



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

DIVISION OF  
CORPORATION FINANCE

February 1, 2019

Kimberly D. Pittman  
CBS Corporation  
kim.pittman@cbs.com

Re: CBS Corporation

Dear Ms. Pittman:

This letter is in regard to your correspondence dated January 31, 2019 concerning the shareholder proposal (the "Proposal") submitted to CBS Corporation (the "Company") by The Nathan Cummings Foundation (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponent has withdrawn the Proposal and that the Company therefore withdraws its January 22, 2019 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Jacqueline Kaufman  
Attorney-Adviser

cc: Laura Campos  
The Nathan Cummings Foundation  
laura.campos@nathancummings.org



**KIMBERLY D. PITTMAN**  
SENIOR VICE PRESIDENT, ASSOCIATE GENERAL COUNSEL  
CORPORATE AND SECURITIES

**CBS CORPORATION**  
51 WEST 52ND STREET  
NEW YORK, NEW YORK 10019-6188  
(212) 975-5896  
FAX: (212) 597-4063  
kim.pittman@cbs.com

**VIA EMAIL (shareholderproposals@sec.gov)**

January 31, 2019

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**Re: CBS Corporation – Withdrawal of No-Action Request Dated January 22, 2019  
Relating to the Shareholder Proposal Submitted by The Nathan Cummings  
Foundation, Following Proponent’s Withdrawal of Proposal**

Ladies and Gentlemen:

This letter is submitted on behalf of CBS Corporation, a Delaware corporation (the “Company”), with regard to our letter dated January 22, 2019 (the “No-Action Request”), concerning the shareholder proposal (the “Proposal”) submitted by The Nathan Cummings Foundation (the “Proponent”) for inclusion in the Company’s proxy statement and form of proxy (together, the “2019 Proxy Materials”) to be distributed to the Company’s stockholders in connection with its 2019 annual meeting of stockholders. In the No-Action Request, the Company sought concurrence from the staff of the Division of Corporation Finance of the Securities and Exchange Commission (the “Staff”) that the Company could exclude the Proposal from the 2019 Proxy Materials pursuant to Rule 14a-8(i)(10) of the Securities Exchange Act of 1934, as amended, on the basis that the Company had already substantially implemented the Proposal.

On January 28, 2019, the Proponent withdrew the Proposal by e-mail correspondence (attached as Exhibit A to this letter) and is no longer seeking to include it in the 2019 Proxy Materials. In reliance on this correspondence, the Company is formally withdrawing the No-Action Request.

If the Staff has any questions regarding this matter, please do not hesitate to contact the undersigned at (212) 975-5896.

Very truly yours,

cc: The Nathan Cummings Foundation  
Lawrence P. Tu (CBS Corporation)  
Senior Executive Vice President and Chief Legal Officer  
Jonathan H. Anshell (CBS Corporation)  
Executive Vice President, Deputy General Counsel and Secretary

**EXHIBIT A**

**Pittman, Kim**

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**Subject:** FW: CBS proof of ownership letter  
**Attachments:** CBS Proof of ownership 12.4.2018 - revision.pdf

**From:** Laura Campos <laura.campos@nathancummings.org>  
**Sent:** Monday, January 28, 2019 1:05 PM  
**To:** Pittman, Kim <Kim.Pittman@cbs.com>  
**Subject:** CBS proof of ownership letter

Dear Kim,

Thank you for taking the time to speak with me last week about our proposal and the current composition of CBS' board. We did go back and take another look at the current board, and while the board certainly shows strong gender diversity, it's not clear that racial and ethnic diversity has been prioritized to the same degree. As I mentioned during our conversation, investors are looking to ensure that diversity at the board level is being driven by a formal policy committing companies to include women and people of color in the final list of candidates considered for any open spot. Proposals asking for formal policies to this effect have fared fairly well in recent years. A similar proposal we submitted to Discovery garnered the support of roughly 33% of shares voted in 2018.

You asked for proof of our ownership of voting shares. Unfortunately, our custodian did not purchase the correct class of CBS shares despite our explicit preference to hold voting shares at companies with multiple classes of stock, so I am withdrawing our submission. However, we believe that CBS would benefit from implementing formal policies to address board diversity and eliminating what New York City funds refer to as inequitable employment practices and would be happy to speak with you about either of those if helpful.

Thanks again for your time.

Sincerely,  
Laura



**Laura Campos**  
**Director, Corporate & Political Accountability**  
**The Nathan Cummings Foundation**  
t: 646-380-3615  
e: [laura.campos@nathancummings.org](mailto:laura.campos@nathancummings.org)  
w: <http://nathancummings.org/>  
a: 475 Tenth Ave, 14<sup>th</sup> Floor, New York, NY 10018





**KIMBERLY D. PITTMAN**  
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kim.pittman@cbs.com

**VIA EMAIL (shareholderproposals@sec.gov)**

January 22, 2019

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**Re: CBS Corporation - Shareholder Proposal Submitted by The Nathan Cummings Foundation**

Ladies and Gentlemen:

On behalf of CBS Corporation, a Delaware corporation (the "Company"), we are filing this letter under Rule 14a-8(j) of the Securities Exchange Act of 1934, as amended (the "Act"), to notify the Securities and Exchange Commission (the "Commission") of the Company's intention to exclude the shareholder proposal described below (the "Proposal") from the Company's proxy statement and form of proxy (together, the "2019 Proxy Materials") to be distributed to the Company's stockholders in connection with its 2019 annual meeting of stockholders (the "2019 Annual Meeting"). The Company respectfully requests confirmation that the staff of the Division of Corporation Finance of the Commission (the "Staff") will not recommend to the Commission that enforcement action be taken if the Company excludes the Proposal from the 2019 Proxy Materials.

Pursuant to Staff Legal Bulletin No. 14D (CF), Shareholder Proposals (November 7, 2008) ("SLB 14D"), question C, we have submitted this letter and the related correspondence from the Proponent (defined below) to the Commission via email to [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov). Also, in accordance with Rule 14a-8(j), we are submitting this letter not less than 80 days before the Company intends to file its 2019 Proxy Materials with the Commission. A copy of this letter and its attachments is being mailed simultaneously to the Proponent, informing the Proponent of the Company's intention to exclude the Proposal from the 2019 Proxy Materials.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponent elects to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent submits correspondence to the Commission or

the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned.

## **THE PROPOSAL**

On December 5, 2018, the Company received the Proposal dated December 4, 2018 from The Nathan Cummings Foundation (the “Proponent”) with respect to the 2019 Proxy Materials relating to the Company’s 2019 Annual Meeting.

The resolution from the Proposal is set forth below:

### **“Resolved:**

Shareholders request that the Board of Directors of CBS Corporation (CBS) adopt formalized nominating committee procedures for identifying new board candidates. We request that this include a policy to address board diversity which requires that the initial list of candidates from which new management supported director nominees are chosen include (but need not be limited to) minority and female candidates and that any third-party consultant assisting in the identification of potential nominees be asked to include such candidates.”

A copy of this Proposal, as well as related correspondence with the Proponent, is attached to this letter as Exhibit A.

## **BASIS FOR EXCLUSION OF THE PROPOSAL**

As discussed more fully below, the Company believes that it may properly exclude the Proposal from its 2019 Proxy Materials pursuant to Rule 14a-8(i)(10), as the Proposal has already been substantially implemented.

## **ANALYSIS**

### ***A. Background***

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. The purpose of this exclusion is “to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by management.” *See* Exchange Act Release No. 34-20091 (August 16, 1983); and Exchange Act Release No. 34-12598 (July 7, 1976) (discussing the predecessor to Rule 14a-8(i)(10)). Further, the actions requested by a proposal need not be “fully effected” provided that they have been “substantially implemented” by the company. *See* 1983 Release. The Staff has consistently concurred that a proposal has been “substantially implemented” and may be excluded, when a company can demonstrate that it already has taken actions to address the underlying concerns and essential objectives of a stockholder proposal, even if the proposal had not been

implemented exactly as proposed by the proponent. For example, in *Wal-Mart Stores, Inc.* (avail. Mar. 30, 2010), the proposal requested that the company adopt six principles for national and international action to stop global warming. The company argued that its Global Sustainability Report, available on the company's website, substantially implemented the proposal. Even though the company's report referred to by the company set forth only four principles that covered most, but not all, of the issues raised by the proposal, the Staff concluded that the company had substantially implemented the proposal. See, e.g., *United Continental Holdings, Inc.* (avail. Apr. 13, 2018) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company's compensation committee adopt an incentive-pay recoupment policy in the specific manner set forth in the proposal, where the compensation committee was already expected to approve a similar, but not identical, policy addressing incentive-pay recoupment); *NextEra Energy, Inc.* (avail. February 10, 2017) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a change to proxy access procedures, where the company demonstrated its existing proxy access procedures already achieved the proposal's essential purpose); *Oshkosh Corp.* (avail. Nov. 4, 2016) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting six changes to the company's proxy access bylaw, where the company amended its proxy access bylaw to implement three of six requested changes); *Walgreens Co.* (avail. Sept. 26, 2013) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting elimination of supermajority voting requirements in the company's governing documents, where the company had eliminated all but one of the supermajority voting requirements); *MGM Resorts Int'l* (avail. Feb. 28, 2012) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report on the company's sustainability policies and performance and recommending the use of the Governance Reporting Initiative Sustainability Guidelines, where the company published an annual sustainability report that did not use the Governance Reporting Initiative Sustainability Guidelines or include all of the topics covered therein); and *Alcoa Inc.* (avail. Feb. 3, 2009) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report that describes how the company's actions to reduce its impact on global climate change may have altered the current and future global climate, where the company published general reports on climate change, sustainability and emissions data on its website).

In addition, the Staff has stated that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc.* (avail. Mar. 28, 1991). See, e.g., *Apple Inc.* (avail. Dec. 11, 2014) (concurring that a proposal requesting that a committee be established to oversee the company's policies and practices relating to public policy issues, including "human rights" among a list of other general issues, was substantially implemented, as the company's policies, practices and procedures, which included a business conduct code among other policies, compared favorably with the guidelines of the proposal); *The Goldman Sachs Group, Inc.* (avail. Feb. 12, 2014)(same); and *Duke Energy Corp.* (avail. Feb. 21, 2012) (concurring that a proposal requesting the formation of a board committee to review and report on actions the company could take to reduce greenhouse gas emissions was substantially implemented because the company's policies, practices and procedures as disclosed in its Form 10-K and annual sustainability report, compared favorably with the guidelines of the proposal). See also



*United Continental Holdings, Inc.* (avail. Apr. 13, 2018); *eBay Inc.* (avail. Mar. 29, 2018); *Kewaunee Scientific Corp.* (avail. May 31, 2017); and *Wal-Mart Stores, Inc.* (avail. Mar. 16, 2017).

***B. The Company Has Already Substantially Implemented the Proposal Because the Company Already Has Nominating Guidelines and a Process Pursuant to Which Diversity, Including Race and Gender, are Considered, and Which Compare Favorably to the Proposal***

The resolution requests that the Company’s Board of Directors “adopt formalized nominating committee procedures for identifying new board candidates” including “a policy to address board diversity which requires that the initial list of candidates from which new management supported director nominees are chosen include . . . minority and female candidates and that any third-party consultant assisting in the identification of potential nominees be asked to include such candidates.”

As discussed more fully below, the Company has addressed board diversity, and specifically the consideration of race and gender, in its board nominating process. First, the Company has existing Corporate Governance Guidelines (the “Guidelines”) (attached as Exhibit B) that set forth the board selection process and specifically address diversity. Under the Guidelines, the Nominating and Governance Committee of the Board of Directors (the “NGC”) is responsible for recommending candidates for the Company’s Board. Pursuant to the express language of the Guidelines, the NGC must consider diversity as part of its annual Board composition review and director selection process. Specifically, the following language appears on page 5 of the Guidelines:

*Composition of the Board; Selection Process*

The Nominating and Governance Committee is responsible for reviewing with the Board, on an annual basis, the composition of the Board in light of the characteristics of independence, **diversity**, age, skills, experience, availability of service to CBS, tenure of incumbent directors on the Board and the Board’s anticipated needs. **The Nominating and Governance Committee will recommend director candidates to the Board in accordance with the criteria, policies and principles set forth in its Charter and in these Guidelines.** Qualified candidates for the Board recommended by stockholders shall be reviewed in accordance with the policies established by the Nominating and Governance Committee. [Emphasis added.]

In addition, the Nominating and Governance Committee Charter (attached as Exhibit C, the “NGC Charter”) consistent with the Guidelines discussed above with respect to the director candidate selection process, expressly requires that the NGC members consider diversity in their annual review of Board composition. Specifically, the NGC Charter contains the following language on page 2:

The Committee shall review with the Board, on an annual basis, the appropriate size and the current composition of the Board in light of the characteristics of independence, **diversity**, age, skills, experience, availability of service to the Company and tenure of its members, and of the Board's anticipated needs. The Committee shall review with the Board the appropriate skills and characteristics required of Board members. [Emphasis added.]

The director selection criteria, policies and principles set forth in the Guidelines and the NGC Charter are hereinafter referred to as the "Director Selection Guidelines."

Also, while the Proposal seems to suggest that the Company lacks a formalized nominating process, the Company disclosed in its proxy statement dated November 16, 2018, for its 2018 Annual Meeting of Stockholders (the "2018 Proxy Statement") the process for director nominations undertaken by the NGC applying the Company's Director Selection Guidelines. Specifically, the following disclosure appeared on page 13 of the Company's 2018 Proxy Statement:

*October/November 2018 Director Nomination Process.* In connection with the October/November 2018 director nomination process, the Nominating and Governance Committee reviewed the current composition of the Board in light of the considerations set forth in its Charter and the Company's Guidelines and the terms of the Settlement Agreement [dated as of September 9, 2018, by and among the Company, National Amusements, Inc. and NAI Entertainment Holdings LLC and certain other parties] related to Board nominations and composition. See the "Recent Developments Regarding the Company's Board and Governance Matters" section above [discussing the background of the original appointment of the incumbent directors nominated for stockholder election in 2018]. In addition, the Committee considered input received from other directors on Board member qualifications, Board composition and any special circumstances that the Committee deemed to be important in its determination. After taking these considerations into account, the Committee determined to recommend to the Board that each of the nominees set forth below in "Item 1-Election of Directors" be nominated to stand for election at the 2018 Annual Meeting.

Further, the Company expressly disclosed in its 2018 Proxy Statement that the NGC specifically considers gender and ethnicity in its review of the composition of the Board and director selection process, in connection with executing on the Director Selection Guidelines. Specifically, the following disclosure appeared on pages 13-14 of the Company's 2018 Proxy Statement:

*Board Diversity.* As part of its review, the Committee considers diversity, among other factors. The Committee considers diversity to be a broadly defined concept which takes into account professional

experience, **gender and ethnicity**, among other characteristics.... The Committee assesses the effectiveness of its consideration of diversity as part of its annual nomination process, when it reviews the composition of the Board as a whole. [Emphasis added.]

The Company has substantially implemented the Proposal. The Company's Director Selection Guidelines, together with the proxy disclosure noted above, describe a policy and procedures that compare favorably with the Proposal and address its essential objective, which is the adoption of a nominating policy for the board of directors that takes into account Board diversity, and specifically race and gender. The Proposal's primary request is that the Company "adopt formalized nominating committee procedures for identifying new board candidates." The Company already has procedures set forth in the Director Selection Guidelines. The Proposal also requests that such a policy "address board diversity." The Director Selection Guidelines already expressly include this concept verbatim. Moreover, the Company's 2018 Proxy Statement disclosure specifically calls out three qualifications that are taken into account in the nominating process – two of which are identified as race and gender – illustrating the import of diversity in the director selection process.

The Company's conclusion that we have already substantially implemented the Proposal is not negated simply because the Director Selection Guidelines do not include process points so granular as to require that the initial list of candidates include those in specific racial and gender categories. In fact, the only meaningful difference between the Proposal and the Director Selection Guidelines is the Proposal's requirement that the Board include specific categories of candidates on an initial list, a step that seeks to micromanage the Board's nomination process. Thus, consistent with *Wal-Mart Stores, Inc.*, *MGM* and *Alcoa* and the other long line of precedent cited above, the Company has substantially implemented the essential objective of the Proposal, notwithstanding the fact that we have not implemented the Proposal exactly as proposed.

The Company has also addressed the Proponent's underlying concern. The Proposal seeks to assure the consideration of diverse candidates for the Company's Board, thereby increasing the representation of racial minorities and women on the Board. However, the implementation of the Director Selection Guidelines has already done just that. In fact, 64% of the Company's Board members are diverse on the basis of gender or ethnicity. Thus, not only has the underlying concern of the Proposal been addressed with respect to process through the Director Selection Guidelines, but also with respect to actual results.

Where a company has already acted favorably on an issue addressed in a shareholder proposal, Rule 14a-8(i)(10) does not require the company and its shareholders to reconsider the issue. The Company has already acted favorably by expressly including diversity in its Director Selection Guidelines and specifically disclosing that race and gender are considerations in the NGC's implementation of these Director Selection Guidelines. The composition of the current Board – 64% diverse on the basis of gender or ethnicity – reflects this. Thus, the Company believes that its current policies and procedures, through the Director Selection Guidelines and their implementation as disclosed in the Company's proxy statement, compare favorably with the Proposal and that the essential objective and the underlying concerns of the Proposal have been addressed by the Company. Accordingly, the

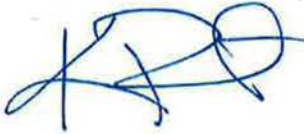
Company believes the Proposal should be excluded on the basis that it is has been substantially implemented under Rule 14a-8(i)(10).

**CONCLUSION**

Based on the foregoing, the Company believes that the Proposal may be omitted from the Company's 2019 Proxy Materials. Accordingly, we respectfully request that the Staff indicate that it will not recommend enforcement action to the Commission if the Company excludes the Proposal from the 2019 Proxy Materials.

If you have any questions regarding this request, please do not hesitate to contact the undersigned at (212) 975-5896. Thank you for your consideration.

Very truly yours,

A handwritten signature in blue ink, appearing to be 'J. Anschell', written over a horizontal line.

cc: The Nathan Cummings Foundation  
Lawrence P. Tu (CBS Corporation)  
Senior Executive Vice President and Chief Legal Officer  
Jonathan H. Anschell (CBS Corporation)  
Executive Vice President, Deputy General Counsel and Secretary

**EXHIBIT A**

THE · NATHAN · CUMMINGS · FOUNDATION

December 4, 2018

Attention: Jonathan H. Ansell, Secretary  
CBS Corporation  
51 West 52nd Street  
New York, NY 10019

Dear Mr. Ansell,

The Nathan Cummings Foundation is an endowed institution with approximately \$450 million of investments. As an institutional investor, the Foundation believes that the way in which a company approaches environmental, social and governance issues has important implications for long-term shareholder value.

It is with these considerations in mind that we submit this resolution for inclusion in CBS Corporation's proxy statement under Rule 14a-8 of the general rules and regulations of the Securities Exchange Act of 1934. The Nathan Cummings Foundation is the primary sponsor of this proposal.

The Nathan Cummings Foundation is the beneficial owner of over \$2,000 worth of shares of CBS Corporation stock. Verification of this ownership, provided by our custodian, Amalgamated Bank, will be sent in a separate letter. We have continuously held over \$2,000 worth of these shares of CBS Corporation stock for more than one year and will continue to hold these shares through the shareholder meeting.

If you have any questions or concerns about the Foundation's submission of this resolution, please contact me at (212) 787-7300. Thank you for your time.

Sincerely,



Laura Campos

Director, Corporate & Political Accountability

**Resolved:**

Shareholders request that the Board of Directors of CBS Corporation (CBS) adopt formalized nominating committee procedures for identifying new board candidates. We request that this include a policy to address board diversity which requires that the initial list of candidates from which new management supported director nominees are chosen include (but need not be limited to) minority and female candidates and that any third-party consultant assisting in the identification of potential nominees be asked to include such candidates.

**Supporting Statement:**

In the fall of 2018, CBS selected a number of new board members. The company did not share its process for identifying new board nominees and appears not to have a formal process for identifying new directors.

According to PwC's 2017 Annual Corporate Directors Survey, over 92% of directors say that gender/racial diversity has brought unique perspectives to the board room. Over 79% say that it has enhanced board performance, and more than half believe it has enhanced company performance.

(<https://tinyurl.com/y9vnq24s>)

Empirical research indicates a significant relationship between racial diversity and innovation, reputation and firm performance (<http://ssrn.com/abstract=1410337>). In addition, a January 2018 McKinsey study found that companies with the most culturally/ethnically diverse boards were 43% more likely to experience higher profits. (<https://tinyurl.com/yawsj78f>)

In its 2016 Principles of Corporate Governance, the Business Roundtable called on boards to "develop a framework for identifying appropriately diverse candidates that allows the nominating/corporate governance committee to consider women, minorities, and others with diverse backgrounds as candidates for each open board seat." (<https://tinyurl.com/y8mw7fzl>)

Time's Up, an anti-sexual harassment initiative, has stated about the process to select CBS' new board members, "Women of color and other underrepresented candidates were not added to the board in ways that are reflective of CBS's vast audiences." (<https://tinyurl.com/yclwxzeq>)

With people of color comprising nearly 40 percent of the US population, it is important that our company be able to speak to diverse audiences. Broadcast TV advertising spending to Black audiences increased 255 percent in the four-year period between 2011 and 2015. (*Young, Connected and Black*, 2016, nielsen) In addition, box office and television ratings, on average, are highest for TV shows with diverse casts. In 2016, return-on-investment was highest for films with casts composed of between 41 to 50 percent people of color. (*Hollywood Diversity Report 2018*, UCLA College Social Sciences)

Policies like the one advanced in this proposal have been adopted by other media and communications companies, such as Naspers and SKY PLC, as well as other leading companies, including Allergan, Amazon, Costco, Gentex, Home Depot, Microsoft and Stryker. While corporate boards may face differing circumstances, it is difficult to ignore the positive impact of diversity.

We urge the Board to join other leading companies and adopt this important governance reform.



December 4, 2018

Attention: Jonathan H. Anshell, Secretary  
CBS Corporation  
51 West 52nd Street  
New York, NY 10019

Dear Mr. Anshell,

This letter will verify that as of December 4, 2018, the Nathan Cummings Foundation held 319 shares of CBS Corporation common stock. It has continuously held more than \$2,000 worth of these shares for at least one year and intends to continue to hold at least \$2,000 worth of these shares at the time of your next annual meeting.

The Amalgamated Bank serves as custodian and record holder for the Nathan Cummings Foundation. The above-mentioned shares are registered in a nominee name of the Amalgamated Bank. The shares are held by the Bank through DTC Account #2352.

Sincerely,

A handwritten signature in black ink that reads "Chuck Hutton".

Chuck Hutton  
First Vice President  
Investment Management Division, Client Service



**EXHIBIT B**

**CBS CORPORATION**  
**CORPORATE GOVERNANCE GUIDELINES**

The Board has adopted these guidelines to reflect CBS's commitment to the highest standards of corporate governance, and to comply with New York Stock Exchange and other legal requirements. The Nominating and Governance Committee will periodically review these Guidelines and propose modifications for the Board's consideration as appropriate.

***Director Responsibilities***

*Basic Responsibilities*

The business affairs of CBS are managed under the direction of the Board, which represents and is accountable to CBS's stockholders. The Board's responsibilities are active and not passive, and include the responsibility to regularly evaluate the strategic direction of CBS, management policies and the effectiveness with which management implements its policies.

The responsibility of directors is to act in good faith and with due care so as to exercise their business judgment on an informed basis in what they reasonably and honestly believe to be in the best interests of CBS and its stockholders.

*Board and Committee Meetings*

The Board of Directors will have at least six regularly scheduled meetings each year, and shall have such additional meetings as it believes are necessary to properly discharge its responsibilities.

Each committee of the Board will meet as frequently as necessary to properly discharge its responsibilities. The Audit Committee's charter requires that it meet at least five times each year, the Compensation Committee's charter requires that it meet at least four times each year and the Nominating and Governance Committee's charter requires that it meet at least three times each year.

Directors are expected to prepare for and participate in all meetings of the Board and of committees on which they serve. Directors are encouraged to attend all Board and committee meetings in person, and should not participate in such meetings by telephone unless such meetings are designated as telephonic meetings or unless telephonic participation is necessary due to unavoidable circumstances. Directors are also expected to attend CBS's Annual Meeting of Stockholders.

Information and materials that are important to the directors' understanding of the business to be conducted at a Board or committee meeting shall, to the extent practical, be provided to the members of the Board or committee sufficiently in advance of each meeting to permit meaningful review. Directors are expected to review in detail the materials they are provided in advance of each meeting.

The Chair of the Board and the Chief Executive Officer, and the Chair of each Board committee, will develop and approve the agenda for each Board or applicable committee meeting, respectively. Each member of the Board and members of management are free to suggest the inclusion of items on the agenda by communicating directly with the Chair of the Board or the Chief Executive Officer, or the Chair of the respective Board committee, as applicable.

#### Meetings of Non-Management Directors and Independent Directors

The non-management directors will meet separately, without directors who are employees of CBS, at regularly scheduled sessions, at least two times each year, and the independent directors will meet separately, without those directors who are not independent as determined by the Board, at least two times each year, and at such other times as they deem appropriate.

The members of the Nominating and Governance Committee will preside at meetings of the non-management directors and independent directors on a rotating basis.

The agendas for meetings of the non-management directors and meetings of the independent directors will be approved by the director who will preside at that meeting. Each non-management director or independent director is free to suggest the inclusion of items on their respective agendas by communicating directly with the presiding director for the respective meeting.

#### Communications with Directors

In order to facilitate the ability of stockholders and other interested parties to communicate with and make their concerns known to the non-management directors, the non-management directors have established an electronic mailing address and a physical mailing address to which interested parties may send such communications. These addresses will be included in CBS's annual proxy statement and on its website ([www.cbscorporation.com](http://www.cbscorporation.com)).

## ***Composition and Selection of the Board***

### ***Size of the Board***

The Board currently has 14 members. The Board will regularly evaluate its size in connection with the director nomination process and at such other times as it deems appropriate.

### ***Board Membership Criteria***

Directors of CBS should be individuals with substantial accomplishments in their professional backgrounds, and should be current or former leaders in the important companies or institutions with which they are or have been affiliated. They should be able to make independent, analytical inquiries and should exhibit practical wisdom and mature judgment. Directors of CBS are expected to possess the highest personal and professional ethics, integrity and values, and should be committed to promoting the long-term interests of CBS's stockholders.

*Independence.* A majority of CBS's directors will meet the criteria for independence established by the New York Stock Exchange (NYSE) corporate governance listing standards. Whether directors meet the criteria for independence will be reviewed annually prior to their standing for election to the Board and at such other times as the Board deems appropriate. The independent directors will be identified in CBS's annual proxy statement. In accordance with the NYSE listing standards, a CBS director will not be independent if any of the following relationships exist:

- (i) the director is, or has been within the last three years, an employee of CBS; (ii) an immediate family member of the director is, or has been within the last three years, an executive officer of CBS; (iii) the director has received, or an immediate family member of the director has received for service as an executive officer, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from CBS, 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); (iv) (A) the director is a current partner or employee of a firm that is CBS's internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such firm and personally works on CBS's audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on CBS's audit within that time; (v) a CBS executive officer is, or has been within the last three years, on the compensation committee of a company which at the same time employed the CBS director or an

immediate family member of the director as an executive officer; or (vi) the director is an employee, or an immediate family member of the director is an executive officer, of a company that has made payments to, or received payments from, CBS for property or services in an amount which, in any of the last three fiscal years, exceeded the greater of \$1 million or 2% of such other company's consolidated gross revenues.

In addition, for a director to be considered independent under the NYSE listing standards, the Board must determine that the director does not have a material relationship with CBS. The Board has established the following standards to assist it in determining what constitutes a material relationship:

- If the types of relationships identified by the NYSE as set forth above that have a look-back period of three years occurred more than three but less than five years ago, the Board will consider whether a material relationship exists; if the relationship occurred more than five years ago, it will not be considered a material relationship that would impair a director's independence. In addition, if a relationship of the type described in (iii) above exists and the amount involved is less than \$120,000, it will not be considered a material relationship that would impair a director's independence.
- The following relationships will not be considered material relationships that would impair a director's independence: (i) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a company that made payments to, or received payments from, CBS for property or services in an amount which, in each of the last three fiscal years, is less than 1% of the annual consolidated gross revenues of such other company; (ii) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a company which is indebted to CBS, or to which CBS is indebted, and the total amount of either company's indebtedness to the other is less than 1% of the total consolidated assets of such other company; and (iii) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a tax exempt organization, and CBS's contributions to the organization in the prior fiscal year are less than the greater of \$500,000 or 1% of that organization's consolidated gross revenues.

For relationships that exceed the thresholds set forth above, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who are independent. For example, if a director is the CEO of a company that is indebted to CBS

in an amount in excess of 1% of that company's total consolidated assets, the independent directors could determine, after considering all of the relevant circumstances, that such a relationship was immaterial, and that director would therefore be considered independent for purposes of the NYSE listing standards. Generally, types of relationships not addressed by the NYSE listing standards or otherwise described above will not cause an otherwise independent director to be considered not independent. However, the Board may determine that a director is not independent for any reason it deems appropriate. To the extent required by law or the NYSE listing standards, CBS would explain in the next proxy statement the basis for any Board determination that a director was independent despite the fact that he or she did not meet or fit within the categorical standards for a material relationship set forth above. For purposes of this section, references to "CBS" mean CBS Corporation and its consolidated subsidiaries.

Each independent director is expected to notify the Chair of the Nominating and Governance Committee, as soon as reasonably practicable, in the event that his or her personal circumstances change in a manner that may affect the Board's evaluation of such director's independence.

*Other Directorships.* Each director is expected to notify the Chair of the Nominating and Governance Committee and the Corporate Secretary of his or her intention to become a member of the board of directors of another for-profit company, whether public or private, in advance of accepting such new position. When the Nominating and Governance Committee recommends director candidates to the Board and recommends directors to serve on committees of the Board, it will consider the other demands on each director's time, including those arising from such service. The Board shall determine, acting on the recommendation of the Nominating and Governance Committee, whether a candidate's service on the boards of directors of more than three other public companies is consistent with service on CBS's Board.

#### *Composition of the Board; Selection Process*

The Nominating and Governance Committee is responsible for reviewing with the Board, on an annual basis, the composition of the Board in light of the characteristics of independence, diversity, age, skills, experience, availability of service to CBS, tenure of incumbent directors on the Board and the Board's anticipated needs. The Nominating and Governance Committee will recommend director candidates to the Board in accordance with the criteria, policies and principles set forth in its Charter and in these Guidelines. Qualified candidates for the Board recommended by stockholders shall be reviewed in accordance with the policies established by the Nominating and Governance Committee.

The Board has determined not to establish term limits to an individual's membership on the Board or a mandatory retirement age. However, the Nominating and Governance Committee will, as part of its annual assessment of the composition of the

Board, review the extent of a director's tenure on the Board, and directors should not expect that, once elected to the Board, they will necessarily be renominated thereafter.

#### *Changes in Personal Circumstances*

Directors are expected to offer their resignation from the Board in the event of any significant change in personal circumstances (including a change in principal occupation), in the event a significant ongoing time commitment arises that may be inconsistent with the director's service to the Board or, in the case of an independent director, in the event of a change in circumstances that would result in the director no longer being considered independent. Such offers of resignation will give the Board, through the Nominating and Governance Committee, an opportunity to review whether it is appropriate for such director to continue to serve as a member of the Board.

#### ***Board Committees***

##### *Composition and Responsibilities*

The Board will have an Audit Committee, a Compensation Committee and a Nominating and Governance Committee, and any other committees the Board deems appropriate. The Nominating and Governance Committee will review on an annual basis the Board's committee structure.

All of the members of the Audit Committee, Compensation Committee and Nominating and Governance Committee will be independent directors under the criteria for independence required by law and the NYSE. The members and Chair of each of the committees will be appointed by the Board, taking into account the recommendations of the Nominating and Governance Committee.

##### *Charters*

The Board has adopted written charters setting forth the purposes, goals and responsibilities of each of the Audit Committee, the Compensation Committee and the Nominating and Governance Committee, and will adopt such charters for any other committees the Board deems appropriate. Each such committee shall assess the adequacy of its charter at least every other year, or more frequently as the Committee may determine, and recommend any changes to the Board. The Nominating and Governance Committee shall review all proposed changes to each committee's charter.

The current charters of the Board's standing committees are available on CBS's website and will be mailed to stockholders on written request.

## ***Director Access to Management, Employees and Independent Advisors***

### ***Access to Management and Employees***

Directors have full and unrestricted access to management and other employees of CBS.

### ***Access to Independent Advisors***

The Board and each committee have the power to hire independent legal, financial or other advisors as they may deem appropriate, without consulting or obtaining the approval of any officer of CBS.

### ***Internal Reporting***

The Audit Committee will encourage the submission of, and establish procedures for the confidential treatment of, complaints and concerns by officers and employees regarding accounting, internal accounting controls and auditing matters. The procedures for submitting any such complaints and concerns will be communicated to the officers and employees.

## ***Director Orientation and Continuing Education***

Each new director shall be provided with these Guidelines and will participate in CBS's orientation initiatives as soon as practicable after his or her election. The orientation initiatives will include presentations by senior management and outside advisors, as appropriate, to familiarize new directors with CBS's business, its strategic plans, its significant financial, accounting and risk management issues and its compliance programs, as well as their fiduciary duties and responsibilities as directors. All other directors will be invited to attend any orientation initiatives.

The Nominating and Governance Committee and members of senior management of CBS, as well as appropriate outside advisors, will periodically report to the Board on any significant developments in the law and practice of corporate governance and other matters relating to the duties and responsibilities of directors in general, as well as on significant developments to CBS's business and the industries in which CBS operates.

## ***Director Compensation and Benefits***

The Nominating and Governance Committee will annually review and recommend, and the Board will approve, the form and amount of director compensation and benefits for which outside directors are eligible. The Nominating and Governance Committee and the Board will consider that a director's independence may be



jeopardized if compensation and perquisites exceed customary levels, if CBS makes substantial charitable contributions to organizations with which the director is affiliated, or if CBS enters into consulting contracts with or provides other indirect forms of compensation to a director or an organization with which the director is affiliated.

The Nominating and Governance Committee shall be guided by three principles in its review of outside director compensation and benefits:

- directors should be fairly compensated for the services they provide to CBS (taking into account, among other things, the size and complexity of CBS's business and compensation and benefits paid to directors of comparable companies);
- directors' interests should be aligned with the interests of stockholders; and
- directors' compensation should be easy for stockholders to understand.

The Board believes that director stock ownership helps to align the interests of directors with those of CBS's stockholders. Within three years of becoming a director, each director is expected to own shares of CBS common stock (including stock units under the CBS Corporation Deferred Compensation Plan for Outside Directors) having a market value of at least five times the base cash annual retainer fee paid by CBS to its outside directors. Once a director satisfies the stock ownership guidelines, the guidelines will continue to be deemed satisfied for such director, regardless of market fluctuations, so long as the director does not sell any stock (a) where the sale causes the value of his or her holdings to be less than the guideline amount or (b) at a time when the value of his or her holdings is less than the guideline amount. The Board recognizes that exceptions to and interpretations of this policy may be necessary or appropriate in individual cases, and the N&G Committee shall consider exceptions and/or interpretations from time to time as it deems necessary or appropriate in the interest of CBS's stockholders.

#### ***Chairman and Chief Executive Officer Evaluation and Key Management Succession Planning***

The Compensation Committee will review and approve goals and objectives relevant to the compensation of the Chairman and the Chief Executive Officer. The Compensation Committee, together with the Nominating and Governance Committee, will evaluate annually the performances of the Chairman and the Chief Executive Officer in light of these goals and objectives and will report the results of these evaluations to the non-management directors. The Compensation Committee will set the

compensation levels of the Chairman and the Chief Executive Officer taking into account these evaluations. The Compensation Committee will report to the Board on this process.

The Compensation Committee and the Nominating and Governance Committee will together review periodically succession planning for the Chairman and the Chief Executive Officer and may consider input from each with respect to his own position. In addition, after receiving a report from the Chief Executive Officer, the Committees will review succession planning for the Chief Operating Officer, Chief Financial Officer, the General Counsel and the operating managers who report to the Chief Executive Officer, including with respect to, among other things, their experience, responsibilities, advancement potential and diversity. The Compensation Committee and the Nominating and Governance Committee will together report to the non-management directors of the Board on these reviews.

### ***Conflicts of Interest***

Directors are expected to comply with the policies on conflicts of interest set forth in CBS's Business Conduct Statement. Directors are expected to recuse themselves and not participate in the discussion and voting on any matter presented at a Board or committee meeting if they believe that they have a personal interest or any other conflict of interest.

### ***Annual Performance Self-Evaluation***

The Nominating and Governance Committee shall lead the Board in an annual performance self-evaluation to assess its effectiveness. Each committee of the Board shall also conduct an annual performance self-evaluation. The Nominating and Governance Committee will establish the criteria to be used in the Board and committee self-evaluations.

**EXHIBIT C**

## CBS CORPORATION

### NOMINATING AND GOVERNANCE COMMITTEE CHARTER

#### *Purpose*

The Nominating and Governance Committee is established by the Board for the following purposes: (i) assisting the Board by identifying individuals qualified to become Board members and recommending to the Board director nominees to stand for election at the next annual meeting of stockholders, (ii) making recommendations to the Board as to the independence of each director, (iii) monitoring significant developments in the law and practice of corporate governance and of the duties and responsibilities of directors of public companies, (iv) leading the Board in its annual performance self-evaluation, including establishing criteria to be used in connection with such evaluation, (v) developing and making recommendations to the Board with respect to the Company's Corporate Governance Guidelines, (vi) developing and recommending items for Board meeting agendas, (vii) reviewing transactions between the Company and related persons and (viii) periodic review of the following risk management processes at the Company: disaster recovery, crisis management and theft of intellectual property.

#### *Composition*

1. Members. The Committee shall consist of as many members as the Board, in consultation with the Committee itself, shall determine, but in any event not fewer than three members; provided however, in the event of a vacancy in Committee membership, the Committee shall be considered to be properly constituted, until the Board acts to fill such vacancy, so long as there are at least two Committee members. The members of the Committee shall be appointed annually by the Board, taking into account the recommendation of the Committee.
2. Qualifications. Each member of the Committee shall meet the criteria for independence established by the New York Stock Exchange.
3. Chair. The Chair of the Committee shall be elected by the Board, taking into account the recommendation of the Committee.
4. Removal and Replacement. The members of the Committee may be removed or replaced, and any vacancies on the Committee shall be filled, by the Board, taking into account the recommendation of the Committee.

#### *Operations*

1. Meetings. The Chair of the Committee, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least three times per year. The Chair of the Committee will determine in advance of each meeting whether non-Committee members may attend the meeting. The Chair of the Committee shall

also determine whether participation in the meeting by teleconference or videoconference will be permitted. The Committee shall periodically meet in executive session without management.

2. Agenda. The Chair of the Committee shall develop and approve the Committee's agenda, in consultation with other members of the Committee. Each member of the Board and members of management are free to suggest the inclusion of items on the agenda. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be provided to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.
3. Report to Board. The Committee shall report regularly to the entire Board and shall submit to the Board the minutes of its meetings.
4. Self-Evaluation; Assessment of Charter. The Committee shall conduct an annual performance self-evaluation and shall report to the entire Board the results of the self-evaluation. The Committee shall assess the adequacy of this Charter at least every other year, or more frequently as the Committee may determine, and recommend any changes to the Board.

#### ***Authority and Duties***

1. The Committee may retain counsel, search firms to identify director candidates and other advisors in its sole discretion. The Committee shall have sole authority to retain and terminate any such advisors and to review and approve the advisors' fees and other retention terms.
2. The Committee shall identify and recommend to the Board candidates for election or re-election to the Board, or for appointment to fill any vacancy that is anticipated or has arisen on the Board, in accordance with the criteria, policies and principles set forth in the Company's Corporate Governance Guidelines and this Charter. The Chair of the Committee, in conjunction with the Chairman, Chief Executive Officer and the entire Board, shall extend invitations to join the Board to the selected candidates.
3. The Committee shall review qualified candidates for the Board recommended by stockholders. The process for stockholders to submit their recommendations for candidates for the Board will be disclosed in the Company's annual proxy statement.
4. The Committee shall review with the Board, on an annual basis, the appropriate size and the current composition of the Board in light of the characteristics of independence, diversity, age, skills, experience, availability of service to the Company and tenure of its members, and of the Board's anticipated needs. The Committee shall review with the Board the appropriate skills and characteristics required of Board members.

5. The Committee shall make recommendations annually to the Board as to the independence of each director.
6. The Committee shall, upon a significant change in a director's personal circumstances (including a change in principal occupation) or in the event a significant ongoing time commitment arises that may be inconsistent with a director's service on the Board, review, as appropriate and in light of the then current Board policies as reflected in the Corporate Governance Guidelines, the continued Board membership of such director.
7. The Committee shall advise the Board periodically with respect to significant developments in the law and practice of corporate governance, as well as the Company's compliance with its Corporate Governance Guidelines and applicable laws and regulations, and make recommendations to the Board on all matters of corporate governance and on any action to be taken, as the Committee may deem appropriate.
8. The Committee shall review the Company's Corporate Governance Guidelines on a periodic basis and propose modifications for the Board's consideration as appropriate. The Committee shall also review all proposed changes to each Board committee's charter.
9. The Committee shall review on an annual basis the Board of Directors' committee structure and recommend to the Board for its approval directors to serve as members and chairs of each committee. The Committee shall recommend additional members to fill vacancies as needed.
10. The Committee shall establish criteria and processes for, and lead the Board in, its annual performance self-evaluation. The Committee shall also establish criteria for the self-evaluations of each committee. The performance self-evaluations will focus on the contribution to the Company by the Board and each committee, and will specifically focus on areas in which a better contribution could be made.
11. The Committee shall, together with the Compensation Committee, evaluate annually the performances of the Chairman and the Chief Executive Officer in light of goals and objectives approved by the Compensation Committee relevant to the compensation of the Chairman and the Chief Executive Officer and report the results of the evaluations to the non-management directors.
12. The Committee shall, on an annual basis, review director compensation and benefits.
13. In accordance with policies established by the Board, the Committee shall review and approve, ratify or take any other action it deems appropriate with respect to transactions between the Company and related persons. For these purposes, the terms "transaction" and "related person" shall have the meanings contained in Item 404 of Regulation S-K.

The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its oversight function. The Committee has the power to delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate. In discharging its oversight role, the Committee shall have full access to the Company's senior management and employees and all Company books, records and facilities.



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**VIA EMAIL (shareholderproposals@sec.gov)**

January 22, 2019

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**Re: CBS Corporation - Shareholder Proposal Submitted by The Nathan Cummings Foundation**

Ladies and Gentlemen:

On behalf of CBS Corporation, a Delaware corporation (the "Company"), we are filing this letter under Rule 14a-8(j) of the Securities Exchange Act of 1934, as amended (the "Act"), to notify the Securities and Exchange Commission (the "Commission") of the Company's intention to exclude the shareholder proposal described below (the "Proposal") from the Company's proxy statement and form of proxy (together, the "2019 Proxy Materials") to be distributed to the Company's stockholders in connection with its 2019 annual meeting of stockholders (the "2019 Annual Meeting"). The Company respectfully requests confirmation that the staff of the Division of Corporation Finance of the Commission (the "Staff") will not recommend to the Commission that enforcement action be taken if the Company excludes the Proposal from the 2019 Proxy Materials.

Pursuant to Staff Legal Bulletin No. 14D (CF), Shareholder Proposals (November 7, 2008) ("SLB 14D"), question C, we have submitted this letter and the related correspondence from the Proponent (defined below) to the Commission via email to [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov). Also, in accordance with Rule 14a-8(j), we are submitting this letter not less than 80 days before the Company intends to file its 2019 Proxy Materials with the Commission. A copy of this letter and its attachments is being mailed simultaneously to the Proponent, informing the Proponent of the Company's intention to exclude the Proposal from the 2019 Proxy Materials.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponent elects to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponent that if the Proponent submits correspondence to the Commission or



the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to the undersigned.

## **THE PROPOSAL**

On December 5, 2018, the Company received the Proposal dated December 4, 2018 from The Nathan Cummings Foundation (the “Proponent”) with respect to the 2019 Proxy Materials relating to the Company’s 2019 Annual Meeting.

The resolution from the Proposal is set forth below:

### **“Resolved:**

Shareholders request that the Board of Directors of CBS Corporation (CBS) adopt formalized nominating committee procedures for identifying new board candidates. We request that this include a policy to address board diversity which requires that the initial list of candidates from which new management supported director nominees are chosen include (but need not be limited to) minority and female candidates and that any third-party consultant assisting in the identification of potential nominees be asked to include such candidates.”

A copy of this Proposal, as well as related correspondence with the Proponent, is attached to this letter as Exhibit A.

## **BASIS FOR EXCLUSION OF THE PROPOSAL**

As discussed more fully below, the Company believes that it may properly exclude the Proposal from its 2019 Proxy Materials pursuant to Rule 14a-8(i)(10), as the Proposal has already been substantially implemented.

## **ANALYSIS**

### ***A. Background***

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. The purpose of this exclusion is “to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by management.” *See* Exchange Act Release No. 34-20091 (August 16, 1983); and Exchange Act Release No. 34-12598 (July 7, 1976) (discussing the predecessor to Rule 14a-8(i)(10)). Further, the actions requested by a proposal need not be “fully effected” provided that they have been “substantially implemented” by the company. *See* 1983 Release. The Staff has consistently concurred that a proposal has been “substantially implemented” and may be excluded, when a company can demonstrate that it already has taken actions to address the underlying concerns and essential objectives of a stockholder proposal, even if the proposal had not been

implemented exactly as proposed by the proponent. For example, in *Wal-Mart Stores, Inc.* (avail. Mar. 30, 2010), the proposal requested that the company adopt six principles for national and international action to stop global warming. The company argued that its Global Sustainability Report, available on the company's website, substantially implemented the proposal. Even though the company's report referred to by the company set forth only four principles that covered most, but not all, of the issues raised by the proposal, the Staff concluded that the company had substantially implemented the proposal. See, e.g., *United Continental Holdings, Inc.* (avail. Apr. 13, 2018) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company's compensation committee adopt an incentive-pay recoupment policy in the specific manner set forth in the proposal, where the compensation committee was already expected to approve a similar, but not identical, policy addressing incentive-pay recoupment); *NextEra Energy, Inc.* (avail. February 10, 2017) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a change to proxy access procedures, where the company demonstrated its existing proxy access procedures already achieved the proposal's essential purpose); *Oshkosh Corp.* (avail. Nov. 4, 2016) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting six changes to the company's proxy access bylaw, where the company amended its proxy access bylaw to implement three of six requested changes); *Walgreens Co.* (avail. Sept. 26, 2013) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting elimination of supermajority voting requirements in the company's governing documents, where the company had eliminated all but one of the supermajority voting requirements); *MGM Resorts Int'l* (avail. Feb. 28, 2012) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report on the company's sustainability policies and performance and recommending the use of the Governance Reporting Initiative Sustainability Guidelines, where the company published an annual sustainability report that did not use the Governance Reporting Initiative Sustainability Guidelines or include all of the topics covered therein); and *Alcoa Inc.* (avail. Feb. 3, 2009) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report that describes how the company's actions to reduce its impact on global climate change may have altered the current and future global climate, where the company published general reports on climate change, sustainability and emissions data on its website).

In addition, the Staff has stated that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc.* (avail. Mar. 28, 1991). See, e.g., *Apple Inc.* (avail. Dec. 11, 2014) (concurring that a proposal requesting that a committee be established to oversee the company's policies and practices relating to public policy issues, including "human rights" among a list of other general issues, was substantially implemented, as the company's policies, practices and procedures, which included a business conduct code among other policies, compared favorably with the guidelines of the proposal); *The Goldman Sachs Group, Inc.* (avail. Feb. 12, 2014)(same); and *Duke Energy Corp.* (avail. Feb. 21, 2012) (concurring that a proposal requesting the formation of a board committee to review and report on actions the company could take to reduce greenhouse gas emissions was substantially implemented because the company's policies, practices and procedures as disclosed in its Form 10-K and annual sustainability report, compared favorably with the guidelines of the proposal). See also

*United Continental Holdings, Inc.* (avail. Apr. 13, 2018); *eBay Inc.* (avail. Mar. 29, 2018); *Kewaunee Scientific Corp.* (avail. May 31, 2017); and *Wal-Mart Stores, Inc.* (avail. Mar. 16, 2017).

***B. The Company Has Already Substantially Implemented the Proposal Because the Company Already Has Nominating Guidelines and a Process Pursuant to Which Diversity, Including Race and Gender, are Considered, and Which Compare Favorably to the Proposal***

The resolution requests that the Company’s Board of Directors “adopt formalized nominating committee procedures for identifying new board candidates” including “a policy to address board diversity which requires that the initial list of candidates from which new management supported director nominees are chosen include . . . minority and female candidates and that any third-party consultant assisting in the identification of potential nominees be asked to include such candidates.”

As discussed more fully below, the Company has addressed board diversity, and specifically the consideration of race and gender, in its board nominating process. First, the Company has existing Corporate Governance Guidelines (the “Guidelines”) (attached as Exhibit B) that set forth the board selection process and specifically address diversity. Under the Guidelines, the Nominating and Governance Committee of the Board of Directors (the “NGC”) is responsible for recommending candidates for the Company’s Board. Pursuant to the express language of the Guidelines, the NGC must consider diversity as part of its annual Board composition review and director selection process. Specifically, the following language appears on page 5 of the Guidelines:

*Composition of the Board; Selection Process*

The Nominating and Governance Committee is responsible for reviewing with the Board, on an annual basis, the composition of the Board in light of the characteristics of independence, **diversity**, age, skills, experience, availability of service to CBS, tenure of incumbent directors on the Board and the Board’s anticipated needs. **The Nominating and Governance Committee will recommend director candidates to the Board in accordance with the criteria, policies and principles set forth in its Charter and in these Guidelines.** Qualified candidates for the Board recommended by stockholders shall be reviewed in accordance with the policies established by the Nominating and Governance Committee. [Emphasis added.]

In addition, the Nominating and Governance Committee Charter (attached as Exhibit C, the “NGC Charter”) consistent with the Guidelines discussed above with respect to the director candidate selection process, expressly requires that the NGC members consider diversity in their annual review of Board composition. Specifically, the NGC Charter contains the following language on page 2:

The Committee shall review with the Board, on an annual basis, the appropriate size and the current composition of the Board in light of the characteristics of independence, **diversity**, age, skills, experience, availability of service to the Company and tenure of its members, and of the Board's anticipated needs. The Committee shall review with the Board the appropriate skills and characteristics required of Board members. [Emphasis added.]

The director selection criteria, policies and principles set forth in the Guidelines and the NGC Charter are hereinafter referred to as the "Director Selection Guidelines."

Also, while the Proposal seems to suggest that the Company lacks a formalized nominating process, the Company disclosed in its proxy statement dated November 16, 2018, for its 2018 Annual Meeting of Stockholders (the "2018 Proxy Statement") the process for director nominations undertaken by the NGC applying the Company's Director Selection Guidelines. Specifically, the following disclosure appeared on page 13 of the Company's 2018 Proxy Statement:

*October/November 2018 Director Nomination Process.* In connection with the October/November 2018 director nomination process, the Nominating and Governance Committee reviewed the current composition of the Board in light of the considerations set forth in its Charter and the Company's Guidelines and the terms of the Settlement Agreement [dated as of September 9, 2018, by and among the Company, National Amusements, Inc. and NAI Entertainment Holdings LLC and certain other parties] related to Board nominations and composition. See the "Recent Developments Regarding the Company's Board and Governance Matters" section above [discussing the background of the original appointment of the incumbent directors nominated for stockholder election in 2018]. In addition, the Committee considered input received from other directors on Board member qualifications, Board composition and any special circumstances that the Committee deemed to be important in its determination. After taking these considerations into account, the Committee determined to recommend to the Board that each of the nominees set forth below in "Item 1-Election of Directors" be nominated to stand for election at the 2018 Annual Meeting.

Further, the Company expressly disclosed in its 2018 Proxy Statement that the NGC specifically considers gender and ethnicity in its review of the composition of the Board and director selection process, in connection with executing on the Director Selection Guidelines. Specifically, the following disclosure appeared on pages 13-14 of the Company's 2018 Proxy Statement:

*Board Diversity.* As part of its review, the Committee considers diversity, among other factors. The Committee considers diversity to be a broadly defined concept which takes into account professional

experience, **gender and ethnicity**, among other characteristics....  
The Committee assesses the effectiveness of its consideration of diversity as part of its annual nomination process, when it reviews the composition of the Board as a whole. [Emphasis added.]

The Company has substantially implemented the Proposal. The Company's Director Selection Guidelines, together with the proxy disclosure noted above, describe a policy and procedures that compare favorably with the Proposal and address its essential objective, which is the adoption of a nominating policy for the board of directors that takes into account Board diversity, and specifically race and gender. The Proposal's primary request is that the Company "adopt formalized nominating committee procedures for identifying new board candidates." The Company already has procedures set forth in the Director Selection Guidelines. The Proposal also requests that such a policy "address board diversity." The Director Selection Guidelines already expressly include this concept verbatim. Moreover, the Company's 2018 Proxy Statement disclosure specifically calls out three qualifications that are taken into account in the nominating process – two of which are identified as race and gender – illustrating the import of diversity in the director selection process.

The Company's conclusion that we have already substantially implemented the Proposal is not negated simply because the Director Selection Guidelines do not include process points so granular as to require that the initial list of candidates include those in specific racial and gender categories. In fact, the only meaningful difference between the Proposal and the Director Selection Guidelines is the Proposal's requirement that the Board include specific categories of candidates on an initial list, a step that seeks to micromanage the Board's nomination process. Thus, consistent with *Wal-Mart Stores, Inc.*, *MGM* and *Alcoa* and the other long line of precedent cited above, the Company has substantially implemented the essential objective of the Proposal, notwithstanding the fact that we have not implemented the Proposal exactly as proposed.

The Company has also addressed the Proponent's underlying concern. The Proposal seeks to assure the consideration of diverse candidates for the Company's Board, thereby increasing the representation of racial minorities and women on the Board. However, the implementation of the Director Selection Guidelines has already done just that. In fact, 64% of the Company's Board members are diverse on the basis of gender or ethnicity. Thus, not only has the underlying concern of the Proposal been addressed with respect to process through the Director Selection Guidelines, but also with respect to actual results.

Where a company has already acted favorably on an issue addressed in a shareholder proposal, Rule 14a-8(i)(10) does not require the company and its shareholders to reconsider the issue. The Company has already acted favorably by expressly including diversity in its Director Selection Guidelines and specifically disclosing that race and gender are considerations in the NGC's implementation of these Director Selection Guidelines. The composition of the current Board – 64% diverse on the basis of gender or ethnicity – reflects this. Thus, the Company believes that its current policies and procedures, through the Director Selection Guidelines and their implementation as disclosed in the Company's proxy statement, compare favorably with the Proposal and that the essential objective and the underlying concerns of the Proposal have been addressed by the Company. Accordingly, the

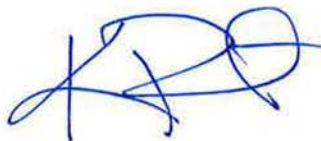
Company believes the Proposal should be excluded on the basis that it is has been substantially implemented under Rule 14a-8(i)(10).

**CONCLUSION**

Based on the foregoing, the Company believes that the Proposal may be omitted from the Company's 2019 Proxy Materials. Accordingly, we respectfully request that the Staff indicate that it will not recommend enforcement action to the Commission if the Company excludes the Proposal from the 2019 Proxy Materials.

If you have any questions regarding this request, please do not hesitate to contact the undersigned at (212) 975-5896. Thank you for your consideration.

Very truly yours,

A handwritten signature in blue ink, appearing to be 'K. Tu', with a large circular flourish at the end.

cc: The Nathan Cummings Foundation  
Lawrence P. Tu (CBS Corporation)  
Senior Executive Vice President and Chief Legal Officer  
Jonathan H. Anschell (CBS Corporation)  
Executive Vice President, Deputy General Counsel and Secretary

**EXHIBIT A**

THE · NATHAN · CUMMINGS · FOUNDATION

December 4, 2018

Attention: Jonathan H. Anshell, Secretary  
CBS Corporation  
51 West 52nd Street  
New York, NY 10019

Dear Mr. Anshell,

The Nathan Cummings Foundation is an endowed institution with approximately \$450 million of investments. As an institutional investor, the Foundation believes that the way in which a company approaches environmental, social and governance issues has important implications for long-term shareholder value.

It is with these considerations in mind that we submit this resolution for inclusion in CBS Corporation's proxy statement under Rule 14a-8 of the general rules and regulations of the Securities Exchange Act of 1934. The Nathan Cummings Foundation is the primary sponsor of this proposal.

The Nathan Cummings Foundation is the beneficial owner of over \$2,000 worth of shares of CBS Corporation stock. Verification of this ownership, provided by our custodian, Amalgamated Bank, will be sent in a separate letter. We have continuously held over \$2,000 worth of these shares of CBS Corporation stock for more than one year and will continue to hold these shares through the shareholder meeting.

If you have any questions or concerns about the Foundation's submission of this resolution, please contact me at (212) 787-7300. Thank you for your time.

Sincerely,



Laura Campos

Director, Corporate & Political Accountability



**Resolved:**

Shareholders request that the Board of Directors of CBS Corporation (CBS) adopt formalized nominating committee procedures for identifying new board candidates. We request that this include a policy to address board diversity which requires that the initial list of candidates from which new management supported director nominees are chosen include (but need not be limited to) minority and female candidates and that any third-party consultant assisting in the identification of potential nominees be asked to include such candidates.

**Supporting Statement:**

In the fall of 2018, CBS selected a number of new board members. The company did not share its process for identifying new board nominees and appears not to have a formal process for identifying new directors.

According to PwC's 2017 Annual Corporate Directors Survey, over 92% of directors say that gender/racial diversity has brought unique perspectives to the board room. Over 79% say that it has enhanced board performance, and more than half believe it has enhanced company performance. (<https://tinyurl.com/y9vnq24s>)

Empirical research indicates a significant relationship between racial diversity and innovation, reputation and firm performance (<http://ssrn.com/abstract=1410337>). In addition, a January 2018 McKinsey study found that companies with the most culturally/ethnically diverse boards were 43% more likely to experience higher profits. (<https://tinyurl.com/yawsj78f>)

In its 2016 Principles of Corporate Governance, the Business Roundtable called on boards to "develop a framework for identifying appropriately diverse candidates that allows the nominating/corporate governance committee to consider women, minorities, and others with diverse backgrounds as candidates for each open board seat." (<https://tinyurl.com/y8mw7fzl>)

Time's Up, an anti-sexual harassment initiative, has stated about the process to select CBS' new board members, "Women of color and other underrepresented candidates were not added to the board in ways that are reflective of CBS's vast audiences." (<https://tinyurl.com/yclwxzeq>)

With people of color comprising nearly 40 percent of the US population, it is important that our company be able to speak to diverse audiences. Broadcast TV advertising spending to Black audiences increased 255 percent in the four-year period between 2011 and 2015. (*Young, Connected and Black*, 2016, nielsen) In addition, box office and television ratings, on average, are highest for TV shows with diverse casts. In 2016, return-on-investment was highest for films with casts composed of between 41 to 50 percent people of color. (*Hollywood Diversity Report 2018*, UCLA College Social Sciences)

Policies like the one advanced in this proposal have been adopted by other media and communications companies, such as Naspers and SKY PLC, as well as other leading companies, including Allergan, Amazon, Costco, Gentex, Home Depot, Microsoft and Stryker. While corporate boards may face differing circumstances, it is difficult to ignore the positive impact of diversity.

We urge the Board to join other leading companies and adopt this important governance reform.



December 4, 2018

Attention: Jonathan H. Ansell, Secretary  
CBS Corporation  
51 West 52nd Street  
New York, NY 10019

Dear Mr. Ansell,

This letter will verify that as of December 4, 2018, the Nathan Cummings Foundation held 319 shares of CBS Corporation common stock. It has continuously held more than \$2,000 worth of these shares for at least one year and intends to continue to hold at least \$2,000 worth of these shares at the time of your next annual meeting.

The Amalgamated Bank serves as custodian and record holder for the Nathan Cummings Foundation. The above-mentioned shares are registered in a nominee name of the Amalgamated Bank. The shares are held by the Bank through DTC Account #2352.

Sincerely,

A handwritten signature in black ink that reads "Chuck Hutton".

Chuck Hutton  
First Vice President  
Investment Management Division, Client Service

**EXHIBIT B**

## CBS CORPORATION

### CORPORATE GOVERNANCE GUIDELINES

The Board has adopted these guidelines to reflect CBS's commitment to the highest standards of corporate governance, and to comply with New York Stock Exchange and other legal requirements. The Nominating and Governance Committee will periodically review these Guidelines and propose modifications for the Board's consideration as appropriate.

#### *Director Responsibilities*

##### Basic Responsibilities

The business affairs of CBS are managed under the direction of the Board, which represents and is accountable to CBS's stockholders. The Board's responsibilities are active and not passive, and include the responsibility to regularly evaluate the strategic direction of CBS, management policies and the effectiveness with which management implements its policies.

The responsibility of directors is to act in good faith and with due care so as to exercise their business judgment on an informed basis in what they reasonably and honestly believe to be in the best interests of CBS and its stockholders.

##### Board and Committee Meetings

The Board of Directors will have at least six regularly scheduled meetings each year, and shall have such additional meetings as it believes are necessary to properly discharge its responsibilities.

Each committee of the Board will meet as frequently as necessary to properly discharge its responsibilities. The Audit Committee's charter requires that it meet at least five times each year, the Compensation Committee's charter requires that it meet at least four times each year and the Nominating and Governance Committee's charter requires that it meet at least three times each year.

Directors are expected to prepare for and participate in all meetings of the Board and of committees on which they serve. Directors are encouraged to attend all Board and committee meetings in person, and should not participate in such meetings by telephone unless such meetings are designated as telephonic meetings or unless telephonic participation is necessary due to unavoidable circumstances. Directors are also expected to attend CBS's Annual Meeting of Stockholders.

Information and materials that are important to the directors' understanding of the business to be conducted at a Board or committee meeting shall, to the extent practical, be provided to the members of the Board or committee sufficiently in advance of each meeting to permit meaningful review. Directors are expected to review in detail the materials they are provided in advance of each meeting.

The Chair of the Board and the Chief Executive Officer, and the Chair of each Board committee, will develop and approve the agenda for each Board or applicable committee meeting, respectively. Each member of the Board and members of management are free to suggest the inclusion of items on the agenda by communicating directly with the Chair of the Board or the Chief Executive Officer, or the Chair of the respective Board committee, as applicable.

#### Meetings of Non-Management Directors and Independent Directors

The non-management directors will meet separately, without directors who are employees of CBS, at regularly scheduled sessions, at least two times each year, and the independent directors will meet separately, without those directors who are not independent as determined by the Board, at least two times each year, and at such other times as they deem appropriate.

The members of the Nominating and Governance Committee will preside at meetings of the non-management directors and independent directors on a rotating basis.

The agendas for meetings of the non-management directors and meetings of the independent directors will be approved by the director who will preside at that meeting. Each non-management director or independent director is free to suggest the inclusion of items on their respective agendas by communicating directly with the presiding director for the respective meeting.

#### Communications with Directors

In order to facilitate the ability of stockholders and other interested parties to communicate with and make their concerns known to the non-management directors, the non-management directors have established an electronic mailing address and a physical mailing address to which interested parties may send such communications. These addresses will be included in CBS's annual proxy statement and on its website ([www.cbscorporation.com](http://www.cbscorporation.com)).

## *Composition and Selection of the Board*

### *Size of the Board*

The Board currently has 14 members. The Board will regularly evaluate its size in connection with the director nomination process and at such other times as it deems appropriate.

### *Board Membership Criteria*

Directors of CBS should be individuals with substantial accomplishments in their professional backgrounds, and should be current or former leaders in the important companies or institutions with which they are or have been affiliated. They should be able to make independent, analytical inquiries and should exhibit practical wisdom and mature judgment. Directors of CBS are expected to possess the highest personal and professional ethics, integrity and values, and should be committed to promoting the long-term interests of CBS's stockholders.

*Independence.* A majority of CBS's directors will meet the criteria for independence established by the New York Stock Exchange (NYSE) corporate governance listing standards. Whether directors meet the criteria for independence will be reviewed annually prior to their standing for election to the Board and at such other times as the Board deems appropriate. The independent directors will be identified in CBS's annual proxy statement. In accordance with the NYSE listing standards, a CBS director will not be independent if any of the following relationships exist:

- (i) the director is, or has been within the last three years, an employee of CBS; (ii) an immediate family member of the director is, or has been within the last three years, an executive officer of CBS; (iii) the director has received, or an immediate family member of the director has received for service as an executive officer, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from CBS, 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); (iv) (A) the director is a current partner or employee of a firm that is CBS's internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such firm and personally works on CBS's audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on CBS's audit within that time; (v) a CBS executive officer is, or has been within the last three years, on the compensation committee of a company which at the same time employed the CBS director or an

immediate family member of the director as an executive officer; or (vi) the director is an employee, or an immediate family member of the director is an executive officer, of a company that has made payments to, or received payments from, CBS for property or services in an amount which, in any of the last three fiscal years, exceeded the greater of \$1 million or 2% of such other company's consolidated gross revenues.

In addition, for a director to be considered independent under the NYSE listing standards, the Board must determine that the director does not have a material relationship with CBS. The Board has established the following standards to assist it in determining what constitutes a material relationship:

- If the types of relationships identified by the NYSE as set forth above that have a look-back period of three years occurred more than three but less than five years ago, the Board will consider whether a material relationship exists; if the relationship occurred more than five years ago, it will not be considered a material relationship that would impair a director's independence. In addition, if a relationship of the type described in (iii) above exists and the amount involved is less than \$120,000, it will not be considered a material relationship that would impair a director's independence.
- The following relationships will not be considered material relationships that would impair a director's independence: (i) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a company that made payments to, or received payments from, CBS for property or services in an amount which, in each of the last three fiscal years, is less than 1% of the annual consolidated gross revenues of such other company; (ii) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a company which is indebted to CBS, or to which CBS is indebted, and the total amount of either company's indebtedness to the other is less than 1% of the total consolidated assets of such other company; and (iii) the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of a tax exempt organization, and CBS's contributions to the organization in the prior fiscal year are less than the greater of \$500,000 or 1% of that organization's consolidated gross revenues.

For relationships that exceed the thresholds set forth above, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who are independent. For example, if a director is the CEO of a company that is indebted to CBS

in an amount in excess of 1% of that company's total consolidated assets, the independent directors could determine, after considering all of the relevant circumstances, that such a relationship was immaterial, and that director would therefore be considered independent for purposes of the NYSE listing standards. Generally, types of relationships not addressed by the NYSE listing standards or otherwise described above will not cause an otherwise independent director to be considered not independent. However, the Board may determine that a director is not independent for any reason it deems appropriate. To the extent required by law or the NYSE listing standards, CBS would explain in the next proxy statement the basis for any Board determination that a director was independent despite the fact that he or she did not meet or fit within the categorical standards for a material relationship set forth above. For purposes of this section, references to "CBS" mean CBS Corporation and its consolidated subsidiaries.

Each independent director is expected to notify the Chair of the Nominating and Governance Committee, as soon as reasonably practicable, in the event that his or her personal circumstances change in a manner that may affect the Board's evaluation of such director's independence.

*Other Directorships.* Each director is expected to notify the Chair of the Nominating and Governance Committee and the Corporate Secretary of his or her intention to become a member of the board of directors of another for-profit company, whether public or private, in advance of accepting such new position. When the Nominating and Governance Committee recommends director candidates to the Board and recommends directors to serve on committees of the Board, it will consider the other demands on each director's time, including those arising from such service. The Board shall determine, acting on the recommendation of the Nominating and Governance Committee, whether a candidate's service on the boards of directors of more than three other public companies is consistent with service on CBS's Board.

#### *Composition of the Board; Selection Process*

The Nominating and Governance Committee is responsible for reviewing with the Board, on an annual basis, the composition of the Board in light of the characteristics of independence, diversity, age, skills, experience, availability of service to CBS, tenure of incumbent directors on the Board and the Board's anticipated needs. The Nominating and Governance Committee will recommend director candidates to the Board in accordance with the criteria, policies and principles set forth in its Charter and in these Guidelines. Qualified candidates for the Board recommended by stockholders shall be reviewed in accordance with the policies established by the Nominating and Governance Committee.

The Board has determined not to establish term limits to an individual's membership on the Board or a mandatory retirement age. However, the Nominating and Governance Committee will, as part of its annual assessment of the composition of the



Board, review the extent of a director's tenure on the Board, and directors should not expect that, once elected to the Board, they will necessarily be renominated thereafter.

#### Changes in Personal Circumstances

Directors are expected to offer their resignation from the Board in the event of any significant change in personal circumstances (including a change in principal occupation), in the event a significant ongoing time commitment arises that may be inconsistent with the director's service to the Board or, in the case of an independent director, in the event of a change in circumstances that would result in the director no longer being considered independent. Such offers of resignation will give the Board, through the Nominating and Governance Committee, an opportunity to review whether it is appropriate for such director to continue to serve as a member of the Board.

#### **Board Committees**

##### Composition and Responsibilities

The Board will have an Audit Committee, a Compensation Committee and a Nominating and Governance Committee, and any other committees the Board deems appropriate. The Nominating and Governance Committee will review on an annual basis the Board's committee structure.

All of the members of the Audit Committee, Compensation Committee and Nominating and Governance Committee will be independent directors under the criteria for independence required by law and the NYSE. The members and Chair of each of the committees will be appointed by the Board, taking into account the recommendations of the Nominating and Governance Committee.

##### Charters

The Board has adopted written charters setting forth the purposes, goals and responsibilities of each of the Audit Committee, the Compensation Committee and the Nominating and Governance Committee, and will adopt such charters for any other committees the Board deems appropriate. Each such committee shall assess the adequacy of its charter at least every other year, or more frequently as the Committee may determine, and recommend any changes to the Board. The Nominating and Governance Committee shall review all proposed changes to each committee's charter.

The current charters of the Board's standing committees are available on CBS's website and will be mailed to stockholders on written request.

## ***Director Access to Management, Employees and Independent Advisors***

### ***Access to Management and Employees***

Directors have full and unrestricted access to management and other employees of CBS.

### ***Access to Independent Advisors***

The Board and each committee have the power to hire independent legal, financial or other advisors as they may deem appropriate, without consulting or obtaining the approval of any officer of CBS.

### ***Internal Reporting***

The Audit Committee will encourage the submission of, and establish procedures for the confidential treatment of, complaints and concerns by officers and employees regarding accounting, internal accounting controls and auditing matters. The procedures for submitting any such complaints and concerns will be communicated to the officers and employees.

## ***Director Orientation and Continuing Education***

Each new director shall be provided with these Guidelines and will participate in CBS's orientation initiatives as soon as practicable after his or her election. The orientation initiatives will include presentations by senior management and outside advisors, as appropriate, to familiarize new directors with CBS's business, its strategic plans, its significant financial, accounting and risk management issues and its compliance programs, as well as their fiduciary duties and responsibilities as directors. All other directors will be invited to attend any orientation initiatives.

The Nominating and Governance Committee and members of senior management of CBS, as well as appropriate outside advisors, will periodically report to the Board on any significant developments in the law and practice of corporate governance and other matters relating to the duties and responsibilities of directors in general, as well as on significant developments to CBS's business and the industries in which CBS operates.

## ***Director Compensation and Benefits***

The Nominating and Governance Committee will annually review and recommend, and the Board will approve, the form and amount of director compensation and benefits for which outside directors are eligible. The Nominating and Governance Committee and the Board will consider that a director's independence may be

jeopardized if compensation and perquisites exceed customary levels, if CBS makes substantial charitable contributions to organizations with which the director is affiliated, or if CBS enters into consulting contracts with or provides other indirect forms of compensation to a director or an organization with which the director is affiliated.

The Nominating and Governance Committee shall be guided by three principles in its review of outside director compensation and benefits:

- directors should be fairly compensated for the services they provide to CBS (taking into account, among other things, the size and complexity of CBS's business and compensation and benefits paid to directors of comparable companies);
- directors' interests should be aligned with the interests of stockholders; and
- directors' compensation should be easy for stockholders to understand.

The Board believes that director stock ownership helps to align the interests of directors with those of CBS's stockholders. Within three years of becoming a director, each director is expected to own shares of CBS common stock (including stock units under the CBS Corporation Deferred Compensation Plan for Outside Directors) having a market value of at least five times the base cash annual retainer fee paid by CBS to its outside directors. Once a director satisfies the stock ownership guidelines, the guidelines will continue to be deemed satisfied for such director, regardless of market fluctuations, so long as the director does not sell any stock (a) where the sale causes the value of his or her holdings to be less than the guideline amount or (b) at a time when the value of his or her holdings is less than the guideline amount. The Board recognizes that exceptions to and interpretations of this policy may be necessary or appropriate in individual cases, and the N&G Committee shall consider exceptions and/or interpretations from time to time as it deems necessary or appropriate in the interest of CBS's stockholders.

#### ***Chairman and Chief Executive Officer Evaluation and Key Management Succession Planning***

The Compensation Committee will review and approve goals and objectives relevant to the compensation of the Chairman and the Chief Executive Officer. The Compensation Committee, together with the Nominating and Governance Committee, will evaluate annually the performances of the Chairman and the Chief Executive Officer in light of these goals and objectives and will report the results of these evaluations to the non-management directors. The Compensation Committee will set the

compensation levels of the Chairman and the Chief Executive Officer taking into account these evaluations. The Compensation Committee will report to the Board on this process.

The Compensation Committee and the Nominating and Governance Committee will together review periodically succession planning for the Chairman and the Chief Executive Officer and may consider input from each with respect to his own position. In addition, after receiving a report from the Chief Executive Officer, the Committees will review succession planning for the Chief Operating Officer, Chief Financial Officer, the General Counsel and the operating managers who report to the Chief Executive Officer, including with respect to, among other things, their experience, responsibilities, advancement potential and diversity. The Compensation Committee and the Nominating and Governance Committee will together report to the non-management directors of the Board on these reviews.

### ***Conflicts of Interest***

Directors are expected to comply with the policies on conflicts of interest set forth in CBS's Business Conduct Statement. Directors are expected to recuse themselves and not participate in the discussion and voting on any matter presented at a Board or committee meeting if they believe that they have a personal interest or any other conflict of interest.

### ***Annual Performance Self-Evaluation***

The Nominating and Governance Committee shall lead the Board in an annual performance self-evaluation to assess its effectiveness. Each committee of the Board shall also conduct an annual performance self-evaluation. The Nominating and Governance Committee will establish the criteria to be used in the Board and committee self-evaluations.

**EXHIBIT C**

## CBS CORPORATION

### NOMINATING AND GOVERNANCE COMMITTEE CHARTER

#### *Purpose*

The Nominating and Governance Committee is established by the Board for the following purposes: (i) assisting the Board by identifying individuals qualified to become Board members and recommending to the Board director nominees to stand for election at the next annual meeting of stockholders, (ii) making recommendations to the Board as to the independence of each director, (iii) monitoring significant developments in the law and practice of corporate governance and of the duties and responsibilities of directors of public companies, (iv) leading the Board in its annual performance self-evaluation, including establishing criteria to be used in connection with such evaluation, (v) developing and making recommendations to the Board with respect to the Company's Corporate Governance Guidelines, (vi) developing and recommending items for Board meeting agendas, (vii) reviewing transactions between the Company and related persons and (viii) periodic review of the following risk management processes at the Company: disaster recovery, crisis management and theft of intellectual property.

#### *Composition*

1. Members. The Committee shall consist of as many members as the Board, in consultation with the Committee itself, shall determine, but in any event not fewer than three members; provided however, in the event of a vacancy in Committee membership, the Committee shall be considered to be properly constituted, until the Board acts to fill such vacancy, so long as there are at least two Committee members. The members of the Committee shall be appointed annually by the Board, taking into account the recommendation of the Committee.
2. Qualifications. Each member of the Committee shall meet the criteria for independence established by the New York Stock Exchange.
3. Chair. The Chair of the Committee shall be elected by the Board, taking into account the recommendation of the Committee.
4. Removal and Replacement. The members of the Committee may be removed or replaced, and any vacancies on the Committee shall be filled, by the Board, taking into account the recommendation of the Committee.

#### *Operations*

1. Meetings. The Chair of the Committee, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least three times per year. The Chair of the Committee will determine in advance of each meeting whether non-Committee members may attend the meeting. The Chair of the Committee shall

also determine whether participation in the meeting by teleconference or videoconference will be permitted. The Committee shall periodically meet in executive session without management.

2. Agenda. The Chair of the Committee shall develop and approve the Committee's agenda, in consultation with other members of the Committee. Each member of the Board and members of management are free to suggest the inclusion of items on the agenda. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be provided to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.
3. Report to Board. The Committee shall report regularly to the entire Board and shall submit to the Board the minutes of its meetings.
4. Self-Evaluation; Assessment of Charter. The Committee shall conduct an annual performance self-evaluation and shall report to the entire Board the results of the self-evaluation. The Committee shall assess the adequacy of this Charter at least every other year, or more frequently as the Committee may determine, and recommend any changes to the Board.

#### *Authority and Duties*

1. The Committee may retain counsel, search firms to identify director candidates and other advisors in its sole discretion. The Committee shall have sole authority to retain and terminate any such advisors and to review and approve the advisors' fees and other retention terms.
2. The Committee shall identify and recommend to the Board candidates for election or re-election to the Board, or for appointment to fill any vacancy that is anticipated or has arisen on the Board, in accordance with the criteria, policies and principles set forth in the Company's Corporate Governance Guidelines and this Charter. The Chair of the Committee, in conjunction with the Chairman, Chief Executive Officer and the entire Board, shall extend invitations to join the Board to the selected candidates.
3. The Committee shall review qualified candidates for the Board recommended by stockholders. The process for stockholders to submit their recommendations for candidates for the Board will be disclosed in the Company's annual proxy statement.
4. The Committee shall review with the Board, on an annual basis, the appropriate size and the current composition of the Board in light of the characteristics of independence, diversity, age, skills, experience, availability of service to the Company and tenure of its members, and of the Board's anticipated needs. The Committee shall review with the Board the appropriate skills and characteristics required of Board members.

5. The Committee shall make recommendations annually to the Board as to the independence of each director.
6. The Committee shall, upon a significant change in a director's personal circumstances (including a change in principal occupation) or in the event a significant ongoing time commitment arises that may be inconsistent with a director's service on the Board, review, as appropriate and in light of the then current Board policies as reflected in the Corporate Governance Guidelines, the continued Board membership of such director.
7. The Committee shall advise the Board periodically with respect to significant developments in the law and practice of corporate governance, as well as the Company's compliance with its Corporate Governance Guidelines and applicable laws and regulations, and make recommendations to the Board on all matters of corporate governance and on any action to be taken, as the Committee may deem appropriate.
8. The Committee shall review the Company's Corporate Governance Guidelines on a periodic basis and propose modifications for the Board's consideration as appropriate. The Committee shall also review all proposed changes to each Board committee's charter.
9. The Committee shall review on an annual basis the Board of Directors' committee structure and recommend to the Board for its approval directors to serve as members and chairs of each committee. The Committee shall recommend additional members to fill vacancies as needed.
10. The Committee shall establish criteria and processes for, and lead the Board in, its annual performance self-evaluation. The Committee shall also establish criteria for the self-evaluations of each committee. The performance self-evaluations will focus on the contribution to the Company by the Board and each committee, and will specifically focus on areas in which a better contribution could be made.
11. The Committee shall, together with the Compensation Committee, evaluate annually the performances of the Chairman and the Chief Executive Officer in light of goals and objectives approved by the Compensation Committee relevant to the compensation of the Chairman and the Chief Executive Officer and report the results of the evaluations to the non-management directors.
12. The Committee shall, on an annual basis, review director compensation and benefits.
13. In accordance with policies established by the Board, the Committee shall review and approve, ratify or take any other action it deems appropriate with respect to transactions between the Company and related persons. For these purposes, the terms "transaction" and "related person" shall have the meanings contained in Item 404 of Regulation S-K.



The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its oversight function. The Committee has the power to delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate. In discharging its oversight role, the Committee shall have full access to the Company's senior management and employees and all Company books, records and facilities.