CONSOL Energy Inc
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:
Preliminary Proxy Statement
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Definitive Proxy Statement
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(3) Filing Party:
(4) Date Filed:

CNX Center 1000 CONSOL Energy Drive
Canonsburg, Pennsylvania 15317
Telephone (724) 485-4000

Annual Meeting of Shareholders – May 9, 2017

Dear Shareholder:

On behalf of the entire Board of Directors of CONSOL Energy Inc., I cordially invite you to attend CONSOL Energy's 2017 Annual Meeting of Shareholders on May 9, 2017, at 10:00 a.m., Eastern Time, at the Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania.

We achieved a number of successes and executed and delivered on many of our strategic goals in 2016, while steadfastly maintaining our core values of safety, compliance and continuous improvement. As a result, CONSOL Energy's share price increased more than 130% during 2016, making it one of the best performing stocks in the energy sector.

Our intense focus on efficient capital allocation and zero-based budgeting were key drivers to generating free cash flow and enhancing our net asset value (NAV) per share in 2016. Notably, in 2016, we generated $957 million in free cash flow* and we continued our transformation to an E&P company with the divestiture of our metallurgical coal business and our exit from central Appalachia surface mining. Moreover, we dissolved our Marcellus Shale joint venture with Noble Energy, giving CONSOL a 100% working interest in approximately 306,000 acres and enhancing the Marcellus-Utica Shale stacked pay opportunity set. We also completed additional dropdown sales to both CNX Coal Resources LP and CONE Midstream Partners LP, our MLP entities. Altogether, we completed 14 transactions in 2016 with a combined value of more than $1 billion. These NAV-enhancing transactions greatly strengthened our liquidity position and balance sheet. We resumed E&P drilling activity with two rigs as the commodity markets strengthened and rates of return improved, enabling us to continue to unlock the inherent value of our tier one assets. On the cost side, selling, general & administrative expense and E&P unit costs continued to decrease in 2016. All of these transactions and decisions moved us closer to our strategic goal of becoming a pure-play E&P company.

The accompanying proxy statement contains important information about the Annual Meeting, our nominees for election as directors, and executive compensation, among other important disclosures. Whether or not you plan to attend the Annual Meeting, it is important that your shares be represented. Please complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided, or if your proxy card or voting instructions form so indicates, vote electronically via the internet or telephone.

If you plan to attend the Annual Meeting, please bring a valid government-issued photo identification. If your shares are held in the name of a broker or other nominee, please bring with you a letter (and a legal proxy if you wish to vote your shares) from your broker or nominee confirming your ownership as of the record date.

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

Sincerely,

Will Thorndike

Chairman of the Board

*A reconciliation of the free cash flow amount of the most directly comparable GAAP financial measure is provided in Appendix A to the accompanying proxy statement.

Notice of
Annual Meeting
of Shareholders

To be held on May 9, 2017

10:00 a.m. (EST)

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

Notice is hereby given that the Annual Meeting of Shareholders (the "Annual Meeting") of CONSOL Energy Inc. ("CONSOL" or the "Corporation") will be held on May 9, 2017, at 10:00 a.m., Eastern Time, at the Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231, for the following purposes:

1. To elect eleven directors to hold office in accordance with the Amended and Restated Bylaws of CONSOL;
2. To ratify the anticipated selection of Ernst & Young LLP, an independent registered public accounting firm, as CONSOL's independent auditor for the fiscal year ending December 31, 2017;
3. To approve, on an advisory basis, the compensation paid to our named executives in 2016, as reported in this Proxy Statement;
4. To approve, on an advisory basis, the frequency of future advisory votes on executive compensation; and
5. If properly presented, to consider and vote upon a shareholder proposal regarding the preparation of a report disclosing the Corporation's political contributions.

By resolution of the Board of Directors, we have fixed the close of business on March 13, 2017 as the record date for determining the shareholders of CONSOL entitled to notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof.

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

April 3, 2017

Sincerely,

Stephanie L. Gill

Vice President, General Counsel and

Corporate Secretary

Important Notice Regarding the Availability of Proxy Materials for the Shareholders' Meeting to be Held on May 9, 2017: The Proxy Statement, form of proxy, Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and related materials are available free of charge at *www.edocumentview.com/CNX* or may be obtained by contacting the Investor Relations Department at the address and phone number above.

Table of Contents

Back to Contents

PROXY SUMMARY

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

Where, When and Who?

- **Time and Date:** Tuesday, May 9, 2017, at 10:00 a.m. Eastern Time
- **Place:** Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231
- **Record Date:** March 13, 2017
- **Voting:** Shareholders of CONSOL as of the record date are entitled to vote. Each share of CONSOL common stock is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted upon at the Annual Meeting.

Proposals Requiring Your Vote

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

Item	Proposal	Board Recommendation	Page
	Election of Directors The 11 Director nominees possess the necessary qualifications and range of experience and expertise to provide effective oversight and advice to Management.	**FOR**	**24**
	Ratification of Anticipated Selection of Ernst & Young LLP The Audit Committee approved the retention of Ernst & Young LLP as the Corporation’s independent auditor for fiscal year 2016. As a matter of good corporate governance, shareholders are being asked to ratify the Audit Committee’s anticipated selection of the independent auditor.	**FOR**	**68**
	Advisory Approval of Named Executive Compensation	**FOR**	**69**

The Corporation's executive compensation programs are designed to create a direct linkage between shareholder interests and Management with incentives specifically tailored to the achievement of financial, operational and stock performance goals.		
Advisory Approval of the Frequency of Future Advisory Votes on Executive Compensation In accordance with SEC rules, the Corporation is required to provide its shareholders with the opportunity to cast an advisory vote to determine the frequency of future advisory shareholder votes on compensation paid to our named executives.	**FOR EVERY YEAR**	**70**
Shareholder Proposal Regarding the Preparation of a Report Disclosing the Corporation's Political Contributions In the interests of the Corporation and its shareholders, CONSOL engages in the political process to advocate for our company and we also provide public disclosure of our political expenditures. For these reasons, among others, the Board recommends that shareholders vote **AGAINST** a shareholder proposal regarding further disclosure of CONSOL's political contributions.	**AGAINST**	**71**

Back to Contents

Board Nominees

The following table provides summary information about each director nominee as of March 13, 2017. Each director nominee is elected annually by a majority of votes cast.

Name	Age	Director Since	Occupation	Independent	Current Committee Memberships
Alvin R. Carpenter	75	2013	Former Vice Chairman of CSX Corporation; and Former Director of Regency Centers Corporation	Yes	• CC† • FC • HSE
J. Palmer Clarkson	60	*	President and Chief Executive Officer of Bridgestone HosePower, LLC	Yes	*
William E. Davis	74	2004	Former Chairman and Chief Executive Officer of Niagara Mohawk Power Corporation	Yes	• AC • NCG† • HSE
Nicholas J. DeIuliis	48	2014	CONSOL President and Chief Executive Officer	—	—
Maureen E. Lally-Green	67	2013	Interim Dean of Duquesne University Law School; Former Judge on the Superior Court of Pennsylvania	Yes	• NCG • HSE
Bernard Lanigan, Jr.	69	2016	Chairman and Chief Executive Officer of Southeast Asset Advisors, Inc.	Yes	• AC • FC • HSE
John T. Mills	69	2006	Former Chief Financial Officer of Marathon Oil Corporation	Yes	• AC† • CC • HSE
Joseph P. Platt	69	2016	General Partner of Thorn Partners, LP	Yes	• CC • FC • HSE
William P. Powell	61	2004	Managing Partner of 535 Partners LLC	Yes	• FC† • NCG • HSE
Edwin S. Roberson	72	2016	Former Chief Executive Officer of Christ Community Health Services	Yes	• AC • NCG • HSE
William N. Thorndike, Jr., Chairman	53	2014	Managing Director of Housatonic Partners	Yes	• CC • FC • HSE

* Mr. Clarkson is a new nominee to the Board by the Board at this Annual Meeting. After the Annual Meeting, CONSOL's Board will evaluate Committee memberships.

AC Audit Committee;

CC Compensation Committee;

HSE Health, Safety and Environmental Committee;

FC Finance Committee;

NCG Nominating and Corporate Governance Committee;

† Committee Chair

Back to Contents

Who We Are and What We Stand For

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

Business/Strategic Highlights

- **Continued Commitment to Our Core Values.** As we continued the transformation of CONSOL throughout 2016, we remained steadfast in maintaining our core values of safety, compliance, and continuous improvement. E&P division employees operated At Zero (no safety exceptions) during 2016. In addition, our Coal operations incident rate was 42% better than the national average in regards to underground operations in the U.S. The number of Mine Safety and Health Administration (MSHA) elevated negligence violations also decreased 58% during 2016. We continue to be driven to achieve best-in-class safety and compliance results, because safety is of paramount importance to CONSOL Energy, and we understand that these results also will drive our net asset value (NAV) per share by reducing our risk profile while increasing efficiencies.

CONSOL'S CORE VALUES

- **Focused on Efficient Capital Allocation.** We remain focused on driving long-term NAV per share appreciation by unlocking the inherent value of our best-in-class assets. We achieved this by prudently allocating capital. We continue to focus on improving our capital efficiency and reducing our finding and development costs. Through the use of data-driven modeling and simulations, we already have achieved some of the lowest finding and development costs in the industry over the last five years. In 2016, selling, general & administrative expense and E&P unit costs continued to decrease, as compared to 2015.

  These examples help illustrate the change in mindset from years past, and we expect to continue applying these concepts moving forward as we focus our capital allocation on our core business.

- **Successful Transition to an E&P Company.** Our transformational journey to an E&P company continued during 2016 with the divestiture of our metallurgical coal business, the Buchanan Mine, as well as our exit from the Central Appalachian surface mining segment. Over the past five years, we have had a strong track record of successful divestitures, with 20 NAV-enhancing transactions since 2012 with a combined value of over $5 billion (and over $1 billion in 2016). Also, we completed additional ownership contributions to both CNX Coal Resources LP and CONE Midstream Partners LP, our MLP entities. Finally, most recently, we dissolved the Marcellus joint venture, giving

CONSOL a 100% working interest in approximately 306,000 acres and enhancing the Marcellus-Utica Shale stacked pay opportunity set.

Back to Contents

Along with the divestitures and contributions mentioned above, by utilizing zero-based budgeting, we have been able to generate approximately $957 million in free cash flow* during 2016, which greatly strengthened our liquidity position and balance sheet.

* A reconciliation of the free cash flow amount of the most directly comparable GAAP financial measure is provided in Appendix A to this Proxy Statement.

"Our strong liquidity position and balance sheet allow us to continue to focus on opportunistically allocating capital to prudently develop our tier one assets, while simultaneously providing us with the flexibility and optionality to divest assets in order to pull value forward."

- Nicholas DeIuliis, President and Chief Executive Officer

Compensation Highlights

- **Adopted Executive Incentive Plans that Align Management with Shareholders in Both Weak and Strong Markets.** As a result of the recent strengthening of our compensation programs, an overwhelming majority – over 97% – of the shares voted at our 2016 Annual Meeting of Shareholders approved our 2015 executive compensation program. Consistent with our prior approach, we further fine-tuned our compensation programs during 2016. Executive compensation program goals directly align with corporate and shareholder interests to attain stock price performance, natural gas and coal production, expense reduction, and safety and environmental goals, while preserving and increasing cash flow, as evidenced by the following:

  – **Approved a simplified 2016 STIC Focused on Generating Free Cash Flow.** In 2016, our Short Term Incentive Compensation Program ("STIC") for the performance period ending December 31, 2016 was based entirely on CONSOL's generation of free cash flow, with modifiers relating to safety, environmental goals and stock price that could impact awards as much as +/- 30%. As such, the 2016 STIC was based entirely on objective performance metrics, without any subjective weighting or adjustments by the Compensation Committee. CONSOL successfully executed a strategy to generate free cash flow in 2016, with this goal achieved at more than outstanding performance.

  – **Approved a 2016 LTIC Program Focused on Stock Price Appreciation.** Under our 2016 Long-Term Incentive Compensation Program ("LTIC"), named executives received 100% of their long-term incentive compensation in the form of performance share unit ("PSU") and option awards, with the majority (55%) of the awards made in the form of PSUs that vest over a five-year period based on the achievement of absolute and relative stock price goals. The performance goals applicable to the 2016 tranche of the PSU awards were achieved at more than a maximum performance level.

Back to Contents

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

CONSOL PERCENTILE RANKINGS FOR 2016 AMONG 2017 PEER GROUP

Average Target Total Direct Compensation for Named Executives	Total Shareholder Return	Revenue	Market Capitalization
45th percentile(1)	90th percentile	65th percentile(2)	20th percentile(3)

(1) Average total direct compensation includes base salary, annual incentive payment and target value of long-term incentives measured as of the January 29, 2016 grant date of the following named executives: Messrs. DeIuliis, Khani, Johnson, Brock and Dugan.

(2) Based on CONSOL's revenues of $1.9 billion in 2016.

(3) Based on CONSOL's market capitalization of $4.2 billion (as of December 31, 2016).

- **Designed CEO Compensation with 90% Being At-Risk and Aligned with Shareholder Interests.** In January 2016, the Board established our CEO's target total direct compensation to be 90% at-risk, consisting of target STIC (approximately 13%) and target LTIC (approximately 77%) (based on compensation values approved by the Compensation Committee in January 2016). By making a significant portion of Mr. DeIuliis' compensation at-risk, his interests are tightly aligned with those of our shareholders. In short, the CEO benefits only if value is delivered to CONSOL's shareholders.

- **Paid CEO Significantly Below 2014-2016 TSR Ranking Among Peers.** When examining our CEO's total direct compensation (salary, STIC and LTIC) relative to our 2017 peer group over the past three years (2014 – 2016), Mr. DeIuliis' compensation, shown on the vertical axis, ranks in the 29th percentile, while relative total shareholder return ("TSR") performance over the same period was approximately at the 49th percentile.

* Compensation is measured using 2014 - 2016 CONSOL pay and 2013 - 2015 peer pay. Compensation is defined as (i) total direct compensation (base salary, bonus, and the aggregate grant date fair value of the LTIC (for 2016, measured as of January 29, 2016 grant date for CONSOL, which values are set forth in footnote 1 of the Summary Compensation Table on page 47)) and (ii) all other compensation. For purposes of this chart, Rice Energy was excluded from the peer group due to the lack of three full years of quality compensation data.

Back to Contents

- **CEO W-2 Pay Significantly Below Summary Compensation Table Reported Pay.** The below chart demonstrates that Mr. DeIuliis' W-2 pay for 2014 through 2016 was significantly less than the amounts reported in the "SEC Total" and "Adjusted SEC Total" columns of the Summary Compensation Table. With respect to 2016, the discrepancy between W-2 pay is particularly significant and emphasizes the lack of connection between compensation reported in the Summary Compensation Table ("SCT") as required by SEC and accounting rules and the pay actually received by Mr. DeIuliis for tax purposes in any given year.

(1) SCT information includes the following information for each respective year: salary, short term incentive compensation, long term incentive compensation (which for 2016, includes the adjusted equity valuations set forth in footnote 1 to the SCT on page 47.), change in pension values, and all other compensation.

(2) The W-2 information with respect to CONSOL only includes the following for each respective year: base salary paid in that year, short term incentive compensation paid in that year, long term incentive compensation that vested in that year and taxable perquisites received in that year.

- **Meaningful Stock Retention Requirements for Named Executives.** Consistent with past practice and for equity awards granted in 2016, executive officers must keep half of any shares vested (net of taxes) until the earlier of (i) the participant's retirement at age 62 or (ii) 10 years from the Board determined grant date.

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

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

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

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

- **No Hedging or Pledging Policy Regarding CONSOL Stock.** CONSOL continues to maintain "no hedging" and "no pledging" policies that generally prohibit employees from engaging in hedging or pledging transactions with our stock.

Corporate Governance and Compliance Highlights

- **Nominated all Independent Directors for the 2017-2018 Board Year (except the CEO), Including One New Independent Director Nominee.** Each nominee for election at the upcoming Annual Meeting qualifies as an independent director in accordance with the standards of the New York Stock Exchange. CONSOL identified and nominated J. Palmer Clarkson as an independent nominee to the Board. Mr. Clarkson was identified as a nominee following outreach by CONSOL to its largest shareholders, and determined to be qualified based on his considerable financial and strategic experience. Since 2012, we have added eight new directors. We continue to balance the Board by introducing Board members with new perspectives, including our newest nominee, Mr. Clarkson, while balancing this with the more seasoned perspectives of our longer tenured directors. See the diagram to the right.

Back to Contents

- **Maintained Separate Chairman and CEO Roles.** When Mr. DeIuliis assumed the CEO position and Mr. Harvey continued as Chairman of the Board in 2014, CONSOL separated the Chairman and CEO roles. Mr. Thorndike was appointed as independent Chairman of the Board when Mr. Harvey stepped down as Chairman at the conclusion of the 2016 Annual Meeting. This separation of roles will continue for the 2017-2018 Board year.

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

- **Maintained Annual Full Board Elections, with a Majority Vote Standard and Resignation Policy.** Since CONSOL's stock has been publicly traded, all Director elections are held on an annual basis in order to provide our shareholders with regular input on the composition of our Board, and ultimately, of management. Directors must be elected by a majority of votes cast, and a Director must offer to resign from the Board if he or she is not re-elected at an annual meeting of shareholders.

- **Expanded Gender Diversity on the Management Team.** CONSOL believes strongly in diversity throughout our organization and has promoted women to several of the leadership positions at CONSOL, including the Senior Vice President of Diversified Business Units and Environmental Affairs, the Vice President and General Counsel, the Vice President of Development, and the Vice President of Material and Supply Chain Management.

- **Implemented a Formal Corporate Compliance Program.** We believe that the establishment and implementation of a formal Compliance Program is a necessary step to ensure best practices with respect to compliance measures and to promote the highest level of compliance efforts throughout the organization. Although many of the matters referenced in the Compliance Program are already part of our normal course of business operations, we believe it is best practice to consolidate these matters into one document. Further, in 2016, we also updated our gift policy under our compliance program that imposes a strict standard on the acceptance and receipt of gifts by our employees, directors, and their immediate family members.

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

- **Provided Transparency Through Proactive Shareholder Outreach.** We have issued annual Corporate Responsibility Reports every year since 2012, and our Sixth Corporate Responsibility Report will be published in Spring 2017. Additionally, on December 13, 2016, we held our Analyst and Investor Day in furtherance of our commitment to transparency with our stakeholders.

Back to Contents

INFORMATION ABOUT THE ANNUAL MEETING

The enclosed proxy is being solicited by the Board to be voted at the Annual Meeting of Shareholders (the “Annual Meeting”) to be held on May 9, 2017, at 10:00 a.m., Eastern Time, at the Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231.

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

Voting

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

- in favor of the election of those persons nominated as set forth in this Proxy Statement to serve as directors of CONSOL (Proposal 1);
- in favor of the ratification of the anticipated selection of Ernst & Young LLP, an independent registered public accounting firm, as the independent auditor of CONSOL for the fiscal year ending December 31, 2017 (Proposal 2);
- in favor of, on an advisory basis, the compensation paid to our named executives in 2016 (Proposal 3);
- in favor of, on an advisory basis, every one year as the frequency of future advisory votes on executive compensation (Proposal 4);
- if properly presented, against the shareholder proposal regarding political contributions (Proposal 5); and
- in accordance with their judgment on any other matters which may properly come before the Annual Meeting.

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

Record Date and Vote Required for Approval

The record date with respect to this solicitation is March 13, 2017 (the "Record Date"). All holders of record of CONSOL common stock as of the close of business on the Record Date are entitled to vote at the Annual Meeting and any adjournment or postponement thereof. As of the Record Date, the Corporation had 230,019,469 shares of common stock outstanding. Each share of common stock is entitled to one vote. Shareholders do not have cumulative voting rights. The holders of a majority of the outstanding shares of common stock of the Corporation as of the Record Date entitled to vote generally in the election of directors, represented in person or by proxy, will constitute a quorum at the Annual Meeting.

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

- ***Independent Auditor, Executive Compensation Vote, and Shareholder Proposal:*** Assuming a quorum, the vote to ratify the anticipated selection of Ernst & Young LLP as the independent auditor of the Corporation for the fiscal year ending December 31, 2017, the advisory vote to approve the compensation paid to our named executives in 2016 as reported in this Proxy Statement, and the shareholder proposal regarding political contributions each will be determined by the affirmative vote of a majority of the shares of our common stock present in person or represented by proxy at the meeting and entitled to vote on the matter.

- ***Frequency of Future Executive Compensation Votes:*** The advisory vote to consider the frequency of future advisory votes on compensation paid to our named executives will be determined whereby the frequency (one, two or three years) receiving a plurality of votes cast at the Annual Meeting will be deemed the action of the shareholders.

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

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

Back to Contents

Director Resignation Policy

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

Revocation of Proxy

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

- sending a written notice to CONSOL at CNX Center, 1000 CONSOL Energy Drive, Canonsburg, PA 15317, attention: Corporate Secretary, bearing a date later than the date of the proxy that is received prior to the Annual Meeting, stating that you revoke your proxy;
- submitting your voting instructions again by telephone or over the internet;
- signing another valid proxy card bearing a later date than the proxy initially received and mailing it so that it is received by the Corporation prior to the Annual Meeting; or
- attending the Annual Meeting and voting in person.

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

If a proxy is properly executed and is not revoked by the shareholder, the shares it represents will be voted at the Annual Meeting in accordance with the instructions provided by the shareholder. If a proxy card is signed and returned without specifying choices, the shares will be voted in accordance with the recommendations of the Board. Attendance at the Annual Meeting without a request to revoke a proxy will not by itself revoke a previously executed and delivered proxy.

Proxy Solicitation

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

Secrecy in Voting

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

Attendance at the Meeting

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

CONSOL will provide to any shareholder, without charge and upon the written request of the shareholder, a copy (without exhibits, unless otherwise requested) of CONSOL’s Annual Report on Form 10-K for the year ended December 31, 2016 (the “2016 Annual Report”) as filed with the SEC. Any such request should be directed to CONSOL Energy Inc., Investor Relations Department, 1000 CONSOL Energy Drive, Canonsburg, PA 15317.

Back to Contents

BOARD OF DIRECTORS AND COMPENSATION INFORMATION

Board of Directors and its Committees

Board of Directors

The business and affairs of CONSOL are managed under the direction of our Board. We do not have a policy regarding directors' attendance at our Annual Meetings of Shareholders; however, all directors are encouraged to attend. All of the currently serving members of our Board attended the 2016 Annual Meeting.

Board Leadership Structure

Mr. Thorndike currently serves as our non-employee Chairman of the Board. He and Mr. DeIuliis, our current President and Chief Executive Officer, provide the Board and the Corporation with the skills, leadership and direction that CONSOL needs as it continues to execute on its strategic business plan. Mr. Thorndike assumed the position of Chairman at the conclusion of the Annual Meeting held on May 11, 2016.

The combined depth of experiences of Messrs. Thorndike and DeIuliis at the helms of our Board and the Corporation, respectively, promote decisive, thoughtful and well-reasoned leadership during a time when CONSOL has continued the separation of its coal and E&P business, including the recent dissolution of the Marcellus Shale joint venture with Noble Energy, Inc. in October 2016, and the disposition of additional interest in pipeline and compression systems to CONE Midstream Partners LP for $70 million in cash and 2.6 million limited partnership units in November 2016.

By selecting an independent director as the next Chairman of the Board at the conclusion of the 2016 Annual Meeting, our Board's leadership structure, consistent with the significant changes occurring at the Corporation, has moved the Board into its next phase and continues to ensure clear accountability and enhance the Corporation's ability to communicate a clear and consistent message and strategy to shareholders, employees, customers and suppliers.

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

Periodic Board Refreshment

The Board seeks to maintain an effective, well-rounded and financially literate Board.

BOARD PROCESS FOR IDENTIFICATION AND REVIEW OF DIRECTOR CANDIDATES TO JOIN OUR BOARD

Back to Contents

Board's Role in Risk Management

THE BOARD

- Assesses major risks facing the Corporation and reviews options for risk mitigation with the assistance of the various committees
- Monitors risks that have been delegated to a particular committee through reports provided by the respective committee chairpersons at each regularly-scheduled Board meeting

Audit Committee

- Assists the Board in its general oversight of, among other things, the Corporation's policies, guidelines and related practices regarding risk assessment and risk management, including the risk of fraud
- Reviews and assesses the Corporation's major financial, legal, regulatory and similar risk exposures and the steps that management has taken to monitor and control such exposures
- Reviews and assesses the quality and integrity of our public reporting, as well as compliance with legal and regulatory requirements
- Reviews the performance and independence of our independent auditors, the performance of our internal audit department, the effectiveness of disclosure controls and procedures, and the adequacy and effectiveness of our risk management policies and related practices

Finance and Investment Committee

- Monitors and evaluates risks affecting the Corporation consistent with its charter, specifically through its review of our asset mix, potential mergers and acquisitions, capital structure and policies, financial position and policies, financing activities, compliance with debt covenants, dividend policies and material investments and contracts

Health, Safety And Environmental Committee

- Addresses various risks associated with health, safety, the environment and security (including cybersecurity)
- Reviews material compliance issues with health, safety and environmental laws; material pending or threatened administrative, regulatory or judicial proceedings regarding health, safety, environmental or security matters; and management's response to the foregoing

Nominating and Corporate Governance Committee

- Addresses governance associated with our management structure by reviewing, among other matters, how the Committees of the Board function and how the Board works with management on an annual basis
- Ensures that our Board is composed of capable individuals who provide appropriate oversight and insight to our executive management team in light of the Corporation's business

Compensation Committee

- Reviews and comments on our succession planning
- Assesses whether our compensation policies and practices may incentivize excessive risk-taking

MANAGEMENT

- Responsible for the management and assessment of risk at the Corporation and its subsidiaries
- Identifies, communicates and discusses the risks affecting the Corporation, its subsidiaries and our business through

regular presentations to the Board and appropriate committees (as determined by the subject matter of the particular risk)

- In 2016, performed a comprehensive risk analysis of the material risks that could affect the Corporation and communicated those results to the full Board

Committees of the Board of Directors

Our Board has five standing committees: Audit, Compensation, Nominating and Corporate Governance, Finance and Investment, and Health, Safety and Environmental. Actions taken by our committees are reported to the full Board. In January 2017, the Board determined that all members of each of the Audit, Compensation and Nominating and Corporate Governance Committees are independent under the current listing standards of the NYSE and other applicable regulatory requirements. See “*Determination of Director Independence*” on page 31 for additional information regarding the Board’s independence determinations with respect to its members.

Back to Contents

Audit Committee

FOUR INDEPENDENT DIRECTOR MEMBERS

Committee Responsibilities

- assist our Board in its oversight of the integrity of our financial statements, the Corporation's compliance with its legal and regulatory requirements, and our risk management policies and practices;
- interact with and evaluate the performance of our independent registered public accounting firm;
- provide general oversight over the accounting principles employed in our financial reporting and the effectiveness of CONSOL's internal controls over financial reporting and the performance of our internal audit function; and
- prepare the Audit Committee Report.

Our Board has determined that all members of the Audit Committee are financially literate within the meaning of SEC rules and under the current listing standards of the NYSE. Our Board has also determined that each of the members of the Audit Committee qualify as an "audit committee financial expert." A copy of the audit committee's report for the 2016 fiscal year is included in this Proxy Statement.

Compensation Committee

FIVE INDEPENDENT DIRECTOR MEMBERS

Committee Responsibilities

- establish and review the Corporation's compensation philosophies, policies, plans and programs, consistent with the Corporation's objectives and shareholder interests, for our directors, executive officers and certain other employees;
- review the performance of our executive officers and award incentive compensation;
- review and monitor our management development and succession plans and activities;
- engage and oversee the outside compensation consultant; and
- prepare the Compensation Committee Report.

Our Compensation Committee's charter generally permits it to delegate its authority, duties and responsibilities or functions to one or more members of the Compensation Committee or to the Corporation's officers, except where otherwise prohibited by law or applicable listing standards. The terms of our Executive Annual Incentive Plan and Equity Incentive Plan (the "Plan") also permit our Compensation Committee to delegate its power and authority under the Plan to our officers. In accordance with applicable law, in January 2016, the Compensation Committee authorized our Chief Executive Officer to grant up to 3,500,000 shares of our common stock (in the form of equity incentive awards) and annual cash incentive awards to our non-executive employees in compliance with the terms and conditions of such delegation, the plans and applicable laws and regulations.

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

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

- the development and review of a relevant peer group of companies;
- the benchmarking of components of our compensation programs with those of our peer group;
- assisting our Compensation Committee with the development of performance goals underlying the short- and long-term incentive programs; and
- assessing the overall competitiveness of our executive compensation program.

Before retaining Willis Towers Watson, the Compensation Committee considered the factors set forth in the NYSE rules regarding the independence of advisors from management and other relevant factors. After review, the Committee determined that no conflict of interest arose out of the retention of the Willis Towers Watson consulting team. Willis Towers Watson did not provide any services to the Corporation in 2016, other than to the Compensation Committee.

For additional information regarding the Compensation Committee's processes and procedures for reviewing and determining executive officer compensation, see "Compensation Discussion and Analysis" on page 32.

Back to Contents

Nominating and Corporate Governance Committee

FOUR INDEPENDENT DIRECTOR MEMBERS

Committee Responsibilities

- identify qualified individuals for nomination, election or appointment to the Board;
- ensure appropriate Board composition, and recommend appropriate Board structure and operations;
- oversee and assess the Corporation's corporate governance system, including the responsibilities of Board members and committees, and related policies and procedures;
- oversee annual evaluation of the Board, committees, and management, including the CEO; and
- recommend each director nominee to our Board for nomination for election at the Annual Meeting, taking into account nomination candidates whose names are submitted by shareholders.

In 2016, Messrs. Lanigan, Platt and Roberson were recommended for election to our Board by certain shareholders, and in 2017, Mr. Clarkson was recommended for election to our Board by a shareholder. After the Board and management conducted interviews with them, considered their qualifications to serve on the Board, and completed thorough conflicts and background checks, the Nominating and Corporate Governance Committee recommended their nomination for election to the Board at the 2016 Annual Meeting, in the case of Messrs. Lanigan, Platt and Roberson, and for election at the 2017 Annual Meeting, in the case of Mr. Clarkson.

Shareholders wishing to submit names of candidates for election as directors should submit the names of candidates to the Corporate Secretary, CONSOL Energy Inc., 1000 CONSOL Energy Drive, Canonsburg, PA 15317. See "Additional Matters" on page 74 for more information on making director nominations. In assessing the Board's membership needs, the Nominating and Corporate Governance Committee generally seeks to maintain a Board that is comprised of individuals who are competent in the following areas:

- general industry knowledge;
- accounting and finance;
- ability to make sound business decisions;
- management;
- leadership;
- knowledge of international markets;

- business strategy;
- crisis management;
- corporate governance; and
- risk management.

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

- determine what types of backgrounds, skills, and attributes of Board members are needed to help strengthen and balance the Board, taking into account the competencies described above;
- at appropriate times, actively seek individuals qualified to become new members of the Board; and
- evaluate and recommend to our Board the slate of director nominees to be elected by the shareholders at CONSOL's next Annual Meeting of Shareholders.

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

Finance and Investment Committee

FIVE INDEPENDENT DIRECTOR MEMBERS

Committee Responsibilities

- review and evaluate the Corporation's asset mix, potential M&A activity, capital structure, financial position, financing activities, compliance with debt covenants, dividend policies, and material investments and contracts; and
- advise and counsel the Board and management.

Back to Contents

Health, Safety and Environmental Committee

TEN INDEPENDENT DIRECTOR MEMBERS

Committee Responsibilities

- provide risk oversight of the Corporation's policies and procedures with respect to health, safety, the environment and security (including cybersecurity);
- review the Corporation's strategy, including objectives and policies, relative to the protection of the safety and health of employees, contractors, customers and the public, and environmental protection;
- review material compliance issues or pending or threatened proceedings regarding health, safety or environmental matters, and management's response to the same;
- review any significant health, safety and environmental public policy and legislative, political and social issues and trends; and
- includes the input and participation of all ten independent directors, in light of the significance of the Corporation's core values of safety and compliance.

Corporate Governance Web Page and Available Documents

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

- Amended and Restated Bylaws;
- CONSOL Corporate Governance Guidelines;
- CONSOL Code of Director Business Conduct and Ethics;
- CONSOL Code of Employee Business Conduct and Ethics, which covers all employees of CONSOL, including executive employees;
- Charters of the Audit, Nominating and Corporate Governance, Compensation, Finance and Health, Safety and Environmental Committees;
- Internal Audit Charter;
- Related Party Policy and Procedures; and
- Corporate Responsibility Report.

We also will provide a printed copy of any of these documents free of charge upon request to shareholders who contact the Investor Relations department in writing at CONSOL Energy Inc., 1000 CONSOL Energy Drive, Canonsburg, Pennsylvania 15317. These documents address important principles and corporate governance processes.

Membership and Meetings of the Board of Directors and its Committees

In 2016, each of the incumbent directors attended no fewer than 95% of the aggregate of:

- the total number of meetings held by our Board (during the period for which he or she was a director); and
- the total number of meetings held by all Board committees on which he or she served (during the period for which he or she served).

Committee membership as of April 3, 2017 and the number of meetings held during 2016 are shown in the following table:

	Board of Directors	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee	Finance Committee	Health, Safety and Environmental Committee
Alvin R. Carpenter	Member	—	Chair	—	Member	Member
William E. Davis	Member	Member	—	Chair	—	Member
Nicholas J. DeIuliis	Member	—	—	—	—	—
Maureen E. Lally-Green	Member	—	—	Member	—	Member
Gregory A. Lanham	Member	—	Member	—	—	Chair
Bernard Lanigan, Jr.	Member	Member	—	—	Member	Member
John T. Mills	Member	Chair	Member	—	—	Member
Joseph P. Platt	Member	—	Member	—	Member	Member
William P. Powell	Member	—	—	Member	Chair	Member
Edwin S. Roberson	Member	Member	—	Member	—	Member
William N. Thorndike, Jr.	Chair	—	Member	—	Member	Member
No. of 2016 Meetings	7 (1)	10	4	5	7	4

(1) Of the seven Board meetings, four were “Regularly Scheduled Meetings” and three were “Special Meetings.”

Back to Contents

During 2016, the non-management directors held 4 executive sessions of the Board. Mr. Baxter, our former Lead Independent Director, presided over the executive sessions held prior to the May 11, 2016 Annual Meeting. The presiding director for the executive sessions after the May 11, 2016 Annual Meeting was Mr. Thorndike, our Chairman and an independent director.

Communication with the Board of Directors

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

Director Compensation Table – 2016

The following table sets forth the compensation of our directors for the 2016 fiscal year:

Name[1]	Fees Earned or Paid in Cash	Stock Awards[2]	Option Awards[3]	All Other Compensation[4]	Total
Philip W. Baxter[5]	$52,500	$ —	$—	$ —	$52,500
Alvin R. Carpenter	$140,000[6]	$ —	$150,000	$ —	$290,000
William E. Davis	$137,500[7]	$ —	$150,000	$ —	$287,500
David C. Hardesty, Jr.[5]	$40,000	$ —	$—	$ —	$40,000
J. Brett Harvey[5]	$291,667	$ —	$—	$ —	$291,667
Maureen E. Lally-Green	$123,333[8]	$ —	$150,000	$ —	$273,333
Gregory A. Lanham	$126,667[9]	$ —	$150,000	$ —	$276,667
Bernard Lanigan, Jr.	$85,000 [10]	$ —	$150,000	$ —	$235,000
John T. Mills	$150,000	$ —	$150,000	$ —	$300,000
Joseph P. Platt	$80,000	$ —	$150,000	$ —	$230,000
William P. Powell	$130,000	$ —	$150,000	$ —	$280,000
Edwin S. Roberson	$85,000 [11]	$ —	$150,000	$ —	$235,000
William N. Thorndike, Jr.	$173,333[12]	$ —	$300,000	$ —	$473,333

(1)

Mr. DeIuliis is a member of the Board of Directors of CONSOL. During 2016, Mr. DeIuliis served as the Chief Executive Officer of CONSOL, and as a result his compensation is reported in the Summary Compensation Table and other sections of this Proxy Statement. In 2016, he did not receive any additional compensation in connection with his service on our Board.

(2) No awards relating to this column were granted to directors in 2016. As of December 31, 2016, the following directors had restricted stock units ("RSUs") that were previously granted as annual equity awards that were deferred pursuant to the terms of our Non-Employee Directors Deferred Fee Plan: (i) Mr. Powell had 28,680 deferred RSUs; (ii) Mr. Mills had 25,479 deferred RSUs; (iii) Mr. Davis had 24,196 deferred RSUs; (iv) Ms. Lally-Green had 11,341 deferred RSUs; (v) Mr. Lanham had 4,559 deferred RSUs; and (vi) Mr. Thorndike had 6,955 deferred RSUs. In addition, Mr. Lanham had 5,486 deferred stock units, Mr. Thorndike had 5,466 deferred stock units and Mr. Roberson had 2,931 deferred stock units.

(3) As of December 31, 2016, the number of shares underlying option awards held by our non-employee directors was: (i) 41,727 for Mr. Carpenter; (ii) 32,734 for Mr. Davis; (iii) 25,900 for Ms. Lally-Green; (iv) 21,583 for Messrs. Lanham, Mills, Platt, Powell and Roberson; (v) 39,929 for Mr. Lanigan; and (vi) 71,943 for Mr. Thorndike. For these 2016 Options, the grant date fair value is computed based upon a Black-Scholes Model. The fair value of the Options was determined using various assumptions including: expected volatility (61.46%), dividend yield (0%), and the risk-free rate (0.98%). The grant date fair value of the options was $6.95. A discussion of the additional assumptions made in the valuation of the Option awards is provided in Note 17 of the 2016 Annual Report.

(4) The non-employee directors are permitted to use a de minimis number of tickets purchased by CONSOL to attend sporting or other events when such tickets are not otherwise being used for business purposes.

(5) Messrs. Baxter, Hardesty and Harvey retired from the Board at the 2016 Annual Meeting.

(6) Mr. Carpenter elected to defer 100% of his cash retainer and 100% of his Board fees for the 2016-2017 Board year into options.

(7) Mr. Davis elected to defer 50% of his cash retainer and 100% of his Board fees for the 2016-2017 Board year into options.

(8) Ms. Lally-Green elected to defer 25% of her cash retainer for the 2016-2017 Board year into options.

(9) Mr. Lanham elected to defer 100% of his cash retainer for the 2015-2016 Board year into deferred stock units.

(10) Mr. Lanigan elected to defer 100% of his cash retainer and 100% of his Board fees for the 2016-2017 Board year into options.

(11) Mr. Roberson elected to defer 35% of his cash retainer and Board Fees into deferred stock units and 15% into deferred cash for the 2016-2017 Board year.

(12) Mr. Thorndike elected to defer 100% of his cash retainer for the 2015-2016 Board year into deferred stock units and 100% of the cash retainer for the 2016-2017 Board year into options.

Back to Contents

Understanding Our Director Compensation Table

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

CONSOL Non-Employee Director Annual Fees and Awards

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

Element of Annual Compensation	**Dollar Value of Board Compensation (January 1, 2016 - December 31, 2016)**
Chairman Retainer	$ 200,000
Board Retainer	$ 120,000
Committee Chair Retainer (excluding Audit Committee and Compensation Committee Chair Retainer)	$ 10,000
Audit Committee Chair Retainer	$ 30,000
Compensation Committee Chair Retainer	$ 20,000
Audit Committee Member Retainer (excluding Audit Committee Chair Retainer)	$ 7,500
Annual Equity Award (Stock Options)	$ 150,000
Chairman Equity Award (Stock Options)	$ 300,000

The compensation structure adopted by our Board was the result of a competitive assessment of board compensation provided to the Compensation Committee by its compensation consultants in December 2013, and for the Chairman, in connection with his appointment as Chairman after the Annual Meeting held on May 11, 2016.

CONSOL Non-Employee Director Stock Options

The non-employee directors received their Annual Equity Award in the form of nonqualified stock options in 2016. In addition, subject to the provisions of the nonqualified stock option agreement and the Plan, the options generally vest on the one-year anniversary of the Board determined grant date and expire on the tenth anniversary of such grant date.

The non-employee director nonqualified stock option agreements provide that in the event of death or disability or upon the completion of a “change in control” (as defined in the Plan), any non-vested portion of the award will immediately vest and become exercisable, and remain exercisable until the normal expiration of the stock option. If a director separates from service for any other reason, other than for “cause” (as defined in the Plan), any non-vested portion of the award will be forfeited and canceled as of such date, with any vested portion remaining exercisable until the normal expiration of the option. If a director terminates from service for cause, all outstanding option awards will immediately be forfeited and canceled as of such date.

CONSOL Non-Employee Director RSUs

From 2007 through 2015, non-employee directors received their Annual Equity Award in the form of RSUs. Each RSU represents the right to receive one share of common stock following the vesting date of that unit. Non-employee director RSU awards vest in full one year from the grant date. A director is not entitled to shareholder rights, including voting rights and/or dividend rights with respect to the shares underlying a RSU award, until such shares become vested and are issued to the director. Should a regular cash dividend be declared on the Corporation’s common stock at a time before the shares subject to a RSU award become vested and are issued, then the holder of the RSU will be entitled to dividend equivalent rights equal to the cash dividend declared on the shares. Dividend equivalent rights are converted into shares underlying the RSUs in accordance with a pre-established formula. The additional shares resulting from this calculation will be subject to the same terms and conditions as the unissued shares of common stock to which they relate under the award.

The non-employee director RSU award agreements provide that in the event of death or disability or upon the completion of a change in control, all shares subject to such award will vest automatically and be delivered to the director immediately, or as soon as administratively practical thereafter (but in no event later than the 15th day of the third month following that date). If a director’s service is terminated for cause or he or she ceases to provide services to the Corporation for any reason other than death, disability or in connection with a change in

Back to Contents

control, such director's award will be cancelled with respect to any unvested shares, and the number of RSUs will be reduced accordingly. The director will then cease to have any rights or entitlements to receive any shares of common stock under those cancelled units.

As a condition to a director's right to receive shares subject to a stock option or RSU award, the director must agree to abide by the terms and conditions of the proprietary information covenant included in the award agreement and must return any materials belonging to the Corporation upon termination of service on the Board. See "*Equity Incentive Plan Definitions*" on page 64 for definitions under our Plan.

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

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

CONSOL Non-Employee Director Deferred Stock Units

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

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

If a director ceases to be a director on account of death, disability or retirement at normal retirement age for directors, all unvested deferred stock units granted to such director will automatically vest and become non-forfeitable. If the director's service is terminated for "cause" or ceases to provide services for any reason other than death, disability (as defined in the Plan) or retirement at a normal age, all unvested deferred stock units and any rights to the underlying shares will be immediately forfeited for no consideration. In addition, in the event of a termination for "cause" (as defined in our Plan) or a breach of the proprietary information covenant contained in the deferred stock unit agreement, the director will also forfeit all of his or her right, title and interest in and to any shares that have vested under his or her award. See *"Equity Incentive Plan Definitions"* on page 64 for definitions of cause and disability under our Plan. Deferred stock units are structured to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"). At this time, Messrs. Lanham, Roberson and Thorndike are the only non-employee directors who have elected to receive deferred stock units in lieu of their retainer fees.

CONSOL Stock Ownership Guidelines for Directors

Our Board has adopted stock ownership guidelines for our directors to further align their interests with those of our shareholders and to ensure that they maintain an appropriate financial stake in CONSOL. The stock ownership guidelines provide, among other things, that our directors hold CONSOL common stock (not including shares issuable upon the exercise of options) with a value equal to five times the annual Board cash retainer on or before the fifth anniversary of becoming a Board member. As of December 31, 2016, each Board member was in compliance with our stock ownership guidelines or is expected to be within the five-year period from their start date on the Board.

Back to Contents

BENEFICIAL OWNERSHIP OF SECURITIES

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

- beneficial owners of more than five percent of CONSOL's common stock based upon information filed with the SEC; and
- each director and each nominee for director, each named executive and all directors and executive officers of the Corporation as a group, as of March 13, 2017.

The table also presents the ownership of common units of CNX Coal Resources LP ("CNXC") held by each director and each nominee for director, each named executive and all directors and executive officers of the Corporation as a group, as of March 13, 2017.

Amounts shown below include options that are currently exercisable or that may become exercisable within 60 days of March 13, 2017 (*i.e.*, May 12, 2017) and the shares underlying deferred stock units and the shares underlying RSUs that will be settled on or before May 12, 2017. Unless otherwise indicated, the named person has the sole voting and dispositive powers with respect to the shares of CONSOL common stock set forth opposite such person's name.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	Percent of Class
Southeastern Asset Management, Inc.(2) 6410 Poplar Ave., Suite 900 Memphis, TN 38119	49,973,415	21.7 %
BlackRock, Inc.(3) 55 East 52nd Street New York, NY 10055	15,436,305	6.7 %
Greenlight Capital, Inc.(4) 140 East 45th Street, 24th Floor New York, NY 10017	15,403,173	6.7 %
Franklin Mutual Advisors, LLC(5) 101 John F. Kennedy Parkway Short Hills, NJ 07078-2789	13,529,788	5.9 %
The Vanguard Group, Inc.(6) 100 Vanguard Boulevard Malvern, PA 19355	13,104,843	5.7 %

	CONSOL Energy Inc.	Percent of Class	CNX Coal Resources	Percent of Class

	Shares Beneficial Owned		LP Common Units Beneficial Owned	
Nicholas J. DeIuliis[(7)(8)]	1,047,412	*	7,500	*
James A. Brock[(7)]	99,965	*	19,220	*
Stephen W. Johnson[(7)]	321,545	*	3,800	*
William E. Davis[(7)]	68,676	*	—	*
John T. Mills[(7)]	72,701	*	25,000	*
William P. Powell[(7)]	60,594	*	—	*
Alvin R. Carpenter[(7)]	135,327	*	12,000	*
David M. Khani[(7)]	155,604	*	13,000	*
Gregory A. Lanham[(7)(9)]	44,024	*	—	*
William N. Thorndike, Jr.[(7)(10)]	164,364	*	—	*
Timothy C. Dugan[(7)]	103,929	*	—	*
Maureen E. Lally-Green[(7)]	38,540	*	300	*
Bernard Lanigan, Jr.[(7)(11)]	1,045,181	*	—	*
Joseph P. Platt[(7)]	21,583	*	—	*
Edwin S. Roberson[(7)(12)]	24,514	*	6,500	*
J. Palmer Clarkson[+]	—		—	*
All current directors and current executive officers as a group	3,385,186	1.5%	87,320	*

* Indicates less than one percent (1%) ownership.
+Denotes a director nominee.

Back to Contents

(1) As of March 13, 2017, there were 230,019,469 shares of CONSOL common stock outstanding.

(2) Based on a Schedule 13D/A filed by Southeastern Asset Management, Inc., an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, on February 24, 2017. Southeastern Asset Management, Inc. is deemed to be the beneficial owner of and has sole voting power with respect to 22,610,713 shares, shared or no voting power with respect to 24,277,266 (shared) and 3,085,436 (no voting) shares, sole dispositive power with respect to 25,086,149 shares and shared voting and dispositive power with respect to 24,887,266 shares. The Schedule 13D/A indicates that Longleaf Partners Fund, an investment company registered under Section 8 of the Investment Company Act, shares voting and dispositive power with Southeastern Asset Management, Inc. with respect to 11,536,742 shares, and that Longleaf Partners Small-Cap Fund, an investment company registered under Section 8 of the Investment Company Act, shares voting and dispositive power with Southeastern Asset Management, Inc. with respect to 12,494,200 shares.

(3) Based on a Schedule 13G/A filed by BlackRock, Inc. on January 23, 2017, BlackRock, Inc., as a parent holding company for a number of investment management subsidiaries, is deemed to have sole voting power with respect to 14,729,789 shares and be the beneficial owner of and have sole dispositive power with respect to 15,436,305 shares. The following subsidiaries of BlackRock, Inc. are investment advisors which hold shares of our common stock: BlackRock Advisors, LLC, BlackRock Advisors (UK) Limited, BlackRock Asset Management Canada Limited, BlackRock Financial Management, Inc., BlackRock Fund Advisors, BlackRock Institutional Trust Company, N.A., BlackRock Investment Management, LLC, BlackRock Investment Management (Australia) Limited, BlackRock Life Limited, BlackRock (Luxembourg) S.A., BlackRock Asset Management Schweiz AG, BlackRock Fund Managers Ltd, BlackRock Asset Management Ireland Limited, BlackRock Investment Management (UK) Limited, BlackRock (Netherlands) B.V., BlackRock International Limited, and BlackRock Japan Co. Ltd.

(4) Based on a Schedule 13G/A filed on February 14, 2017 by Greenlight Capital, Inc. ("Greenlight Inc."), DME Advisors, LP ("DME Advisors"), DME Capital Management, LP ("DME CM"), DME Advisors GP, LLC ("DME GP" and together with Greenlight Inc., DME Advisors and DME, CM, "Greenlight"), and David Einhorn, the principal of Greenlight, reporting ownership as of December 31, 2016. Greenlight Inc. is deemed to be the beneficial owner of an aggregate of 8,717,267 shares, DME Advisors is deemed the beneficial owner of an aggregate of 2,214,900 shares, DME CM is deemed the beneficial owner of an aggregate of 4,380,606 shares, DME GP is deemed the beneficial owner of an aggregate of 6,595,506 shares, and Mr. Einhorn is deemed the beneficial owner of an aggregate of 15,403,173 shares.

(5) Based on a Schedule 13G filed by Franklin Mutual Advisors, LLC with the SEC on February 7, 2017, Franklin Mutual Advisors, LLC is deemed the beneficial owner of an aggregate of 13,529,788 shares. The securities reported are beneficially owned by one or more open-end investment companies or other managed accounts that are investment management clients of Franklin Mutual Advisors, LLC, an indirect wholly owned subsidiary of Franklin Resources, Inc.

(6) Based on a Schedule 13G/A filed by the Vanguard Group, Inc. on February 10, 2017. The Vanguard Group, Inc. is deemed to be the beneficial holder of and has sole voting power with respect to 117,506 shares, shared voting power with respect 22,778 shares, sole dispositive power with respect to 12,973,806 shares and shared dispositive power with respect to 131,037 shares.

(7) Includes shares issuable pursuant to options that are currently exercisable (or may become exercisable on or before May 12, 2017) as follows: Mr. DeIuliis, 552,354; Mr. Brock, 32,322; Mr. Johnson, 183,156; Mr. Khani, 84,017; Mr. Dugan, 53,571; Mr. Carpenter, 41,727; Mr. Davis, 32,734; Ms. Lally-Green, 25,900; Mr. Lanham, 21,583; Mr. Lanigan, 39,929; Mr. Powell, 21,583; Mr. Mills, 21,583; Mr. Platt, 21,583; Mr. Roberson, 21,583 and Mr. Thorndike, 71,943.

(8) Includes 133,575 shares of common stock held in Grantor Retained Annuity Trusts and 1,098 shares held in trusts for his children.

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

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

shares held in the third party margin account. Mr. Thorndike has indicated he will use commercially reasonable efforts to pay down the margin account. As of March 20, 2017, Mr. Thorndike reduced the number of shares that are deemed to be held in the margin account by 5% to 47,500.

(11) Includes 20,600 shares held by Mr. Lanigan, 30,600 shares held by the Lanigan Family Limited Partnership, which Mr. Lanigan is one of the general partners, and 20,000 shares held by a limited liability company, which Mr. Lanigan is part owner of the managing member. These shares are currently held in a marginable account, but are on non-margin status. Also includes 934,052 shares held in investment advisory clients of Southeast Asset Advisors, Inc., an investment advisor of which Mr. Lanigan serves as Chairman and Chief Executive Officer and disclaims beneficial ownership of such shares.

(12) Includes 2,931 deferred stock units held by Mr. Roberson.

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

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Corporation’s directors, executive officers and persons who beneficially own more than ten percent of a class of the Corporation’s registered equity securities to file with the SEC and deliver to the Corporation initial reports of ownership and reports of changes in ownership of such registered equity securities. To our knowledge, based solely upon a review of Section 16 filings with the SEC, written representations that no other reports were required, and on CONSOL’s records, we believe that during 2016, the Corporation’s executive officers, directors and greater than ten percent shareholders complied with all applicable Section 16(a) filing requirements.

Back to Contents

Proposal No. 1 Election of Directors

The eleven nominees for election as directors for 2017 are identified below. Each director who is elected will hold office until the next annual meeting and until the director's successor is elected and qualified. All nominees are current members of the Board, except for Mr. Clarkson, who is being nominated by the Board for election at the Annual Meeting. If any nominee should for any reason become unable to serve, all shares represented by valid proxies will be voted for the election of such other person as the Board may designate as recommended by the Nominating and Corporate Governance Committee. Alternatively, the Board may reduce the number of directors to eliminate the vacancy.

Biographies of Nominees

The following biographies include information concerning the nominees for director, including their recent employment, positions with CONSOL, other directorships, board committee memberships and ages as of March 13, 2017.

ALVIN R. CARPENTER

Age: 75	CONSOL Committees:
Director Since: 2013	
Occupation: Former Vice Chairman – CSX	• Compensation (Chair)
Corporation;	• Finance and Investment
Former Director of Regency Centers	• Health, Safety and Environmental
Corporation	

Background:

Alvin R. Carpenter joined the CONSOL Board in June 2013. Mr. Carpenter currently serves as Chair of the Compensation Committee and a member of the Finance and Investment Committee and the Health, Safety and Environmental Committee. He retired from CSX Corporation ("CSX"), a railroad company, in February 2001, where he had served as vice chairman from July 1999 until his retirement. From 1962 until February 2001, he held various positions with CSX, including President and Chief Executive Officer of CSX Transportation, Inc. from 1992 to 1999 and Executive Vice President-Sales and Marketing of CSX Transportation, Inc. from 1989 to 1992. Mr. Carpenter served as a director of Stein Mart, Inc., a retail company, from 1996 to 2015, where he served as chairman of its compensation committee and as a member of the corporate governance committee. Mr. Carpenter served as a director of Regency Centers Corporation, an owner and developer of dominant, grocery-anchored retail centers, from 1993 until 2016, where he served as a member of its audit, compensation and nominating and corporate governance committees. He served as a director of Lender Processing Services, Inc. from 2009 until it was sold to Fidelity National Financial, Inc. in January 2014, where he had served as its lead director, chairman of the corporate governance and nominating committee and as a member of the compensation committee. Additionally, he previously served on the boards of PSS World Medical, Inc., Barnett Bank, Inc., Nations Bank, American Heritage Life Insurance Company, Blue Cross & Blue Shield of Florida, One Valley Bancorp of West Virginia and Florida Rock Industries, Inc. He also chaired Governor Jeb Bush’s Commission on Workers’ Compensation Reform and served on Governor Bush’s Advisory Council on Base Realignment and Closure.

Qualifications:

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

Back to Contents

J. PALMER CLARKSON

Age: 60

Director Nominee

Occupation: President and Chief Executive Officer

of Bridgestone HosePower, LLC

Background:

J. Palmer Clarkson is the founder of, and since 1992, has served as the President and Chief Executive Officer of Bridgestone HosePower, LLC, previously Hosepower, the largest U.S. based service provider of hydraulic and industrial hoses used in construction machinery, mining, oil field equipment, and factories. Mr. Clarkson currently sits on the Board of Directors at Bridgestone HosePower, LLC, Hawkson Properties, Inc., and Bridgestone Industrial Products Group – Japan. Mr. Clarkson previously served as the President and Chief Executive Officer of Anchor Coupling Company from 1987 to 1992. He also sits on the boards of several non-profit organizations.

Qualifications:

Mr. Clarkson brings over 31 years of hands-on experience as an entrepreneur, business builder and manager. He has extensive experience in accounting, finance, and operations, with a proven leadership track record.

WILLIAM E. DAVIS

CONSOL Committees:

Age: 74

Director Since: 2004

Occupation: Former Chairman and Chief Executive Officer of Niagara Mohawk Power Corporation

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

Background:

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

Qualifications:

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

Back to Contents

NICHOLAS J. DEIULIIS

Age: 48

Director Since: 2014

Occupation: President and Chief Executive Officer

Background:

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

Qualifications:

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

Back to Contents

MAUREEN E. LALLY-GREEN

Age: 67

Director Since: 2013

Occupation: Interim Dean of Duquesne University Law School, Former Judge on the Superior Court of Pennsylvania.

CONSOL Committees:

- Nominating and Corporate Governance
- Health, Safety and Environmental

Background:

Maureen E. Lally-Green joined the CONSOL Board in June 2013. Ms. Lally-Green currently serves as a member of the Health, Safety and Environmental Committee and the Nominating and Corporate Governance Committee. She has served on the board of Federated Mutual Fund Complex since August 2009 and was appointed to serve on its audit committee in May 2013. As of July 1, 2016, Ms. Lally-Green is serving as Interim Dean of the School of Law of Duquesne University in Pittsburgh, Pennsylvania. Ms. Lally-Green has served in various legal and business roles and directorship positions throughout her career. She previously served as Associate General Secretary, Diocese of Pittsburgh (retired August 2015), a member of the Superior Court of Pennsylvania (retired 2009), and as a Professor of Law, Duquesne University School of Law, where she continues to teach in an adjunct capacity. Other relevant experience includes her service as a consultant to the Supreme Court of Pennsylvania, counsel in the law department at the former Westinghouse Electric Corporation and counsel at the Division of Trading and Markets and Enforcement at the Commodity Futures Trading Commission. She also holds the following positions: member, Pennsylvania State Board of Education; Director and Chair, UPMC Mercy Hospital; Regent, St. Vincent Seminary; Director and Vice Chair, Our Campaign for the Church Alive!, Inc.; Director, Saint Vincent College; and Director and Chair, Cardinal Wuerl North Catholic High School, Inc. Ms. Lally-Green also has held the positions of: Director, Auberle; Director, Ireland Institute of Pittsburgh; Director, Saint Thomas More Society; Director, Epilepsy Foundation of Western and Central Pennsylvania; Director, Pennsylvania Bar Institute; and Director and Chair, Catholic High Schools of the Diocese of Pittsburgh, Inc. She is a member, among others, of the Pennsylvania Bar Association and the Allegheny County Bar Association.

Qualifications:

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

BERNARD LANIGAN, JR.

	CONSOL Committees:
Age: 69	
Director Since: 2016	• Audit
Occupation: Chairman and Chief Executive Officer	• Finance and Investment
of Southeast Asset Advisors, Inc.	• Health, Safety and Environmental

Background:

Bernard Lanigan, Jr. joined the CONSOL Board in May 2016. He currently serves on the Audit Committee, the Finance and Investment Committee, and the Health, Safety and Environmental Committee. He founded and has served as Chairman and Chief Executive Officer of Southeast Asset Advisors, Inc., an investment advisor and wealth management company, since 1991. He also founded and has served as Chairman of Lanigan & Associates, P.C., a certified public accounting and consulting firm, since 1974. Mr. Lanigan currently serves on the boards of directors of Ruby Tuesday, Inc. since 2011 and Rayonier Inc. since 2015, as well as various non-public companies, including Lykes Brothers, Inc. and various endowments and private foundations. Previously, Mr. Lanigan served on the board of directors of Texas Industries, Inc.

Qualifications:

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

Back to Contents

JOHN T. MILLS	
	CONSOL Committees:
Age: 69	
Director Since: 2006	• Audit (Chair)
Occupation: Former Chief Financial Officer –	• Compensation
Marathon Oil Corporation	• Health, Safety and Environmental

Background:

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

Qualifications:

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

JOSEPH P. PLATT

Age: 69

Director Since: 2016

Occupation: General Partner, Thorn Partners, LP

CONSOL Committees:

- Compensation
- Finance and Investment
- Health, Safety and Environmental

Background:

Joseph Platt joined the CONSOL Board in May 2016. He currently serves on the Compensation Committee, the Finance and Investment Committee, and the Health, Safety and Environmental Committee. He is the general partner at Thorn Partners, LP, a family limited partnership, a position he has held since 1998. Mr. Platt's career at Johnson and Higgins, a global insurance broker and employee benefits consultant ("J&H"), spanned 27 years until 1997, when J&H was sold to Marsh & McLennan Companies. At the time of the sale, Mr. Platt was an owner, director and executive vice president of J&H. Mr. Platt has served on the board of directors of Greenlight Capital Re, Ltd., a property and casualty reinsurer, since 2004 and has been its lead independent director since 2007, and also serves as an independent director of BlackRock's Open End & Liquidity Funds and on the boards of various other nonpublic companies and not-for-profit institutions.

Qualifications:

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

Back to Contents

WILLIAM P. POWELL

Age: 61

Director Since: 2004

Occupation: Managing Partner – 535 Partners LLC

CONSOL Committees:

- Finance and Investment (Chair)
- Nominating and Corporate Governance
- Health, Safety and Environmental

Background:

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

Qualifications:

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

EDWIN S. ROBERSON

CONSOL Committees:

Age: 72

Director Since: 2016	• Audit
Occupation: Former Chief Executive Officer,	• Nominating and Corporate Governance
Christ Community Health Services	• Health, Safety and Environmental

Background:

Edwin S. Roberson has served on the CONSOL Board since May 2016. He currently serves as a member of the Audit Committee, the Nominating and Corporate Governance Committee, and the Health, Safety and Environmental Committee. Most recently, he served as Chief Executive Officer of Christ Community Health Services, a health system of eight clinics providing high quality healthcare to the underserved in the Memphis, Tennessee community, a position he held since 2014. Prior to that, Mr. Roberson served as Chief Executive Officer of various cancer research and biotech firms, and as President of Beacon Consulting, LLC, a business consulting firm, from 2006 to 2011. From 1991 to 2006, he worked at Conwood LLC, the nation's second-largest manufacturer of smokeless tobacco products and a major seller and distributor of tobacco products manufactured by third parties, where he served in several roles, including Chief Financial Officer and, ultimately, President. After serving in the Army from 1969 to 1971, where he was awarded two Bronze Stars in Vietnam, Mr. Roberson began his professional career at KPMG, an international accounting and consulting firm, where he was a tax partner until 1991. Mr. Roberson also serves on the board of directors of Protea Biosciences, Inc. where he is chairman of the audit committee, and has served on the board of Paragon National Bank, where he was chairman of the audit committee. Mr. Roberson serves on the board of directors of Infocare, Inc. (US), Additionally, he also serves on the board of directors of several private corporations and currently serves or has served as a board member for a number of educational, religious, civic and charitable organizations, including Duke University Divinity School, the Boy Scouts of America, and Chairman of Methodist Le Bonheur Healthcare.

Qualifications:

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

Back to Contents

WILLIAM N. THORNDIKE, JR.

Age: 53

Director Since: 2014

Occupation: Managing Director of Housatonic Partners

CONSOL Committees:

- Compensation
- Finance and Investment
- Health, Safety and Environmental

Background:

William N. Thorndike, Jr. has served on the CONSOL Board since October 2014. Mr. Thorndike has been CONSOL's Chairman of the Board since May 2016, and he currently serves as a member of the Compensation Committee, the Finance and Investment Committee and the Health, Safety and Environmental Committee. He founded Housatonic Partners, a private equity firm, in Boston, MA in 1994 and has been a Managing Director since that time. Prior to founding Housatonic Partners, Mr. Thorndike worked with T. Rowe Price Associates and Walker & Company, a publishing company, where he was named to the board of directors. Mr. Thorndike has served as a director of over 30 companies since founding Housatonic Partners. He is currently a director of Carillon Assisted Living, LLC; Lincoln Peak Holdings, LLC; OASIS Group Ltd.; QMC International, LLC; and Zirco DATA. Mr. Thorndike briefly served on the board of LeMaitre Vascular, Inc., a former portfolio company, after it went public. He also serves as a Trustee of Stanford Business School Trust, and WGBH, a public broadcaster serving southern New England, and is the Chair of the Board of Trustees of the College of the Atlantic. Mr. Thorndike is the author of "The Outsiders: Eight Unconventional CEOs and Their Radically Rational Blueprint for Success."

Qualifications:

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

Related Party Policy and Procedures

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

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

No reportable transactions existed during 2016, and there are currently no such proposed transactions, except as described below.

Mr. Brock, our Executive Vice President and Chief Operating Officer – Coal and one of our named executives, also serves as Chief Executive Officer and director of CNX Coal Resources GP LLC (the “General Partner”), which a subsidiary of the Corporation and the general partner of CNXC, one of our master limited partner entities. On September 30, 2016 we entered into the First Amended and Restated Omnibus Agreement with CNXC under which CNXC agreed to reimburse the Corporation, on a monthly basis, for compensation-related expenses (including salary, bonus, incentive compensation and other amounts) attributable to the portion of certain executives’ compensation, including that of Mr. Brock, that is allocable to the General Partner. Mr. Brock devotes approximately 100% of his overall professional working time to the business and affairs of the Corporation’s Pennsylvania Mining Complex. On September 30, 2016, CNXC acquired

Back to Contents

an additional 5% undivided interest in the Pennsylvania Mining Complex from the Corporation, increasing their total undivided interest to 25%. Accordingly, CNXC currently reimburses the Corporation for approximately 25% of the total compensation-related expenses (including salary, bonus, incentive compensation and other amounts) incurred by the Corporation and attributable to Mr. Brock's CNXC-related compensation. The total reimbursable compensation-related expenses attributable to Mr. Brock for the year ended December 31, 2016 was approximately $491,132. For additional information regarding the omnibus agreement, please refer to the disclosure in "Item 13. Certain Relations and Related Transactions, and Director Independence – Omnibus Agreement" of CNXC's Form 10-K for the fiscal year ended December 31, 2016, which was filed with the SEC on February 8, 2017.

Determination of Director Independence

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

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

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

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

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

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

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

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

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

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

The Board of Directors Unanimously Recommends that you vote "FOR" the above-named Nominees for the Board of Directors.

Back to Contents

EXECUTIVE COMPENSATION INFORMATION

Compensation Discussion and Analysis

Introduction

This Compensation Discussion and Analysis section of the Proxy Statement (the "CD&A") is designed to provide our shareholders with an explanation of CONSOL's executive compensation philosophy and objectives, our 2016 executive compensation program, and the compensation paid by CONSOL to the following named executive officers (the "named executives") in or for 2016:

Name	Position
Nicholas J. DeIuliis	President and Chief Executive Officer ("Chief Executive Officer")
David M. Khani	Executive Vice President and Chief Financial Officer ("Chief Financial Officer")
Stephen W. Johnson	Executive Vice President and Chief Administrative Officer ("Chief Administrative Officer")
James A. Brock	Executive Vice President and Chief Operating Officer – Coal ("Chief Operating Officer – Coal")
Timothy C. Dugan	Executive Vice President and Chief Operating Officer – Exploration and Production ("Chief Operating Officer – E&P")

The contents of this CD&A are organized into five sections:

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

1 Summary

Our executive compensation program is designed to attract, motivate and retain key executives who will promote both the short- and long-term growth of CONSOL and create sustained shareholder value. To this end, we take a pay-for-performance approach to our executive compensation program that ties the majority of the compensation payable to our named executives to CONSOL's stock price and operational performance, and promotes equity ownership among the named executives to greater align their interests with those of our shareholders. Some of the highlights from 2016 include:

- Stock price improved more than 130% in calendar year 2016 (and improved by approximately 92% between the beginning of 2016 and the 2016 Annual Meeting);
- No change in the Chief Executive Officer's target compensation from 2015 to 2016;
- Approximately 97.1% of the shares voted at our 2016 Annual Meeting approved our 2015 executive compensation program;
- Designed the Chief Executive Officer's compensation with 90% being at-risk and/or tied to stock price;
- Greatly simplified the 2016 short-term incentive program ("STIC"), which focused on achieving the strategic objective of generating free cash flow, and which was achieved at more than a maximum performance level in 2016;

Back to Contents

- Designed the 2016 Long-Term Incentive Compensation Program (“LTIC”) to be focused on and reward executives for achievement of stock price appreciation goals, including time-based vesting of options over a three-year period and vesting of performance share units (“PSUs”) over a five-year period based on the achievement of absolute and relative stock price goals, and which was achieved at more than a maximum performance level with respect to the 2016 tranche of the PSUs;

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

- Paid at target the 2014 LTIC of PSUs for the 2014 – 2016 performance period based on achievement of the average Return on Capital Employed (“ROCE”) metric at the “Outstanding” performance level (with relative TSR at a below-threshold performance level); and

- No employment agreements between CONSOL and current executives.

Managerial decisions over time drive a company’s financial performance. CONSOL’s financial and non-financial performance has been consistently solid over the years – despite the volatile economy and volatile commodity prices. This conclusion is underscored by our 2016-2017 Business, Compensation and Corporate Governance Highlights, as described on pages 5-11.

2 Pay for Performance

We consistently place a substantial portion of our named executives’ compensation at-risk a majority of which is dependent upon the performance of our stock price. As demonstrated in the following chart(s) on an approximate basis, more than a majority of our named executives’ compensation is in the form of annual and equity incentive-based compensation.

The above charts demonstrate a strong alignment between the named executives’ compensation and the long-term interests of our shareholders. In short, the named executives’ compensation is highly correlated with stock price performance – if value is not delivered to our shareholders (based on the compensation values approved by the Compensation Committee in January 2016), as measured by stock price, then the named executives’ compensation will be adversely affected.

For further reference, the chart below shows Mr. DeIuliis’ total direct compensation during 2014 – 2016 against our three-year stock price performance, as measured by total shareholder return (“TSR”), in each case relative to the 2017 peer group of companies (listed on page 35). As demonstrated below, the vertical axis of the chart shows that Mr. DeIuliis’ total direct compensation was in the **29th percentile** of the peer group for the three year period of 2014 – 2016, while the horizontal axis of the chart shows that our relative TSR at approximately the **49th percentile**, during the three year period 2014 – 2016. As a result, Mr. DeIuliis' compensation during the three year period was significantly below CONSOL's TSR performance relative to peers during the same period. Despite CONSOL's TSR performance results

Back to Contents

relative to the 2017 peers, Mr. DeIuliis' compensation remained below the median due to his decline of a compensation increase (as further described below).

* For 2014-2016 compensation, CONSOL is at the **49th percentile** with respect to TSR and the **29th percentile** with respect to the CEO's total compensation. Compensation is measured using 2014 - 2016 CONSOL pay and 2013 - 2015 peer pay. Compensation is defined as (i) total direct compensation (base salary, bonus, and the aggregate grant date fair value of the LTIC (for 2016, measured as of January 29, 2016 for CONSOL, which values are set forth in footnote 1 of the Summary Compensation Table on page 47)) and (ii) all other compensation. For purposes of this chart, Rice Energy was excluded from the peer group due to lack of three full years of quality compensation data.

The below chart demonstrates that Mr. DeIuliis' W-2 pay is significantly less than the amounts reported in "SEC Total" and "Adjusted SEC Total" columns of the Summary Compensation Table. With respect to 2016, the discrepancy between W-2 pay is particularly significant and emphasizes the lack of connection between compensation reported in the Summary Compensation Table as required by SEC and accounting rules and the pay actually received by Mr. DeIuliis for tax purposes in any given year.

(1) Summary Compensation Table information includes the following information for each respective year: Salary, short term incentive compensation, long term incentive compensation (which for 2016, includes the adjusted equity valuations set forth in footnote 1 to the Summary Compensation Table), change in pension values, and all other compensation.

(2) The W-2 information with respect to CONSOL only includes the following for each respective year: base salary paid in that year, short term incentive compensation paid in that year, long term incentive compensation that vested in that year and taxable perquisites received in that year.

Back to Contents

3 Compensation Setting Process

Compensation Philosophy and Objectives

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

- links a significant portion of total compensation to performance, which we believe will create long-term shareholder value;
- consists primarily of stock-based compensation, which encourages our named executives to act as owners of CONSOL and aligns their interests with those of our shareholders;
- is tied to overall corporate performance, financial and operational goals (both annual and long-term);
- enhances retention in a highly competitive market by subjecting a significant portion of total compensation to multi-year vesting or performance conditions;
- discourages unnecessary and excessive risk taking; and
- provides a competitive total pay opportunity.

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

Results of 2016 Shareholder Vote on Named Executive Compensation

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

Approximately 97.1% of the shares voted at our 2016 Annual Meeting of Shareholders approved our 2015 executive compensation program. We believe this vote outcome was positively impacted by our active engagement with our shareholders over the years and our continued efforts to structure our executive compensation programs to better align the interests of our named executives and shareholders. We understand from our shareholders that the changes we have made to our executive compensation programs and business have, in fact, more closely aligned our programs with their expectations. This vote result indicated to the Compensation Committee that no significant changes needed to be made to the executive compensation program going forward.

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

Use of Peer Group and Other Benchmarking Data

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

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

In consideration of the above, the following peer companies were used to help establish 2016 compensation for our named executives (collectively, the "peer group"):

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

* Each of these peers filed for bankruptcy and thus were removed from CONSOL's peer group for 2017. After removal of these companies and EOG Resources, Inc. (for size reasons), the Compensation Committee added Gulfport Energy, Rice Energy, SM Energy and Whiting Petroleum to the 2017 compensation peer group as relevant industry peers, particularly in light of the Corporation's continuing transition to an E&P company.

Back to Contents

Because four companies out of our 2016 peer group filed for bankruptcy, we will, for certain purposes, refer to the 2017 peer group in this Proxy Statement.

On average, our current named executives are at the 45th percentile of the 2017 compensation peer group. With respect to the average percentile ranking for the named executives' total direct compensation compared to the 2017 compensation benchmark peer group, the Compensation Committee's compensation consultant found the following when evaluating the 2016 compensation packages for our named executives in late 2016 (based on the compensation values approved by the Compensation Committee in January 2016):

CONSOL PERCENTILE RANKINGS FOR 2016 AMONG 2017 PEER GROUP

Average Target Total Direct Compensation for Named Executives	Total Shareholder Return	Revenue	Market Capitalization
45th percentile(1)	90th percentile	65th percentile(2)	20th percentile(3)

(1) Average total direct compensation includes base salary, annual incentive payment and target value of long-term incentives measured as of the January 29, 2016 grant date of the following named executives: Messrs. DeIuliis, Khani, Johnson, Brock and Dugan.

(2) Based on CONSOL's revenues of $1.9 billion in 2016.

(3) Based on CONSOL's market capitalization of $4.2 billion (as of December 31, 2016).

Role of Compensation Consultant

The compensation consultant is retained by the Compensation Committee and works with the Committee in coordination with management. In 2016, the Compensation Committee engaged Willis Towers Watson to assist with the development of our 2016 executive compensation program. A representative of Willis Towers Watson generally attends Compensation Committee meetings and is available to participate in executive sessions. Aside from this retention by the Compensation Committee for the foregoing purposes, Willis Towers Watson provided no other services to CONSOL during 2016. In order to assure Willis Towers Watson's independence, it is the Compensation Committee's practice to pre-approve any work unrelated to executive and director compensation that may be proposed to be provided by Willis Towers Watson. In addition, the Compensation Committee also considers all factors relevant to Willis Towers Watson's independence from management, including those factors mandated by the listing standards of the NYSE.

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

Process for Evaluating Compensation

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

- our Chief Executive Officer's compensation recommendations for each named executive (other than himself);
- our Chief Executive Officer's evaluation of each named executive's performance and internal value; and
- the benchmarking studies as compiled by the outside compensation consultant.

After considering the factors described above, and in consultation with the Chief Executive Officer and Willis Towers Watson, the Compensation Committee reviewed and recommended, and the Board approved, the named executives' 2016 compensation packages.

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

- the benchmarking studies and compensation alternatives compiled by the outside compensation consultant;
- the Chief Executive Officer's self-evaluation of his annual performance; and
- the Board's evaluation of his annual performance.

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

Back to Contents

4 Compensation Decisions for 2016

Elements of Executive Compensation Program

In 2016, we continued to compensate our named executives through the following elements of our executive compensation program:

Compensation Element Form of Compensation Performance Criteria/Formula Purpose and Key Facts Base Salary (page 38) Cash Individual performance and experience in the role are primary factors in determining base salaries. To provide fixed compensation necessary to attract and retain key executives and to offset the cyclicality in our business that may impact variable pay year-to-year. Short-Term Incentive Program ("STIC") (page 38) Cash For our 2016 STIC, the formula was: Performance Measure Modifiers Total Result Free Cash Flow +/-Safety +/-20% = 200% Environmental +/- 5% Stock Price+/- 5% To provide incentives to our employees to achieve free cash flow, operational, and stock price performance goals and to reward our employees for the achievement of those goals. Long-Term Incentive Compensation Program ("LTIC") (page 39) PSUs (vesting one-fifth per year for five years) Options (vesting one-third per year for three years) For the PSU awards granted in 2016 for the 2016 - 2020 performance period, the LTIC formula was as follows: Performance Measure (2016 - 2020) Weight Total Units Earned 2016 Tranche Relative TSR (S&P 500) 50% 200% Absolute Stock Price 50% Options have time-based vesting. To create a strong incentive for our key management members to achieve our short- and long-term performance objectives and strategic plan, and to align management's interests with those of our shareholders. Further, equity awards are intended to retain executive talent. All equity awards settle in stock. Other Compensation Policies and Information (page 42) Change in Control Agreements Other Retirement Benefits To attract and retain key management members and, for change in control agreements, to motivate executives to take actions that are in the best interests of CONSOL. Perquisites (page 44) Social Club Memberships Vehicle Allowance To provide a competitive compensation package.

Back to Contents

2016 Base Salary

The Compensation Committee reviewed the base salaries of our named executives in January 2016. As a result of the Compensation Committee's review of named executives' base salaries as compared to those of the peer group companies, the Compensation Committee recommended increases to our named executives' base salaries for 2016. Mr. DeIuliis declined an increase to his base salary, and the annual base salaries of our other named executives were modestly increased for 2016 based on merit, as follows:

Named Executive	Salaries for 2015	Salaries for 2016	Percent Change
Chief Executive Officer	$ 800,000	$ 800,000	0 %
Chief Financial Officer	$505,000	$517,625	2.5 %
Chief Administrative Officer	$474,000	$485,850	2.5 %
Chief Operating Officer – Coal	$400,000	$410,000	2.5 %
Chief Operating Officer – E&P	$425,000	$435,625	2.5 %

2016 STIC

The STIC program is designed to deliver annual cash awards when CONSOL and our named executives are successful in meeting or exceeding established performance targets and to pay less, or nothing at all, when CONSOL and/or our employees fall short of these targets. The STIC program provides incentive compensation (measured at target) that is comparable to compensation provided by companies with which CONSOL competes for executive talent.

For the 2016 STIC applicable to the January 1, 2016 – December 31, 2016 performance period, the Compensation Committee adopted a greatly simplified annual incentive plan (as compared to prior programs) that aligned management's interests with the key goal of generating free cash flow. The free cash flow performance factor, which was based on CONSOL's operating cash flow, was calculated as follows:

The free cash flow performance factor, based on the objectives set by management, had a score ranging from 0 – 200%, with a score of 100% indicating target performance and a higher score (up to a maximum of 200%) indicating above-target performance. If the threshold, or minimum, score of 50% had not been achieved, a score of zero would have been assigned, with no payout. Upon achievement of the threshold, target, or maximum score, the free cash flow performance factor was determined based on such score, with payout potentially modified by the Safety, Environmental and Stock Price modifiers. The target free cash flow performance factor was derived from the annual Board-approved profit objective for CONSOL for 2016.

The 2016 STIC program was based on a strict application of the following formula:

In 2016, CONSOL achieved free cash flow performance in excess of the maximum STIC payout, and awards paid out at 200%, with the modifiers having no impact on the payout of the 2016 STIC awards (positively or negatively) in light of the level of free cash flow achieved in 2016 as described below. As such, the STIC payouts were as follows:

(1) Before determining performance, the 2016 STIC program was first funded by a bonus pool of 2% of 2016 EBITDA, calculated as set forth on *Appendix A*. The calculation of the Free Cash Flow performance factor also is set forth on *Appendix A*.
(2) 200% represents the maximum payout under the STIC.

Back to Contents

Based on the results of the 2016 STIC Plan as shown above, the ultimate payouts to our named executives for 2016 performance were as follows:

Named Executive	Target Opportunity Percentages (% of Base Salary)(1)	Target Payout Opportunity	STIC Payout Score (% of Opportunity)	Actual Payout(2)
Chief Executive Officer	120 %	$ 960,000	200 %	$ 1,920,000
Chief Financial Officer	70 %	$ 362,338	200 %	$ 725,000
Chief Administrative Officer	65 %	$ 315,803	200 %	$ 632,000
Chief Operating Officer – Coal	65 %	$ 266,500	200 %	$ 533,000
Chief Operating Officer – E&P	65 %	$ 283,156	200 %	$ 567,000

(1) The Compensation Committee determined the 2016 target opportunity percentages for our named executives based on a review of competitive data and performance. The Compensation Committee and Board approved the target opportunity percentages and payouts for each of the named executives.

(2) Rounded up to the nearest thousand.

LTIC

Our LTIC program is designed to create a strong incentive for our named executives to achieve our longer-term performance objectives in CONSOL's strategic plan and to align management's interests with those of our shareholders. In January 2016, the Compensation Committee restructured the LTIC program to encourage retention, align management's interests with those of our shareholders and focus on shareholder return. The Compensation Committee determined that each named executive would receive his entire 2016 long-term incentive opportunity in the form of PSUs and Options, with 55% of each named executive's target long-term incentive opportunity in the form of PSUs, and 45% in the form of Options. The Compensation Committee believes that our PSU awards align the interests of our employees with those of our shareholders because the vesting of such awards is tied to the achievement of pre-approved, long-term performance goals.

A. 2016 – 2020 PSU Grants and Payout

In January 2016, the Compensation Committee granted PSUs that vest, if earned, ratably over a five-year period (January 1, 2016 through December 31, 2020) based on annual performance measurements. This five-year vesting period encourages retention among our named executives.

The vesting of the named executives' 2016-2020 PSU awards will be calculated annually based on the following pre-established, equally-weighted goals, with the aggregate payout capped at 200% of target:

(i) TSR relative to the S&P 500 (measured at the end of each year during the five-year performance period using the 10-day average closing stock price ending December 31 for the applicable tranche); and

(ii) absolute stock price appreciation (measured at the end of each year during the five-year performance period using the 10-day average closing stock price per share ending on January 29, 2016 of $6.87 (the "GDSP") as the starting point).

(1) Straight line interpolation between performance levels.

(2) After reviewing the Corporation's prior stock price performance and consideration of the Corporation's business plan, the Compensation Committee considered the stock price goals applicable to the remaining tranches of the 2016-2020 PSU awards, which are confidential, to be challenging but attainable.

Back to Contents
In the event that a tranche fails to pay out at the end of any annual tranche period with respect to the absolute stock price measure (a "Missed Year"), the unvested PSUs attributable to the Missed Year may still become fully vested, at a target level, if the Company achieves target performance (or greater) as determined after the end of a future tranche. The opportunity to recoup any missed payouts can occur for any prior tranche, but only up to target performance for that prior period.

The Compensation Committee approved the following target awards for the 2016 – 2020 PSUs for the named executives (in the dollar amounts shown below):

Named Executive	**PSUs (Target)**
Chief Executive Officer	$ 3,300,000
Chief Financial Officer	$ 1,100,000
Chief Administrative Officer	$ 825,000
Chief Operating Office – Coal	$ 550,000
Chief Operating Officer – E&P	$ 770,000

In January 2017, the Compensation Committee determined the payout of the first tranche of the 2016 – 2020 PSU awards, based on CONSOL's relative TSR and absolute stock price performance during 2016. This determination was based on strict adherence to the following formula described above.

Based on the targets described above and the actual performance results for 2016 shown in the below chart, the Compensation Committee determined that the first tranche of the 2016 – 2020 PSUs was earned at 200% of target, with (i) a relative TSR score of 200% and (ii) an average stock price score of 200%.

Performance Metric	**Performance Results (%)**	**Units Earned (%)**	**Weighting (%)**	**Total Units Earned (%)**
Relative TSR(1)	99.5 percentile	200%	50%	200%
Absolute Stock Price Per Share(2)	$18.98	200%	50%	

(1) Relative TSR for the 2016 tranche was measured by comparing CONSOL's 10-day average closing stock price per share ending on December 31, 2016 against those of the companies in the S&P 500 as of the same date against their 10-day average closing stock price per share ending on December 31, 2015. Dividends were included on a cash basis.

(2) The absolute stock price metric for the 2016 tranche was measured by comparing CONSOL's GDSP of $6.87 per share against CONSOL's 10-day average closing stock price per share ending December 31, 2016 of $18.98 per share.

As a result of the achievement of the above performance factors, the executive officers earned the following payouts:

Named Executive	2016 PSU Tranche (at target)	Target Payout (%)	Payout Amounts (# of shares)
Chief Executive Officer	83,122	200 %	166,244
Chief Financial Officer	27,708	200 %	55,416
Chief Administrative Officer	20,780	200 %	41,560
Chief Operating Officer – Coal	13,854	200 %	27,708
Chief Operating Officer – E&P	19,394	200 %	38,788

B. 2016 - 2018 Option Grants

In order to provide competitive compensation, retain key executive talent, and align management's interests with the shareholders, in January 2016 the Compensation Committee approved awards of time-based, three-year ratable vesting Option awards to all of the named executives, other than our Chief Operating Officer – Coal for the reason noted below.

The 2016 Options granted to the named executives were as follows:

Named Executive	Aggregate Dollar Value of 3-Year Option Awards (Board Approved Grant Date)
Chief Executive Officer	$ 2,700,000
Chief Financial Officer	$900,000
Chief Administrative Officer	$675,000
Chief Operating Officer – Coal	$0 (1)
Chief Operating Officer – E&P	$630,000

(1) Mr. Brock did not receive an Option award as part of his 2016 LTIC because he received an equity award as a result of his participation in the CNX Coal Resources LP ("CNXC") equity plan, due to his service as Chief Executive Officer and a director of the general partner of CNXC. The Board of the general partner of CNXC approved Mr. Brock's award under CNXC's equity plan.

Back to Contents

C. Contingent Equity Awards

The Compensation Committee granted the 2016 PSU and Option awards effective on January 29, 2016. The Compensation Committee approved the grant of the 2016 PSU and Option awards contingent upon shareholder approval of the amended and restated Equity Incentive Plan (the "Plan"), including additional shares issuable thereunder, at the Corporation's 2016 Annual Meeting, held on May 11, 2016 (the "Contingent Equity Awards"). At the time the Compensation Committee approved the grant of the Contingent Equity awards, there were insufficient shares available under the Plan to satisfy these grants. As such, the named executives agreed to place their respective awards, in their entirety, at-risk to shareholder approval of the Plan in order to (i) enable the Corporation to make grants to the Corporation's non-executive employees, consistent with historical practice, and (ii) not subject the grants to similar risks by requiring such awards to be contingent upon shareholder approval at the 2016 Annual Meeting. The Contingent Equity Awards are described in greater detail above under "*(1) 2016 – 2020 PSU Grants and Payout*" and *"(2) 2016 – 2018 Option Grants.*"

Pursuant to SEC rules, we have disclosed in the Summary Compensation Table a grant date fair value for the Contingent Equity Awards that is based on the closing price of our common stock on May 11, 2016 of $15.23 per share, the date shareholder approval of the Plan was obtained. This amount reflects a dramatic (i.e., an approximately 92%) stock price appreciation from January 29, 2016, which is the date the Contingent Equity Awards were approved by the Compensation Committee. As a result, and to help our shareholders understand the value that CONSOL intended to deliver as of January to its named executives with respect to 2016 total compensation, we have included information that is meant to supplement the SEC-required disclosure in the Summary Compensation Table and this CD&A.

The table below compares the valuation for the Contingent Equity Awards based on the closing price of our common stock on the date of January 29, 2016 ($7.94 per share) when the Compensation Committee approved the grant and the date the Plan was approved by our shareholders at the 2016 Annual Meeting on May 11, 2016 ($15.23 per share). We also have included a supplemental column to the Summary Compensation Table showing adjusted SEC total compensation for 2016, which we believe better represents the value that CONSOL intended to deliver to its named executives for total compensation in 2016. These amounts are not a substitute for the amounts reported as SEC total compensation.

Named Executive	**PSUs (1/29/16 Valuation)**	**PSUs (5/11/16 Valuation)**	**Options (1/29/16 Valuation)**	**Options (5/11/16 Valuation)**	**Aggregate Difference in Valuations**
Chief Executive Officer	$ 4,526,080	$ 11,512,618	$ 2,810,206	$ 5,565,310	$ 9,741,642
Chief Financial Officer	$ 1,508,701	$ 3,837,558	$ 936,735	$ 1,855,103	$ 3,247,225
Chief Administrative Officer	$ 1,131,525	$ 2,878,169	$ 702,552	$ 1,391,328	$ 2,435,420
	$ 754,350	$ 2,368,779	$ —	$ —	$ 1,164,429

Chief Operating Officer – Coal					
Chief Operating Officer – E&P	$ 1,056,090	$ 2,686,291	$ 655,717	$ 1,298,577	$ 2,273,061

As demonstrated above, the SEC-required valuation approach results in values that must be reported in the Summary Compensation Table for the Contingent Equity Awards, which values are significantly different from the equity values that the Compensation Committee approved in January 2016. This discrepancy distorts the equity grant actions taken by the Compensation Committee in January 2016 and does not reflect the value of the Contingent Equity Awards as intended by the Compensation Committee at the time of grant.

The Compensation Committee believes that the values set forth above for the January 29, 2016 valuations more accurately reflect the values of the Contingent Equity Awards, and that the "Adjusted SEC Total" column of the Summary Compensation Table better reflects the actual total value of compensation the Compensation Committee intended to award and pay to our named executives for 2016.

D. CNXC Phantom Units (Mr. Brock only)

Beginning in 2016, CNXC began issuing long-term incentive awards including phantom units under the CNX Coal Resources LP 2015 Long-Term Incentive Plan to its executives and key employees. For 2016, CNXC equity-based awards for Mr. Brock consisted of CNXC phantom stock units, which vest one-third per year.

E. Payout of PSUs Covering 2014-2016 Performance Period

In January 2014, the Compensation Committee approved the award of PSUs to our named executives and other key employees at that time, which had a performance period from January 1, 2014 through December 31, 2016. Additional information regarding the 2014 – 2016 PSUs is included in CONSOL's Proxy Statement filed on March 25, 2015.

The Compensation Committee determined the actual payout of the 2014 – 2016 PSU awards by strictly adhering to the following formula, with the two metrics of relative TSR and average ROCE being equally weighted:

Back to Contents

Based on the above targets and the actual performance results shown in the below chart, the Compensation Committee determined that, with respect to the three-year performance period of January 1, 2014 through December 31, 2016, the PSUs were earned at 100% of target, based on (i) a TSR score of 0% and (ii) a ROCE score of 200%.

Performance Metric	Performance Results (%)	Units Earned (%)	Weighting (%)	Total Units Earned (%)
TSR[(1)]	4.5% (Below Threshold)	0%	50%	100%
ROCE[(2)]	12.25% (Outstanding)	200%	50%	

(1) TSR was measured by comparing CONSOL's 10-day average closing stock price per share ending on December 31, 2013 and the companies in the S&P 500 as of that same date against the 10-day average closing stock price per share ending December 31, 2016.

(2) The calculation of the ROCE result is set forth on *Appendix A*.

As a result of the above performance determinations, the applicable named executives earned the following PSUs for the 2014 – 2016 performance period:

Named Executive[(1)]	PSUs Granted in January 2014 (Target) (including Dividend Equivalents)	Shares of Common Stock Issued (Earned PSUs)
Chief Executive Officer	60,142	60,142
Chief Financial Officer	13,561	13,561
Chief Administrative Officer	19,532	19,532

(1) Messrs. Brock and Dugan did not receive a grant of PSUs for the 2014 – 2016 performance period.

5 Other Compensation Policies and Information

Retirement Benefit Plans

CONSOL maintains retirement benefit plans, including supplemental retirement plans, which are intended to attract and retain key talent. CONSOL also continues to move toward a defined contribution strategy to deliver retirement benefits to its employees. In 2014, we froze the retirement plan for employees and eliminated retiree medical for all active employees, including our named executives.

Change in Control Agreements

We have change in control agreements with each of our named executives who are currently employed by us, which we refer to as “CIC Agreements”. The CIC Agreements provide for a “double trigger” requirement, in that each named executive will receive severance benefits only if such named executive’s employment is terminated or constructively terminated after, or in connection with, a change in control (as defined in the respective CIC Agreements) and such named executive enters into a general release of claims reasonably satisfactory to us. Under these circumstances, the named executives would be entitled to receive a lump sum cash severance payment equal to a multiple of base pay, plus a multiple of incentive pay (as defined in each named executive’s respective CIC Agreement) as follows:

Back to Contents

Named Executive	Multiple of Base Salary and Incentive Pay
Chief Executive Officer	2.5
Chief Financial Officer	2.5
Chief Administrative Officer	2.0
Chief Operating Officer – Coal	2.0
Chief Operating Officer – E&P	2.0

Additionally, benefits would be continued for 24 to 30 months (as set forth in the applicable CIC Agreement) and equity grants would accelerate and vest in connection with a change in control. The Compensation Committee believes that providing change in control benefits in the CIC Agreements and equity award agreements would motivate executives to take actions in the event of a proposed change in control that are in the best interests of CONSOL and its shareholders, while reducing the distraction of the potential impact of such a transaction on the named executive personally. To protect the business interests of CONSOL, the CIC Agreements and equity award agreements also contain confidentiality obligations, a one-year non-competition covenant and a two-year non-solicitation covenant. Additional terms of these agreements are more fully described in "*Understanding Our Change in Control and Employment Termination Tables and Information*" on page 60.

In connection with the Compensation Committee's objective to provide compensation opportunities that will attract and retain superior executive personnel who will make significant contributions to CONSOL, our CIC Agreements that were entered into prior to 2009 provide for tax gross-ups in the event of a change in control (the CIC Agreements of Messrs. Khani, Brock and Dugan, which were entered into more recently, do not contain change in control tax gross-ups). If it is determined that any payment or distribution by CONSOL or CNX Gas (in the case of our Chief Executive Officer and Chief Administrative Officer) to or for the disqualified person's benefit would constitute an "excess parachute payment," CONSOL or CNX Gas (in the case of our Chief Executive Officer and Chief Administrative Officer) will pay to the disqualified person a gross-up payment, subject to certain limitations, such that the net amount retained by the disqualified person after deduction of any excise tax imposed under Section 4999, and any tax imposed upon the gross-up payment, will be equal to the excise tax on such payments or distributions. In connection with incorporating gross-up provisions in the CIC Agreements entered into prior to 2009, the Compensation Committee determined that such gross-up payments were consistent with general market practice at that time such that each executive would receive the intended level of severance benefits unencumbered by the 20% excise tax. It is CONSOL's policy not to provide tax gross-ups in future CIC Agreements, as evidenced by the more recent agreements with Messrs. Khani, Brock and Dugan.

Clawback Policy

The Compensation Committee and Board approved the adoption of an executive compensation clawback policy, which provides that the Compensation Committee may seek to recover performance-based cash and equity incentive compensation awarded in 2014 and thereafter that was paid to an executive officer in the three years prior to a restatement as a result of CONSOL's material non-compliance with the financial reporting requirements of the securities laws if (i) such officer is responsible for such restatement and (ii) the amount paid to the officer would have been lower had it been calculated based on such restated financial statements.

Stock Ownership Guidelines for Executives

The stock ownership guidelines provide that all employees designated as officers for purposes of the policy should own shares of CONSOL's stock, the value of which is a multiple of that employee's base salary. The guidelines provide each officer with a five-year period from their appointment as an officer to achieve the applicable ownership level. Shares issuable upon the exercise of stock options or settlement of PSUs held by an individual are not counted for purposes of determining whether an individual has satisfied the ownership guideline requirement which is as follows:

Named Executive	**Ownership Requirement (As Multiple of Base Salary)**	**Actual Ownership (As Multiple of Base Salary[1])**	
Chief Executive Officer	5.5	8.83	
Chief Financial Officer	3.5	2.17	(2)
Chief Administrative Officer	2.5	4.03	
Chief Operating Officer – Coal	2.5	2.85	
Chief Operating Officer – E&P	2.5	1.92	(2)

(1) Based on CONSOL's 200-day average rolling stock price per share ending December 31, 2016 of $16.6377.

(2) The Company's stock ownership guidelines provide for a five year period to achieve compliance with the ownership requirement. In each case, the Chief Financial Officer and the Chief Operating Officer – E&P have until 2019 in order to achieve compliance.

Back to Contents
Our stock ownership guidelines were implemented by the Compensation Committee to further align our named executives' interests with those of our shareholders and to comply with what we believe are best practices. CONSOL reviews named executives' compliance with the stock ownership guidelines annually. As of December 31, 2016, all of our named executives had satisfied their stock ownership guidelines, or are expected to within the five-year period.

No Hedging/Pledging Policy

Our Insider Trading Policy prohibits directors, officers (including named executives) and employees from engaging in any of the following activities with respect to securities of CONSOL (except as otherwise may be approved in writing by the General Counsel): (i) purchases of CONSOL stock on margin; (ii) short sales; (iii) buying or selling options (other than the grant and exercise of compensatory stock options by CONSOL to directors, officers and employees), including buying or selling puts or calls or other hedging transactions with CONSOL securities; or (iv) pledging CONSOL stock (provided, however, that brokerage account agreements may grant security interests in securities held at the broker to secure payment and performance obligations of the brokerage account holder in the ordinary course). As disclosed in the Beneficial Ownership of Securities table above, as a result of Mr. Thorndike's contractual arrangement with a third party who acquired shares in a margin account, Mr. Thorndike may be deemed to own 50,000 shares that were acquired on margin. Mr. Thorndike has indicated he will use commercially reasonable efforts to pay down the margin. As of March 20, 2017, Mr. Thorndike reduced the number of shares that are deemed to be held in the margin account by 5% to 47,500. Also as disclosed in the Beneficial Ownership of Securities table above, Mr. Lanigan may be deemed to own 30,600 shares held by a family limited partnership, of which Mr. Lanigan is a general partner, and 20,000 shares led by a limited liability company, of which Mr. Lanigan is part owner of the managing member, which shares currently are held in a marginable account, but are on non-margin status.

Stock Retention Requirements

The Compensation Committee has implemented stock retention requirements applicable to our named executives and certain of our other employees for regular annual cycle PSU and RSU awards in which 50% of vested shares (after tax) must be held until the earlier of: (i) 10 years from the Board determined grant date or (ii) the participant reaching age 62.

Perquisites

We provide our named executives and other senior officers with perquisites that we believe are reasonable, competitive and consistent with CONSOL's compensation program. Our principal perquisite programs currently include club memberships, de minimis personal usage of company purchased event tickets, and a vehicle allowance. These programs are more fully described in the footnotes to the Summary Compensation Table. We do not provide tax gross-ups on CONSOL-provided perquisite programs for our named executives.

Tax, Accounting, and Regulatory Considerations

We consider the effect of tax, accounting and other regulatory requirements in designing and implementing our compensation programs, and while these factors may impact plan designs, ultimately decisions reflect the pay strategy of CONSOL and program intent.

With some exceptions, Section 162(m) of the Code limits CONSOL's deduction for compensation in excess of $1 million paid to certain covered employees (generally our Chief Executive Officer and the three next highest-paid executive officers, other than the Chief Financial Officer). Compensation paid to covered employees is not subject to the deduction limitation if it is considered "qualified performance-based compensation" within the meaning of Section 162(m) of the Code. In order to serve the interests of our shareholders, awards made under our STIC, option and PSU awards generally are structured to comply with Section 162(m) of the Code to maximize our tax deductions.

Although the Compensation Committee strives to provide the named executives with compensation packages that will preserve deductibility of significant components of those packages to the extent reasonably practicable or consistent with our compensation objectives, the Committee believes that shareholder interests are best served by not restricting the Committee's flexibility in structuring, determining and ultimately approving payment with respect to these compensation programs (even if the programs or such decisions may result in certain non-deductible compensation).

Back to Contents

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis set forth above with CONSOL's management and, based upon such review and discussion, the Compensation Committee recommended to our Board that the Compensation Discussion and Analysis be included in this Proxy Statement. The Compensation Committee's charter is available on our website at *www.consolenergy.com*.

Members of the Compensation Committee:

Alvin R. Carpenter, Chairman
Gregory A. Lanham
John T. Mills
Joseph P. Platt
William N. Thorndike, Jr.

The foregoing Compensation Committee Report does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other filing of CONSOL under the Securities Act of 1933 or the Exchange Act, except to the extent that CONSOL specifically incorporates the Report by reference therein.

Compensation Policies and Practices as They Relate to CONSOL's Risk Management

Our compensation program is designed to motivate and reward our employees and executive officers for their performance during the fiscal year and over the long-term and for taking appropriate business risks.

In January 2016, the Compensation Committee reviewed an assessment of the risks, if any, to CONSOL associated with our compensation policies and practices. The Compensation Committee, with management, reviewed and discussed the design features, characteristics, performance metrics and approval mechanisms for all of our various compensation components, to determine whether any of our compensation policies or programs could create risks that would be reasonably likely to have a material adverse effect on CONSOL. The assessment was also reviewed by our Internal Auditors and Human Resources Department. Based on this review, management, the Compensation Committee and the full Board identified the following risk mitigating components, which, in their opinion, would be likely to reduce incentives for excessive risk-taking and mitigate any incentives to maximize short-term results at the expense of long-term value:

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- ***Balanced Pay Mix:*** The target compensation mix of our executive officers is heavily weighted towards long-term incentive compensation.

- ***Mix of Performance Metrics:*** We do not rely on a single performance metric to determine payouts for performance-based awards. Instead, performance targets are tied to a variety of metrics, including (among others) Safety, Free Cash Flow, ROCE, TSR, and absolute stock price. Performance-based awards are also based, in part, on the achievement of strategic and operational objectives in addition to the foregoing metrics.

- ***Calculation and Verification of Performance:*** Controls are in place to ensure accuracy of calculations as to actual performance against metrics. In cases where management determines performance scores, the Compensation Committee and Board generally review and make judgments regarding these determinations.

- ***Cap on Incentive Payouts:*** Our incentive programs use financial measures with sliding scales, with amounts, if potentially earned, interpolated between threshold, target and maximum. Payouts are capped at a percentage of the target award to protect against excessive payouts.

- ***Performance Period and Vesting Schedules:*** The performance period and vesting schedules for long-term incentives overlap and, therefore, reduce the motivation to maximize performance in any one period.

- ***Stock Ownership and Retention Guidelines:*** As it relates to our executives, these policies require our named executives to own equity in CONSOL and retain shares of CONSOL acquired through equity grants for the long-term.

Based on its review of CONSOL's internal controls and the risk mitigating components of CONSOL's compensation programs identified in the management team's risk assessment, together with the assistance of its outside compensation consultant, it was determined that CONSOL's compensation policies and practices do not encourage our executives or our other non-executive employees to take excessive risks that are reasonably likely to have a material adverse effect on CONSOL.

Back to Contents

Summary Compensation Table – 2016, 2015 and 2014

The following table discloses the compensation for Mr. DeIuliis, the principal executive officer of CONSOL, Mr. Khani, the principal financial officer of CONSOL, and the other three most highly compensated named executives of CONSOL serving at fiscal year-end 2016: Mr. Johnson, Chief Administrative Officer; Mr. Dugan, Chief Operating Officer – E&P; and Mr. Brock, Chief Operating Officer – Coal.

In reviewing the amounts shown in the 2016 row of the table for each named executive officer, please note the reported values in the "Stock Awards," "Option Awards" and "SEC Total" columns are significantly higher than the true value of compensation approved by the Compensation Committee due to a technical accounting rule and the following events:

- Consistent with prior years, the Compensation Committee approved, and determined the value of, the named executives' 2016 PSU and Option awards in January 2016 (the "Contingent Equity Awards").

- At the time the Compensation Committee approved the grant of the Contingent Equity Awards, there were insufficient shares available under the Corporation's Equity Incentive Plan (the "Plan"). In order to avoid putting the other employee equity awards at risk by making them conditioned on the shareholder approval process, the named executives recommended that their Contingent Equity Awards be granted subject to shareholder approval of additional shares under the Plan. Our shareholders overwhelmingly approved additional shares under the Plan and the executives' Contingent Equity Awards at our 2016 Annual Meeting on May 11, 2016.

- Between January 29, 2016, when the Compensation Committee approved the grants, and May 11, 2016, the date of shareholder approval, our stock price increased from $7.94 to $15.23 per share ***(a 92% increase in the stock price in less than a four-month period)***.

- The Plan had not been submitted for shareholder approval since the 2012 Annual Meeting and, if the Corporation's stock had not been trading at historically low levels in January 2016, the Compensation Committee would not have needed to grant the named executives' Contingent Equity Awards subject to shareholder approval at the 2016 Annual Meeting.

- The rules require that the values included in the "Stock Awards" and "Option Awards" columns below be determined in accordance with FASB ASC Topic 718. Because of this rule, the Contingent Equity Awards of our named executives are treated as granted as of the date of shareholder approval (May 11, 2016), rather than the date that the Compensation Committee approved the grants (January 29, 2016). Due to this treatment, CONSOL is required to include in the Summary Compensation Table a significantly higher value for the Contingent Equity Awards than the value approved by the Compensation Committee for such awards on the grant date and, accordingly, there is a material disconnect between what is reported in the table and what the Compensation Committee approved. This result is a departure from how equity awards have historically been reported in the table only because the Contingent Equity Awards were granted subject to shareholder approval at the 2016 Annual Meeting. Our named executives' awards could have been reported as of the January 29th Board approved grant date and this reporting anomaly avoided by simply having the non-executive employee awards (as opposed to the named executives' awards) made contingent upon shareholder approval.

In order to help the reader understand the Compensation Committee's intention and expectation when it granted the Contingent Equity Awards to the named executives, we have included an "Adjusted SEC Total" column reflecting the named executives' 2016 total compensation with a valuation on the January 29, 2016 grant date of the awards. This amount is not a substitute for the amount reported as SEC total compensation in accordance with the SEC proxy rules. Further, the equity amounts in the table may not correspond to the actual economic value that will be received by the named executives. See *"Compensation Discussions and Analysis – Contingent Equity Awards"* for further information.

Name and Principal Position (a)	**Year (b)**	**Salary (c)**	**Bonus (d)**	**Stock Awards[1][2] (e)**	**Option Awards[1][2] (f)**	**Non-Equity Incentive Compensation[3] (g)**	**Change in Pension Value and Nonqualified Deferred Compensation Earnings[4] (h)**	**All Other Compensatio (i)**
Nicholas J. DeIuliis[8]	2016	$800,000	$—	$11,512,618[1]	$5,565,310[1]	$1,920,000	$658,101	$58,353 [9]
President and Chief	2015	$798,154	$—	$6,129,389	$—	$781,000	$—	$54,063
Executive Officer	2014	$738,500	$—	$4,018,389	$—	$1,776,000	$1,734,790	$58,418
David M. Khani	2016	$517,188	$—	$3,837,558 [1]	$1,855,103[1]	$725,000	$87,749	$51,297 [10]
Chief Financial	2015	$504,539	$—	$1,770,399	$—	$288,000	$30,412	$48,885
Officer	2014	$489,000	$—	$1,797,637	$—	$686,000	$89,804	$44,339
Stephen W. Johnson	2016	$483,197	$—	$2,878,169 [1]	$1,391,328[1]	$632,000	$395,303	$44,800 [11]
Chief Administrative	2015	$473,569	$—	$1,532,362	$—	$251,000	$241,524	$42,823
Officer	2014	$459,000	$—	$1,462,508	$—	$598,000	$643,446	$42,610
James A. Brock	2016	$409,654	$—	$2,368,779 [1][12]	$—	$533,000	$301,970	$45,606 [13]
Chief Operating								
Officer – Coal								
Timothy C. Dugan	2016	$435,257	$—	$2,686,291 [1]	$1,298,577[1]	$567,000	$57,953	$44,800 [14]
Chief Operating	2015	$424,600	$—	$1,225,878	$—	$225,000	$26,970	$45,305
Officer – E&P	2014	$369,846	$100,000	$1,450,000	$—	$457,000	$53,527	$122,106

Back to Contents

(1) These values represent the aggregate grant date fair value of PSU and Option awards granted to the named executives in 2016, and are based on the aggregate grant date fair value of the awards computed in accordance with SEC rules and FASB ASC Topic 718.

As noted in the introduction to the Summary Compensation Table, the Board-approved grant date of the 2016 PSU and Option awards was on January 29, 2016, but the values reported in the "Stock Awards" and "Option Awards" columns (columns (e) and (f)) are based on a grant date of May 11, 2016 (a date by which the Corporation's common stock had appreciated by 92% as compared to its price on the actual grant date in January 2016). If the reported values were based on the Corporation's common stock price on the January 29, 2016 grant date, as approved by our Compensation Committee, the values set forth in the "Stock Awards" and "Option Awards" columns of the 2016 row would be as follows (the final column demonstrates the significant discrepancy between the grant date value and the 2016 Annual Meeting values of the 2016 PSU and Option awards):

Named Executive	**PSUs (1/29/16 Valuation)**	**Options (1/29/16 Valuation)**	**Aggregate Difference from Reported Amount in Column (j)**
Chief Executive Officer	$4,526,080	$2,810,206	$9,741,642
Chief Financial Officer	$1,508,701	$936,735	$3,247,225
Chief Administrative Officer	$1,131,525	$702,552	$2,435,420
Chief Operating Officer – Coal	$754,350	—	$1,164,429
Chief Operating Officer – E&P	$1,056,090	$655,717	$2,273,061

(2) The values set forth in the columns reflect awards of PSUs and Options granted in 2016 and PSUs and RSUs granted in 2015 and 2014, and are based on the aggregate grant date fair value of these awards computed in accordance with SEC rules and FASB ASC Topic 718. The amounts reported in these columns reflect the accounting cost for these awards, and do not correspond to the actual economic value that may be received by the named executives. For example, in order for the PSUs to vest even with a 50% payout, certain threshold levels for the (TSR) and Absolute Stock Price ("ASP") must be attained. Similarly, in order for the Options to have any value to the named executive, the stock price must equal or exceed the exercise price, and do so after the Option vests but before the ten-year life of the Option expires.

Additionally, please note the following regarding the 2016 PSU and Option awards:

- ***2016 PSUs.*** For the 2016 PSUs, the grant date fair value is computed based upon a Monte Carlo simulation for both the TSR component and the ASP component, which results in a valuation of 182% of the May 11, 2016 stock price of $15.23 per share. The TSR fair value component was determined