

CONSOL Energy Inc
Form DEF 14A
April 01, 2016
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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.

CONSOL Energy 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):

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CNX Center

1000 CONSOL Energy Drive

Canonsburg, Pennsylvania 15317

Telephone (724) 485-4000

Annual Meeting of Shareholders May 11, 2016

April 1, 2016

Dear Shareholder:

You are cordially invited to attend CONSOL Energy Inc.'s 2016 Annual Meeting of Shareholders on May 11, 2016 at 10:00 a.m., Eastern Time, at the Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231.

CONSOL is a leader in the energy industry regarding operations, governance and shareholder-friendly practices. As you will find, our core values of safety, compliance, and continuous improvement are applied in everyday decision making to drive shareholder value, and we deliver these messages on a regular basis through our shareholder communications and outreach program. The following key concepts exemplify who we are.

- ü Efficiently Allocated Capital to Increase Long-Term Net Asset Value, Reduced Overall Costs and Maximized Liquidity
- ü Provided Additional Transparency by Further Separating our Coal and E&P Divisions and Increasing Long-Term Value by Becoming a Pure-Play Appalachian E&P Company
- ü Continuing to Evaluate the Deep Dry Utica Shale to Further Reduce Operating Costs to Increase Net Asset Value
- ü Demonstrated Strong Safety Performance in 2015
- ü Adopted Executive Incentive Plans that Align Management with Shareholders in Both Weak and Strong Markets

- ü Forfeited Stock Compensation in Alignment with Share Price Performance
- ü Designed CEO Compensation with 90% Being At-Risk and/or Tied to Stock Price
- ü Paid CEO Significantly Below the Peer Group Median
- ü Implemented Meaningful Stock Retention Requirements for Named Executives
- ü Prohibited Tax Gross-Ups for Named Executives
- ü Maintained Executive Compensation Clawback Policy
- ü No Accelerated Stock Vesting Upon Normal or Early Retirement
- ü No Employment Agreements with Named Executives
- ü Maintained a No Hedging or Pledging Policy Regarding CONSOL Stock
- ü Nominated all Independent Directors for the 2016-2017 Board Year (except the CEO)
- ü Continued to Transform the Boardroom by Introducing New Perspectives

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- ü Maintained Separate Chairman and CEO Roles

- ü No Poison Pill

- ü Maintained Annual Full Board Elections

- ü Expanded Gender Diversity on the Management Team

- ü Adopted a Formal Corporate Compliance Program

- ü Achieved Coveted Certification by Center for Sustainable Shale Development

- ü Provided Transparency into Operations Through Our Corporate Responsibility Report

CONSOL's transformation into an E&P company continues, ushering in a new era for our Corporation. CONSOL has been transparent about its intent to separate the Coal and E&P business, which we believe will increase long-term value. In 2015, we took another step toward this separation by creating CNX Coal Resources LP (NYSE: CNXC) to own interests in our Pennsylvania thermal mines.

While 2016 will undoubtedly continue to present challenges from a macro standpoint, CONSOL's focus will remain squarely on controlling the factors that are within our power to control. That means continuing to intensely manage costs and wisely deploy capital; evaluate opportunities to monetize non-core assets as CONSOL maintains its focus on the durability of the balance sheet and a sound liquidity position; continually assess its business model and adjust appropriately through the ongoing evolution of the energy industry; and, through our enterprise risk management efforts, relentlessly practice risk-informed decision making in order to further its strategic goals.

As a result of aggressive actions taken in 2015 to contend with a very challenging macro environment, and equipped with an industry-leading acreage footprint in the Marcellus and Utica shales, CONSOL boasts a strong competitive posture and is poised to capitalize as markets improve, driving long-term value for all of our stakeholders.

Thank you for your investment in CONSOL and hope you will be able to join us at this year's Annual Meeting.

Sincerely,

J. Brett Harvey

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To be held on May 11, 2016

10:00 a.m. (EST)

Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231

Notice is hereby given that the Annual Meeting of Shareholders (the Annual Meeting) of CONSOL Energy Inc. (CONSOL or the Corporation) will be held on May 11, 2016, at 10:00 a.m., Eastern Time, at the Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231, for the following purposes:

1. To elect eleven directors to hold office in accordance with the Amended and Restated Bylaws of CONSOL;
2. To ratify the anticipated selection of Ernst & Young LLP, an independent registered public accounting firm, as CONSOL's independent auditor for the fiscal year ending December 31, 2016;
3. To approve, on an advisory basis, the compensation paid to our named executives in 2015, as reported in this Proxy Statement;
4. To approve the amended and restated Equity Incentive Plan to, among other matters, increase the number of shares authorized for issuance thereunder;
5. If properly presented, to consider and vote upon a shareholder proposal regarding proxy access; and
6. If properly presented, to consider and vote upon a shareholder proposal regarding lobbying activities.

By resolution of the Board of Directors, we have fixed the close of business on March 14, 2016 as the record date for determining the shareholders of CONSOL entitled to notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof.

Whether or not you plan to attend the Annual Meeting, you can ensure that your shares are represented at the meeting by promptly voting and submitting your proxy by telephone or by internet (as described in the enclosed proxy card or voting instruction card) or by completing and returning the enclosed proxy card or voting instruction card, which requires no postage if mailed in the United States. Your prompt response will be helpful and your cooperation is appreciated. If you attend the Annual Meeting, you may withdraw your proxy and vote in person, if you so choose.

April 1, 2016

Sincerely,

Stephanie L. Gill

Vice President, General Counsel and

Corporate Secretary

Important Notice Regarding the Availability of Proxy Materials for the Shareholders Meeting to be Held on May 11, 2016: The Proxy Statement, form of proxy, Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and related materials are available at www.edocumentview.com/CNX or may be obtained by contacting the Investor Relations Department at the address and phone number above.

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PROXY SUMMARY

This Proxy Summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider. Please read the entire Proxy Statement carefully before voting.

WHERE, WHEN AND WHO?

Time and

Date: Wednesday, May 11, 2016, at 10:00 a.m. Eastern Time
Place: Hyatt Regency Pittsburgh International Airport, Wright Room,
 1111 Airport Boulevard,
 Pittsburgh, Pennsylvania 15231

Record Date: March 14, 2016

Voting: Shareholders of CONSOL as of the record date are entitled to vote. Each share of CONSOL common stock is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted upon at the Annual Meeting.

PROPOSALS REQUIRING YOUR VOTE

Your vote is very important to us and to our business. Please cast your vote immediately on all of the proposals to ensure that your shares are represented.

| | Board | Recommendation | For more information, see page |
|--|--------------|-----------------------|---------------------------------------|
| PROPOSAL 1 Election of Directors <i>The 11 Director nominees possess the necessary qualifications and range of experience and expertise to provide effective oversight and advice to Management.</i> | | FOR | 22 |
| PROPOSAL 2 Ratification of Anticipated Selection of Ernst & Young LLP <i>The Audit Committee approved the retention of Ernst & Young LLP as the Corporation's independent auditor for fiscal year 2016. As a matter of good corporate governance, shareholders are being asked to ratify the Committee's selection of the independent auditor.</i> | | FOR | 64 |
| PROPOSAL 3 Advisory Approval of Named Executive Compensation | | FOR | 64 |

The Corporation's executive compensation programs are designed to create a direct linkage between shareholder interests and Management with incentives specifically tailored to the achievement of financial, operational and stock performance goals.

PROPOSAL 4 Amended and Restated Equity Incentive Plan

FOR

66

The Equity Incentive Plan is a key vehicle by which the Compensation Committee and Board link executive pay to shareholder's long-term interests through the grant of stock compensation thereunder. These awards primarily deliver value to Management if our stock performs. The Board recommends that the shareholders approve the amendment and restatement of the Plan to, among other matters, increase the number of shares authorized for issuance thereunder by 10,550,000 (from 31,800,000 to 42,350,000) and to approve the performance metrics set forth in the Plan to maximize our ability to deduct performance-based executive compensation granted thereunder.

PROPOSAL 5 Shareholder Proposal Regarding Proxy Access

AGAINST

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CONSOL has a long history of engaging with its shareholders, considering their views regarding our business and corporate governance, and taking action, when appropriate, and tailored to our Corporation in response to those discussions. For these reasons, among others, the Board recommends that shareholders vote Against a shareholder proposal regarding proxy access.

PROPOSAL 6 Shareholder Proposal Regarding Lobbying Activities

AGAINST

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In the interests of the Corporation and its shareholders, CONSOL engages in the political process to advocate for our company and we also provide public disclosure of our political expenditures. For these reasons, among others, the Board recommends that shareholders vote Against a shareholder proposal regarding further disclosure of CONSOL's lobbying activities.

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The following table provides summary information about each director nominee as of March 14, 2016. Each director nominee is elected annually by a majority of votes cast.

| Name | Director | | | Independent | Current Committee Memberships |
|---------------------------|----------|-------|--|-------------|-------------------------------|
| | Age | Since | Occupation | | |
| Nicholas J. DeIuliis | 47 | 2014 | CONSOL President and Chief Executive Officer | - | - |
| Alvin R Carpenter | 74 | 2013 | Former Vice Chairman of CSX Corporation; and Director of Regency Centers Corporation | Yes | CC FC |
| William E. Davis | 73 | 2004 | Former Chairman and Chief Executive Officer of Niagara Mohawk Power Corporation | Yes | AC NCG |
| Maureen E. Lally-Green | 66 | 2013 | Former Judge on the Superior Court of Pennsylvania; former Director and former Associate General Secretary of the Office for Church Relations for the Diocese of Pittsburgh; and Director of Federated Mutual Fund Complex | Yes | HSE NCG |
| Gregory A. Lanham | 51 | 2014 | Former Director and Chief Executive Officer of FTS International, Inc. | Yes | CC HSE |
| Bernard Lanigan, Jr. | 68 | * | Chairman and CEO of Southeast Asset Advisors | Yes | * |
| John T. Mills | 68 | 2006 | Former Chief Financial Officer of Marathon Oil Corporation | Yes | AC CC |
| Joseph P. Platt | 68 | * | General Partner of Thorn Partners LP | Yes | * |
| William P. Powell | 60 | 2004 | Managing Partner of 535 Partners LLC | Yes | FC NCG |
| Edwin S. Roberson | 71 | * | CEO of Christ Community Health Services | Yes | * |
| William N. Thorndike, Jr. | 52 | 2014 | Managing Director of Housatonic Partners | Yes | CC FC |

* Messrs. Lanigan, Platt and Roberson are new nominees for election to the Board by the Board at this Annual Meeting. After the Annual Meeting, CONSOL's Board will re-assign Committee memberships.

AC Audit Committee;
CC Compensation Committee;
HSE Health, Safety and Environmental Committee;
FC Finance Committee;
NCG Nominating and Corporate Governance Committee;
Committee Chair

NOTE: Messrs. Harvey, Baxter and Hardesty, long-standing, valuable members of our Board, are not on the slate of directors to be re-elected at the Annual Meeting due to retirement. Committee assignments will be determined immediately after the Annual Meeting, and Mr. Thorndike will become Chairman of the Board immediately following the conclusion of the Annual Meeting.

WHO WE ARE AND WHAT WE STAND FOR

One of the cornerstones of our legacy has been the ability to adapt, innovate, and reinvent over many decades. The capacity to navigate through constantly changing external conditions has led CONSOL to more than 150 years of successful operation.

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PROXY SUMMARY

BUSINESS/STRATEGIC HIGHLIGHTS

Demonstrated Strong Safety Performance in 2015. In 2015, we reduced the number of average fatal potential exceptions for employees and contractors by 23%. Our E&P Division achieved zero Occupational Safety and Health Administration violations in 2015. Safety, which is a core value for us, is important for our shareholders as well, as a safe workplace reduces costs and increases reliability of our operations.

Efficiently Allocated Capital to Increase Long-Term Net Asset Value, Reduced Overall Costs and Maximized Liquidity. We pursued various initiatives to manage our balance sheet and liquidity position through the falling energy price environment including: (i) de-risking E&P and Coal Division revenue by hedging gas volume and contracting production; (ii) cost control through zero-based budgeting and operating cost reductions; and (iii) E&P capital efficiencies. As a result of these initiatives: (i) at year-end 2015, our E&P Division hedged approximately 59% of its 2016 gas volumes at \$3.28 per MMBtu including basis differentials; (ii) our Pennsylvania coal operations obtained commitments for virtually all of its 2016 production; (iii) our E&P Division's 2015 average costs per Mcfe decreased by 18%; (iv) our Coal Division's 2015 average cost of goods sold decreased by 7%; (v) our Marcellus capital expenditures decreased by approximately \$70 per lateral foot in 2015 compared to 2013; (vi) we completed the semi-annual borrowing base redetermination under the revolving credit facility, with the lending group reaffirming our \$2 billion borrowing base in November 2015; and (vii) we completed several debt capital market transactions, which reduced our annual interest expense by \$37 million, modernized the covenant package (including to permit a split of our coal and E&P businesses) and extended our significant long-term debt maturities by three years.

Provided Additional Transparency by Further Separating our Coal and E&P Divisions and Increasing Long-Term Value by Becoming a Pure-Play Appalachian E&P Company. CONSOL has been transparent about its intent to separate the Coal and E&P business, which we believe will increase long-term value. In 2015, we took another step toward this separation by creating CNX Coal Resources LP (NYSE: CNXC) to own interests in our Pennsylvania thermal mines.

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PROXY SUMMARY

Continuing to Evaluate the Deep Dry Utica Shale to Further Reduce Operating Costs and to Increase Net Asset Value. The seven dry Utica wells we drilled in our 500,000 net acreage footprint have had encouraging results (three were in the top 10 dry Utica well results) and development of our Utica position may enable us to achieve significant operating cost reductions and enhanced returns. Our operating costs could benefit from economies of scale and the utilization of in-place Marcellus infrastructure to develop new dry Utica wells, all of which drive long term net asset value. Over the course of a five-well dry Utica pad, we improved costs by approximately 55% from the first well to the last, and also reduced drilling days by approximately 60%. Assuming our targeted capital costs of \$12.5 million per well for a 7,000 foot lateral, and at \$2.00 per MMBtu realized pricing, the internal rate of return is expected to exceed 20%.

COMPENSATION HIGHLIGHTS

Adopted Executive Incentive Plans that Align Management with Shareholders in Both Weak and Strong Markets. As a result of strengthening our compensation programs recently, an overwhelming majority approximately 97.45% of the shares voted at our 2015 Annual Meeting of Shareholders approved our 2014 executive compensation program. Consistent with our prior approach, we further fine-tuned our programs. Executive compensation program goals directly aligned with corporate and shareholder interests to attain stock price performance, coal and gas production, expense, safety and environmental goals, and preserving and increasing cash flow, as evidenced by the following:

i Approved a 2015 STIC Focused on Coal and Gas Performance. In 2015, our Short Term Incentive Compensation Program (STIC) for the performance period ending December 31, 2015 was based entirely on CONSOL's coal and gas performance, with a modifier based on total shareholder return (TSR) that could impact awards as much as +/- 20%. The 2015 STIC was based entirely on objective performance metrics, without any subjective weighting or adjustments by the Compensation Committee.

i Approved a 2015 LTIC Program Focused on ROCE and Relative TSR. Under our 2015 Long-Term Incentive Compensation Program (LTIC), named executives received 100% of their long-term incentive compensation in the form of performance share unit (PSU) and restricted share unit (RSU) awards, with the majority (55%) of the awards made in the form of PSUs based on performance at the end of the performance period relative to two equally-weighted goals of (i) average return on capital employed (ROCE) and (ii) relative TSR as compared to the S&P 500.

- i **Further Aligned New Programs with Shareholder Interests.** In light of the challenging economic environment that CONSOL and all E&P companies are facing, Mr. DeLuliis declined an increase to his cash compensation (salary and target STIC award) for purposes of 2016. Additionally, the STIC and PSU programs for 2016 were redesigned to specifically address (i) free cash flow and (ii) CONSOL's absolute and relative stock price, respectively.

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PROXY SUMMARY

Forfeited Stock Compensation in Alignment with Share Price Performance. As the threshold goal relating to CONSOL's absolute stock price over the 2013-2015 performance period was not achieved, the CONSOL Stock Units, which constituted the only equity award to our named executives in 2013, rendered a zero payout, and the awards were forfeited in total.

Designed CEO Compensation with 90% Being At-Risk and Aligned with Shareholder Interests. In 2015, the Board established our CEO's target total direct compensation to be 90% at-risk. The CEO's at-risk compensation includes target STIC (13%) and target equity grants of PSUs and RSUs (77%). By including a significant portion of at-risk compensation into the CEO's compensation package, his interests are aligned with shareholder interests. In short, the CEO only benefits if value is delivered to CONSOL's shareholders.

Paid CEO Significantly Below the Peer Group Median. When examining our CEO's total direct compensation (salary, STIC and LTIC) relative to our peer group over a two-year period (2014 through 2015), Mr. DeLuliis' compensation, shown on the vertical axis, ranks in the 16th percentile. See diagram to the right.

Implemented Meaningful Stock Retention Requirements for Named Executives. For equity awards granted in 2015, executive officers must keep half of any shares vested (net of taxes) until the earlier of (i) retirement at age 62 or (ii) ten years from the grant date.

*Total direct and all other compensation: 2014 2015
CONSOL
pay and 2013 2014 peer pay

Prohibited Tax Gross-Ups for Named Executives. CONSOL maintained its policy prohibiting tax gross-ups for our named executive officers (except those provided for in the change in control agreements for Messrs. DeLuliis and Johnson, which were entered into prior to April 2009).

Maintained Executive Compensation Clawback Policy. We continue to have in place a clawback policy that generally provides the Compensation Committee with the discretion to seek recovery of performance-based cash and equity incentive compensation paid to an executive officer in connection with an accounting restatement due to misconduct of that officer.

No Accelerated Stock Vesting Upon Normal or Early Retirement. Our current award agreements do not allow accelerated vesting of equity awards when an employee leaves as a result of retirement.

No Employment Agreements with Named Executives. CONSOL no longer has any employment agreements with its named executives.

No Hedging or Pledging Policy Regarding CONSOL Stock. We continue to maintain no hedging and no pledging policies that generally prohibit directors and employees from engaging in hedging or pledging transactions with our stock.

CORPORATE GOVERNANCE AND COMPLIANCE HIGHLIGHTS

Nominated all Independent Directors for the 2016-2017 Board Year (except the CEO), Including Three New Independent Director Nominees. CONSOL identified and nominated Bernard Lanigan, Jr., Joseph P. Platt and Edwin S. Roberson as independent nominees to the Board. Messrs. Lanigan, Platt and Roberson were identified as nominees following outreach by CONSOL to its largest shareholders, and determined to be eminently qualified based on their considerable financial, strategic and public company board experience.

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PROXY SUMMARY

Continued to Transform the Boardroom by Introducing New Perspectives. In February 2016, CONSOL announced that two of its longest-tenured directors, Philip W. Baxter and David C. Hardesty, Jr., had elected to retire and not stand for re-election at the 2016 annual meeting. CONSOL also announced that J. Brett Harvey, CONSOL's former CEO and Chairman of the Board, also had elected to retire and not stand for re-election at the 2016 annual meeting, and that Mr. Harvey would assume the role of Chairman Emeritus at the conclusion of the 2016 annual meeting. William N. Thorndike, Jr. was appointed as independent Chairman of the Board effective as of the conclusion of the 2016 annual meeting.

Maintained Separate Chairman and CEO Roles. When Mr. DeLuliis assumed the CEO position and Mr. Harvey continued as Chairman of the Board in 2014, CONSOL separated the Chairman and CEO roles. This separation of roles will continue for the 2016-2017 Board year.

No Poison Pill. CONSOL does not maintain a poison pill.

Maintained Annual Full Board Elections. Since CONSOL's stock has been publicly traded, all Director elections are held on an annual basis in order to provide our shareholders with regular input in terms of the composition of our Board, and ultimately, of management. Along with maintaining annual full Board elections, we have also had a Lead Independent Director since 2010.

Expanded Gender Diversity on the Management Team. CONSOL believes strongly in diversity throughout our organization and has promoted women to several of the leadership positions at CONSOL, including the Senior Vice President of Environmental Strategy and Regulatory Affairs, the Vice President and General Counsel, the Vice President of E&P Planning and Reserves and the Vice President of Material and Supply Chain Management.

Adopted a Formal Corporate Compliance Program. We believe that the establishment and implementation of a formal Compliance Program is a necessary step to ensure best practices with respect to compliance measures and to promote the highest level of compliance efforts throughout the organization. Although many of the matters referenced in the Compliance Program are already part of our normal course of business operations, we believe it is best practice to consolidate these matters into one document.

Achieved Coveted Certification by Center for Sustainable Shale Development (CSSD). CONSOL achieved certification of its operational practices by the CSSD. The certification, independently validated by Bureau Veritas, confirms CONSOL's compliance with all 15 CSSD performance standards related to environmental stewardship of air and water. These performance standards have been designed to exceed the regulatory minimums established by

state/federal regulatory bodies.

Provided Transparency into Operations Through Our Corporate Responsibility Report. We have issued annual Corporate Responsibility Reports every year since 2012, and our Fifth Corporate Responsibility Report will be published in Spring 2016.

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CONSOL Energy Inc.

CNX Center

1000 CONSOL Energy Drive

Canonsburg, Pennsylvania 15317

Telephone (724) 485-4000

INFORMATION ABOUT THE ANNUAL MEETING

April 1, 2016

The enclosed proxy is being solicited by the Board to be voted at the Annual Meeting of Shareholders (the Annual Meeting) to be held on May 11, 2016, at 10:00 a.m., Eastern Time, at the Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231.

The specific proposals to be considered and voted upon at the Annual Meeting are summarized in the Notice of Annual Meeting of Shareholders. Each proposal is described in more detail in this Proxy Statement.

Voting

The persons named as proxies on the accompanying proxy card have informed CONSOL Energy Inc. (CONSOL or the Corporation) of their intention, if no contrary instructions are given, to vote the shares represented by such proxies as follows:

in favor of the election of those persons nominated in this Proxy Statement to serve as directors of CONSOL (Proposal 1);

in favor of the ratification of the anticipated selection of Ernst & Young LLP, an independent registered public accounting firm, as the independent auditor of CONSOL for the fiscal year ending December 31, 2016 (Proposal 2);

in favor of, on an advisory basis, the compensation paid to our named executives in 2015 (Proposal 3);

in favor of the adoption of the Amended and Restated CONSOL Energy Inc. Equity Incentive Plan (Proposal 4);

if properly presented, against the shareholder proposal regarding proxy access (Proposal 5);

if properly presented, against the shareholder proposal regarding lobbying activities (Proposal 6); and

in accordance with their judgment on any other matters which may properly come before the Annual Meeting.

The Board does not know of any other business to be brought before the Annual Meeting other than as indicated in the Notice of Annual Meeting of Shareholders.

Record Date and Vote Required for Approval

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The record date with respect to this solicitation is March 14, 2016. All holders of record of CONSOL common stock as of the close of business on March 14, 2016 (the Record Date) are entitled to vote at the Annual Meeting and any adjournment or postponement thereof. As of March 14, 2016, the Corporation had 229,363,247 shares of common stock outstanding. Each share of common stock is entitled to one vote. Shareholders do not have cumulative voting rights. The holders of a majority of the outstanding shares of common stock of the Corporation as of the Record Date entitled to vote generally in the election of directors, represented in person or by proxy, will constitute a quorum at the Annual Meeting.

Director Elections: The election of directors at the Annual Meeting will be by ballot and a majority of the votes cast at the Annual Meeting is required for each director nominee to be elected. Under our Amended and Restated Bylaws, this means that the number of votes cast for a director's election must exceed 50% of the total number of votes cast with respect to that director's election. Votes cast include direction to withhold authority.

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Independent Auditor, Executive Compensation, Equity Incentive Plan and Shareholder Proposals: The vote to ratify the anticipated selection of Ernst & Young LLP as the independent auditor of the Corporation for the fiscal year ending December 31, 2016, the advisory vote to approve the compensation paid to our named executives in 2015 as reported in this Proxy Statement and the shareholder proposals regarding proxy access and lobbying activities each will be determined by the affirmative vote of a majority of the shares of our common stock present in person or represented by proxy at the meeting and entitled to vote on the matter. Pursuant to New York Stock Exchange (NYSE) requirements, the vote to approve the amended and restated CONSOL Energy Inc. Equity Incentive Plan requires the affirmative vote of a majority of votes cast on the proposal.

If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may be treated as broker non-votes. Generally, broker non-votes occur on a matter when a broker is not permitted to vote on that matter without instructions from the beneficial owner and such instructions are not given. Brokers that have not received voting instructions from their clients cannot vote on their clients behalf on non-routine proposals, such as Proposal Nos. 1, 3, 4, 5 and 6, although they may vote their clients shares on routine matters, such as Proposal No. 2. In tabulating the voting result for any particular proposal, shares that constitute broker non-votes are not considered entitled to vote on that proposal. Abstentions have the same effect as votes against the matter, except in the case of Proposal No. 1, where abstentions would not have an effect on the outcome. Proxies received but marked as abstentions and broker non-votes will be counted for quorum purposes.

The voting instruction form also serves as the voting instructions for the trustees who hold shares of record for participants in the CONSOL Energy Inc. Investment Plan for Salaried Employees. If voting instructions representing shares in this plan are not received, those shares will not be voted.

Director Resignation Policy

Our Amended and Restated Bylaws provide that if an incumbent director is not elected at a meeting for the election of directors and no successor has been elected at such meeting, the director must tender his or her resignation promptly to the Board. The Nominating and Corporate Governance Committee of the Board will make a recommendation to the Board as to whether to accept or reject the tendered resignation, or whether other action should be taken. The Board will act on the tendered resignation, taking into account the Nominating and Corporate Governance Committee s recommendation, and publicly disclose its decision and the underlying rationale in a press release, a filing with the Securities and Exchange Commission (the SEC) or other broadly disseminated means of communication within 90 days from the date of the certification of the election results.

Revocation of Proxy

If you are the owner of record of shares of our common stock as of the close of business on the Record Date, you can revoke your proxy at any time before its exercise by:

sending a written notice to CONSOL at CNX Center, 1000 CONSOL Energy Drive, Canonsburg, PA 15317, attention: Corporate Secretary, bearing a date later than the date of the proxy that is received prior to the Annual Meeting, stating that you revoke your proxy;

submitting your voting instructions again by telephone or over the internet;

signing another valid proxy card bearing a later date than the proxy initially received and mailing it so that it is received by the Corporation prior to the Annual Meeting; or

attending the Annual Meeting and voting in person.

If you hold your shares through a bank, broker or other nominee, you must follow the instructions found on your voting instruction card, or contact your bank, broker or other nominee in order to revoke your previously delivered proxy.

If a proxy is properly executed and is not revoked by the shareholder, the shares it represents will be voted at the Annual Meeting in accordance with the instructions provided by the shareholder. If a proxy card is signed and returned without specifying choices, the shares will be voted in

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accordance with the recommendations of the Board. Attendance at the Annual Meeting without a request to revoke a proxy will not by itself revoke a previously executed and delivered proxy.

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Proxy Solicitation

All costs relating to the solicitation of proxies will be borne by CONSOL. Geogeson LLC has been retained by CONSOL to aid in the solicitation of proxies at an estimated cost of \$8,500 plus reimbursement of out-of-pocket expenses. Proxies may also be solicited by officers, directors and employees personally, by mail, or by telephone, facsimile transmission or other electronic means. Upon request, CONSOL will pay brokers and other persons holding shares of common stock in their names or in the names of their nominees for their reasonable expenses in sending soliciting material to, and seeking instructions from, their principals.

Secrecy in Voting

As a matter of policy, proxies, ballots and voting tabulations that identify individual shareholders are held confidential by CONSOL. Such documents are available for examination only by the inspectors of election and certain employees who assist in the tabulation of votes. The vote of any individual shareholder will not be disclosed except as may be necessary to meet applicable legal requirements.

Attendance at the Meeting

Subject to space availability, all shareholders as of the Record Date, or their duly appointed proxies, may attend the Annual Meeting. Because seating is limited, admission to the meeting will be on a first-come, first-served basis. Registration will begin at 9:00 a.m. Shareholders who attend may be asked to present valid picture identification, such as a driver's license or passport, and may be issued a ticket for admission to the meeting. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting. Please also note that if you hold your shares in street name (that is, through a bank, broker or other nominee), a copy of a brokerage statement reflecting your stock ownership as of the Record Date must be provided during check-in at the registration desk at the Annual Meeting. If you require directions to the Annual Meeting, please contact CONSOL's Investor Relations Office at (724) 485-4000.

CONSOL will provide to any shareholder, without charge and upon the written request of the shareholder, a copy (without exhibits, unless otherwise requested) of CONSOL's Annual Report on Form 10-K for the year ended December 31, 2015 (the 2015 Annual Report) as filed with the SEC. Any such request should be directed to CONSOL Energy Inc., Investor Relations Department, 1000 CONSOL Energy Drive, Canonsburg, PA 15317.

BOARD OF DIRECTORS AND COMPENSATION INFORMATION

BOARD OF DIRECTORS AND ITS COMMITTEES

Board of Directors

The business and affairs of CONSOL are managed under the direction of our Board. We do not have a policy regarding directors' attendance at our annual meetings of shareholders; however, all directors are encouraged to attend. All of then-currently serving members of our Board, except Mr. Baxter, attended the 2015 annual meeting.

Board Leadership Structure

Mr. Harvey, our former Chief Executive Officer, currently serves as our non-employee Chairman of the Board. He and Mr. DeIuliis, our current President and Chief Executive Officer, provide the Board and the Corporation with the skills, leadership and direction that CONSOL needs as it continues to execute on its strategic business plan. Mr. Harvey assumed the position of Executive Chairman at the conclusion of the annual meeting held on May 7, 2014 and had served as the Chief Executive Officer until May 2014 and a director of CONSOL since January 1998. In connection with Mr. Harvey's retirement from the Board at the conclusion of the Annual Meeting, the Board has elected Mr. Thorndike to be Chairman of the Board commencing immediately thereafter. Mr. Thorndike is a current independent director on our Board.

The combined depth of experiences of Messrs. Harvey and DeIuliis at the helms of our Board and the Corporation promoted decisive, thoughtful and well-reasoned leadership during a time when CONSOL was engaged in a series of significant and transformational transactions including, without limitation: the sale of five coal mines to Murray Energy Corporation for \$3.5 billion in December 2013 (the Murray Transaction); the acquisition of 100,000 Marcellus Shale acres; through our joint venture arrangement with Noble Energy, the successful launch of CONE Midstream Partners LP, a master limited partnership (MLP), in 2014 which owns, operates, develops and acquires natural gas gathering and other midstream energy assets to

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service rapidly growing production in the Marcellus Shale in Pennsylvania and West Virginia; the successful closing of the initial public offering in 2015 of common units of CNX Coal Resources LP (CNXC), a MLP for the Corporation's thermal coal business which will own interests in CONSOL's thermal coal properties and related mining operations located in Pennsylvania, resulting in total net proceeds from this transaction and related transactions to CONSOL of approximately \$342.8 million; and the announced sale of the Buchanan Mine and other assets for \$420 million in February 2016.

By selecting an independent director as the next Chairman of the Board after the conclusion of the Annual Meeting, our Board's leadership structure, consistent with the significant changes occurring at the Corporation, will move the Board into its next phase and continue to ensure clear accountability and enhance the Corporation's ability to communicate a clear and consistent message and strategy to shareholders, employees, customers and suppliers.

At the time Mr. Harvey was appointed Chairman of the Board, the Board also had determined that it was appropriate and necessary to have a Lead Independent Director, defined as an independent director who has served for at least one year with the Corporation. CONSOL's corporate governance guidelines state that the Lead Independent Director has the following duties and authority:

To act as a liaison between the Chairman of the Board and the independent directors;

To preside at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors;

To review and approve with the Chairman of the Board the schedule of meetings, meeting agendas and types of information to be provided for each Board meeting and to review with the Chairman of the Board whether there are particular risks which the Board should focus upon at such meetings;

To direct the Chief Executive Officer or Corporate Secretary to call a special meeting of the independent directors;

To consult directly with major stockholders, when requested and appropriate to do so; and

To perform such other duties as may from time to time be delegated to the Lead Independent Director by the Board.

The Board appointed Mr. Baxter to this position in June 2010 and has re-appointed him each year thereafter. With Mr. Baxter's service as a long-standing member of the CONSOL Board and as former chairman of the board of directors of CNX Gas, the Board determined that he was ideally suited for the position of Lead Independent Director. Following the Annual Meeting, the Chairman of the Board will be an independent director and, as such, the Board will not appoint a new Lead Independent Director upon Mr. Baxter's retirement from the Board at the conclusion of the Annual Meeting.

Our Board is composed of more than a majority of independent directors and after the Annual Meeting, assuming all of the nominees are elected, all of the Board members (except the Chief Executive Officer) will be independent. In addition, as indicated below, each of our Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee, described below in *Committees of the Board of Directors*, is composed entirely of independent directors, including the chairperson of each respective committee. We believe that the number of independent directors that comprise our Board, along with the independent oversight of the Board provided by our Lead Independent Director and Chairman of the Board (following the conclusion of the Annual Meeting), benefits the Corporation and our shareholders.

Board's Role in Risk Management

Our management team is responsible for the management and assessment of risk at the Corporation and its subsidiaries and communicating those risks to our Board. Through regular presentations to the Board and the appropriate committees (as determined by the subject matter of the particular risk), management identifies and discusses the risks affecting the Corporation, its subsidiaries and our business. In 2015, our

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management team performed a comprehensive risk analysis that included a review of the material risks that could affect the Corporation and communicated the results of the analysis to the full Board.

Under our Corporate Governance Guidelines, the Board is charged with assessing major risks facing the Corporation and reviewing options for their mitigation with the assistance of the various committees. Even when a risk has been delegated to a particular committee, the Board as a whole continues to monitor such risk through its receipt and review of reports provided by the respective committee chairpersons at each regularly-scheduled Board meeting.

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The Audit Committee assists the Board in its general oversight of, among other things, the Corporation's policies, guidelines and related practices regarding risk assessment and risk management, including the risk of fraud. As part of this endeavor, the Audit Committee reviews and assesses the Corporation's major financial, legal, regulatory, environmental and similar risk exposures and the steps that management has taken to monitor and control such exposures. The Audit Committee also reviews and assesses the quality and integrity of our public reporting, compliance with legal and regulatory requirements, the performance and independence of our independent auditors, the performance of our internal audit department, the effectiveness of disclosure controls and procedures, and the adequacy and effectiveness of our risk management policies and related practices.

Our Finance Committee is charged with monitoring and evaluating risks affecting the Corporation consistent with its charter, specifically through its review of our asset mix, potential mergers and acquisitions, capital structure and policies, financial position and policies, financing activities, compliance with debt covenants, dividend policies and material investments and contracts.

Our Health, Safety and Environmental Committee addresses various risks associated with health, safety, the environment and security, and reviews (i) any material compliance issues with health, safety and environmental laws, (ii) any material pending or threatened administrative, regulatory or judicial proceedings regarding health, safety, environmental or security matters, and (iii) management's response to the foregoing legal matters.

Our Nominating and Corporate Governance Committee addresses risks associated with our management structure by reviewing, among other matters, the qualifications and backgrounds of our directors on an annual basis to ensure that our Board is composed of capable individuals who provide appropriate oversight and insight to our executive management team in light of the Corporation's business.

Finally, our Compensation Committee reviews and comments on our succession planning and assesses whether our compensation policies and practices incentivize excessive risk-taking. See *Compensation Policies and Practices As They Relate To CONSOL's Risk Management* on page 41 for a discussion of the Compensation Committee's findings and conclusions with respect to the Corporation's compensation policies and practices.

Committees of the Board of Directors

Our Board has five standing committees: Audit, Compensation, Nominating and Corporate Governance, Finance and Health, Safety and Environmental. Actions taken by our committees are reported to the full Board. In January 2016, the Board determined that all members of each of the Audit, Compensation and Nominating and Corporate Governance Committees are independent under the current listing standards of the NYSE and other applicable regulatory requirements. See *Determination of Director Independence* on page 27 for additional information regarding the Board's independence determinations with respect to its members.

Audit Committee

Our Audit Committee, which currently consists of three directors, provides assistance to our Board in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting, financial reporting, internal control and compliance functions of the Corporation and its subsidiaries. Our Audit Committee retains on behalf of CONSOL an independent registered public accounting firm to audit the financial statements of CONSOL and its subsidiaries and perform other assigned duties. Further, our Audit Committee provides general oversight with respect to the accounting principles employed in financial reporting and the adequacy of CONSOL's internal controls. In discharging its responsibilities, our Audit Committee may rely on the reports, findings and representations of the Corporation's auditors, legal counsel, and responsible officers. Our Board has determined that all members of the Audit Committee are financially literate within the meaning of SEC rules and under the current listing standards of the NYSE. Our Board has also determined that each of the members of the Audit Committee, Messrs. Davis, Mills and Baxter, qualify as an audit committee financial expert. A copy of the audit committee's report for the 2015 fiscal year is set forth in this Proxy Statement.

Compensation Committee

Our Compensation Committee, which currently consists of four directors, establishes executive compensation policies consistent with the Corporation's objectives and shareholder interests. Our Compensation Committee also reviews the performance of our executive officers and establishes, adjusts and awards compensation, including incentive-based compensation, as more fully discussed below. In addition, our Compensation Committee generally is responsible for:

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establishing and periodically reviewing our executive compensation philosophy and the adequacy of compensation plans and programs for our directors, executive officers and certain other employees;

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overseeing our compensation plans, including the establishment of performance goals under the Corporation's incentive compensation arrangements, and reviewing performance against those goals in determining incentive award payouts;

reviewing and monitoring our management development and succession plans and activities;

overseeing our special executive retirement benefits, executive severance, executive change in control arrangements and/or similar plans;

reviewing and recommending to our Board the compensation of our non-employee directors for their service as directors on our Board; and

overseeing the outside compensation consultant engaged by the Compensation Committee.

Our Compensation Committee's charter generally permits it to delegate its authority, duties and responsibilities or functions to one or more members of the Compensation Committee or to the Corporation's officers, except where otherwise prohibited by law or applicable listing standards. The terms of our Equity Incentive Plan (the "Plan") also permit our Compensation Committee to delegate its power and authority under the Plan to our officers. In accordance with applicable law, in January 2015, the Compensation Committee authorized our Chief Executive Officer to grant up to 770,000 shares of our common stock (in the form of equity incentive awards) to our non-executive employees in compliance with the terms and conditions of such delegation, the Plan and applicable laws and regulations.

Our Compensation Committee periodically reviews the compensation paid to our non-employee directors and the principles upon which their compensation is determined. The Compensation Committee also periodically reports to the Board on how our non-employee director compensation practices compare with those of other similarly situated public corporations and, if the Compensation Committee deems it appropriate, recommends changes to our director compensation practices to our Board for approval.

In October 2013, the Compensation Committee retained Towers Watson to assist it with its evaluation of our compensation programs for executive officers and directors. The scope of the consultant's work for the Compensation Committee included, among other matters:

the development and review of a relevant peer group of companies;

the benchmarking of components of our compensation programs with those of our peer group;

assisting our Compensation Committee with the development of performance goals underlying the short- and long-term incentive programs; and

assessing the overall competitiveness of our executive compensation program.

Before retaining Towers Watson, the Compensation Committee considered the factors set forth in the NYSE rules regarding the independence of advisors from management and other relevant factors. After such review, the Committee determined that no conflict of interest arose out of the retention of the Towers Watson consulting team. Towers Watson did not provide any services to the Corporation in 2015, other than to the Compensation Committee.

For additional information regarding the Compensation Committee's processes and procedures for reviewing and determining executive officer compensation, see *Compensation Discussion and Analysis* on page 29.

Nominating and Corporate Governance Committee

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Our Nominating and Corporate Governance Committee, which currently consists of four directors, monitors our corporate governance system, assesses Board membership needs, makes recommendations to the Board regarding potential director candidates for election at annual meetings of shareholders or in the event of any director vacancy, and performs any other functions or duties deemed appropriate by the Board. Each of the director nominees was recommended by our Nominating and Corporate Governance Committee to our Board for nomination for election at the Annual Meeting.

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In making director recommendations, the Nominating and Corporate Governance Committee will consider for nomination candidates whose names are submitted by shareholders. In 2016, Messrs. Lanigan, Platt and Roberson were recommended for election to our Board by certain shareholders. After the Board and management conducted interviews with them, considered their qualifications to serve on the Board, and completed thorough conflicts and background checks, the Nominating and Corporate Governance Committee recommended their nomination for election to the Board at the Annual Meeting.

Shareholders wishing to submit names of candidates for election as directors should submit the names of candidates to the Corporate Secretary, CONSOL Energy Inc., 1000 CONSOL Energy Drive, Canonsburg, PA 15317. See *Additional Matters* on page 84 for more information on making director nominations. In assessing the Board's membership needs, the Nominating and Corporate Governance Committee generally seeks to maintain a Board that is comprised of individuals who are competent in the following areas:

general industry knowledge;

accounting and finance;

ability to make sound business decisions;

management;

leadership;

knowledge of international markets;

business strategy;

crisis management;

corporate governance; and

risk management.

Nominees and directors must have or have had experience in positions with a high degree of responsibility and leadership experience in companies or institutions with which they are or have been affiliated. Nominees and directors are selected based upon contributions that they can make to CONSOL. The Nominating and Corporate Governance Committee's process for identifying and evaluating director nominees is as follows:

determine what types of backgrounds, skills, and attributes of Board members are needed to help strengthen and balance the Board, taking into account the competencies described above;

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at appropriate times, actively seek individuals qualified to become new members of the Board; and

evaluate and recommend to our Board the slate of director nominees to be elected by the shareholders at CONSOL's next annual meeting of shareholders.

CONSOL does not maintain a separate policy regarding the diversity of its Board members. However, consistent with its charter, the Nominating and Corporate Governance Committee, and ultimately the Board, seeks director nominees with diverse personal and professional backgrounds, experience and perspectives that, when combined, provide a diverse portfolio of experience and knowledge that will well serve the Corporation's governance and strategic needs.

Finance Committee

Our Finance Committee, which currently consists of four directors, monitors and provides advice and counsel to our Board and management regarding our asset mix, potential mergers and acquisitions, capital structure and policies, financial position and policies, financing activities, compliance with debt covenants, dividend policies and material investments and contracts.

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Health, Safety and Environmental Committee

Our Health, Safety and Environmental Committee, which currently consists of three directors, provides oversight of the Corporation's policies and management systems with respect to health, safety and environmental matters. Our Health, Safety and Environmental Committee generally is responsible for:

overseeing management's monitoring and enforcement of the Corporation's policies to protect the health and safety of employees, contractors, customers, the public and the environment;

reviewing with management the quality of the Corporation's procedures for identifying, assessing, monitoring and managing the principal risks facing our business associated with health, safety, environmental protection and security and reporting the Committee's findings to the Board, as deemed necessary or appropriate;

reviewing the Corporation's strategy, including objectives and policies, relative to the protection of the safety and health of employees, contractors, customers and the public, and environmental protection;

reviewing (i) any material compliance issues with health, safety and environmental laws, (ii) any material pending or threatened administrative, regulatory or judicial proceedings regarding health, safety or environmental matters, and (iii) management's response to the foregoing matters; and

reviewing any significant health, safety and environmental public policy and legislative, political and social issues and trends that may materially affect the business operations, financial performance or public image of the Corporation or the industry, and management's response to such matters.

Corporate Governance Web Page and Available Documents

We maintain a corporate governance page on our website at www.consolenergy.com. The following documents are currently included on the corporate governance page of our website:

Amended and Restated Bylaws;

CONSOL Corporate Governance Guidelines;

CONSOL Code of Director Business Conduct and Ethics;

CONSOL Code of Employee Business Conduct and Ethics, which covers all employees of CONSOL, including executive employees;

Charters of the Audit, Nominating and Corporate Governance, Compensation, Finance and Health, Safety and Environmental Committees;

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Internal Audit Charter;

Related Party Policy; and

Corporate Responsibility Report.

We also will provide a printed copy of any of these documents free of charge upon request to shareholders who contact the Investor Relations department in writing at CONSOL Energy Inc., 1000 CONSOL Energy Drive, Canonsburg, Pennsylvania 15317. These documents address important principles and corporate governance processes, including a retirement age policy that generally provides that no member of the Board who has attained the age of 75 shall be nominated for re-election or re-appointment to the Board at the next Annual Meeting of Shareholders.

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In 2015, all of the incumbent directors attended no fewer than 96% of the aggregate of:

the total number of meetings held by our Board (during the period for which he or she was a director); and

the total number of meetings held by all Board committees on which he or she served (during the period for which he or she served).

Committee membership as of April 1, 2016 and the number of meetings held during 2015 are shown in the following table:

| | Board of Directors | Audit Committee | Compensation Committee | Nominating and Corporate Governance Committee | Finance Committee | Health, Safety and Environmental Committee |
|---------------------------|---------------------------|------------------------|-------------------------------|--|--------------------------|---|
| J. Brett Harvey | Chair | - | - | - | - | - |
| Philip W. Baxter | Lead Indep. Dir. | Member | - | Member | - | - |
| Alvin R. Carpenter | Member | - | Chair | - | Member | - |
| Nicholas J. DeIuliis | Member | - | - | - | - | - |
| William E. Davis | Member | Member | - | Chair | - | - |
| David C. Hardesty, Jr. | Member | - | - | - | Member | Member |
| Maureen E. Lally-Green | Member | - | - | Member | - | Chair |
| Gregory A. Lanham | Member | - | Member | - | - | Member |
| John T. Mills | Member | Chair | Member | - | - | - |
| William P. Powell | Member | - | - | Member | Chair | - |
| William N. Thorndike, Jr. | Member | - | Member | - | Member | - |
| No. of 2015 Meetings | 12 ⁽¹⁾ | 9 | 7 | 4 | 4 | 4 |

(1) Of the 12 Board meetings, five were Regularly Scheduled Meetings and seven were Special Meetings.

During 2015, the non-management directors held 6 executive sessions of the Board. The presiding director for the executive sessions was Mr. Baxter, our Lead Independent Director.

Communication with the Board of Directors

Shareholders and other interested persons who wish to communicate with the Board may do so by writing to the Board at Corporate Secretary, CONSOL Energy Inc., 1000 CONSOL Energy Drive, Canonsburg, PA 15317, or by sending an e-mail to directors@consolenergy.com. The Corporate Secretary will relay all such communications to the Board in their entirety or to individual directors (as appropriate) at the next regularly scheduled Board meeting (or earlier as necessary) except for spam, junk mail, mass mailings, solicitations, resumes, job inquiries or other matters unrelated to the Corporation. Communications that are intended specifically for the Chairman of the Board or the independent directors should be sent to the street address or e-mail address noted above, to the attention of the Chairman of the Board or the independent directors, as intended. Information concerning how to communicate with the Board is also included on CONSOL's website at www.consolenergy.com.

Table of Contents**DIRECTOR COMPENSATION TABLE 2015**

The following table sets forth the compensation of our directors for the 2015 fiscal year:

| Name ⁽¹⁾ | Fees Earned or Paid in Cash | Stock Awards ⁽²⁾ | Option Awards ⁽³⁾ | All Other Compensation ⁽⁴⁾ | Total |
|---------------------------------------|-----------------------------|-----------------------------|------------------------------|---------------------------------------|--------------|
| James E. Altmeyer, Sr. ⁽⁵⁾ | \$ 46,667 | \$ - | - | - | \$ 46,667 |
| Philip W. Baxter | \$ 157,500 | \$ 150,000 | - | - | \$ 307,500 |
| Alvin R. Carpenter | \$ 140,000 | \$ 150,000 | - | - | \$ 290,000 |
| William E. Davis | \$ 136,667 | \$ 150,000 ⁽⁶⁾ | - | - | \$ 286,667 |
| Raj K. Gupta ⁽⁵⁾ | \$ 75,000 | \$ - | - | - | \$ 75,000 |
| David C. Hardesty, Jr. | \$ 120,000 | \$ 150,000 ⁽⁶⁾ | - | - | \$ 270,000 |
| J. Brett Harvey ⁽⁷⁾ | \$ 618,750 | \$ 150,000 | - | 1,076,943 ⁽⁸⁾ | \$ 1,845,693 |
| Maureen E. Lally-Green | \$ 126,667 | \$ 150,000 ⁽⁶⁾ | - | - | \$ 276,667 |
| Gregory A. Lanham | \$ 120,000 | \$ 150,000 ⁽⁶⁾ | - | - | \$ 270,000 |
| John T. Mills | \$ 142,500 | \$ 150,000 ⁽⁶⁾ | - | - | \$ 292,500 |
| William P. Powell | \$ 126,667 | \$ 150,000 ⁽⁶⁾ | - | - | \$ 276,667 |
| William N. Thorndike, Jr. | \$ 120,000 | \$ 150,000 ⁽⁶⁾ | - | - | \$ 270,000 |
| Joseph T. Williams ⁽⁵⁾ | \$ 65,000 | \$ - | - | - | \$ 65,000 |

- (1) Mr. DeLuliis is a member of the Board of Directors of CONSOL. During 2015, Mr. DeLuliis served as the Chief Executive Officer of CONSOL, and as a result his compensation is reported in the Summary Compensation Table and other sections of this Proxy Statement. In 2015, he did not receive any additional compensation in connection with their service on our Board.
- (2) The values set forth in this column are based on the aggregate grant date fair value of awards computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718, Compensation-Stock Compensation (FASB ASC Topic 718). The grant date fair value is computed based upon the closing price per share of CONSOL's stock on the date of grant. A discussion of the relevant assumptions made in the valuation of these awards is provided in Note 19 of the 2015 Annual Report. The values reflect the awards' fair market value at the date of grant, and do not correspond to the actual value that will be recognized by the directors.
- As of December 31, 2015, the number of RSUs held by our current non-employee directors was: 4,555 for Messrs. Baxter, Carpenter, Davis, Hardesty, Harvey, Lanham, Mills, Powell, Thorndike and Ms. Lally-Green. In addition, as of December 31, 2015: (i) Messrs. Hardesty and Powell each had 24,101 deferred RSUs; (ii) Mr. Mills had 20,903 deferred RSUs; (iii) Mr. Davis had 19,621 deferred RSUs; (iv) Ms. Lally-Green had 6,776 deferred RSUs; and (v) Messrs. Lanham and Thorndike had 2,394 deferred RSUs. In addition, Mr. Lanham had 5,486 deferred stock units and Mr. Thorndike had 5,466 deferred stock units outstanding.
- (3) No option awards were granted to directors in 2015. As of December 31, 2015, the number of shares underlying option awards held by our non-employee directors was: 1,104,233 for Mr. Harvey, 2,962 for Messrs. Davis, Mills and Powell and 988 for Mr. Hardesty.
- (4) The non-employee directors are permitted to use a de minimis number of tickets purchased by CONSOL to attend sporting or other events when such tickets are not otherwise being used for business purposes.
- (5) Messrs. Altmeyer, Gupta and Williams retired from the Board at the 2015 annual meeting of shareholders.
- (6) Each of Messrs. Davis, Hardesty, Lanham, Mills, Powell, Thorndike and Ms. Lally-Green elected to defer until termination of service, 100% of their RSU award granted on May 6, 2015 (or 4,539 RSUs). Upon termination of service, all of the shares underlying these RSU awards will be delivered in a one-time distribution.
- (7) In connection with Mr. Harvey's resignation as Executive Chairman effective January 31, 2015, the Board approved the following compensation to be paid to Mr. Harvey as the non-employee Chairman of the Board: (i) a \$675,000 annual cash retainer and (ii) a \$150,000 annual non-employee director equity retainer

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in the form of restricted stock units.

- (8) Includes \$164,661 of wages as an employee, vehicle allowance, lodge reimbursement, financial planning, and \$890,098 relating to the vesting of RSUs due to retirement. The total also includes \$5,192 in matching contributions made by CONSOL under the 401(k) plan. The values attributable to the portion of the PSU awards for 2014 that vested due to Mr. Harvey's retirement are not included in the table as these awards are indeterminable at this time, given that they remain subject to the future attainment of performance goals (i.e., for the 2014-2016 performance period).

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We generally use a combination of cash and stock-based compensation to attract and retain qualified candidates to serve on our Board. Each of our non-employee directors is entitled to receive annual fees for their service, any portion of which may be deferred at such director's election. In lieu of all or any portion of the annual retainer otherwise payable to our non-employee directors, directors may elect to receive deferred stock units, which carry dividend equivalent rights. We also reimburse directors for customary travel and related expenses for their attendance at Board or committee meetings. A description of the fees and awards paid to our non-employee directors is set forth in greater detail below.

CONSOL Non-Employee Director Annual Fees and Awards

Our non-employee director compensation program is set forth in the following table:

| Element of Annual Compensation | Dollar Value of Board Compensation (January 1, 2015 - December 31, 2015) |
|--|---|
| Chairman Retainer | \$ 675,000 |
| Board Retainer | \$ 120,000 |
| Committee Chair Retainer (excluding Audit Committee and Compensation Committee Chair Retainer) | \$ 10,000 |
| Audit Committee Chair Retainer | \$ 30,000 |
| Compensation Committee Chair Retainer | \$ 20,000 |
| Audit Committee Member Retainer (excluding Audit Committee Chair Retainer) | \$ 7,500 |
| Lead Independent Director Retainer | \$ 30,000 |
| Annual Equity Award (RSUs) | \$ 150,000 |

The compensation structure adopted by our Board was the result of a competitive assessment of board compensation provided to the Compensation Committee by its compensation consultants in December 2013.

CONSOL Non-Employee Director Stock Options

Prior to October 2006, our non-employee directors received nonqualified stock options to acquire shares of the Corporation's common stock. All of these options have fully vested. Subject to the provisions of the particular nonqualified stock option agreement and the Plan, the holders of these options may exercise all or any part of their options at any time prior to the tenth anniversary of the grant date, which is the expiration date. If a director's service is terminated for cause, all options held by such director, if any, will be forfeited as of the termination date.

CONSOL Non-Employee Director RSUs

Each RSU represents the right to receive one share of common stock following the vesting date of that unit. Non-employee director RSU awards vest in full one year from the grant date. A director is not entitled to shareholder rights, including voting rights and/or dividend rights with respect to the shares underlying a RSU award, until such shares become vested and are issued to the director. Should a regular cash dividend be declared on the Corporation's common stock at a time before the shares subject to a RSU award become vested and are issued, then the holder of the RSU will be entitled to dividend equivalent rights equal to the cash dividend declared on the shares. Dividend equivalent rights are converted into shares underlying the RSUs in accordance with a pre-established formula. The additional shares resulting from this calculation will be subject to the same terms and conditions as the unissued shares of common stock to which they relate under the award.

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The non-employee director RSU award agreements provide that in the event of death or disability or upon the completion of a change in control (as defined in our Plan), all shares subject to such award will vest automatically and be delivered to the director immediately, or as soon as administratively practical thereafter (but in no event later than the 15th day of the third month following that date). If a director's service is terminated for cause (as defined in our Plan) or he or she ceases to provide services to the Corporation for any reason other than death, disability or in connection with a change in control, such director's award will be cancelled with respect to any unvested shares, and the number of RSUs will be reduced accordingly. The director will then cease to have any rights or entitlements to receive any shares of common stock under those cancelled units.

As a condition to a director's right to receive shares subject to a RSU award, the director must agree to abide by the terms and conditions of the proprietary information covenant included in the award agreement and must return any materials belonging to the Corporation upon termination of service on the Board. See *Equity Incentive Plan Definitions* on page 60 for definitions under our Plan.

CONSOL Non-Employee Directors Deferred Fee Plan (adopted 2004)

The CONSOL Directors Deferred Fee Plan was adopted on July 20, 2004 to allow non-employee directors of the Corporation to defer payment of all or any portion of their annual cash Board retainer and director meeting fees. Participation in the plan is at the election of the particular director. Upon the Corporation's receipt of a deferral agreement from a director, an account is established by the Corporation on behalf of such director and is credited with all fees selected by the participating director. Prior to February 21, 2006, the account of each participant in the Directors Deferred Fee Plan was credited, on a quarterly basis, with interest based on the interest rate in effect on the last day of the applicable quarter. On February 21, 2006, our Board approved an amendment to the CONSOL Directors Deferred Fee Plan, which provides that a participant's account will be adjusted by an amount equal to the amount that would have been earned (or lost) if amounts deferred under the plan had instead been invested in hypothetical investments designated by the participant based on a list of hypothetical investments provided by the plan administrator from time to time or, in the event that a participant fails to designate such hypothetical investments, the participant's account will earn interest as provided in the plan. Earnings are credited to the participant's account on a quarterly basis. The amount payable to a director participant will be paid in cash as soon as administratively practicable after the earlier of: (i) the director's termination of service as a director or (ii) the date selected by such director, which date must be at least two years after the end of the plan year for which fees are deferred. The CONSOL Directors Deferred Fee Plan is an unfunded and unsecured liability of the Corporation and benefits will be paid from our general assets. Accordingly, participants are general unsecured creditors of the Corporation with respect to any benefits to be received by them under the plan. At this time, there are no participants in the Directors Deferred Fee Plan.

CONSOL Non-Employee Director Deferred Stock Units

Under the terms of our Plan, non-employee directors may elect to receive deferred stock units in lieu of all or any portion of their retainer fees otherwise payable to such director in cash, or to defer receipt of shares to be paid to them in the form of deferred stock units. The deferred stock units have dividend equivalent rights. Deferred stock units that have vested are paid following the earlier of: (i) the director's separation from service or (ii) the date selected by the director on his or her payment date election form previously filed with the Corporation. Upon a change in control, unvested deferred stock units will accelerate and vest.

A director is not entitled to shareholder rights, including voting rights and actual dividends, with respect to the shares subject to an award until the director becomes the record holder of the shares following their actual issuance. Should a regular cash dividend be declared on the Corporation's common stock at a time when the director holds deferred stock units, he or she will be entitled to dividend equivalent rights equal to the cash dividends declared on the shares. Dividend equivalent rights are converted into additional deferred stock units based on a pre-established formula. The additional deferred stock units resulting from this calculation will be subject to the same terms and conditions as the deferred stock units subject to the award.

If a director ceases to be a director on account of death, disability or retirement at normal retirement age for directors, all unvested deferred stock units granted to such director will automatically vest and become non-forfeitable. If the director's service is terminated for cause or ceases to provide services for any reason other than death, disability or retirement at a normal age, all unvested deferred stock units and any rights to the underlying shares will be immediately forfeited for no consideration. In addition, in the event of a termination for cause (as defined in our Plan) or a breach of the proprietary information covenant contained in the deferred stock unit agreement, the director will also forfeit all of his or her right, title and interest in and to any shares that have vested under his or her award. See *Equity Incentive Plan Definitions* on page 60 for definitions of cause and disability under our Plan. Deferred stock units are structured to comply with Section 409A of the

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Internal Revenue Code of 1986, as amended (the Code). At this time, Messrs. Lanham and Thorndike are the only non-employee directors who have elected to receive deferred stock units in lieu of their retainer fees.

CONSOL Stock Ownership Guidelines for Directors

Our Board has adopted stock ownership guidelines for our directors to further align their interests with those of our shareholders and to ensure that they maintain an appropriate financial stake in CONSOL. The stock ownership guidelines provide, among other things, that our directors hold CONSOL common stock (not including shares issuable upon the exercise of options) with a value equal to three times the annual Board cash retainer on or before the fifth anniversary of becoming a Board member. As of December 31, 2015, each Board member was in compliance with our stock ownership guidelines or is expected to be within the five-year period.

Table of Contents**BENEFICIAL OWNERSHIP OF SECURITIES**

The following table sets forth information with respect to the beneficial ownership of the Corporation's common stock by:

beneficial owners of more than five percent of CONSOL's common stock based upon information filed with the SEC; and

each director and each nominee for director, each named executive and all directors and executive officers of the Corporation as a group, as of March 14, 2016.

Amounts shown below include options that are currently exercisable or that may become exercisable within 60 days of March 14, 2016 (*i.e.*, May 13, 2016) and the shares underlying deferred stock units and the shares underlying RSUs that will be settled before May 13, 2016. Unless otherwise indicated, the named person has the sole voting and dispositive powers with respect to the shares of CONSOL common stock set forth opposite such person's name.

| Name and Address of Beneficial Owner | Amount and Nature of Beneficial Ownership ⁽¹⁾ | Percent of Class |
|---|--|---------------------|
| Southeastern Asset Management, Inc. ⁽²⁾ 6410 Poplar Ave., Suite 900 Memphis, TN 38119 | 52,835,737 | 23.1% |
| BlackRock, Inc. ⁽³⁾ 55 East 52nd Street New York, NY 10055 | 27,474,676 | 12.0% |
| The Vanguard Group, Inc. ⁽⁴⁾ 100 Vanguard Boulevard Malvern, PA 19355 | 19,053,953 | 8.3% |
| Greenlight Capital, Inc. ⁽⁵⁾ 140 East 45 th Street, 24 th Floor New York, NY 10017 | 17,449,716 | 7.6% |
| Franklin Mutual Advisors, LLC ⁽⁶⁾ 101 John F. Kennedy Parkway Short Hills, NJ 07078-2789 | 14,235,027 | 6.2% |
| State Street Corporation ⁽⁷⁾ One Lincoln Street Boston, MA 02111 | 12,490,328 | 5.5% |
| UBS Group AG ⁽⁸⁾ Bahnhofstrasse 45 Zurich, Switzerland | 12,172,220 | 5.3% |
| J. Brett Harvey ⁽⁹⁾⁽¹⁰⁾ | 2,050,391 | * |
| Nicholas J. DeIuliis ⁽⁹⁾⁽¹¹⁾ | 671,540 | * |
| Stephen W. Johnson ⁽⁹⁾ | 222,157 | * |
| William E. Davis ⁽⁹⁾ | 38,904 | * |
| John T. Mills ⁽⁹⁾ | 54,079 | * |
| William P. Powell ⁽⁹⁾ | 41,973 | * |
| Alvin R. Carpenter | 89,600 | * |
| James C. Grech ⁽⁹⁾ | 39,161 | * |
| Philip W. Baxter | 34,875 | * |
| David C. Hardesty, Jr. ⁽⁹⁾ | 31,864 | * |
| David M. Khani ⁽⁹⁾ | 32,449 | * |
| Gregory A. Lanham ⁽¹²⁾ | 22,441 | * |
| William N. Thorndike, Jr. ⁽¹³⁾ | 142,421 | * |
| Timothy C. Dugan | 17,261 | * |
| Maureen E. Lally-Green | 12,640 | * |

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| | | |
|---|-----------|------|
| Bernard Lanigan, Jr.+ ⁽¹⁴⁾ | 30,000 | * |
| Joseph P. Platt+ | - | * |
| Edwin S. Roberson+ | - | * |
| All current directors and current executive officers as a group | 3,450,815 | 1.5% |

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* Indicates less than one percent (1%) ownership.

+ Indicates director nominee.

- (1) As of March 14, 2016, there were 229,363,247 shares of CONSOL common stock outstanding.

- (2) Based on a Schedule 13D/A filed by Southeastern Asset Management, Inc., an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, on January 6, 2016. Southeastern Asset Management, Inc. is deemed to be the beneficial owner of and has sole voting power with respect to 23,956,423 shares, shared or no voting power with respect to 28,879,314 shares, sole dispositive power with respect to 27,831,713 shares and shared voting and dispositive power with respect to 25,004,024 shares. The Schedule 13D/A indicates that Longleaf Partners Fund, an investment company registered under Section 8 of the Investment Company Act, shares voting and dispositive power with Southeastern Asset Management, Inc. with respect to 12,263,500 shares, and that Longleaf Partners Small-Cap Fund, an investment company registered under Section 8 of the Investment Company Act, shares voting and dispositive power with Southeastern Asset Management, Inc. with respect to 12,464,200 shares.

- (3) Based on a Schedule 13G/A filed by BlackRock, Inc. on January 8, 2016, BlackRock, Inc., as a parent holding company for a number of investment management subsidiaries, is deemed to have sole voting power with respect to 26,071,705 shares and be the beneficial owner of and have sole dispositive power with respect to 27,474,676 shares. The following subsidiaries of BlackRock, Inc. are investment advisors which hold shares of our common stock: BlackRock Advisors, LLC, BlackRock Advisors (UK) Limited, BlackRock Asset Management Canada Limited, BlackRock Financial Management, Inc., BlackRock Fund Advisors, BlackRock Institutional Trust Company, N.A., BlackRock Investment Management, LLC, BlackRock Investment Management (Australia) Limited, BlackRock Life Limited, BlackRock (Luxembourg) S.A., BlackRock Asset Management Schweiz AG, BlackRock Fund Managers Ltd, BlackRock Asset Management Ireland Limited, BlackRock Investment Management (UK) Limited, and BlackRock Asset Management North Asia Limited.

- (4) Based on a Schedule 13G/A filed by The Vanguard Group, Inc. on February 10, 2016. The Vanguard Group, Inc. is deemed to be the beneficial owner of and has sole voting power with respect to 363,745 shares, shared voting power with respect to 11,900 shares, sole dispositive power with respect to 18,688,808 shares and shared dispositive power with respect to 365,145 shares.

- (5) Based on a Schedule 13G/A filed by Greenlight Capital, Inc. (Greenlight Inc.), DME Advisors, LP (DME Advisors), DME Capital Management, LP (DME CM), DME Advisors GP, LLC (DME GP and together with Greenlight Inc., DME Advisors and DME, CM, Greenlight), and David Einhorn, the principal of Greenlight, reporting ownership as of July 20, 2015. Greenlight Inc. is deemed to be the beneficial owner of an aggregate of 17,449,716 shares, DME Advisors is deemed the beneficial owner of an aggregate of 3,863,700 shares, DME CM is deemed the beneficial owner of an aggregate of 8,167,149 shares, DME GP is deemed the beneficial owner of an aggregate of 12,030,849 shares, and Mr. Einhorn is deemed the beneficial owner of an aggregate of 29,609,565 shares.

- (6) Based on a Schedule 13G filed by Franklin Mutual Advisors, LLC with the SEC on February 2, 2016. Franklin Mutual Advisors, LLC is deemed the beneficial owner of an aggregate of 14,235,027 shares. The securities reported are beneficially owned by one or more open-end investment companies or other managed accounts that are investment management clients of Franklin Mutual Advisors, LLC, an indirect wholly owned subsidiary of Franklin Resources, Inc.

- (7) Based on a Schedule 13G filed by State Street Corporation on February 12, 2016. State Street Corporation is deemed to be the beneficial owner of and has shared voting power and shared dispositive power with respect to 12,490,328 shares.

- (8) Based on a Schedule 13G filed by UBS Group AG on February 9, 2016. UBS Group AG is deemed to be the beneficial owner of and has shared voting power with respect to 12,168,814 shares and shared dispositive power with respect to 12,172,220 shares.

- (9)

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Includes shares issuable pursuant to options that are currently exercisable (or may become exercisable on or before May 11, 2016) as follows: Mr. Harvey, 1,061,879; Mr. Defulius, 322,763; Mr. Johnson, 125,759; Mr. Khani, 7,487; Mr. Grech, 19,598; Mr. Davis, 2,962; Mr. Powell, 2,962; Mr. Mills, 2,962; and Mr. Hardesty, 988.

(10) Includes 289,183 shares of common stock held in Grantor Retained Annuity Trusts. Also includes 2,000 shares of common stock held in Mr. Harvey's wife's Amended and Restated Revocable Trust, dated December 17, 2007, for which Mr. and Mrs. Harvey serve as trustees, and 139,930 shares of common stock held in trusts for his children, for which the co-trustees include Mrs. Harvey and the children of Mr. and Mrs. Harvey for their respective trusts.

(11) Includes 173,101 shares of common stock held in Grantor Retained Annuity Trusts and 1,098 shares held in trusts for his children.

(12) Includes 5,486 deferred stock units held by Mr. Lanham.

(13) Includes 5,466 deferred stock units held by Mr. Thorndike. As a result of Mr. Thorndike's contractual arrangement with a third party who holds 100,000 shares of the Company stock in a margin account (50,000 of which are being reported herein), Mr. Thorndike may be deemed to have a beneficial interest with respect to the 50,000 shares held in the third party margin account. Mr. Thorndike has indicated he will use commercially reasonable efforts to pay down the margin account.

(14) Includes 10,000 shares held by the Lanigan Family Limited Partnership, which Mr. Lanigan is one of the general partners, and 20,000 shares held by a limited liability company, which Mr. Lanigan is part owner of the managing member. These shares are currently held in a marginable account, but will be transitioned to non-margin status.

Brokerage account agreements may grant security interests in securities held at the broker to secure payment and performance obligations of the brokerage account holder in the ordinary course. Shares shown in the table for the directors and executive officers may be subject to this type of security interest.

Table of Contents**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Exchange Act requires the Corporation's directors, executive officers and persons who beneficially own more than ten percent of a class of the Corporation's registered equity securities to file with the SEC and deliver to the Corporation initial reports of ownership and reports of changes in ownership of such registered equity securities. To our knowledge, based solely upon a review of Section 16 filings with the SEC, written representations that no other reports were required, and on CONSOL's records, we believe that during 2014, the Corporation's executive officers, directors and greater than ten percent shareholders complied with all applicable Section 16(a) filing requirements, except as specified below. A late filing of a Form 3 was made on behalf of former Controller and Vice President Lorraine L. Ritter due to the misunderstanding about whether Ms. Ritter was considered to be an officer for reporting purposes pursuant to Section 16(a) of the Securities Act of 1934, as amended. A Form 3 was filed to reflect Ms. Ritter's beneficial ownership as of the date she was appointed as the Corporation's principal accounting officer, which occurred March 1, 2013, as reflected in the Current Report on Form 8-K filed by the Corporation on March 7, 2013. A late filing of a Form 4 was made relating to Director William N. Thorndike, Jr.'s contractual arrangement with a third party that holds shares of the Corporation's stock. Mr. Thorndike may be deemed to have a pecuniary interest with respect to 50,000 shares resulting from the July 30, 2015 purchase of 100,000 shares by the third party, which shares are held in the third party account. Due to the shares having been purchased in a third party's account, Mr. Thorndike's acquisition of pecuniary interest therein was inadvertently not reported on a timely basis.

PROPOSAL NO. 1 ELECTION OF DIRECTORS

The eleven nominees for election as directors for 2016 are identified below. Each director who is elected will hold office until the next annual meeting and until the director's successor is elected and qualified. All nominees are current members of the Board, except for Messrs. Lanigan, Platt and Roberson, who are being nominated by the Board for election at the Annual Meeting. If any nominee should for any reason become unable to serve, all shares represented by valid proxies will be voted for the election of such other person as the Board may designate as recommended by the Nominating and Corporate Governance Committee. Alternatively, the Board may reduce the number of directors to eliminate the vacancy.

Biographies of Nominees

The following biographies include information concerning the nominees for director, including their recent employment, positions with CONSOL, other directorships, board committee memberships and ages as of March 14, 2016.

NICHOLAS J. DEIULIIS

Age: 47

Director Since: 2014

Occupation: President and Chief Executive Officer

Background: Nicholas J. DeIuliis has been our Chief Executive Officer since May 7, 2014 and our President since February 23, 2011. Mr. DeIuliis was Executive Vice President and Chief Operating Officer of CONSOL from January 16, 2009 until February 23, 2011. He previously served in various positions at CNX Gas Corporation, including President, Chief Executive Officer and Chief Operating Officer. He is currently Chairman of the Board of CNX Coal Resources GP LP. Additionally, he has previously held the following positions at CONSOL: Senior Vice President Strategic Planning (November 1, 2004 to August 2005); Vice President Strategic Planning (April 1, 2002 until November 1, 2004); Director Corporate Strategy (October 1, 2001 to April 1, 2002); Manager Strategic Planning (January 1, 2001 to October 1, 2001); and Supervisor Process Engineering (April 1, 1999 to January 1, 2001). Mr. DeIuliis is also a member of the board of directors of the U.S. Chamber of Commerce, the University of Pittsburgh Cancer Institute, the Center for Sustainable Shale Development and the Allegheny Conference on Community Development. He is a registered engineer in the Commonwealth of Pennsylvania and a member of the Pennsylvania Bar.

Qualifications: As our current President and Chief Executive Officer, Mr. DeIuliis has a unique and in-depth understanding of our business with over 25 years of experience with CONSOL. He provides our Board with direct operational insight through his leadership in the development and execution of our strategic priorities, and his understanding of our business, challenges and the material risks facing the Corporation.

Table of Contents**ALVIN R. CARPENTER**

| | |
|---|---------------------------|
| Age: 74 | CONSOL Committees: |
| Director Since: 2013 | Compensation (Chair) |
| Occupation: Former Vice Chairman CSX Corporation; Director of Regency Centers Corporation | Finance |

Background: Alvin R. Carpenter joined the CONSOL Board in June 2013. Mr. Carpenter currently serves as Chair of the Compensation Committee and a member of the Finance Committee. He retired from CSX Corporation (CSX), a railroad company, in February 2001, where he had served as vice chairman from July 1999 until his retirement. From 1962 until February 2001, he held various positions with CSX, including President and Chief Executive Officer of CSX Transportation, Inc. from 1992 to 1999 and Executive Vice President-Sales and Marketing of CSX Transportation, Inc. from 1989 to 1992. Mr. Carpenter served as a director of Stein Mart, Inc., a retail company, from 1996 to 2015, where he served as chairman of its compensation committee and as a member of the corporate governance committee. Mr. Carpenter serves as a director of Regency Centers Corporation, an owner and developer of dominant, grocery-anchored retail centers, since 1993, where he serves as a member of its audit, compensation and nominating and corporate governance committees. He served as a director of Lender Processing Services, Inc. from 2009 until it was sold to Fidelity National Financial, Inc. in January 2014, where he had served as its lead director, chairman of the corporate governance and nominating committee and as a member of the compensation committee. Additionally, he previously served on the boards of PSS World Medical, Inc., Barnett Bank, Inc., Nations Bank, American Heritage Life Insurance Company, Blue Cross & Blue Shield of Florida, One Valley Bancorp of West Virginia and Florida Rock Industries, Inc. He also chaired Governor Jeb Bush's Commission on Workers' Compensation Reform and served on Governor Bush's Advisory Council on Base Realignment and Closure.

Qualifications: Mr. Carpenter brings over 50 years of business experience to our Board, including 40 years of experience in the railroad industry where he has served in a wide variety of operating, planning and sales and marketing positions. In addition to the business expertise he developed while employed in the railroad industry, Mr. Carpenter has developed significant expertise in the areas of corporate governance, compensation and audit matters through his service on various public company boards.

WILLIAM E. DAVIS

| | |
|--|---|
| Age: 74 | CONSOL Committees: |
| Director Since: 2004 | Nominating and Corporate Governance (Chair) |
| Occupation: Former Chairman and Chief Executive Officer of Niagara Mohawk Power Corporation | Audit |

Background: William E. Davis joined the CONSOL Board in January 2004. He currently serves as Chair of the Nominating and Corporate Governance Committee and as a member of the Audit Committee. From November 2007 until December 2010, Mr. Davis was a director of AbitibiBowater Inc., which produced a broad range of forest products marketed around the world, and served on its governance, finance and audit committees. Mr. Davis was a director of Abitibi Consolidated Inc., which produced newsprint and commercial printing paper, from April 2003 to November 2007, and served on its audit and nominating and governance committees. Mr. Davis was also the chairman of the board of directors and Chief Executive Officer of Niagara Mohawk Power Corporation, an electricity and natural gas utility located in upstate New York, from May 1993 to February 2002. Following the sale of Niagara Mohawk in February 2002, and until his retirement in April 2003, Mr. Davis served as chairman of National Grid USA and as an executive director of National Grid (UK), owner and operator of the electricity transmission network in England and Wales. He served as Chairman and Chief Executive Officer of the Metropolitan Development Foundation of Central New York until December 2008.

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Qualifications: Having served as Chairman and Chief Executive Officer of Niagara Mohawk Power Corporation, a major investor owned gas and electric utility, for nine years, and as chairman of National Grid USA and executive director of National Grid (UK), Mr. Davis provides our Board with substantial insight into the energy industry. Mr. Davis also contributes significant knowledge with respect to corporate governance matters acquired through his years of multiple board service and a unique corporate governance insight having graduated from the National Association of Corporate Directors certification course.

Table of Contents**MAUREEN E. LALLY-GREEN****Age:** 66**Director Since:** 2013

Occupation: Former Judge on the Superior Court of Pennsylvania; former Director and former Associate General Secretary of the Office for Church Relations for the Diocese of Pittsburgh; Director of Federated Mutual Fund Complex

CONSOL Committees:

Health, Safety and Environmental (Chair)
Nominating and Corporate Governance

Background: Maureen E. Lally-Green joined the CONSOL Board in June 2013. Ms. Lally-Green currently serves as Chair of the Health, Safety and Environmental Committee and as a member of the Nominating and Corporate Governance Committee. She has served on the board of Federated Mutual Fund Complex since August 2009 and was appointed to serve on its audit committee in May 2013. Ms. Lally-Green has served in various legal and business roles and directorship positions throughout her career. She previously served as Associate General Secretary, Diocese of Pittsburgh (retired August 2015), a member of the Superior Court of Pennsylvania (retired 2009), and as a Professor of Law, Duquesne University School of Law, where she continues to teach in an adjunct capacity. Other relevant experience includes her service as a consultant to the Supreme Court of Pennsylvania, counsel in the law department at the former Westinghouse Electric Corporation and counsel at the Division of Trading and Markets and Enforcement at the Commodity Futures Trading Commission. She also holds the following positions: member, Pennsylvania State Board of Education; Director and Chair, UPMC Mercy Hospital; Regent, St. Vincent Seminary; Director and Vice Chair, Our Campaign for the Church Alive!, Inc.; Director, Saint Vincent College; and Director and Chair, Cardinal Wuerl North Catholic High School, Inc. Ms. Lally-Green also has held the positions of: Director, Auberle; Director, Ireland Institute of Pittsburgh; Director, Saint Thomas More Society; Director, Epilepsy Foundation of Western and Central Pennsylvania; Director, Pennsylvania Bar Institute; and Director and Chair, Catholic High Schools of the Diocese of Pittsburgh, Inc. She is a member, among others, of the Pennsylvania Bar Association and the Allegheny County Bar Association.

Qualifications: Ms. Lally-Green brings over 40 years of legal experience to our Board that includes a diversity of experience while serving as a Judge on the Superior Court of Pennsylvania State appellate court, her service with a major corporation and the federal government, her activities in the state-wide and local legal communities, and her experience with, among other things, corporate governance due to her service on a number of boards of non-profit entities and the for-profit Federated Mutual Fund Complex.

GREGORY A. LANHAM**Age:** 51**Director Since:** 2014

Occupation: Former Director and Chief Executive Officer of FTS International, Inc.

CONSOL Committees:

Compensation
Health, Safety and Environmental

Background: Gregory A. Lanham has served on the CONSOL Board since October 2014. Mr. Lanham currently serves as a member of the Compensation Committee and the Health, Safety and Environmental Committee. From November 2013 to October 2015, he served as the Chief Executive Officer of FTS International, Inc. (FTSI), the largest private oil field service company in North America, and served as a member of the FTSI board of directors from May 2011 until October 2015. Previously, Mr. Lanham was the Managing Director and global head of energy and Managing Director of Investments for Australia and New Zealand at Temasek Holdings (Private) Limited, an investment company owned by the Government of Singapore. Prior to joining Temasek, Mr. Lanham spent 20 years with Anadarko Petroleum Corporation in positions of increasing responsibility, including President and General Manager of Anadarko's Asian subsidiary. He previously held director positions at

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Venari Resources LLC and Black Gold Energy LLC, and is currently a director of the United Way of Tarrant County, Texas.

Qualifications: Mr. Lanham brings over 25 years of experience in the energy industry in both operations and investments. His extensive international experience in the energy industry, including his expertise in strategic planning and portfolio investment management, is a significant asset to the Board.

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Table of Contents**BERNARD LANIGAN, JR.****Age:** 68**Director Nominee****Occupation:** Chairman and Chief Executive Officer of Southeast Asset Advisors, Inc.

Background: Bernard Lanigan, Jr. has been nominated for election to the Board by our Board at the Annual Meeting. He founded and has served as Chairman and Chief Executive Officer of Southeast Asset Advisors, Inc., an investment advisor and wealth management company, since 1991. He also founded and has served as Chairman of Lanigan & Associates, P.C., a certified public accounting and consulting firm, since 1974. Mr. Lanigan currently serves on the boards of directors of Ruby Tuesday, Inc. since 2011 and Rayonier Inc. since 2015, as well as various non-public companies, including Lykes Brothers, Inc. and various endowments and private foundations. Previously, Mr. Lanigan served on the board of directors of Texas Industries, Inc.

Qualifications: Mr. Lanigan brings over 40 years of leadership experience with large, complex and diverse organizations. He has been a certified public accountant for more than 40 years and has over 35 years of experience in financial, tax, accounting, investment advising, strategic consulting, risk assessment, valuations and mergers and acquisitions matters, including as both advisor and principal.

JOHN T. MILLS**Age:** 68**Director Since:** 2006**Occupation:** Former Chief Financial Officer Marathon Oil Corporation**CONSOL Committees:**

Audit (Chair)

Compensation

Background: John T. Mills joined the CONSOL Board in March 2006. Mr. Mills currently serves as Chair of the Audit Committee and as a member of the Compensation Committee. From December 2007 until August 2015, he served on the board of directors of Cal Dive International Inc., a marine contractor providing manned diving, derrick, pipelay and pipe burial services to the offshore oil and natural gas industry, where he served as lead independent director, and as a member of the audit, compensation, and corporate governance and nominating committees. From January 2008 through June 2010, Mr. Mills was a member of the board of directors and audit, conflicts and risk management committees of Regency GP, LLC, the general partner of Regency GP, LP, the general partner of Regency Energy Partners LP, a natural gas gathering, processing and transportation master limited partnership. Mr. Mills joined the board of directors of Horizon Offshore, Inc., a marine construction company, in June 2002 and served as the chairman of the board of directors from September 2004 until December 2007, when Horizon Offshore, Inc. was acquired by Cal Dive International, Inc. Mr. Mills was the Chief Financial Officer of Marathon Oil Corporation, an integrated energy company, from January 2002 until his retirement in December 2003. In 2011, Mr. Mills attended the Harvard Business School program Making Corporate Boards More Effective.

Qualifications: As a licensed attorney with over 40 years of business experience, including 16 years as an officer of Marathon Oil Corporation and U.S. Steel Corporation, Mr. Mills brings significant knowledge and experience to our Board. In particular, Mr. Mills brings an in-depth understanding of the evaluation of organic growth capital projects and acquisition and disposition opportunities, and the importance of maintaining a competitive capital structure and liquidity. In addition, having previously served as Senior Vice President, Finance and Administration, and later Chief Financial Officer of Marathon Oil Corporation, Mr. Mills has developed a wealth of financial knowledge with respect to the oversight of (i) the preparation of consolidated financial statements, (ii) internal audit functions, and (iii) public accountants, skills which are critical to our Corporation and particularly our Audit Committee.

JOSEPH PLATT

Age: 68

Director Nominee

Occupation: General Partner, Thorn Partners, LP

Background: Joseph Platt has been nominated for election to the Board by our Board at the Annual Meeting. He is the general partner at Thorn Partners, LP, a family limited partnership, a position he has held since 1998. Mr. Platt's career at Johnson and Higgins, a global insurance broker and employee benefits consultant (J&H), spanned 27 years until 1997, when J&H was sold to Marsh & McLennan Companies. At the time of the sale, Mr. Platt was an owner, director and executive vice president of

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J&H. Mr. Platt has served on the board of directors of Greenlight Capital Re, Ltd., a property and casualty reinsurer, since 2004 and has been its lead independent director since 2007, and also serves as an independent director of BlackRock's Open End & Liquidity Funds and on the boards of various other nonpublic companies and not-for-profit institutions.

Qualifications: Mr. Platt brings to the Board significant financial, compensation and risk management expertise.

WILLIAM P. POWELL

Age: 60

CONSOL Committees:

Director Since: 2004

Finance (Chair)

Occupation: Managing Partner 535 Partners LLC

Nominating and Corporate Governance

Background: William P. Powell has served on the CONSOL Board since January 2004. He currently serves as Chair of the Finance Committee and as a member of the Nominating and Corporate Governance Committee. Mr. Powell previously was a director of Cytec Industries, a global specialty chemicals and materials company, from 1993 until its merger with Solvay SA in December 2015, where he served as lead independent director, chair of the governance committee and as a member of the audit committee. Until May 2007, Mr. Powell was a Managing Director of William Street Advisors, a New York City-based merchant banking boutique. Mr. Powell resigned from William Street Advisors to establish a family office, 535 Partners LLC, where he serves as Managing Partner. Prior to his time at William Street Advisors, he served as a Managing Director of UBS Warburg LLC and its predecessor Dillon, Read & Co. Inc. since 1991.

Qualifications: With an MBA degree and over 30 years of financial, management and investment experience, Mr. Powell brings a wealth of knowledge to our Board. Having served on multiple public company boards for over 20 years, Mr. Powell also has significant expertise in corporate governance matters.

EDWIN S. ROBERSON

Age: 71

Director Nominee

Occupation: Chief Executive Officer, Christ Community Health Services

Background: Edwin S. Roberson has been nominated for election to the Board by our Board at the Annual Meeting. He currently serves as Chief Executive Officer of Christ Community Health Services, a health system of eight clinics providing high quality healthcare to the underserved in the Memphis, Tennessee community, a position he has held since 2014. Prior to that, Mr. Roberson served as Chief Executive Officer of various cancer research and biotech firms, and as President of Beacon Consulting, LLC, a business consulting firm, from 2006 to 2011. From 1991 to 2006, he worked at Conwood LLC, the nation's second-largest manufacturer of smokeless tobacco products and a major seller and distributor of tobacco products manufactured by third parties, where he served in several roles, including Chief Financial Officer and, ultimately, President. After serving in the Army from 1969 to 1971, where he was awarded two Bronze Stars in Vietnam, Mr. Roberson began his professional career at KPMG, an international accounting and consulting firm, where he was a tax partner until 1991. Mr. Roberson also serves on the board of directors of Protea Biosciences, Inc. where he is chairman of the audit committee, and has served on the board of Paragon National Bank, where he was chairman of the audit committee. He also serves on the board of directors of several private corporations and currently serves or has served as a board member for a number of educational, religious, civic and charitable organizations, including Duke University Divinity School, the Boy Scouts of America, and Chairman of Methodist Le Bonheur Healthcare.

Qualifications: Mr. Roberson brings to the Board significant leadership skills and financial, accounting and strategy expertise. Further, Mr. Roberson is a certified public accountant.

WILLIAM N. THORNDIKE, JR.

Age: 52

CONSOL Committees:

Director Since: 2014

Compensation

Occupation: Managing Director of Housatonic Partners

Finance

Background: William N. Thorndike, Jr. has served on the CONSOL Board since October 2014. Mr. Thorndike currently serves as a member of the Compensation Committee and the Finance Committee. He founded Housatonic Partners, a private equity firm, in Boston, MA in 1994 and has been a Managing Director since that time. Prior to founding Housatonic Partners,

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Mr. Thorndike worked with T. Rowe Price Associates and Walker & Company, a publishing company, where he was named to the board of directors. Mr. Thorndike has served as a director of over 30 companies since founding Housatonic Partners. He is currently a director of Alta Colleges; Carillon Assisted Living, LLC; Lincoln Peak Holdings, LLC; OASIS Group Ltd.; QMC International, LLC; and White Flower Farm, Inc. Mr. Thorndike briefly served on the board of LeMaitre Vascular, Inc., a former portfolio company, after it went public. He also serves as a Trustee of Stanford Business School Trust, and WGBH, a public broadcaster serving southern New England, and is the Chair of the Board of Trustees of the College of the Atlantic. Mr. Thorndike is the author of *The Outsiders: Eight Unconventional CEOs and Their Radically Rational Blueprint for Success*.

Qualifications: Mr. Thorndike brings over 20 years of investment and board experience to the CONSOL Board. He has extensive leadership experience in evaluating strategic alternatives and helping to build value for shareholders across a variety of industries. He has a breadth of financial, strategic and human resource knowledge with specific expertise in the areas of capital allocation and compensation.

Related Party Policy and Procedures

Our Audit Committee adopted a written Related Party Policy and Procedures for the review and approval or ratification of related party transactions with directors, nominees for director, executive officers and certain family members (related persons). A copy of the policy is available on our website at www.consolenergy.com.

Under the policy, prior to entering into a potential related person transaction (which is generally a transaction in excess of \$120,000 involving the Corporation and a related person), the related person must notify our chief financial officer and general counsel of the material facts regarding the transaction. If our chief financial officer and general counsel determine that the proposed transaction is in fact a related person transaction, the details of the transaction are presented to our Audit Committee (or if it is not practicable or desirable to wait until the next Audit Committee meeting, to the chairman of the Audit Committee) for approval. The Audit Committee or Chairman, as applicable, will consider all relevant facts and circumstances including the terms of the transaction and terms that would be available to unrelated parties, the benefits to us and, if the transaction involves an independent director, any impact the transaction would have on such director's independence. The Audit Committee or Chairman, as applicable, will also inform our Nominating and Corporate Governance Committee of any related person transactions involving directors or nominees. Since the SEC's related party regulation also applies to directors and executive officers' family members, as well as entities in which they may be deemed to have an indirect material interest, it is possible that related person transactions could occur without a director or executive officer being aware of them and seeking approval in accordance with the policy. When we become aware of a related person transaction that has not been previously approved, the policy provides that the details of the transaction will be presented to our Audit Committee or Chairman, as applicable, for ratification or other action. Our Audit Committee also reviews, on an annual basis, ongoing related person transactions having a remaining term of more than six months or that are in excess of \$120,000. We also require that officers and directors complete annual director and officer questionnaires and adhere to written codes of business conduct and ethics regarding various topics, including conflicts of interest, the receipt of gifts, service in outside organizations, political activity and corporate opportunities. Officers and directors must certify compliance with these codes in writing each year.

Mr. Hardesty, a member of the Board during 2015, has a daughter who is a partner at Bowles Rice LLP (Bowles Rice). Bowles Rice rendered legal services to the Hess joint venture and the Noble joint venture, both of which the Corporation participates in as a 50% joint venture partner. Bowles Rice was paid approximately \$3.9 million for these legal services in 2015. CONSOL's portion of those expenditures (including the 50% portion attributable to the joint venture work) amounted to approximately \$1.95 million, or approximately 5.4% of its total legal spend. CONSOL engaged Bowles Rice many years prior to Mr. Hardesty becoming a member of the Board. Mr. Hardesty was not involved in the decisions to utilize Bowles Rice.

The Audit Committee reviewed and approved the above transaction.

Determination of Director Independence

Our Board is required under the NYSE rules to affirmatively determine the independence of each director on an annual basis and to disclose this determination in the Proxy Statement for each annual meeting of shareholders of CONSOL. Based on the independence standards set forth in our Corporate Governance Guidelines, which are described below, our Board has determined that each of our directors, other than Mr. DeLuliiis (who is the Chief Executive Officer of CONSOL) had no material relationship with CONSOL (either directly or indirectly, including as a partner, shareholder or officer of an organization that has a relationship with CONSOL) and are independent under our Corporate Governance Guidelines and the corporate governance rules of the NYSE codified in Section 303A of the NYSE Listed Company Manual. The Board also determined that each member of the Audit Committee meets the heightened independence standards required for audit committee members under the

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NYSE listing standards and the SEC rules, and considered the additional factors under the NYSE rules relating to members of the Compensation Committee before determining that each of them is independent.

The Board has established the following standards for determining director independence, which are reflected in our Corporate Governance Guidelines that are available in the Corporate Governance section of the Corporation's website at www.consolenergy.com.

A director will not be deemed independent under CONSOL's Corporate Governance Guidelines if:

(i) the director is, or has been within the previous three years, employed by CONSOL or its subsidiaries, or an immediate family member is, or has been within the previous three years, an executive officer of CONSOL; provided, that employment as an interim Chairman of the Board or CEO or other executive officer shall not disqualify a director from being considered independent following that employment;

(ii) the director or an immediate family member has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from CONSOL or its subsidiaries, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service); provided, that compensation received by a director for former service as an interim Chairman of the Board or CEO or other executive officer need not be considered in determining independence under this paragraph (ii) and provided further, that compensation received by an immediate family member for service as an employee of CONSOL or its subsidiaries (other than an executive officer) need not be considered in determining independence under this paragraph (ii);

(iii)(A) the director or an immediate family member is a current partner of the firm that is CONSOL's internal auditor or external auditor (each an "Audit Firm"); (B) the director is a current employee of an Audit Firm; (C) the director has an immediate family member who is a current employee of an Audit Firm and who personally works on CONSOL's audit or (D) the director or an immediate family member was, within the previous three years (but is no longer), a partner or employee of an Audit Firm and personally worked on CONSOL's audit within that time;

(iv) the director or an immediate family member is, or has been within the previous three years, employed as an executive officer of another company where any of CONSOL's present executive officers at the same time serves or served on such company's compensation (or equivalent) committee of the board of directors; or

(v) the director is a current employee, or an immediate family member is an executive officer, of a company that has made payments to, or received payments from, CONSOL or its subsidiaries for property or services in an amount which, in any of the previous three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues. For purposes of the foregoing, both the payments and the consolidated gross revenues to be measured shall be those reported in the last completed fiscal year; and

(vi) for members of the audit committee only: other than in the capacity as a member of the audit committee, the Board or any other committee of the Board, the director (A) does not accept, directly or indirectly, any consulting, advisory or other compensatory fee from CONSOL or its subsidiaries; provided that compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with CONSOL or its subsidiaries (provided that such compensation is not contingent in any way on continued service) or (B) is not an affiliated person of CONSOL or its subsidiaries.

Any related person transaction required to be disclosed under SEC Regulation S-K, Item 404, shall be considered in determining the independence of a director or nominee.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE ABOVE-NAMED NOMINEES FOR THE BOARD OF DIRECTORS.

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EXECUTIVE COMPENSATION INFORMATION

COMPENSATION DISCUSSION AND ANALYSIS

INTRODUCTION

This Compensation Discussion and Analysis section (the "CD&A") is designed to provide our shareholders with an explanation of CONSOL's executive compensation philosophy and objectives, our 2015 executive compensation program and the compensation paid by CONSOL to the following named executives in 2015:

Nicholas J. DeIuliis, President and Chief Executive Officer ("Chief Executive Officer")

David M. Khani, Executive Vice President and Chief Financial Officer ("Chief Financial Officer")

Stephen W. Johnson, Executive Vice President and Chief Administrative Officer ("Chief Administrative Officer")

James C. Grech, Executive Vice President and Chief Commercial Officer ("Chief Commercial Officer")

Timothy C. Dugan, Chief Operating Officer - Exploration and Production ("Chief Operating Officer - E&P")

The contents of this CD&A are organized into five sections: Section 1 - Summary; Section 2 - Pay for Performance; Section 3 - Compensation Setting Process; Section 4 - Compensation Decisions for 2015; and Section 5 - Other Compensation Policies and Information.

This CD&A contains references to one or more financial measures that have not been calculated in accordance with generally accepted accounting principles ("GAAP"). A reconciliation of each disclosed non-GAAP financial measure to the most directly comparable GAAP financial measure is provided in [Appendix A](#) to this Proxy Statement.

SECTION 1 - SUMMARY

Our executive compensation program is designed to attract, motivate and retain key executives who will promote both the short- and long-term growth of CONSOL and create sustained shareholder value. To this end, we take a pay-for-performance approach to our executive compensation program that ties the majority of the compensation payable to our named executives to CONSOL's stock price and operational performance, and promotes equity ownership among the named executives to greater align their interests with those of our shareholders. Some of the highlights from 2015 include:

The significant reduction of the Chief Executive Officer's compensation as a result of Mr. DeIuliis' transition into the Chief Executive Officer role in May 2014;

Approximately 97.45% of the shares voted at our 2015 Annual Meeting of Shareholders approved our 2014 executive compensation program;

Designed the Chief Executive Officer's compensation with 90% being at-risk and/or tied to stock price;

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Adopted executive incentive plans that align management with shareholder interests in both weak and strong markets;

The implementation of stock retention requirements for equity awards granted in 2015 and beyond;

Below target payouts to named executives under CONSOL's short-term incentive program;

No payout of CONSOL Stock Units for the 2013 - 2015 performance period; and

No employment agreements between CONSOL and current executives.

Managerial decisions over time drive a company's financial performance. CONSOL's financial and non-financial performance has been consistently solid over the years despite the volatile economy and volatile commodity prices. This conclusion is underscored by our 2015-2016 Business, Compensation and Corporate Governance Highlights, as described on pages 3-6.

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SECTION 2 - PAY FOR PERFORMANCE

We consistently place a substantial portion of our named executives' compensation at-risk. As demonstrated in the following chart(s), more than a majority of our named executives' compensation is in the form of annual and equity incentive-based compensation.

CONSOL 2015 CEO Target Pay Mix

CONSOL 2015 Other NEOs Target Pay Mix

Because a substantial amount of the compensation of our named executives is at-risk, there is a strong alignment between their compensation and the long-term interests of our shareholders. In short, the named executives' compensation is highly correlated with stock price performance if value is not delivered to our shareholders, as measured by stock price, their compensation will be adversely affected.

For further reference, the chart below shows Mr. DeIuliis' total direct compensation in 2015 against our 1-year stock price performance, as measured by total shareholder return (TSR), in each case relative to a peer group of companies (as defined on page 32). As you will find, the vertical axis of the chart shows that Mr. DeIuliis' total direct compensation was in the 25th percentile of the peer group for 2015 and the horizontal axis of the chart shows our relative TSR was similarly ranked around the 25th percentile during the same period thus showing alignment between Mr. DeIuliis' compensation and CONSOL's TSR performance relative to its peers.

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SECTION 3 - COMPENSATION SETTING PROCESS

Compensation Philosophy and Objectives

Our executive compensation program is designed to attract, motivate and retain key executives who drive our success and industry leadership. We achieve these objectives through compensation that:

links a significant portion of total compensation to performance, which we believe will create long-term shareholder value;

consists primarily of stock-based compensation, which encourages our named executives to act as owners of the Corporation and aligns their interests with those of our shareholders;

is tied to overall corporate performance, financial and operational goals (annual and long-term);

enhances retention in a highly competitive market by subjecting a significant portion of total compensation to multi-year vesting or performance conditions;

discourages unnecessary and excessive risk taking; and

provides a competitive total pay opportunity.

Key factors affecting the Compensation Committee's executive compensation judgments include: (i) the nature and scope of an executive's responsibilities; (ii) an executive officer's performance (including contribution to the Corporation's financial results); and (iii) the Compensation Committee's outside compensation consultant's report(s) on survey and/or proxy data for compensation paid to executives with similar responsibilities at other similarly situated companies.

Results of 2015 Shareholder Vote on Named Executive Compensation

CONSOL maintains a practice of engaging in discussions with our major shareholders on various topics, including the compensation of our named executives. The insight we have gained over the years through these discussions has been helpful to the Compensation Committee as it considers and adopts compensation policies relating to our named executives.

Approximately 97.45% of the shares voted at our 2015 Annual Meeting of Shareholders approved our 2014 executive compensation program. We believe this vote outcome was positively impacted by our active engagement with our shareholders over the years and our continued efforts to structure our executive compensation programs to better align the interests of our named executives and shareholders. We understand from our shareholders that the changes we have made to our executive compensation programs and business have, in fact, more closely aligned our programs with their expectations. This vote result indicated to the Compensation Committee that no significant changes needed to be made to the executive compensation program going forward.

We will continue to actively engage in discussions with our shareholders on executive compensation matters and consider shareholder views about our core principles and objectives when determining the compensation of our named executives.

Use of Peer Group and Other Benchmarking Data

A primary factor that the Compensation Committee considers in determining the total compensation opportunity available to each of our named executives is whether such total compensation opportunity is competitive with the total compensation opportunities offered to similarly situated executives by our competitors.

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Since we are unique in that we are both a coal and gas producer, the Compensation Committee uses a peer group of companies that includes a mix of both coal and gas companies, against which the Compensation Committee measures our overall compensation program. The scarcity of companies similar to CONSOL means that it is difficult for the market to value our diverse holdings of coal and gas assets, which leads to a more complex business model than most, if not all, of our peers. In selecting the below companies, the Compensation Committee also considered CONSOL's revenue and market capitalization relative to these peers and their business segment revenue.

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In consideration of the above, the following peer companies were used to help establish 2015 compensation for our named executives (collectively, the peer group):

| | |
|-------------------------------|-------------------------|
| Alpha Natural Resources, Inc. | Noble Energy, Inc. |
| Antero Resources | Peabody Energy Corp. |
| Arch Coal Inc. | QEP Resources, Inc. |
| Cabot Oil and Gas | Range Resources |
| Chesapeake Energy Corporation | Southwestern Energy Co. |
| Devon Energy Corporation | Teck Resources |
| EOG Resources, Inc. | Walter Energy |
| EQT Corporation | WPX Energy, Inc. |

The Compensation Committee’s long-term philosophy is to set the compensation for our named executives, including our Chief Executive Officer, near the median of the peer group to be consistent with CONSOL’s revenue and market capitalization relative to our peer group. On average, our current named executives are at the 27th percentile of the peer group. With respect to the average percentile ranking for the named executives’ total direct compensation compared to the peer group, the Compensation Committee’s compensation consultant found the following when evaluating the 2015 compensation packages for our named executives in late 2015:

CONSOL Percentile Rankings Among Peer Group

| Average Total Direct Compensation for Named Executives | Revenue | Market Capitalization |
|--|--|--|
| 27 th percentile ⁽¹⁾ | 47 th percentile ⁽²⁾ | 39 th percentile ⁽³⁾ |

(1) Average total direct compensation includes base salary, annual incentive payment and grant date value of long-term incentives of the following named executives: DeFuliiis, Khani, Johnson, Grech and Dugan.

(2) Based on CONSOL’s revenues of approximately \$3.5 billion in 2014.

(3) Based on CONSOL’s market capitalization of approximately \$7.8 billion (as of December 31, 2014).

In connection with the preparation of the 2015 compensation program, the compensation consultant benchmarked the proposed compensation packages for the named executives against (i) proxy data available for the peer group and (ii) published survey data.

The Compensation Committee uses the compensation consultant’s benchmarking studies to determine the market pay practices of executives at comparable companies who are similarly situated to our executives. The Compensation Committee’s policy is to use the data prepared and presented by the compensation consultant as a reference point or guideline. Our named executives’ actual compensation may be higher or lower than the compensation paid to executives in similar positions at comparable companies based on CONSOL’s financial performance and a subjective, qualitative review of individual performance.

Role of Compensation Consultant

The Compensation Committee engaged Towers Watson to assist with the development of our 2015 executive compensation program. The compensation consultant is retained by the Compensation Committee and works with the Committee in coordination with management. A representative of Towers Watson generally attends Compensation Committee meetings and is available to participate in executive sessions. Aside from its retention by the Compensation Committee for the foregoing purposes, Towers Watson provided no other services to CONSOL during 2015. In order to assure Towers Watson’s independence, it is the Compensation Committee’s practice to pre-approve any work unrelated to executive compensation that may be proposed to be provided by Towers Watson. In addition, the Compensation Committee also considers all

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factors relevant to Towers Watson's independence from management, including those factors mandated by the listing standards of the NYSE.

The Compensation Committee looks to the compensation consultant to review the elements of our compensation program, including the appropriate mix of short- and long-term incentives, and for any recommendations of modifications thereto, based on their review of the market practices of a peer group of companies and the Corporation's compensation objectives. The consultant also provides ongoing input on the design of our incentive programs and the underlying performance metrics.

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Process for Evaluating Compensation

Generally, in the first quarter of each year, the Compensation Committee meets to establish the base salaries, incentive opportunities and related performance goals of the Corporation's compensation programs. To establish compensation for a particular named executive (other than our Chief Executive Officer), the Corporation's human resources personnel make an initial assessment and submit it to our Chief Executive Officer for review. This assessment considers relevant industry salary practices, the complexity and level of responsibility associated with the particular named executive's position, the position's overall importance to the Corporation in relation to other executive positions, and the competitiveness of the named executive's total compensation. Our Chief Executive Officer may make appropriate changes to this assessment based on his determination of such named executive's past performance. The Compensation Committee then reviews:

our Chief Executive Officer's compensation recommendations for each named executive (other than himself);

our Chief Executive Officer's evaluation of each named executive's performance and internal value; and

the benchmarking studies and tally sheets as compiled by the outside compensation consultant.

After considering the factors described above, and in consultation with the Chief Executive Officer and Towers Watson, the Compensation Committee and the Board approved the named executives' 2015 compensation packages.

To establish compensation for our Chief Executive Officer, the Compensation Committee reviews:

the benchmarking studies and compensation alternatives compiled by the outside compensation consultant;

the Chief Executive Officer's self-evaluation of his annual performance; and

the Board's evaluation of his annual performance.

After considering these factors, the Compensation Committee and the Board typically approve the compensation of our Chief Executive Officer. Our Chief Executive Officer does not participate in, and is not present for, any approvals relating to his compensation.

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SECTION 4 - COMPENSATION DECISIONS FOR 2015

Elements of Executive Compensation Program

In 2015, we continued to compensate our named executives through the following elements of our executive compensation program:

| Compensation Element | Form of Compensation | Performance Criteria/Formula | Purpose | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--|---|---|------------------------|--------------------|------------------------|----------------------|------------------------|----------------------|-----------|------------------------------|-----------------------|--|-----------------------|---------------|--------------------|--------------------|----------------------------------|--------------------|---------------------|-----|---|--|--------------------|--|--|------------------------------|--|------------|--|--|--|--|------------------------------|--|--|---|
| 1. Base Salary (page 35) | Cash | Individual performance and experience in the role are primary factors in determining base salaries. | To provide fixed compensation necessary to attract and retain key executives and to offset the cyclical nature in our business that may impact variable pay year-to-year. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Short-Term Incentive Program (STIC) (page 35) | Cash | <p>For our 2015 STIC, the formula was:</p> <table border="0"> <tr> <td style="text-align: center;">Coal Performance</td> <td style="text-align: center;">+</td> <td style="text-align: center;">Gas Performance</td> <td style="text-align: center;">x</td> <td style="text-align: center;">Profit Modifier</td> </tr> <tr> <td style="text-align: center;">(50% of STIC)</td> <td></td> <td style="text-align: center;">(50% of STIC)</td> <td></td> <td></td> </tr> <tr> <td>Production (tons) 30%</td> <td></td> <td>Production (mcfe) 40%</td> <td></td> <td>TSR +/-20%</td> </tr> <tr> <td>Operating Cost 30%</td> <td></td> <td>Operating Cost 15%</td> <td></td> <td></td> </tr> <tr> <td>Safety 30%</td> <td></td> <td>Reserve Growth 15%</td> <td></td> <td></td> </tr> <tr> <td>Environmental Compliance 10%</td> <td></td> <td>Safety 15%</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>Environmental Compliance 15%</td> <td></td> <td></td> </tr> </table> | Coal Performance | + | Gas Performance | x | Profit Modifier | (50% of STIC) | | (50% of STIC) | | | Production (tons) 30% | | Production (mcfe) 40% | | TSR +/-20% | Operating Cost 30% | | Operating Cost 15% | | | Safety 30% | | Reserve Growth 15% | | | Environmental Compliance 10% | | Safety 15% | | | | | Environmental Compliance 15% | | | To provide incentives to our employees to achieve operational performance goals and to reward our employees for the achievement of those goals. |
| Coal Performance | + | Gas Performance | x | Profit Modifier | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (50% of STIC) | | (50% of STIC) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Production (tons) 30% | | Production (mcfe) 40% | | TSR +/-20% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operating Cost 30% | | Operating Cost 15% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Safety 30% | | Reserve Growth 15% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Environmental Compliance 10% | | Safety 15% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Environmental Compliance 15% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Long-Term Incentive Compensation Program (LTIC) (page 37) | CSUs PSUs (three-year cliff vesting) | <p>For the CONSOL Stock Unit (CSU) award that was granted in 2013 for a 2013 – 2015 performance period, the formula was as follows (and payout would only occur if the ending stock price equated or exceeded the starting stock price):</p> <table border="0"> <tr> <td style="text-align: center;">Threshold Goals</td> <td style="text-align: center;">Achievement at End of Performance Period</td> <td style="text-align: center;">Result</td> </tr> <tr> <td style="text-align: center;">(2013 2015)</td> <td></td> <td></td> </tr> <tr> <td>Stock Price of \$31.55</td> <td style="text-align: center;">\$7.51</td> <td>No payout</td> </tr> <tr> <td>ROCE⁽¹⁾ of 9.04%</td> <td style="text-align: center;">11.10%</td> <td></td> </tr> </table> <p>For 2015 PSUs, the formula was:</p> <table border="0"> <tr> <td style="text-align: center;">Factor</td> <td style="text-align: center;">Weight</td> </tr> <tr> <td style="text-align: center;">(2015 2017)</td> <td></td> </tr> <tr> <td>TSR (relative to the S&P 500)</td> <td style="text-align: center;">50%</td> </tr> <tr> <td>ROCE⁽¹⁾</td> <td style="text-align: center;">50%</td> </tr> </table> | Threshold Goals | Achievement at End of Performance Period | Result | (2013 2015) | | | Stock Price of \$31.55 | \$7.51 | No payout | ROCE ⁽¹⁾ of 9.04% | 11.10% | | Factor | Weight | (2015 2017) | | TSR (relative to the S&P 500) | 50% | ROCE ⁽¹⁾ | 50% | To create a strong incentive for our key management members to achieve our short-and long-term performance objectives and strategic plan, and to align management's interests with our shareholders interests. Further, RSUs are intended to retain executive talent. | | | | | | | | | | | | | | | |
| Threshold Goals | Achievement at End of Performance Period | Result | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (2013 2015) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stock Price of \$31.55 | \$7.51 | No payout | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ROCE ⁽¹⁾ of 9.04% | 11.10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Factor | Weight | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (2015 2017) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TSR (relative to the S&P 500) | 50% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ROCE ⁽¹⁾ | 50% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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(1) Appendix A sets forth how ROCE will be calculated for the 2015-2017 performance period.

RSUs
(generally,
three-year cliff
vesting)

RSUs have time-based vesting.

*All equity
awards settle in
stock.*

4. Other
Agreements
and Benefits

Change in
Control
Agreements

To attract and retain key
management members
and, for change in control
agreements, to motivate
executives to take actions
that are in the best
interests of CONSOL.

(page 38)

Other
Retirement
Benefits

5. Perquisites

Club
Memberships

To provide a competitive
compensation package
and, in certain cases, to
optimize an executive
officer's time.

(page 40)

Financial
Planning (in
mid-2015, this
benefit was
discontinued for
our named
executives)

Vehicle
Allowance

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2015 Base Salary

The Compensation Committee reviewed the base salaries of our named executives in January 2015. As a result of the Compensation Committee's review of named executives' base salaries as compared to that of the peer group, annual base salaries for 2015 were moderately increased, as follows:

| Named Executive | Salaries for 2014 | Salaries for 2015 | Percent Change |
|-------------------------|--------------------------|--------------------------|-----------------------|
| Chief Executive Officer | \$ 740,000 | | |