosophy for senior executive pay, including NEO pay, is to target a range of +/- 15% of the 50<sup>th</sup> percentile of our Peer Group and general industry market data as provided by the Compensation Committee’s independent compensation consultant. In addition to market data, other factors such as an individual’s experience, responsibilities and long-term strategic value to Dana are also considered when making recommendations and decisions on compensation.

The Peer Group used for benchmarking executive pay for all NEOs is made up of companies that are: