

MRC GLOBAL INC.  
Form DEF 14A  
March 18, 2019  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**MRC GLOBAL INC.**

**(Name of Registrant as Specified In Its Charter)**

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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- 3) Filing Party:

4) Date Filed:

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March 18, 2019

Dear Fellow Stockholder:

We are pleased to invite you to the 2019 Annual Meeting of Stockholders which will be held on Tuesday, April 30, 2019, at the Fulbright Tower Auditorium, 1301 McKinney Street, Houston, Texas 77010, at 10:00 a.m. Houston, Texas time. A notice of the meeting and a Proxy Statement containing information about the matters to be acted upon are attached to this letter.

Your vote is important to us. Whether or not you plan to attend the meeting, please promptly vote your shares by submitting your proxy by internet or telephone or by completing, signing, dating and returning your Proxy Card or voting instruction form. If you decide to attend the Annual Meeting, you will be able to vote in person, even if you have previously submitted your proxy.

Thank you for being a stockholder and for the trust and continued interest you have in MRC Global Inc.

Best regards,

*/s/ Rhys J. Best*

Rhys J. Best

Chairman of the Board

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Dear Fellow MRC Global Shareholders,

In the energy sector, while operating companies aim to achieve high returns and invest billions of dollars annually, the service and equipment sector play a key role in supporting operators to achieve their goals through product supply and logistics support. We are not wholly immune from the energy sector's cyclical nature, but by being a provider to the energy sector across its upstream, midstream and downstream segments, we believe we are positioned for strong and sustainable returns. We also invest to make this true.

In 2018, gross profit of 16.5% of sales and our adjusted gross profit of 19.6% of sales was the highest since 2008. (See the footnote on page 5 regarding the non-GAAP measure, adjusted gross profit.) Our revenue increased 14% over 2017 and 37% since 2016.

As importantly, we worked hard during the downturn to build and open our new state-of-the-art Houston Operations Complex, the largest facility in our network. This complex supports our ability to be a leader in engineering, distribution, logistics and customer service in the 22 countries in which we operate, including enabling customers globally to order any of our products online. Our e-commerce business, which we believe will enhance our profitability in the future, continues to grow.

While many sectors of the US economy steadily eliminate benefits-paying and stable jobs, we continue to invest in our human capital as well as our physical, technological, intellectual and reputational capital. The vast majority of our full time employees have access to medical, dental, vision, wellness, retirement savings, education, and training programs. Further, while often overlooked, the tax revenues we generate support our communities more generally: a recent study documented that the energy sector alone generates over \$30 million *a day* in tax revenues, just in Texas.

On the environmental front, our products and processes help our customers manage their environmental risks every day, as our products contain and, therefore, prevent the unintended release of hydrocarbons and chemicals into the environment.

Finally, our governance and compensation provisions include:

- a diverse board with minority, female, and significant shareholder members,
- a separate chair and CEO,
- an annual incentive based entirely on key financial measures that require meaningful growth for target payout, tying a portion of equity to long-term return metrics with stretch goals, and
- a CEO to median employee pay ratio of 79:1.

We invite you to read about our MRC Global Core Values on page 3 of this proxy statement and review our inaugural Environmental, Social Responsibility and Governance Report referenced on that page.

We ask for your voting support on the items described in this proxy statement and thank you for your investment in us.

Sincerely,

*/s/ Andrew R. Lane*

Andrew R. Lane

President and Chief Executive Officer

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**Notice of 2019 Annual Meeting of Stockholders**

**Date and Time**

Tuesday, April 30, 2019

10:00 a.m. Houston, Texas time

**Place**

Fulbright Tower Auditorium

1301 McKinney Street

Houston, Texas 77010

**Items to be Voted On**

1. Elect the 10 director nominees named in the accompanying Proxy Statement to serve on the Company's Board of Directors as directors.
2. Consider and act upon an advisory approval of a non-binding resolution approving the Company's named executive officer compensation.
3. Consider and approve an Amendment of the Company's 2011 Omnibus Incentive Plan, as amended.
4. Consider and act upon a recommendation, on an advisory basis, of the frequency of an advisory vote on the Company's named executive officer compensation.



5. Consider and act upon the ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm for the Company for 2019.
  
6. Act on any other business which may properly come before the Annual Meeting or any reconvened meeting after adjournment.

### **How to Vote in Advance**

Your vote is very important. Even if you intend to be present at the Annual Meeting, please promptly vote in one of the following ways so that your shares may be represented and voted at the Annual Meeting:

#### **Advance Voting Methods**

**Telephone** - You can vote your shares by calling 800.652.VOTE (8683).

**Internet** - Follow online instructions on your Proxy Card and vote at [www.investorvote.com/MRC](http://www.investorvote.com/MRC).

**Mail** - Complete, sign, date and return your proxy card or voting instruction form.

**We mailed a Notice Regarding the Availability of Proxy Materials (the Notice ) on or about March 18, 2019.**

MRC Global's Proxy Statement and 2018 Annual Report for the fiscal year ended December 31, 2018 are available at [www.edocumentview.com/MRC](http://www.edocumentview.com/MRC).

**Who Can Vote**

You can vote and attend the Annual Meeting if you were a holder of record of the Company's common or preferred stock at the close of business on March 6, 2019.

**Voting by telephone or internet or by returning your proxy card or voting instruction form in advance of the 2019 annual meeting does not deprive you of your right to attend the meeting.**

By Order of the Board of Directors,

*/s/ Daniel J. Churay*

Daniel J. Churay

Executive Vice President – Corporate Affairs,

General Counsel and Corporate Secretary

March 18, 2019

MRC Global Inc.

1301 McKinney Street, Suite 2300

Houston, Texas 77010

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**MRC GLOBAL INC. PROXY STATEMENT**

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This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement before voting. For more complete information on the 2018 financial and operating performance of MRC Global Inc. ( MRC Global , the Company , we , us or our ), please review the Company s Annual Report on Form 10-K for the year ended December 2018 (the Form 10-K ) that was filed with the U.S. Securities and Exchange Commission (the SEC ) and can be found on the internet at [www.edocumentview.com/MRC](http://www.edocumentview.com/MRC).

**Voting Matters**

Stockholders are being asked to vote on the following matters at the 2019 Annual Meeting of Stockholders:

**Item I.**      **The election of 10 director nominees identified in this Proxy Statement.**      **Page 19**

**Board Recommendation: FOR each director**

**Item II.**      **Approval, on an Advisory Basis, of the Company s Named Executive Officer Compensation.**      **Page 57**

**Board Recommendation: FOR**

**Item III.**      **Approval of an Amendment to the Company s 2011 Omnibus Incentive Plan, as amended.**      **Page 74**

**Board Recommendation: FOR**

**Item IV.**      **Recommendation, on an Advisory Basis, of the Frequency of an Advisory Vote on Executive Compensation.**      **Page 84**

**Board Recommendation: VOTE EVERY YEAR (1 Year)**

**Item V.**      **Ratification of the Appointment of Ernst & Young LLP as Independent Auditors for 2019.**      **Page 85**

**Board Recommendation: FOR**

**Table of Contents****Director Nominees**

<b>Name</b>	<b>Age at Annual Meeting</b>	<b>Director Since</b>	<b>Professional Background</b>	<b>Independent</b>	<b>Committee Membership and Positions</b>
<b>Rhys J. Best</b>	72	2007	Chairman of the Board of MRC Global Inc., Former Chairman, President and CEO of Lone Star Technologies, Inc.		Chairman of the Board
<b>Deborah G. Adams</b>	58	2017	Former Senior Vice President of Phillips 66		Audit Compensation
<b>Leonard M. Anthony</b>	64	2008	Former President and CEO of WCI Steel, Inc. and Former Chief Financial Officer of Dresser-Rand Group, Inc.		Governance (Chair) Audit
<b>Barbara J. Duganier</b>	60	2015	Former Global Chief Strategy Officer of Accenture and Former Global Chief Financial Officer of Andersen Worldwide		Audit (Chair) Governance
<b>Craig Ketchum</b>	62	2007	Former MRC Global Chairman of the Board, President and CEO		
<b>Andrew R. Lane</b>	59	2008	MRC Global President and Chief Executive Officer and former Halliburton Chief Operating Officer		



<b>Dr. Cornelis A. Linse</b>	69	2010	Chairman of the Netherlands Commission for Environmental Impact Assessment and former Shell executive	Audit Compensation
<b>John A. Perkins</b>	71	2009	Former CEO of Truflo International plc	Compensation Governance
<b>H. B. Wehrle, III</b>	67	2007	Former MRC Global Chairman of the Board, President and CEO	
<b>Robert L. Wood</b>	65	2015	Former Chairman, President and CEO of Chemtura Corporation	Compensation (Chair) Governance

**Preferred Stock Designated Director**

<b>Henry Cornell</b>	63	2018	Founder and Senior Partner of Cornell Capital LLC	
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**Director Highlights**

<b>100% attendance at all Board and committee meetings in 2018*</b>	<b>3 new directors since 2015, adding midstream, refining, downstream, procurement, information systems, global strategy, financial services and global chemical industry experience</b>	<b>36% of our Board members are women or ethnically diverse</b>
<b>7 Directors are independent</b>		<b>6 Directors currently serve or have served on other public company boards</b>
<b>Average tenure of 7.8 years</b>		<b>8 Directors are current or former CEOs</b>

\* Mr. Cornell attended all Board meetings since he joined the Board on June 10, 2018.

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**Our Commitment to Environmental, Social Responsibility and Corporate Governance**

In November 2018, MRC Global published its inaugural 2018 Environmental, Social Responsibility and Corporate Governance Report ( ESG Report ), which provides highlights of our environmental and social policies and practices. The report can be found on our website at <https://www.mrcglobal.com>, by clicking on Company and Corporate Social Responsibility . (The information included in our website is not incorporated herein by reference.) We integrate environmental and social policies and practices into our daily operations by delivering value to our customers, building strong communities, leveraging innovative supply solutions to enhance our customers operations and operating with integrity and responsibility in all respects of our operations and supporting our employees. We derive this focus from our core values of safety leadership, customer satisfaction, employee development, operational excellence, community and charity development, financial performance and teamwork.

**MRC GLOBAL CORE VALUES**



**Safety Leadership**

Our number one focus is the safety of our employees and customers. Safety is both a core value and strategy, and safety leadership is part of our culture.



**Customer Satisfaction**

Our customers are at the center of everything we do, helping us to shape our strategic priorities.



**Business Ethics**

As a global leader, we always strive to operate with integrity and responsibility in all aspects of our operations.



**Operational Excellence**

Our operational excellence strategy helps us to continually find better and more efficient ways to conduct business and provide the best services at an affordable cost for our customers.

**Employee Development**

We seek to maintain an environment that is open and diverse, provides equal opportunity and is inclusive and where our people feel valued, included and accountable.

We want each person to be developed to his or her fullest potential.

**Financial Performance**

We know that by being true to our values, we will continue to achieve our goals, positively impact our industry and the communities where we live and work and deliver long-term value to our stockholders.

**Community and Charity Development**

MRC Global supports education, health and human services, the arts and humanities and civic projects through the MRC Global Foundation and MRC Global Cares initiatives.

**Teamwork**

MRC Global recognizes that our people are our greatest strength. We are a global team dedicated to our customers, our communities and each other.

**MRC Global Cares**

Uplifting the communities where we live and work is central to our culture. MRC Global supports education, health and human services, the arts and humanities and civic projects through the MRC Global Foundation and MRC Global Cares initiatives.

**MRC Global Green Team**

The MRC Global Green Team implements initiatives aimed at helping MRC Global minimize our impact on the environment. From a Company-wide recycling program to energy efficient lighting in our warehouses we are taking action.



