

NEWMARKET CORP
Form DEF 14A
March 13, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

NEWMARKET CORPORATION

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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

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(3) Filing Party:

(4) Date Filed:

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NEWMARKET CORPORATION

330 South Fourth Street

Richmond, Virginia 23219

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders of NewMarket Corporation will be held at the Virginia Museum of History & Culture, 428 N. Boulevard, Richmond, Virginia on Thursday, April 26, 2018, at 10:00 a.m., Eastern Daylight Time, for the following purposes, as more fully described in the accompanying proxy statement:

1. To elect a board of directors to serve for the ensuing year;
2. To ratify the appointment of PricewaterhouseCoopers LLP as NewMarket's independent registered public accounting firm for the fiscal year ending December 31, 2018;
3. To consider and act on an advisory vote regarding the approval of compensation paid to certain executive officers; and
4. To transact such other business as may properly come before the meeting.

The record date for the determination of shareholders entitled to notice of and to vote at the annual meeting is February 28, 2018. Accordingly, only shareholders of record as of that date will be entitled to notice of and to vote at the annual meeting or any adjournment or postponement thereof.

Your vote is very important to us. Regardless of whether you expect to attend the meeting, please act promptly to vote your shares. You may vote your shares by telephone or over the Internet, as described in the Notice of Internet Availability of Proxy Materials. If you are present at the meeting and hold shares in your name, you may vote in person even if you have previously submitted your proxy by mail, by telephone or over the Internet. If your shares are held in street name with your broker or by a nominee and you wish to vote in person at the meeting, you will need to obtain a legal proxy from the institution that holds your shares and provide that legal proxy at the meeting.

By Order of the Board of Directors,

M. RUDOLPH WEST, *Secretary*

March 13, 2018

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR
THE 2018 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 26, 2018**

The company's Proxy Statement for the 2018 Annual Meeting of Shareholders and the company's Annual Report to Shareholders and Annual Report on Form 10-K for the fiscal year ended December 31, 2017 are available at www.edocumentview.com/NEU.

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PROXY STATEMENT
FOR
ANNUAL MEETING OF SHAREHOLDERS
OF
NEWMARKET CORPORATION

Approximate date of mailing March 13, 2018

Date, Time and Place of Annual Meeting

The annual meeting of shareholders of NewMarket Corporation is scheduled to be held as follows:

Date: Thursday, April 26, 2018

Time: 10:00 a.m., Eastern Daylight Time

Place: The Virginia Museum of History & Culture
428 N. Boulevard
Richmond, Virginia 23220

Proposals to be Considered at the Annual Meeting

At the annual meeting, you will be asked to consider and vote on the following proposals:

to elect seven directors;

to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018;

to consider and act on an advisory vote regarding the approval of the compensation paid to certain executive officers (say-on-pay); and

to transact such other business as may properly come before the annual meeting.

In the event that a quorum is not present at the annual meeting, you may also be asked to vote upon a proposal to adjourn or postpone the annual meeting to solicit additional proxies.

Record Date

Our Board of Directors has fixed the close of business on February 28, 2018 as the record date for the annual meeting and only holders of record of NewMarket common stock on the record date are entitled to vote at the annual meeting. On the record date, there were outstanding 11,779,143 shares of NewMarket common stock.

Voting Rights and Quorum

Each share of NewMarket common stock is entitled to one vote. The presence in person or representation by proxy of holders of a majority of the shares of NewMarket common stock issued and outstanding as of the close of business on February 28, 2018 will constitute a quorum at the annual meeting. If a share is represented for any purpose at the meeting, it is deemed to be present for the transaction of all business. Abstentions, withheld votes and shares held of record by a broker or its nominee that are voted on any matter are included in determining the number of votes present. Broker shares that are not voted on any matter at the meeting will not be included in determining whether a quorum is present. In the event that a quorum is not present at the annual meeting, it is expected that the annual meeting will be adjourned or postponed to solicit additional proxies.

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Vote Required

The number of votes cast in favor of electing each nominee for director must be greater than the votes cast against any such nominee. If a nominee does not receive a majority of votes cast for his or her election, he or she will continue to serve on the Board of Directors as a holdover director and will be required to submit a letter of resignation promptly to the Board of Directors. Abstentions and broker non-votes will have no effect on the outcome.

The appointment of PricewaterhouseCoopers LLP will be ratified if the votes cast in favor of ratification exceed the number of votes cast against ratification. Abstentions and broker non-votes will have no effect on the proposal to ratify the appointment of PricewaterhouseCoopers LLP.

The say-on-pay advisory resolution approving the compensation paid to certain executives will be adopted if the votes cast in favor of adoption exceed the number of votes cast against adoption. Abstentions and broker non-votes will have no effect on the say-on-pay advisory proposal.

If you hold your shares of NewMarket common stock in street name through a brokerage account, your broker may or may not vote your shares in its discretion depending on the proposals before the meeting in the absence of your voting instructions. Under the rules of the New York Stock Exchange, your broker may vote your shares in its discretion on routine matters. We believe that the ratification of the appointment of our independent registered public accounting firm is a routine matter on which brokers will be permitted to vote on behalf of their clients if no voting instructions are furnished. We believe that the election of directors and the say-on-pay advisory vote are not routine matters. When a matter is not routine and brokers have not received voting instructions from their clients, brokers cannot vote the shares on that matter. This is commonly referred to as a broker non-vote. Broker non-votes will have no effect on the election of director nominees, the ratification of the appointment of PricewaterhouseCoopers LLP and the say-on-pay advisory vote.

Voting and Revocation of Proxies

After carefully reading and considering the information contained in this proxy statement, you should vote over the Internet by following the instructions provided in the Notice of Internet Availability of Proxy Materials (the Notice). Alternatively, you may vote by telephone, or order a paper copy of the proxy materials at no charge on or before April 16, 2018 by following the instructions provided in the Notice. You can also vote in person at the meeting. The Notice and identification will be required to vote in person at the meeting.

Unless you specify to the contrary, all of your shares represented by valid proxies will be voted **FOR** all director nominees, **FOR** the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm, **FOR** the advisory resolution approving the compensation paid to certain executive officers, and in the discretion of the proxy holders on any other matters that properly come before the annual meeting or any adjournments or postponements of the annual meeting.

The persons you name as proxies may propose and vote for one or more adjournments or postponements of the annual meeting, including adjournments or postponements to permit further solicitations of proxies.

Until exercised at the annual meeting, you can revoke your proxy and change your vote in any of the following ways:

by delivering written notification to NewMarket at its principal executive offices at 330 South Fourth Street, Richmond, Virginia 23219, Attention: Corporate Secretary;

by changing your vote or revoking your proxy by telephone or over the Internet;

if you hold shares in your name, by attending the annual meeting and voting in person (your attendance at the meeting will not, by itself, revoke your proxy; you must vote in person at the meeting);

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if you have instructed a broker or bank to vote your shares, by following the directions received from your broker or bank to change those instructions; or

if you hold shares in street name with your broker or by a nominee, by obtaining a legal proxy from the institution that holds your shares, attending the annual meeting and voting in person (your attendance at the meeting will not, by itself, revoke your proxy; you must vote in person at the meeting).

If you decide to vote by completing, signing, dating and returning a proxy card, you should retain a copy of the voter control number found on the proxy card in the event that you decide later to change or revoke your proxy by telephone or over the Internet.

Solicitation of Proxies

The accompanying proxy is being solicited by our Board of Directors, and we will pay for the entire cost of the solicitation. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for forwarding the solicitation material to the beneficial owners of NewMarket common stock held of record by those persons, and we may reimburse them for reasonable transaction and clerical expenses. In addition to the use of the mail, proxies may be solicited personally or by telephone, facsimile or other means of communication by our officers and regular employees. These people will receive no additional compensation for these services, but will be reimbursed for any expenses incurred by them in connection with these services. We have engaged Alliance Advisors LLC, a proxy solicitation firm, to assist in the solicitation of proxies. We will pay that firm \$6,500 for its services and reimburse its out-of-pocket expenses for such items as mailing, copying, phone calls, faxes and other related matters, and will indemnify Alliance Advisors LLC against any losses arising out of that firm's proxy soliciting services on our behalf.

PROPOSAL 1:

ELECTION OF DIRECTORS

The Nominating and Corporate Governance Committee has recommended to our Board of Directors, and our Board of Directors has approved, the persons named below as nominees for election to our Board of Directors. Each of the nominees presently serves as a director. Proxies will be voted for the election as directors for the ensuing year of the persons named below (or if for any reason unavailable, of such substitutes as our Board of Directors may designate). Our Board of Directors has no reason to believe that any of the nominees will be unavailable to serve.

Phyllis L. Cothran; age 71; director since 1995; retired, having previously served as President and Chief Operating Officer of Trigon Healthcare, Inc., formerly Blue Cross and Blue Shield of Virginia (health insurance company), where before being President she held positions of increasing responsibility including Chief Financial Officer. Ms. Cothran previously served on the board of directors of Tredegar Corporation from 1993 through 2005. Ms. Cothran brings to the Board of Directors business leadership, corporate strategy and financial expertise.

Mark M. Gambill; age 67; director since 2009; co-founder of Cary Street Partners and currently Chairman Emeritus of Luxon Financial, its parent company (financial advisory and wealth management firm), having previously worked for Wheat First Securities from 1972, including serving as chairman of the underwriting committee, until it was sold to First Union Corporation (now Wells Fargo & Company) in 1998. Other directorships: Speedway Motorsports, Inc. (chairman of Audit Committee) and Triangle Capital Corporation. Mr. Gambill brings to the Board of Directors over thirty-five years of involvement in the capital markets. Mr. Gambill also adds to the Board of Directors his entrepreneurial and financial expertise as well as his board and board committee experiences as a director of other

public companies.

Bruce C. Gottwald; age 84; director since 1962; after having served as Chairman of NewMarket and its predecessor Ethyl Corporation for approximately twenty years, Mr. Gottwald stepped down as Chairman on July 29, 2014 and agreed to continue serving as a Director. Mr. Gottwald also previously served as Chief Executive Officer of Ethyl Corporation. From 1998 through 2004, Mr. Gottwald served as an independent director of CSX Corporation. As the former Chief Executive Officer of Ethyl Corporation and long-time Chairman of the company, Mr. Gottwald contributes to the Board of Directors key operational and leadership experience with the company and extensive

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knowledge of the chemical industry and history of the company. His background and experience enable him to add institutional and industry insight to Board discussions.

Thomas E. Gottwald; age 57; director since 1994; Chairman of the Board since July 29, 2014; President and Chief Executive Officer of NewMarket since March 3, 2004, having previously served as President and Chief Executive Officer of Ethyl Corporation from June 1, 2001 through June 30, 2004 and President and Chief Operating Officer of Ethyl prior thereto. As President and Chief Executive Officer of the company, Mr. Gottwald brings to the Board of Directors knowledge of the company's operations and history as well as expertise regarding the industry as a whole.

Patrick D. Hanley; age 73; director since 2004; non-executive Chairman of Gallium Technologies, LLC (software start-up specializing in accounts receivable software) until January 2016, having previously served as President and Chief Executive Officer of Gallium Technologies until January 2011. Mr. Hanley also previously served as Senior Vice President-Finance and Accounting of UPS Ground Freight, Inc., formerly Overnite Corporation (truckload and less-than-truckload carrier and wholly owned subsidiary of United Parcel Service, Inc.), and also as Director, Senior Vice President and Chief Financial Officer of Overnite Corporation. Mr. Hanley also previously served in managerial positions at Union Pacific Resources Group, Union Pacific Corporation and Ford Motor Company. From 2010 through 2016, Mr. Hanley also served on the board of directors of Xenith Bankshares, Inc. Other directorship: Old Dominion Freight Line, Inc., where he serves on the audit and compensation committees. Mr. Hanley brings to the Board of Directors insight and knowledge into the management of public companies as well as accounting, finance and Securities and Exchange Commission reporting experience.

H. Hiter Harris, III; age 57; director since 2015; co-founded Harris Williams & Co., where he also serves as a Managing Director. Having advised on more than 200 mergers and acquisitions transactions at an international investment banking firm focused on the middle market, Mr. Harris brings to the Board of Directors a wealth of transactional experience and financial expertise, as well as significant knowledge of middle market companies.

James E. Rogers; age 72; director since 2003; former chairman of BackOffice Associates, LLC (provider of SAP data quality, migration and governance solutions); previously served as President of SCI Investors Inc. (private equity investment firm) until January 1, 2011. Other directorship: Owens & Minor, Inc. Mr. Rogers brings to the Board of Directors leadership experience and expertise regarding the management of public companies due to his ongoing board and board committee experience, such as his current role as an independent director of Owens & Minor, and his previous membership on the boards of Carastar Industries, Inc., Wellman, Inc., Cadmus Communications and Chesapeake Corporation.

Our Board of Directors unanimously recommends that you vote **FOR all of the nominees listed above.**

Board of Directors

Our company is managed under the direction of our Board of Directors, which has adopted Corporate Governance Guidelines to set forth certain corporate governance practices. The Corporate Governance Guidelines are available on our website at <http://www.newmarket.com> under Investor Relations, Corporate Governance.

Independence of Directors

Upon the recommendation of our Nominating and Corporate Governance Committee, our Board of Directors has affirmatively determined that each of the following directors is independent under the general listing standards of the New York Stock Exchange, the exchange on which shares of NewMarket common stock are listed, and our Corporate Governance Guidelines: Messrs. Gambill, Hanley, Harris, Rogers and Ms. Cothran. Our Board has adopted

categorical standards, as part of our Corporate Governance Guidelines, to assist it in making determinations of independence. Each of the directors identified as independent in this proxy statement meets these standards. A copy of these standards is attached as *Annex A* to this proxy statement. In determining the independence of Mr. Harris, the Board considered that he is an employee of Harris Williams & Co., a wholly owned subsidiary of PNC Bank, N.A., which is a part of The PNC Financial Services Group, Inc. (NYSE: PNC). Affiliates of PNC provide various financial and banking services to us, including

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acting as co-syndication agent in our revolving credit facility. Our Board determined that these payments and relationships were not material and did not impair Mr. Harris' independence.

Board Meetings

Our Board of Directors meets on a regularly scheduled basis during the year to review significant developments affecting our company and to act on matters requiring board approval, and may hold special meetings between scheduled meetings when appropriate. During 2017, our Board held five meetings. During 2017, each of the directors attended at least 75% of the aggregate of (1) the total number of meetings of all committees of our Board on which the director then served and (2) the total number of meetings of our Board of Directors.

Meetings of Non-Management Directors; Lead Director

Our Corporate Governance Guidelines require that the non-management members of our Board of Directors meet in executive session at each regularly scheduled board meeting. The Lead Director chairs all meetings of non-management directors, as provided in our Corporate Governance Guidelines. The Lead Director has the responsibilities to lead the meeting, set the agenda and determine the information to be provided to the other non-management directors at the meeting. Shareholders and other interested persons may contact any of the non-management directors through the method described in *Communications with Our Board* below. Our Corporate Governance Guidelines also require that the independent members of our Board of Directors meet in executive session at each regularly scheduled board meeting and that the Lead Director chair these sessions.

Director Attendance at Annual Meeting

Our policy is that directors attend the annual meeting of shareholders each year. All directors, who were directors on the date of last year's annual meeting of shareholders, attended last year's annual meeting of shareholders.

Communications with Our Board

Our Board of Directors has unanimously approved a process for shareholders to send communications to the Board and individual directors. Shareholders and other interested persons may communicate with the full Board of Directors, a specified committee of our Board, the non-management directors or a specified individual member of our Board including the Lead Director in writing by mail c/o NewMarket Corporation, 330 South Fourth Street, Richmond, Virginia 23219, Attention: Chief Legal Officer. All communications will be forwarded to our Board of Directors, the specified committee of our Board or the specified individual director, as appropriate. We screen all regular mail for security purposes.

Board Leadership Structure

Currently, Thomas Gottwald, our Chief Executive Officer, serves as the Board's Chairman. Thomas Gottwald succeeded Bruce Gottwald as Chairman who served in that role from June 2001 through July 2014 and continues to serve as a non-employee director of the company. Phyllis L. Cothran currently serves as the Board's Lead Director.

The Board has no policy with respect to the separation of the offices of Chairman and the Chief Executive Officer. The Board's decision to combine the roles by appointing our current Chief Executive Officer as Chairman was based on the company's historic success in having Bruce Gottwald, the Chief Executive Officer of Ethyl Corporation (NewMarket's predecessor) until 2001, serve as its Chairman. Thomas Gottwald has been serving as our President and Chief Executive Officer since 2004 and served in the same role at Ethyl Corporation from 2001 through 2004. As

such, he brings to the chairmanship extensive knowledge of our industry in general and the company's business in particular. The Board believes this leadership structure promotes the development of long-term strategic plans and facilitates the implementation of such plans.

Under our current Corporate Governance Guidelines, if the Chairman position is held by the company's current Chief Executive Officer, a Lead Director will be appointed by the independent directors. The Lead Director, among other things, works with the Chairman to set and approve agendas and schedules for Board meetings, serves as a liaison between the Chairman and the non-employee directors, and presides at any meetings of the Board at which the Chairman is not

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present, including executive sessions of the independent directors. Our Corporate Governance Guidelines provide that independent directors will meet in executive session without management present at the time of each regular Board meeting and additionally as deemed appropriate or necessary.

The Board believes that this leadership structure helps provide a well-functioning and effective balance between strong company leadership, an independent Lead Director and oversight by active, independent directors. For the above reasons, the Board of Directors believes the current leadership structure is appropriate for the company.

Board's Role in Risk Oversight

The company's management team is primarily responsible for the day-to-day assessment and management of the company's risk exposure. The Board of Directors provides oversight in connection with these efforts, with a particular focus on the most significant risks facing the company. The Board of Directors believes that full and open communication between the management team and the Board of Directors is essential for both effective risk management and for meaningful oversight. To this end, the Board of Directors regularly meets with members of our senior management team to discuss strategies, key challenges, and risks and opportunities for the company. Management periodically presents to the Board of Directors strategic overviews of the company's most significant issues, including risks affecting the company. The Board also believes that its current leadership structure enhances its ability to engage in risk oversight because of Thomas Gottwald's understanding and insights of the material risks inherent in our business.

In order to help facilitate its risk oversight responsibilities, the Board of Directors utilizes each of its committees to oversee specific areas of risk that are appropriately related to the committee's areas of responsibility. The Audit Committee assists the Board of Directors in discharging its oversight responsibilities in the areas of internal control over financial reporting, disclosure controls and procedures and legal and regulatory compliance. The Audit Committee discusses with management, the internal audit group and the independent auditor guidelines and policies with respect to risk assessment and risk management. The Audit Committee also discusses with management the company's major financial risk exposures and the steps management has taken to monitor and control such exposure. The Compensation Committee assists the Board of Directors in discharging its oversight responsibilities regarding the risks related to the attraction and retention of personnel as well as the risks associated with the design of compensation programs and arrangements applicable to both executive officers and to all employees. The Nominating and Corporate Governance Committee monitors and evaluates the implementation of our Corporate Governance Guidelines. While the Board committees are responsible for initially monitoring certain risks, the entire Board of Directors is kept informed of the significant risks facing the company through management and committee reports about such risks and the steps being taken to mitigate these risks.

Risk Assessment of Compensation Policies and Practices

The Compensation Committee oversees management's evaluation of whether the company's employee compensation policies and practices pose any risks that are reasonably likely to have a material adverse effect on the company. In conducting this evaluation, management reviews the company's overall compensation structure, taking into account the overall mix of compensation and the overall business risk. Management undertakes such a review periodically and reports to the Compensation Committee any finding that a risk related to the company's compensation structure may exist, as well as any factors which may mitigate the risk posed by the particular compensation policy or practice. The company has determined that there are currently no risks arising from its compensation policies and practices that are reasonably likely to have a material adverse effect on the company.

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Committees of Our Board

Our Board of Directors has established various committees to assist it with the performance of its responsibilities. These committees and their current members are described below.

The Nominating and Corporate Governance Committee annually reviews the composition of the Board committees and considers whether to recommend committee membership changes to the Board. As a part of that process in 2017, the Board rotated certain committee members and chairs. Changes to the committee membership and leadership positions during 2017 were as follows:

Mr. Rogers served as the Lead Director through April 27, 2017. At that time he was appointed to the Audit Committee.

Ms. Cothran served as chairman of the Compensation Committee through April 27, 2017. At that time she was appointed Lead Director and no longer serves on the Compensation Committee.

Mr. Hanley served as chairman of the Audit Committee through April 27, 2017. At that time he was appointed to both the Compensation Committee and the Nominating and Corporate Governance Committee, and no longer serves on the Audit Committee. Mr. Hanley was also appointed chairman of the Nominating and Corporate Governance Committee.

Mr. Gambill served as chairman of the Nominating and Corporate Governance Committee through April 27, 2017. At that time he was appointed chairman of the Audit Committee.

On April 27, 2017, Mr. Harris was appointed chairman of the Compensation Committee.

Executive Committee

The Executive Committee currently consists of Messrs. Bruce C. Gottwald (Chairman), Thomas E. Gottwald and Phyllis L. Cothran. During 2017, the Executive Committee did not meet. The Executive Committee exercises all of the powers of our Board of Directors in the management of the ordinary business of our company when our Board of Directors is not in session.

Audit Committee

Messrs. Gambill (Chairman), Harris and Rogers currently serve on the Audit Committee. The Audit Committee operates under a written charter adopted by our Board of Directors, which is available on our website at <http://www.newmarket.com> under Investor Relations, Corporate Governance. During 2017, the Audit Committee met on five occasions. The primary function of the Audit Committee is to assist our Board of Directors in discharging its oversight responsibilities relating to our accounting, reporting, including our internal control over financial reporting, and financial practices by monitoring:

(1) these practices, generally,

- (2) the integrity of the financial statements and other financial information provided by us to any governmental body or the public,
- (3) our compliance with legal and regulatory requirements,
- (4) our independent registered public accounting firm's qualifications and independence, and
- (5) the performance of our independent registered public accounting firm and internal audit function.

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The Audit Committee also reviews and discusses with management the company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the company's policies with respect to risk assessment and risk management. Additionally, the Audit Committee approves the engagement of our independent registered public accounting firm, subject to shareholder ratification. For a further description of the Audit Committee's specific responsibilities, see the Audit Committee's charter. Upon the recommendation of our Nominating and Corporate Governance Committee, our Board of Directors has determined that each of the members of the Audit Committee is independent, as that term is defined under the enhanced independence standards for Audit Committee members in the Securities Exchange Act of 1934 (the Exchange Act) and the rules thereunder, as incorporated into the listing standards of the New York Stock Exchange, and in accordance with our Audit Committee charter. Our Board of Directors has also determined that each of the members of the Audit Committee is an Audit Committee financial expert, as that term is defined under Securities and Exchange Commission rules. Our Board has further determined that each of the members of the Audit Committee is financially literate and that each of the members of the Audit Committee has accounting or related financial management expertise, as such terms are interpreted by our Board in its business judgment.

Compensation Committee

Messrs. Harris (Chairman), Hanley and Rogers currently serve on the Compensation Committee. The Compensation Committee operates under a written charter adopted by our Board of Directors, which is available on our website at <http://www.newmarket.com> under Investor Relations, Corporate Governance. Our Board of Directors has determined that each of the members of the Compensation Committee is independent under the general independence standards of the listing standards of the New York Stock Exchange and our Corporate Governance Guidelines. During 2017, the Compensation Committee met on five occasions. This committee reviews and approves the compensation of our directors, management-level employees and, together with all of our independent directors, approves the compensation of our Chief Executive Officer. It also approves bonus awards for key executives, certain consultant agreements and initial salaries of new management-level personnel and grants awards under our equity compensation plans. The committee has the sole authority to retain and terminate compensation consultants or other advisors to assist it with its duties. The committee has the sole authority to approve the fees and other retention terms of any such consultant or advisor. The committee may form and delegate its authority to subcommittees where appropriate. For a discussion of the objectives and philosophy of our executive compensation program, see Compensation Discussion and Analysis beginning on page 14.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee currently consists of Messrs. Hanley (Chairman) and Gambill and Ms. Cothran. The Nominating and Corporate Governance Committee operates under a written charter adopted by our Board of Directors, which is available on our website at <http://www.newmarket.com> under Investor Relations, Corporate Governance. Our Board of Directors has determined that each of the members of the Nominating and Corporate Governance Committee is independent under the general independence standards of the listing standards of the New York Stock Exchange and our Corporate Governance Guidelines. The Nominating and Corporate Governance Committee met on two occasions during 2017. This committee develops and recommends to our Board of Directors appropriate corporate governance guidelines and policies, monitors and evaluates the implementation of these guidelines and policies, identifies individuals qualified to act as directors, recommends director candidates to our Board for nomination by our Board, and leads the Board in its annual review of the Board and management's performance.

Nominating and Corporate Governance Committee Process for Identifying and Evaluating Director Candidates. The Nominating and Corporate Governance Committee evaluates all director candidates in accordance with the director

qualification standards described in our Corporate Governance Guidelines. The Nominating and Corporate Governance Committee evaluates any candidate's qualifications to serve as a member of our Board based on the skills and experience of individual board members as well as the skills and experience of our Board as a whole. In addition, the Nominating and Corporate Governance Committee will evaluate a candidate's independence, skills and experience in the context of our Board's needs. While the Board of Directors has not adopted a diversity policy, the Nominating and Corporate Governance Committee and the Board believe it is desirable for the Board to be composed of individuals who represent a mix of backgrounds, skills and experience in order to enhance the Board's deliberations and discussions.

Director Candidate Recommendations and Nominations by Shareholders. The Nominating and Corporate Governance Committee's charter provides that the Nominating and Corporate Governance Committee will consider

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director candidate recommendations by shareholders. Shareholders should submit any such recommendations for the Nominating and Corporate Governance Committee through the method described under Communications with Our Board above. In addition, in accordance with our amended bylaws, any shareholder entitled to vote for the election of directors may nominate persons for election to our Board of Directors so long as that shareholder complies with the procedures set forth in our amended bylaws and summarized in Shareholder Proposals beginning on page 35. There are no differences in the manner in which the committee evaluates director candidates based on whether the candidate is recommended by a shareholder. The Nominating and Corporate Governance Committee did not receive any recommendations from any shareholders in connection with the annual meeting.

Code of Conduct

We have adopted a Code of Conduct, which is available on our website at <http://www.newmarket.com> under Investor Relations, Corporate Governance, that outlines the principles, policies and laws that are intended to guide our directors, officers and employees (including our Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer). We maintain several methods for the reporting of violations of our Code of Conduct or other concerns, including a toll-free hotline. We prohibit retaliation of any kind against employees for good faith reports of ethical violations.

We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K relating to amendments to or waivers from any provision of our Code of Conduct applicable to the Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer by posting this information on our website.

Availability of Corporate Governance Guidelines, Code of Conduct and Committee Charters

Our Corporate Governance Guidelines, Code of Conduct and the charters of the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee are available on our website at <http://www.newmarket.com> under Investor Relations, Corporate Governance and in print to any shareholder upon request by contacting our corporate secretary at NewMarket Corporation, 330 South Fourth Street, Richmond, Virginia 23219.

Table of Contents**Compensation of Directors**

Our Board determines the form and amount of compensation for our non-employee directors based on the recommendation of the Compensation Committee, which conducts an annual review of compensation for our non-employee directors. As part of its review, the Compensation Committee considers, among other factors, whether a director's independence will be jeopardized (1) if director compensation and perquisites exceed customary levels, (2) if our company makes charitable contributions to organizations with which a director is affiliated or (3) if our company enters into contracts with, or provides other indirect forms of compensation to, a director or organization with which a director is affiliated.

The following table and related footnotes present information relating to total compensation of our non-employee directors for the fiscal year ended December 31, 2017. Mr. Thomas E. Gottwald, our President and CEO, does not receive any compensation for his services as Chairman, other than a retirement benefit as described below under

Directors' Retirement Benefits, the change in the actuarial present value of which is disclosed in the Summary Compensation Table on page 23.

Name	Fees Earned or Paid in Cash	Stock Awards (1)	Change in Pension Value and Non- qualified Deferred Compensation			Total
			Non-Equity Incentive Plan Compensation	Earnings (2)	All Other Compensation	
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Phyllis L. Cothran	\$100,000	\$59,862	\$0	\$0	\$0	\$159,862
Mark M. Gambill	98,125	59,862	0		0	157,987
Bruce C. Gottwald	81,250		0	0	0	81,250
Patrick D. Hanley	95,000	59,862	0		0	154,862
H. Hiter Harris	93,125	59,862	0		0	152,987
James E. Rogers	96,250	59,862	0		0	156,112

(1) Represents the aggregate grant date fair market value of the 130 shares of our common stock awarded to each non-employee director on July 3, 2017, computed in accordance with FASB ASC Topic 718. For a description of this plan, see "Annual Stock Retainer" below.

(2) Represents the aggregate change in the actuarial present value from January 1, 2017 to December 31, 2017 of the retirement benefits for eligible directors described under "Directors' Retirement Benefits" below. Messrs. Gambill, Hanley, Harris and Rogers are not eligible for this benefit. The actuarial present value is calculated

using the same assumptions we use for financial reporting purposes, except that normal retirement age is age 60. The discount rate for 2017 was assumed to be 3.75%. Decreases in actuarial present value are reported as \$0. The actual decrease for Ms. Cothran was \$756 and for Mr. Gottwald was \$7,943.

Non-Employee Directors Fees

In 2017, the Compensation Committee approved a new schedule of fees to be paid to non-employee directors. Effective October 1, 2017, we began paying quarterly (a) \$21,250 to each non-employee director, (b) \$1,250 to each member of our Audit Committee and \$5,000 to the Chairman of our Audit Committee; (c) \$3,750 to the Chairman of our Compensation Committee; (d) \$2,500 to the Chairman of our Nominating and Corporate Governance Committee; and (e) \$6,250 to the Lead Director. Each non-employee director was eligible for an annual stock grant of approximately \$60,000 based on the formula set forth below under the heading Annual Stock Retainer. We do not pay retainer or attendance fees to employee members of our Board of Directors for their service on our Board or its committees including to our Chairman.

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Directors Retirement Benefits

Any director who was elected to our Board on or before February 23, 1995 and who retires from our Board will receive \$12,000 per year for life after age 60 under our Director Retirement Plan. The \$12,000 is payable in quarterly installments. The retirement payments to former directors may be discontinued under certain circumstances. As of December 31, 2017, Messrs. Bruce C. Gottwald and Thomas E. Gottwald, and Ms. Phyllis L. Cothran were eligible for this benefit upon their retirement after age 60.

Annual Stock Retainer

Each non-employee director is awarded on each July 1 a number of whole shares of our common stock that, when multiplied by the closing price of our common stock on the immediately preceding business day, equals as nearly as possible but does not exceed \$60,000. Beginning July 1, 2018, this amount will increase to \$90,000. The shares are fully vested and nonforfeitable upon grant. Subject only to the stock ownership guidelines described below and the limitations on transfer as may be specified by applicable securities laws, directors may sell their shares at any time.

Share Ownership Guidelines

Consistent with their responsibilities to our stockholders, each of the non-employee directors is required to maintain a financial stake in the company. To this end, each non-employee director must own shares of our stock with a fair market value of at least five times their annual cash director fee. The Compensation Committee annually reviews and monitors each director's compliance with these guidelines. New directors are given five years to comply with these requirements. Each current non-employee director who has been a member of the Board for five years is in compliance with these guidelines.

Certain Relationships and Related Transactions

Thomas E. Gottwald, President, Chief Executive Officer and Chairman of the Board of Directors of our company, is a son of director Bruce C. Gottwald. The members of the family of Bruce C. Gottwald may be deemed to be control persons of our company. August Clarke Gottwald, son of Thomas E. Gottwald, serves as a Senior Business Analyst of the company. In 2017, his total annual compensation was approximately \$163,030, a substantial amount of which includes customary expenses paid pursuant to the company's expatriate assignment policy. Daniel Carter Gottwald, son of Thomas E. Gottwald, currently serves as a R&D Supervisor of the company. In 2017, his total annual compensation was approximately \$192,970, a substantial amount of which includes customary expenses paid pursuant to the company's expatriate assignment policy related to his service overseas as a Senior Marketing Analyst during 2016. Both sons also participate in the general welfare plans offered to employees of the company.

During 2017, a provider of pension asset management services was also a beneficial owner of at least 5% of NewMarket common stock. The London Company provided asset management services to the company's pension plan and received approximately \$597,430 in fees for such services in 2017. The investment management agreement was entered into on an arm's-length basis in the ordinary course of business and was reviewed and approved by the Audit Committee.

Our policy is to require that any transaction with a related person required to be reported under applicable Securities and Exchange Commission rules be reviewed and approved or ratified by a committee consisting of independent directors. We have not adopted procedures for review of, or standards for approval of, these transactions, but instead review related person transactions on a case-by-case basis.

Table of Contents**Stock Ownership*****Principal Shareholders***

The following table lists any person (including any group as that term is used in Section 13(d)(3) of the Exchange Act) who, to our knowledge, was the beneficial owner as of February 28, 2018, of more than 5% of our outstanding voting shares.

Title of Class	Name and Address of Beneficial Owners	Number of Shares	Percent of Class
Common Stock	Bruce C. Gottwald	1,335,111 ⁽¹⁾	11.33%
	330 South Fourth Street Richmond, Virginia 23219		
	The London Company	1,021,528 ⁽²⁾	8.67%
	1800 Bayberry Court, Suite 301 Richmond, Virginia 23226		
	The Vanguard Group	888,415 ⁽³⁾	7.54%
	100 Vanguard Blvd. Malvern, Pennsylvania 19355		
	BlackRock Inc.	749,685 ⁽⁴⁾	6.36%
	55 East 52nd Street New York, New York 10055		
	Managed Account Advisors LLC	682,232 ⁽⁵⁾	5.79%
	101 Hudson Street, 9th Floor Jersey City, New Jersey 07302		
	Bank of America Corporation	674,417 ⁽⁶⁾	5.73%
	Bank of America Corporate Center 100 N Tryon Street Charlotte, North Carolina 28255		

Floyd D. Gottwald, Jr.	604,080 ⁽⁷⁾	5.13%
330 South Fourth Street		
Richmond, Virginia 23219		

- (1) As of February 28, 2018, Bruce C. Gottwald had sole voting and investment power over all of the shares disclosed except 18,731 shares held by his wife and 27,500 shares held in a charitable foundation as to which he disclaims beneficial ownership. This amount does not include an aggregate of 1,244,194 shares (10.56%) of NewMarket common stock beneficially owned by the adult sons of Bruce C. Gottwald or an aggregate of 602,528 shares (5.12%) beneficially owned by three separate trusts of which each of the adult sons of Bruce C. Gottwald and his wife are co-trustees. Bruce C. Gottwald and his adult sons have no agreement with respect to the acquisition, retention, disposition or voting of NewMarket common stock.
- (2) Information provided is based solely on an amendment to Schedule 13G filed on February 13, 2018 by The London Company, which has sole voting and dispositive power over 789,036 shares and shared dispositive power over 232,492 shares.
- (3) Information provided is based solely on an amendment to Schedule 13G filed on February 9, 2018 by The Vanguard Group, which has sole voting power over 4,678 shares, sole dispositive power over 883,272 shares, shared voting power over 1,170 shares and shared dispositive power over 5,143 shares.
- (4) Information provided is based solely on an amendment to Schedule 13G filed on January 25, 2018 by BlackRock, Inc., which has sole voting power over 706,630 shares and sole dispositive power over all 749,685 shares.
- (5) Information provided is based solely on an amendment to Schedule 13G filed February 12, 2018 by Managed Account Advisors LLC, which has sole dispositive power over 682,232 shares and no voting power over any such shares.
- (6) Information provided is based solely on an amendment to Schedule 13G filed on February 13, 2018 by Bank of America Corporation, which has shared voting power over 671,537 shares and shared dispositive power over 674,417 shares.
- (7) Information provided is based solely on an amendment to Schedule 13G filed February 14, 2018 by Floyd D. Gottwald, Jr., who has sole voting power over 593,248 shares, sole dispositive power over 603,466 shares and shared voting and dispositive power over 614 shares.

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Directors and Executive Officers

The following table sets forth as of February 28, 2018, the beneficial ownership of NewMarket common stock by all of our directors, our Chief Executive Officer and our other executive officers listed under Compensation of Executive Officers on page 23 and all of our directors and current executive officers as a group. Unless otherwise indicated, each person listed below has sole voting and investment power over all shares beneficially owned by him or her.