

3D SYSTEMS CORP
Form DEF 14A
March 29, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of

the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

3D SYSTEMS CORPORATION

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

(4) Date Filed:

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March 29, 2019

333 Three D Systems Circle

Rock Hill, SC 29730

Dear Fellow Stockholder:

Please join us at the Annual Meeting of Stockholders of 3D Systems Corporation.

Time: Tuesday, May 21, 2019, at 11:00 a.m., Eastern Time.

Place: 3D Systems Corporation, 333 Three D Systems Circle, Rock Hill, South Carolina 29730.

At the meeting, stockholders will vote on the following items:

The election of the eleven directors named in the accompanying Proxy Statement;

The approval, on an advisory basis, of the compensation paid to our named executive officers;

Ratification of the appointment of BDO USA, LLP as our independent registered public accounting firm for 2019; and

A stockholder proposal to reduce the ownership required for stockholders to call a special meeting.

In addition, stockholders will consider and act upon any other matters that may be properly brought before the Annual Meeting or at any adjournments or postponements thereof.

We encourage you to attend the Annual Meeting so that we can review the past year with you, listen to your suggestions, and answer any questions that you may have. Whether or not you plan to attend the Annual Meeting, please vote your shares as soon as possible so that your vote will be counted.

On behalf of the Company and your Board of Directors, we thank you for your continued support.

Sincerely,

Vyomesh I. Joshi

President and Chief Executive Officer

333 Three D Systems Circle

Rock Hill, SC 29730

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

March 29, 2019

The Annual Meeting of Stockholders of 3D Systems Corporation, a Delaware corporation, will be held:

When: Tuesday, May 21, 2019, at 11:00 a.m., Eastern Time;

Where: 3D Systems Corporation, 333 Three D Systems Circle, Rock Hill, South Carolina 29730;

Why: For the following purposes:

The election of the eleven directors named in the accompanying Proxy Statement;

The approval, on an advisory basis, of the compensation paid to our named executive officers;

Ratification of the appointment of BDO USA, LLP as our independent registered public accounting firm for 2019; and

A stockholder proposal to reduce the ownership required for stockholders to call a special meeting. In addition, stockholders will consider and act upon any other matters that may be properly brought before the Annual Meeting or any adjournments or postponements thereof.

The Proxy Statement accompanying this Notice of Annual Meeting describes these items of business in greater detail.

The record date for determining the stockholders entitled to notice of and to vote at the Annual Meeting is March 20, 2019. We are mailing a Notice of Internet Availability of Proxy Materials commencing on or about March 29, 2019 to all stockholders of record as of the record date. We will send you copies of the accompanying Proxy Statement and our Annual Report on Form 10-K for the year ended December 31, 2018 upon request by following the instructions in our Notice of Internet Availability of Proxy Materials.

We encourage you to cast your votes on the proposals to be considered at the Annual Meeting electronically by using the website that hosts our Proxy Statement and Annual Report as described on the Notice of Internet Availability. If you have requested delivery of a printed version of the materials, you will receive a proxy card that you may use to vote your shares. You may also vote by telephone as set forth on your proxy card or the Notice of Internet Availability. Regardless of whether you plan to attend the Annual Meeting, we encourage you to vote your shares electronically on the internet, by proxy card or by telephone in case your plans change. Please vote today to ensure that your votes are counted.

If you hold our shares in street-name, please vote your shares by following the instructions set forth below in *How to Vote*.

If you are a stockholder of record and attend the Annual Meeting in person, you will be able to vote your shares personally at the Annual Meeting if you so desire, even if you previously voted.

By Order of the Board of Directors

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Andrew M. Johnson
Secretary

Rock Hill, South Carolina
March 29, 2019

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**333 Three D Systems Circle
Rock Hill, South Carolina 29730**

PROXY STATEMENT

Dated March 29, 2019

For the Annual Meeting of Stockholders

To Be Held on May 21, 2019

**IMPORTANT NOTICE REGARDING AVAILABILITY OF PROXY MATERIALS FOR THE
STOCKHOLDER MEETING TO BE HELD ON MAY 21, 2019:**

This Proxy Statement, our Annual Report on Form 10-K for the year ended December 31, 2018 (2018 Annual Report) and a form of proxy card are available at www.envisionreports.com/DDD

GENERAL INFORMATION

We plan to hold our 2019 Annual Meeting of Stockholders (the Annual Meeting) at the following time and place and for the following purposes:

When: 11:00 a.m., Eastern Time, on Tuesday, May 21, 2019;

Where: 3D Systems Corporation, 333 Three D Systems Circle, Rock Hill, South Carolina 29730;

Why: At the Annual Meeting, stockholders will vote on the following items:

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The election of the eleven directors named in this Proxy Statement;

The approval, on an advisory basis, of the compensation paid to our named executive officers;

Ratification of the appointment of BDO USA, LLP as our independent registered public accounting firm for 2019; and

A stockholder proposal to reduce the ownership required for stockholders to call a special meeting.

In addition, stockholders will consider and act upon any other matters that may be properly brought before the Annual Meeting or any adjournments or postponements thereof.

3D System Corporation (the Company, we, and us) is furnishing this Proxy Statement in connection with the solicitation of proxies by our Board of Directors (the Board of Directors or Board) for use at the Annual Meeting and any adjournments or postponements of the Annual Meeting.

This Proxy Statement and related materials are first being made available on or about March 29, 2019. For directions to the location of the Annual Meeting, please call (803) 326-3995.

RECORD DATE, VOTING SECURITIES AND QUORUM

The record date for determining the stockholders entitled to notice of and to vote at the Annual Meeting is the close of business on March 20, 2019.

Our common stock, par value \$0.001 per share (the Common Stock), is our only outstanding class of voting securities. As of the record date for the Annual Meeting, there were 116,677,317 shares of Common Stock issued and outstanding. Each such share of Common Stock is entitled to one vote on each matter to be voted on at the Annual Meeting.

Holders of record of shares of our Common Stock outstanding as of the close of business on the record date are entitled to notice of and to vote at the Annual Meeting. A list of the stockholders of record as of the record date will be kept at our principal office at 333 Three D Systems Circle, Rock Hill, South Carolina 29730 for a period of 10 days prior to the Annual Meeting.

A majority of the shares of Common Stock outstanding on the record date that are present in person or represented by proxy will constitute a quorum for the transaction of business at the Annual Meeting.

HOW TO VOTE

You are considered to be a holder of record of each share of Common Stock that is registered in your name on the records of our transfer agent. If you are a stockholder of record, we will send you a Notice of Internet Availability of Proxy Materials (the Notice). Please follow the instructions in that Notice in order to cast your vote.

Most of you hold your shares in a brokerage account or bank or through another nominee holder. In that case, your broker, bank or other nominee is generally considered to be the holder of record of those shares, and you are considered the beneficial owner of shares held in street-name. As a beneficial owner, you generally have the right to instruct your broker, bank or other nominee how to vote your shares. In this Proxy Statement, we refer to these stockholdings as street-name holdings and to you as a street-name holder.

You should expect your broker, bank or other nominee to send you a voting instruction form either by regular mail or in an email. Your broker, bank or other nominee is required to vote your shares pursuant to your instructions. In limited circumstances, your nominee may, but is not required to, vote your shares in the absence of specific voting instructions from you for matters that are considered routine. We understand that the ratification of the selection of BDO USA, LLP (BDO) as our independent registered public accounting firm for 2019 is the only routine proposal on which stockholders are being asked to vote at the Annual Meeting. Accordingly, if you do not give voting instructions to your broker, bank or other nominee, it will be entitled to vote your shares in its discretion on the ratification of the appointment of BDO; however, it will not vote your shares in connection with (i) the election of directors, (ii) the advisory vote on the compensation of our named executive officers or (iii) the stockholder proposal to reduce the ownership required for stockholders to call a special meeting.

Accordingly, street-name holders need to be mindful of the following:

For your vote to be counted with respect to each of the proposals except the ratification of BDO's appointment, you will need to communicate your voting instructions to your broker, bank or other nominee before the date of our Annual Meeting.

You may also give your broker, bank or other nominee instructions on voting your shares as to the ratification of BDO's appointment. If you provide no instructions, that person may, but is not required to, exercise its discretion in voting on the ratification of the appointment of BDO as our independent registered public accounting firm.

If your broker, bank or other nominee exercises that discretion, your shares will be treated as present at the Annual Meeting for all quorum purposes.

To ensure that you as a street-name holder are able to participate in our upcoming Annual Meeting, please review our proxy materials and follow the instructions for voting your shares on the voting instruction form that you will be receiving from your nominee.

Voting your shares is important, among other things, to ensure that we get the minimum quorum required to hold and conduct business at the Annual Meeting. Your affirmative participation in the voting process also helps us avoid the need and the added expense of having to contact you to solicit your vote and helps us avoid the need of having to reschedule the Annual Meeting. We hope that you will exercise your legal rights and fully participate in our future.

We encourage you to review this Proxy Statement and our 2018 Annual Report before you cast your vote. Whether you are a stockholder of record or a street-name holder, you may vote any shares of Common Stock that you are entitled to vote:

electronically on the internet;

by mail using a proxy card or voting instruction form that may be furnished to you; or

by using a toll-free telephone number that will be furnished to you.

For a discussion of the mechanics of each of these means of voting, please see *How to Cast Your Vote if You are a Stockholder of Record*, *How to Cast Your Vote if You are a Street-Name Holder*, and *Other Voting and Stockholder Matters* below.

VOTING MATTERS

Once a quorum of the shares entitled to vote is present in person or represented by proxy at the Annual Meeting, the votes required to approve the matters to be considered at the Annual Meeting are as follows:

Election of Directors. Each director is elected by the affirmative vote of the majority of the votes cast for such director at the Annual Meeting.

Advisory Vote on the Compensation of Our Named Executive Officers. The affirmative vote of a majority of shares present at the Annual Meeting and entitled to vote thereon, is required to approve this matter.

Ratification of Selection of Auditors. The affirmative vote of a majority of shares present at the Annual Meeting and entitled to vote thereon, is required to approve this matter.

Stockholder Proposal to Reduce the Ownership Required for Stockholders to Call a Special Meeting. The affirmative vote of a majority of shares present at the Annual Meeting and entitled to vote thereon, is required to approve this matter.

If you specify how your shares are to be voted on a matter, the shares represented by your proxy or other voting instructions will be voted in accordance with your instructions. If you are a stockholder of record and you do not give specific voting instructions but you otherwise sign, date and grant a valid proxy, your shares will be voted as follows:

FOR the election of the eleven nominees for director named below;

FOR the approval, on an advisory basis, of the compensation paid to our named executive officers;

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FOR the ratification of the selection of BDO as our independent registered public accounting firm for 2019; and

AGAINST the stockholder proposal to reduce the ownership required for stockholders to call a special meeting.

We do not know of any other matters to be presented for consideration at the Annual Meeting. However, if any other matters are properly presented for consideration, the proxy holders will vote your shares on those matters in accordance with the Board of Directors recommendations. If the Board of Directors does not make a recommendation on any such matters, the proxy holders will be entitled to vote in their discretion on those matters.

PROPOSAL ONE

ELECTION OF DIRECTORS

At the Annual Meeting, the stockholders will elect eleven directors to serve until the 2020 Annual Meeting and until their successors are elected and qualified. The Board of Directors, based upon the recommendation of the Corporate Governance and Nominating Committee (the Governance Committee), has designated as nominees for election the eleven individuals named in the table below, all of whom currently serve as directors.

In nominating each of the director nominees, the Governance Committee and the Board considered, among other things, the Board's Corporate Governance Guidelines, which was adopted in 2004 and most recently amended in March 2018, and the Qualifications for Nomination to the Board, which was adopted in 2004. These documents are posted on our website at www.3DSystems.com. These qualifications include, among other factors, a candidate's ethical character, experience and diversity of background as well as whether the candidate is independent under applicable listing standards and financially literate. In considering the nomination of these individuals, the Governance Committee and the Board also took into consideration the following additional factors relating to each director since the 2018 Annual Meeting:

such director's contributions to the Board;

any material change in such director's employment or responsibilities with any other organization;

such director's attendance at meetings of the Board and the Board committees on which such director serves and such director's participation in the activities of the Board and such committees;

the absence of any relationships with the Company or another organization, or any other circumstances that have arisen, that might make it inappropriate for the director to continue serving on the Board; and

although we have not adopted a retirement policy for directors, the director's age and length of service on the Board. Relevant information regarding the background and experience of each of the nominees for director that the Governance Committee and the Board considered in evaluating each nominee is set forth below their respective names in *Information Concerning Nominees* below. See also *Corporate Governance Matters* below, which discloses additional information about the nominees and our corporate governance policies and practices.

The Governance Committee and the Board considered each nominee's overall business experience, contributions to Board activities during 2018 and independence in their evaluation of each nominee in conjunction with the factors discussed above, but did not otherwise give greater weight to any of the factors cited above compared with any of the others. While the Board considers diversity of background and experience in its nomination decisions, we do not maintain a diversity policy relating to the composition of our Board of

Directors. The Board believes that each of the nominees for director is well qualified to continue to serve as a director of the Company and that the nominees provide the mix of experience that is required to enable the Board to perform its functions.

If any nominee becomes unavailable for any reason or if a vacancy should occur before the election (which events are not anticipated), the holders of proxies may vote the shares represented by such duly executed proxies in favor of such other person as they may determine. Alternatively, in lieu of designating a substitute, the Board may reduce the number of directors.

The Board of Directors unanimously recommends that you vote FOR each of the nominees listed in the table below.

Information Concerning Nominees

The following table sets forth for each nominee for director, his or her business experience, the year in which he or she first became a director, his or her age as of the record date for the Annual Meeting, and any directorships in publicly owned companies or registered investment companies that such nominee currently holds or has held during the past five years. It also sets forth the particular experiences, qualifications, attributes, and skills of each nominee for director that led to the conclusion of the Governance Committee and the Board that the nominee should serve as a director.

MALISSIA CLINTON, 50

Director Since: 2019

Board Committees: Compliance

Position, Principal Occupation and Professional Experience: *Senior Vice President, General Counsel and Secretary at The Aerospace Corporation.* Ms. Clinton has served as Senior Vice President, General Counsel and Secretary at The Aerospace Corporation since 2009. She previously worked at Northrup Grumman from 2002 to 2009 including her role as Senior Counsel for Special Projects beginning in 2007. She joined TRW Space Technology, a division of TRW, Inc., in 1998 as Counsel in its Telecommunication Programs and Avionic Systems division. She began her career as an Associate at Tuttle & Taylor.

Other Current Public Directorships: None

Prior Public Company Directorships (within the last five years): None

Other Directorships, Trusteeships and Memberships: Board of Directors of City of Hope Medical Center and the Arizona State University Foundation.

Director Qualifications: The Governance Committee believes that Ms. Clinton's strong experience in compliance matters and aerospace, a key vertical for our Company, provide clear support for her nomination for election to our Board.

WILLIAM E. CURRAN, 70

Director Since: 2008

Board Committees: Audit, Compliance and Compensation

Position, Principal Occupation and Professional Experience: *Retired President and Chief Executive Officer at Philips Electronics North America Corp.* Currently retired, Mr. Curran was the President and Chief Executive Officer at Philips Electronics North America Corp. from July 1999 to August 2002. Prior to that he served as Chief Financial Officer from February 1996 to July 1999. Previously, he served as Chief Operating Officer of Philips Medical North America, a medical device manufacturer, from February 1993 to February 1996.

Other Current Public Directorships: Profound Medical, a public company developing a treatment for prostate cancer using ablative ultrasound and guided by magnetic resonance imaging and thermometry (since January 2012).

Prior Public Company Directorships (within the last five years): None

Other Directorships, Trusteeships and Memberships: Previously served as non-executive Chairman and director of Resonant Medical, an early-stage privately owned company specializing in three-dimensional ultrasound image-guided adaptive radio therapy products, until its acquisition by Elekta A.B., and as a director of Ventracor, a global medical device company which produced an implantable blood pump.

Director Qualifications: The Governance Committee believes that Mr. Curran's wide experience in operations, finance and executive management, both in the United States and abroad, provide clear support for his nomination for election to our Board.

THOMAS W. ERICKSON, 68

Director Since: 2015
Board Committees: Executive

Position, Principal Occupation and Professional Experience: *President and Chief Executive Officer of ECG Ventures, Inc.* Mr. Erickson has been President and Chief Executive Officer of ECG Ventures, Inc., an investment firm, since 1987 and serves as a Senior Advisor to Centerbridge Partners, a private equity firm. Mr. Erickson has previously served as Chairman and Interim President and Chief Executive Officer of National Medical Health Card Systems, Inc., a publicly traded pharmacy benefits manager; Chairman of the Board of PathWays, Inc., an operator of post-acute care facilities; Chairman of the Board of TransHealthcare, Inc., a health care services company; Chairman and Interim Chief Executive Officer of LifeCare Holdings, Inc., an operator of long-term acute care hospitals; Interim President and Chief Executive Officer of Luminex Corporation, a publicly traded biotechnology company; Chairman of the Board of Inmar, Inc., a reverse logistics and revenue recovery company; Chairman of the Board and Interim President and Chief Executive Officer of Western Dental Services, Inc., a dental practice management company; and Interim President and Chief Executive Officer of Omega Healthcare Investors, Inc., a publicly traded healthcare focused real estate investment trust. Mr. Erickson was also co-founder, President and Chief Executive Officer of CareSelect Group, Inc., a physician practice management company.

Other Current Public Directorships: Luminex Corporation, a publicly traded biotechnology company (since May 2004), and American Renal Associates Holdings, Inc., a publicly traded operator of renal dialysis clinics (since March 2011).

Prior Public Company Directorships (within the last five years): None

Other Directorships, Trusteeships and Memberships: None

Director Qualifications: The Governance Committee believes that Mr. Erickson's extensive executive management and operational experience, particularly in the healthcare industry, provide clear support for his nomination for election to our Board.

CHARLES W. HULL, 79

Director Since: 1993
Board Committees: Technology

Position, Principal Occupation and Professional Experience: *Executive Vice President and Chief Technology Officer of the Company.* Mr. Hull serves as the Executive Vice President and Chief Technology Officer of the Company. He is a founder of the Company and has served as Chief Technology Officer since 1997 and as Executive Vice President since 2000. He has also previously served in various other executive capacities, including Chief Executive Officer, Vice Chairman of the Board of Directors and President and Chief Operating Officer.

Other Current Public Directorships: None

Prior Public Company Directorships (within the last five years): None

Other Directorships, Trusteeships and Memberships: Member of the External Advisory Board of Aerospace Engineering Sciences, University of Colorado

Director Qualifications: As one of our founders and a director since 1993, the Governance Committee believes Mr. Hull's broad understanding of the technologies of our industry as well as a wide-ranging historical perspective on our strategy and growth, provide clear support for his nomination for election to our Board.

WILLIAM D. HUMES, 54

Director Since: 2014

Board Committees: Audit and Compensation

Position, Principal Occupation and Professional Experience: *Chief Financial Officer for Core Scientific.* Mr. Humes has been Chief Financial Officer for Core Scientific, a leader in Blockchain and Artificial Intelligence infrastructure hosting, transaction processing and application development, since January 2019. From 2005 until 2016, he served as Chief Financial Officer of Ingram Micro Inc., a Fortune 100 company and the world's largest wholesale technology distributor and a global leader in supply-chain and mobile device lifecycle services until it was acquired and taken private by HNA Group. Following HNA's acquisition of Ingram Micro Inc., Mr. Humes transitioned from Chief Financial Officer to the board of directors of the newly acquired subsidiary on which he served until June 2017. While Chief Financial Officer of Ingram Micro, he was responsible for the company's global finance organization including financial planning and analysis, controllership, internal audit, tax, treasury and risk management. Prior to being named Chief Financial Officer, Mr. Humes held positions of increasing responsibility for Ingram Micro after joining in 1998 as Senior Director, Worldwide Financial Planning, Reporting and Accounting.

Before joining Ingram Micro, Mr. Humes was at PricewaterhouseCoopers LLP for nine years, where he took an accelerated path to senior manager. During his tenure at the firm, he was responsible for managing all aspects of professional services to numerous multinational and technology-sector companies.

Other Current Public Directorships: None

Prior Public Company Directorships (within the last five years): None

Other Directorships, Trusteeships and Memberships: None

Director Qualifications: The Governance Committee believes Mr. Humes' wide experience in finance, operations and executive management provides clear support for his nomination for election to our Board.

VYOMESH I. JOSHI, 65

Director Since: 2016

Board Committees: Compliance, Technology and Executive

Position, Principal Occupation and Professional Experience: *President and Chief Executive Officer of the Company.* Mr. Joshi has served as the President and Chief Executive Officer of the Company since April 2016. From 2001 to 2012, he was Executive Vice President of Hewlett-Packard's (HP) Imaging and Printing Group, following two decades of research, engineering and management in HP's imaging and printing systems.

Other Current Public Directorships: Harris Corporation, a publicly traded technology company, defense contractor and information technology service provider (since September 2013).

Prior Public Company Directorships (within the last five years): Yahoo! Inc., a publicly traded web services provider (from 2005 to 2012), and Wipro Ltd., a publicly traded multinational information technology, consulting and business process services company (from 2012 to 2016).

Other Directorships, Trusteeships and Memberships: None

Director Qualifications: The Governance Committee believes Mr. Joshi's extensive executive management, corporate strategy and international operational experience provides clear support for his nomination for election to our Board. Additionally, Mr. Joshi has significant knowledge of the Company and the competitive environment in which it operates.

JIM D. KEVER, 66

Director Since: 1996

Board Committees: Compensation and Corporate Governance & Nominating

Position, Principal Occupation and Professional Experience: *Principal, Voyent Partners, LLC.* Mr. Kever has been a Principal in Voyent Partners, LLC, a venture capital firm, since 2001. He previously served as President and Co-Chief Executive Officer of the Transaction Services Division of WebMD Corporation (formerly Envoy Corporation), an internet healthcare services company, from 1995 to 2001. Prior to 1995 he served as Envoy Corporation's Executive Vice President, Secretary and General Counsel.

Other Current Public Directorships: Luminex Corporation, a publicly traded biotechnology company (since December 1996).

Prior Public Company Directorships (within the last five years): Tyson Foods, Inc., a publicly traded multinational food processing company (from 1999 to 2014).

Other Directorships, Trusteeships and Memberships: None

Director Qualifications: The Governance Committee believes Mr. Kever's wide experience in operations, finance and executive management provides clear support for his nomination for election to our Board.

CHARLES G. MCCLURE JR., 65

Director Since: 2017

Board Committees: Compliance and Executive

Position, Principal Occupation and Professional Experience: *Managing Partner, Michigan Capital Advisors.* Mr. McClure has served as Chairman of the Board of Directors of the Company since October 2018. Mr. McClure has served as a Managing Partner of Michigan Capital Advisors since 2014 and has more than 35 years of experience in the transportation industry. Prior to founding Michigan Capital Advisors, Mr. McClure served as Chairman of the Board, Chief Executive Officer and President of Meritor, Inc. from 2004 through 2013. From 2002 through 2004, Mr. McClure served as Chief Executive Officer, President and a member of the Board of Federal Mogul Corp. Mr. McClure joined Federal Mogul in 2001 as president, Chief Operating Officer and a member of the Board. Before joining Federal Mogul, Mr. McClure served as President, Chief Executive Officer and a member of the Board of Detroit Diesel. He joined Detroit Diesel in 1997 after 14 years in a variety of management positions with Johnson Controls.

Other Current Public Directorships: DTE Energy, a publicly traded Detroit-based energy company (since 2012), and Crane Corporation, a publicly traded industrial products company (since 2017).

Prior Public Company Directorships (within the last five years): Remy International, Inc., a manufacturer and distributor of starters and alternators prior to its acquisition by BorgWarner Inc. (2015).

Other Directorships, Trusteeships and Memberships: Member of the Board of Trustees of Henry Ford Health Systems; Member of the Board of Directors of Invest Detroit; and Member of the Business Leaders for Michigan.

Director Qualifications: The Governance Committee believes Mr. McClure's broad experience in operations and executive management and significant expertise in the automotive industry, a key vertical for our Company, provide clear support for his nomination for election to our Board.

KEVIN S. MOORE, 64

Director Since: 1999

Board Committees: Audit, Compensation and Executive

Position, Principal Occupation and Professional Experience: *President and Director, The Clark Estates, Inc.* Mr. Moore has been with The Clark Estates, Inc., a private investment firm and a major company stockholder, for more than 20 years, where he is currently President and a director.

Other Current Public Directorships: None

Prior Public Company Directorships (within the last five years): None

Other Directorships, Trusteeships and Memberships: Aspect Holdings, LLC, The Clark Foundation, the National Baseball Hall of Fame & Museum, Inc., and Vice Chairman of the Board of Trustees of Bassett Healthcare Network.

Director Qualifications: The Governance Committee believes Mr. Moore's wide experience in operations, finance and executive management and, as the president of a major stockholder, perspective on strategy and growth for the benefit of our stockholders, provide clear support for his nomination for election to our Board.

JOHN J. TRACY, 64

Director Since: 2017

Board Committees: Compliance and Technology

Position, Principal Occupation and Professional Experience: *Retired Chief Technology Officer and Senior Vice President, Engineering, Operations and Technology at The Boeing Company.* Dr. Tracy has more than 37 years of experience in the aerospace industry, most recently as Chief Technology Officer and Senior Vice President, Engineering, Operations and Technology at The Boeing Company. Dr. Tracy has strong leadership in technology, operations, quality and engineering gained from his experience from several aerospace companies, including Hercules Aerospace Company, McDonnell Douglas Corporation and The Boeing Company. From 2006 until 2016, he served as Chief Technology Officer and Senior Vice President, Engineering, Operations and Technology at The Boeing Company. Prior to that he served as Vice President, Engineering and Mission Assurance for Boeing Integrated Defense Systems and Vice President Structural Technologies, Prototyping and Quality of Phantom Works at The Boeing Company, after serving in roles of increasing responsibility at Hercules, McDonnell Douglas and The Boeing Company since 1979.

Other Current Public Directorships: None

Prior Public Company Directorships (within the last five years): None

Other Directorships, Trusteeships and Memberships: Member of the National Academy of Engineering and Member of the Board of Directors of The Aerospace Corporation.

Director Qualifications: The Governance Committee believes Dr. Tracy's strong leadership experience and specialized expertise in aerospace engineering and manufacturing, structure and materials provide clear support for his nomination for election to our Board.

JEFFREY WADSWORTH, 68

Director Since: 2017

Board Committees: Compliance, Corporate

Governance & Nominating and Technology

Position, Principal Occupation and Professional Experience: *Retired President and Chief Executive Officer of Battelle.* Dr. Wadsworth, currently retired, served as President and Chief Executive Officer of Battelle, the world's largest independent research and development enterprise (Battelle), from January 2009 until October 2017. He formerly was Executive Vice President, Global Laboratory Operations at Battelle, Director of Oak Ridge National Laboratory and Chief Executive Officer and President of UT-Battelle LLC and Senior Vice President for U.S. Department of Energy Science Programs at Battelle. Previously, he was director of Homeland Security Programs at Battelle and part of the White House Transition Planning Office for the then-newly formed U.S. Department of Homeland Security. From 1992 to 2002, Dr. Wadsworth was at the Lawrence Livermore National Laboratory in

Livermore, California, where from 1995 he was Deputy Director for Science and Technology. Prior to that, he was with Lockheed Missiles and Space Company, Research and Development Division.

Other Current Public Directorships: Carpenter Technology Corporation, a publicly traded manufacturer and distributor of stainless steels and corrosion-resistant alloys (since 2006).

Prior Public Company Directorships (within the last five years): None

Other Directorships, Trusteeships and Memberships: Member of the National Academy of Engineering.

Director Qualifications: The Governance Committee believes Dr. Wadsworth's strong background in the defense industry and significant leadership experience in the research and development arena, particularly with respect to innovation and strategy matters, provide clear support for his nomination for election to our Board.

CORPORATE GOVERNANCE MATTERS

Our Board of Directors is committed to sound and effective corporate governance practices, to diligently exercising its oversight responsibilities with respect to our business and affairs consistent with the highest principles of business ethics, and to meeting the corporate governance requirements that apply to us.

Corporate Governance Guidelines

The Board has adopted Corporate Governance Guidelines that address various governance matters, including, among others, the functions of the Board, Board committees, director qualification standards and the director nomination process; director responsibilities; director access to management and independent advisors; director stock ownership; director orientation and continuing education; management succession; and an annual performance evaluation of the Board. The Governance Committee is responsible for overseeing these Guidelines, periodically assessing their adequacy, and modifying them to meet new circumstances. These Guidelines are posted on our website at www.3DSystems.com under *Investor Relations*, and then under *Governance*.

Director Independence

Eight of our eleven directors are independent directors. Under the corporate governance standards of the New York Stock Exchange (the NYSE), at least a majority of our directors, and all of the members of the Audit Committee, Compensation Committee, and Governance Committee, must meet the test of independence. The NYSE standards provide that, to qualify as an independent director, in addition to satisfying certain bright-line criteria, the Board must affirmatively determine that a director has no material relationship with us (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). The Board has affirmatively determined that Ms. Clinton and Messrs. Curran, Humes, Keever, McClure, Moore, Tracy and Wadsworth satisfy the bright-line criteria of the listing standards of the NYSE and that they have no material relationships with us. In making its determination, the Board and the Governance Committee reviewed the following relationships:

Mr. Joshi, our Chief Executive Officer (CEO), and Mr. Chuck Hull, one of our founders and our Chief Technology Officer, are executive officers of the Company and, as such, are not independent directors.

Mr. Erickson, who was appointed to the Board on November 17, 2015, was party to a consulting agreement with the Company in 2016, as described further under *Related Party Transaction Policy and Procedures* beginning on page 17 of this Proxy Statement and, as such, is not an independent director.

Risk Responsibility and Oversight

Consistent with Delaware law, our business is managed by our officers under the direction and oversight of the Board of Directors. In this regard, our management, including our corporate officers, is responsible for the day-to-day management of the risks facing us, including macroeconomic, financial, strategic, operational, public reporting, legal, regulatory, political, compliance, and reputational risks. They carry out this responsibility through a coordinated effort among themselves in the management of our business.

In exercising its oversight responsibilities, as permitted by law, the Board receives and relies on reports and other information provided by management, reviews, and approves matters that it is required or permitted to approve by law or our Certificate of Incorporation or By-Laws, each as amended, and receives information relating to, and enquires into, such other matters as it deems appropriate, including our business plans, prospects and performance, succession planning, risk management, and other matters for which it has oversight responsibility. The Board carries out its general oversight responsibility both by acting as a whole as well as through its committees. Among other things, the Board as a whole periodically reviews our processes for identifying, ranking, and assessing risks that affect our organization as well as the output of those processes. The Board as a whole also receives periodic reports from our management on various risks, including risks of the types mentioned above facing our businesses, risks presented by transactions that are presented to the Board for approval, and risks arising out of our corporate strategy.

As discussed below, the Board also maintains several standing committees with oversight responsibility for various Board functions. Although the Board has ultimate responsibility for overseeing risk, its standing committees perform certain of its oversight responsibilities. For example, in accordance with its charter, the Audit Committee engages in ongoing discussions regarding major financial and accounting risk exposures and the process and system employed to monitor and control such exposures. In addition, consistent with its charter, the Audit Committee engages in periodic discussions with management concerning the process by which risk assessment and management are undertaken, and it exercises oversight with regard to the risk assessment and management processes related to, among other things, internal controls, credit, capital structure, liquidity, cybersecurity and insurance programs. In carrying out these responsibilities, the Audit Committee, among other things, regularly reviews with the Internal Audit Director the audits or assessments of significant accounting and audit risks conducted by Internal Audit personnel based on their audit plan, and the Audit Committee regularly meets in executive sessions with the Internal Audit Director. The Audit Committee also regularly reviews with management our internal control over financial reporting, including any significant deficiencies or material weaknesses. As