UNISYS CORP
Form DEF 14A
March 16, 2018
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

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

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

Unisys Corporation

(Name of registrant as specified in its charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

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

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

Unisys Corporation

801 Lakeview Drive, Suite 100

Blue Bell, PA 19422

March 16, 2018

Dear Fellow Stockholder:

It is my pleasure to invite you to the Unisys 2018 Annual Meeting of Stockholders. This year s meeting will be held on Thursday, April 26, 2018, at the Courtyard Philadelphia Downtown, which is located at 21 North Juniper Street in Philadelphia, Pennsylvania. The meeting will begin at 8:00 a.m., local time.

Unisys entered 2017 with the momentum of a full year of executing on our strategy developed in 2015 and further refined in 2016. We achieved significant progress against that plan, as shown by our strong full year results. For the second straight year, we provided guidance for revenue, non-GAAP operating profit margin and adjusted free cash flow. We exceeded our guidance on non-GAAP operating profit margin and adjusted free cash flow, and achieved the high end of our revenue guidance. This marked the second straight year we met, or exceeded, all guidance metrics since we re-established the process of issuing it last year. We have demonstrated continued progress on our key goals of using our industry go-to-market focus to drive improvements in revenue trajectory. We launched or refreshed our industry application products during the year, grew our focus industry revenue and saw total Company revenue growth in the fourth quarter. Our non-GAAP operating profit margin meaningfully expanded, helped by improvements in both our Technology and Services operating margins. Additionally, we took proactive steps to strengthen our working capital and reduce our pension deficit. Both of these initiatives support a stronger balance sheet and improve our cash flow.

We are pleased to continue our practice of making proxy materials available to our stockholders over the Internet. We believe that doing so allows us to provide our stockholders with the information they need, while reducing our printing and mailing costs and helping to conserve natural resources. Stockholders who continue to receive paper copies of proxy materials may help us to reduce costs further by opting to receive future proxy materials by email. You may register for electronic delivery of future proxy materials by following the instructions on either the enclosed proxy/voting instruction card or the Notice of Internet Availability of Proxy Materials that you received in the mail.

Your vote is important. Whether or not you plan to attend the annual meeting, I urge you to take a moment to vote on the items in this year s proxy statement. Voting takes only a few minutes, and it will ensure that your shares are represented at the meeting.

Sincerely,

Peter A. Altabef

President and Chief Executive Officer

Table of Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

April 26, 2018

Unisys Corporation will hold its 2018 Annual Meeting of Stockholders at the Courtyard Philadelphia Downtown, 21 North Juniper Street, Philadelphia, Pennsylvania, on Thursday, April 26, 2018, at 8:00 a.m., local time, to:

1. elect nine directors;
2. ratify the selection of the Company s independent registered public accounting firm for 2018;
3. hold an advisory vote to approve executive compensation; and
4. transact any other business properly brought before the meeting.

Only record holders of Unisys common stock at the close of business on February 26, 2018 will be entitled to vote at the annual meeting.

By Order of the Board of Directors,

Gerald P. Kenney
Senior Vice President, General Counsel
and Secretary

Blue Bell, Pennsylvania
March 16, 2018

Important Notice Regarding the Availability of Proxy Materials for the Stockholder

Meeting to be Held on April 26, 2018:

The Company s proxy statement and annual report are available at

www.proxyvote.com

Your vote is important. Whether or not you plan to attend the annual meeting, please promptly submit your proxy or voting instructions by Internet, telephone, or mail. For specific instructions on how to vote your shares, please refer to the instructions found on the Notice of Internet Availability of Proxy Materials you received in the mail or, if you received a paper copy of the proxy materials, the enclosed proxy/voting instruction card.

Table of Contents

TABLE OF CONTENTS

Table of Contents

UNISYS CORPORATION

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

April 26, 2018

The Board of Directors of Unisys Corporation solicits your proxy for use at the 2018 Annual Meeting of Stockholders to be held on April 26, 2018 and at any adjournments or postponements thereof. At the annual meeting, stockholders will be asked to (1) elect directors, (2) ratify the selection of the Company s independent registered public accounting firm, (3) approve, on an advisory basis, the compensation of the Company s named executive officers and (4) transact any other business properly brought before the meeting.

The record date for the annual meeting is February 26, 2018. Only holders of record of Unisys common stock as of the close of business on the record date are entitled to vote at the meeting. On the record date, 50,639,210 shares of common stock were outstanding. The presence, in person or by proxy, of a majority of those shares will constitute a quorum at the meeting.

This proxy statement, the proxy/voting instruction card and the annual report of Unisys, including the financial statements for 2017, are being made available to stockholders on or about March 16, 2018.

Internet Availability of Proxy Materials; Multiple Sets of Proxy Materials

Pursuant to the notice and access rules adopted by the Securities and Exchange Commission (the SEC), the Company has elected to provide stockholders access to its proxy materials over the Internet. Accordingly, the Company sent a Notice of Internet Availability of Proxy Materials (the Notice) to most stockholders (other than those who previously requested electronic or paper delivery of proxy materials). The Notice includes instructions on how to access the proxy materials over the Internet, how to vote online and how to request a printed copy of these materials. In addition, by following the instructions in the Notice, stockholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis.

Choosing to receive your future proxy materials by email will save the Company the cost of printing and mailing documents to you and will reduce the impact of the Company s annual meetings on the environment. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

If you hold shares of Unisys common stock in more than one account, you may receive more than one Notice or more than one set of proxy materials. Please be sure to vote all the shares that you own.

Table of Contents

Voting Procedures and Revocability of Proxies

Your vote is important. Shares may be voted at the annual meeting only if you are present in person or represented by proxy. You can vote by proxy over the Internet by following the instructions provided in the Notice, or, if you request printed copies of the proxy materials by mail, you can also vote by submitting a proxy by mail or by telephone by following the instructions provided on the proxy/voting instruction card. If you have previously elected to receive proxy materials over the Internet, you should have already received email instructions on how to vote electronically.

You may revoke your proxy at any time before it is exercised by writing to the Corporate Secretary of Unisys, by timely delivery of a properly executed later-dated proxy (including an Internet or telephone vote) or by voting in person at the meeting.

The method by which you vote will in no way limit your right to vote at the meeting if you later decide to attend in person. If you are the beneficial owner of shares held in street name by a bank, broker or other holder of record, you must obtain a proxy, executed in your favor, from the holder of record if you wish to vote in person at the meeting.

If you are a stockholder of record and you properly complete, sign and return your proxy, and do not revoke it, the proxy holders will vote your shares in accordance with your instructions. If your signed and returned proxy gives no instructions, the proxy holders will vote your shares (1) FOR the election of directors, (2) FOR the ratification of the selection of independent registered public accounting firm, (3) FOR the approval, on an advisory basis, of the compensation of the Company s named executive officers, and (4) in their discretion on any other matters that properly come before the annual meeting.

If you are a beneficial owner of shares held in street name and you do not provide specific voting instructions to the organization that holds your shares, the organization will be prohibited under the current rules of the New York Stock Exchange (the NYSE) from voting your shares on non-routine matters. This is commonly referred to as a broker non-vote . The election of directors and the advisory resolution regarding the compensation of the Company s named executive officers are considered non-routine matters and therefore may not be voted on by your bank or broker absent specific instructions from you. The ratification of the selection of independent registered public accounting firm is considered routine and therefore may be voted on by your bank or broker without instructions from you. Please instruct your bank or broker so your vote can be counted.

If you are a participant in the Unisys Savings Plan, the proxy/voting instruction card will serve as voting instructions to the plan trustee for shares of Unisys common stock credited to your account as of February 26, 2018. The trustee will vote those shares in accordance with your instructions if it receives your completed proxy by April 23, 2018. If the proxy is not timely received, or if you give no instructions on a matter to be voted upon, the trustee will vote the shares credited to your account in the same proportion as it votes those shares for which it received timely instructions from other participants.

Required Vote

Each share of Unisys common stock outstanding on the record date is entitled to one vote on each matter to be voted upon.

Table of Contents

Election of Directors (Item 1). Directors will be elected by the vote of a majority of the votes cast at the meeting. This means that a nominee will be elected if the number of votes cast FOR his or her election exceeds 50% of the total number of votes cast with respect to that nominee s election. Votes cast with respect to the election of directors do not include abstentions and broker non-votes.

Independent Registered Public Accounting Firm (Item 2). The proposal to ratify the selection of the Company s independent registered public accounting firm will be approved if it receives the affirmative vote of a majority of shares present, in person or by proxy, and entitled to vote on the matter. Any shares not voted by abstention or otherwise will have the same effect as a vote Against the proposal. There will be no broker non-votes for the proposal to ratify the selection of the Company s independent registered public accounting firm since brokers will be entitled to vote on this routine proposal.

Advisory Vote to Approve Executive Compensation (Item 3). The advisory resolution to approve executive compensation will be approved if it receives the affirmative vote of a majority of shares present, in person or by proxy, and entitled to vote on the matter. Any shares not voted by abstention or otherwise will have the same effect as a vote Against the proposal. Broker non-votes will not be included in the vote totals and therefore will have no effect on the advisory vote on executive compensation.

The advisory vote to approve executive compensation (Item 3) is not binding on the Company. However, the Company will review and consider the results of this advisory vote when making future executive compensation decisions.

ELECTION OF DIRECTORS

(Item 1)

Summary

The Board of Directors of Unisys Corporation (the Board of Directors or the Board) currently consists of eleven members, each of whose term expires at the annual meeting. Mr. Paul Weaver and Ms. Alison Davis each will retire from the Board at the annual meeting. Each of the remaining nine directors has been nominated for reelection for a term expiring at the 2019 annual meeting. Each of the nominees has agreed to serve as a director if elected, and the Company believes that each nominee will be available to serve. However, the proxy holders have discretionary authority to cast votes for the election of a substitute should any nominee not be available to serve as a director.

Table of Contents

The following charts highlight the balance in age and the diversity in tenure, gender and ethnicity of our director nominees. Also highlighted are the variety of background and experience of the director nominees. The Board believes that this balance and mix of diversity, background and experience will help bring broad and valuable perspectives to the Board that will lead to a well-functioning board of directors.

AGE

TENURE

DIVERSITY

INDEPENDENCE

Table of Contents

BACKGROUND AND EXPERIENCE

Key

Senior Leadership	Experience serving in a senior leadership role of a complex organization
Public Company Board	Experience as a board member of another publicly-traded company
CEO	Experience serving as a Chief Executive Officer of a publicly-traded company
Financial Expertise	Experience or expertise in finance, accounting, financial management or financial reporting
Technology	Experience or expertise in the information technology industry
Industry Sectors	Knowledge of or experience in one or more of the client industry sectors or growth segments that the Company serves
International	Experience with global business operations or with doing business internationally

Table of Contents

Information Regarding Nominees

The names and ages of the nominees, their principal occupations and employment during the past five years, and other information regarding them are as follows.

The Board of Directors recommends a vote FOR all nominees

PETER A. ALTABEF	Professional Experience:
Age: 58 Director Since: 2015 Unisys President and CEO	Mr. Altabef is President and Chief Executive Officer of Unisys and a member of the Board of Directors. Prior to joining Unisys in 2015, Mr. Altabef was the President and Chief Executive Officer, and a member of the Board of Directors, of MICROS Systems, Inc. from 2013 until 2014, when MICROS Systems, Inc. was acquired by Oracle Corporation. He previously served as President and Chief Executive Officer of Perot Systems Corporation from 2004 until 2009, when Perot Systems was acquired by Dell, Inc. Thereafter, Mr. Altabef served as President of Dell Services (a unit of Dell Inc.) until his departure in 2011. Mr. Altabef also serves on the President s National Security Telecommunications Advisory Committee, the Board of Directors of NiSource Inc. and Petrus Trust Company, LTA., the Board of the East West Institute, and the Board of Advisors of Merit Energy Company, LLC. He previously served as Senior Advisor to 2M Companies, Inc. in 2012, and served as a director of Belo Corporation from 2011 through 2013.
	Attributes, Skills and Qualifications:
Chairman of the Board-Elect	Mr. Altabef has more than 20 years of senior leadership experience in the information technology industry and, having led both Perot Systems Corporation and MICROS Systems, Inc., has a proven ability to drive revenue growth and achieve strong financial performance. As a result, Mr. Altabef has the leadership skills and experience to serve as a director and as the President and Chief Executive Officer of the Company.

Table of Contents

JARED L. COHON	Professional Experience:
Age: 70 Director Since: 2013 Compensation Committee Nominating and Corporate Governance Committee Independent	Dr. Cohon is President Emeritus and University Professor of Civil and Environmental Engineering and Engineering and Public Policy at Carnegie Mellon University. He served as President of Carnegie Mellon from 1997 until 2013. During this period, he led the university s global expansion while enhancing programs in information technology, diversity, international education, economic development and other areas. Prior to joining Carnegie Mellon, Dr. Cohon served as Dean of the School of Forestry and Environmental Studies at Yale University. Before that, he was an associate dean of engineering and vice provost for research at Johns Hopkins University. Dr. Cohon currently serves as a director of Ingersoll-Rand, plc. From 1999 to 2008, he served as a director of Trane, Inc. (formerly American Standard Companies, Inc.) and from 2010 to 2016, he served as director of Lexmark International, Inc. Attributes, Skills and Qualifications: Dr. Cohon brings to the Board both the management expertise and the unique perspective on technological matters gained from serving as the president of a global research university known for its leadership in technology programs. This, combined with his distinguished academic career, his international experience and the experience he has gained from serving as a director of multiple publicly traded companies make him a valued contributor to our Board.
NATHANIEL A. DAVIS	Professional Experience:
Age: 64 Director Since: 2011 Lead Director-Elect Nominating and Corporate Governance Committee, Chair Independent	Mr. Davis is the Chairman of the Board and Chief Executive Officer of K12 Inc., a provider of proprietary curricula and on-line education programs for students in kindergarten through high school. He has been a member of the Board of Directors of K12 since 2009, has been its Chairman of the Board since 2012 and was named its Chief Executive Officer in February 2018, a position he previously held from 2014 to 2016. He has served as K12 s Executive Chairman since 2013. Mr. Davis worked as Managing Director of the RANND Advisory Group, a business consulting group that advises software, technology, media and venture capital firms, before assuming the role of Executive Chairman of K12 in 2013. From 2007 to 2008, he was President and Chief Executive Officer of XM Satellite Radio, a provider of direct satellite radio broadcasts in the U.S., and from 2006 to 2007, was its President and Chief Operating Officer. He also was a member of the XM Satellite Radio Board of Directors from 1999 until 2008. From 2000 to 2003, he was President and Chief Operating Officer and a member of the Board of Directors of XO Communications (formerly Nextlink Communications). He has also held senior management roles at Nextel Communications and MCI Communications. He began his career at AT&T. Mr. Davis also serves as a trustee of the RLJ Lodging Trust. Mr. Davis served as a director of Charter Communications, Inc. from 2005 to 2008 and as a director of EarthLink, Inc. in 2011.

Table of Contents

	Attributes, Skills and Qualifications:
	Mr. Davis brings managerial and operational expertise to our Board. This expertise, as well as his extensive experience in the communications industry, brings a valuable perspective to our Board as Unisys continues its work to strengthen its competitive and financial profile in a changing IT industry.
DENISE K. FLETCHER	Professional Experience:
Age: 69 Director Since: 2001	Ms. Fletcher is a former Executive Vice President, Finance of Vulcan Inc., an investment and project company, a position she held from 2005 to 2008. From 2004 to 2005, she served as Chief Financial Officer of DaVita, Inc., a provider of dialysis services in the United States. From 2000 to 2003, she was Executive Vice President and Chief Financial Officer of MasterCard International, an international payment solutions company. Before joining MasterCard, she served as Chief Financial Officer of Bowne Inc., a global document management and information services provider. Ms. Fletcher is a director of Inovalon, Inc., a publicly-traded technology company, and a member of the Group Governance Council of Mazars Group, an international organization that specializes in audit, accounting, tax, legal, and advisory services. During 2004 and 2005, she served as a director of Sempra Energy and of Orbitz, Inc.
Audit and Finance Committee, Chair	Attributes, Skills and Qualifications:
Independent	As an experienced financial and operational leader with companies in a variety of industries, Ms. Fletcher brings a broad understanding of the strategic priorities of diverse industries, coupled with knowledge of financial and tax matters and financial reporting and experience in investments and acquisitions. In addition, Ms. Fletcher s years at MasterCard, Bowne and Mazars have given her an understanding of the financial and other aspects of doing business globally, which is particularly important for a company like Unisys, which receives more than half of its revenue from international operations.

Table of Contents

PHILIPPE GERMOND Age: 61 Director Since: 2016 Nominating and Corporate Governance Committee Independent	Professional Experience: Mr. Germond is the former Chairman of the Management Board (the equivalent of chief executive officer) of Europcar Groupe S.A., a publicly traded European car rental operator with a presence in more than 140 countries and the leading operator in Europe, a position he held from 2014 to 2016. Before joining Europcar Groupe, Mr. Germond served as Chairman and Chief Executive Officer of Paris Mutuel Urbain from 2009 to 2014, Chairman and Chief Executive Officer of Atos Origin from 2007 to 2008, a member of the Management Board of Atos Worldline from 2006 to 2008, President and Chief Operating Officer of Alcatel from 2003 to 2005 and Chairman and CEO of SFR (Societe Francaise du Radiotelephone Cegetel) from 1995 to 2002. Prior to that, Mr. Germond began his career at Hewlett-Packard, where he served for 15 years in various marketing and sales roles of increasing responsibility, ultimately serving in Europe as the Managing Director of the Microcomputer Group and a member of the Management Board. Mr. Germond served as the Chairman of the Supervisory Board of Qosmos, a French software company, until its acquisition in December 2016. Attributes, Skills and Qualifications: As a successful leader in sales, operations and governance, Mr. Germond brings broad executive experience in a number of industries. His experience implementing transformation projects and making companies more digital and customer-oriented is helpful to Unisys as we continue our transformation and bring enhanced value to our clients. In addition, Mr. Germond s vast global experience is particularly useful for Unisys, a company with about half of its revenue from international operations and approximately 30% of its revenue from Europe.
DEBORAH LEE JAMES Age: 59 Director Since: 2017 Nominating and Corporate Governance Committee Independent	Professional Experience: Ms. James served as the Secretary of the Air Force from 2013 to January 2017. In this role, she was responsible for the affairs of the Department of the Air Force. Prior to serving as Secretary of the Air Force, from 2002 to 2013 Ms. James held a variety of increasingly senior positions as Science Applications International Corporation (SAIC), including Senior Vice President and Director of Homeland Security and President of SAIC s Technical and Engineering Sector. Previously, she was Executive Vice President and Chief Operating Officer at Business Executives for National Security from 2000 to 2001 and Vice President of International Operations and Marketing at United Technologies from 1998 to 2000. Ms. James has also served as the Assistant Secretary of Defense for Reserve Affairs, Assistant to the Secretary for Legislative Affairs and as a professional staff member on the House Armed Services Committee. Ms. James is currently a director of Textron Inc., and MKACyber, Inc. and serves on the Board of Trustees of Noblis, Inc.

Table of Contents

Attributes, Skills and Qualifications:

Ms. James brings more than 30 years of senior homeland and national security experience in the federal government and the private sector to Unisys. Her experience leading the U.S. Air Force gives her a valuable perspective regarding cyber, logistics and border security. In addition, Ms. James experience in the private sector with the transformative nature of digital products and solutions is an important asset to the Board as Unisys launches its next generation of offerings.

PAUL E. MARTIN

Age: 60

Director Since: 2017

Audit and Finance Committee

Independent

Professional Experience:

Mr. Martin is Senior Vice President, Chief Information Officer of Baxter International, Inc., a position he has held since 2011. From 1999 to 2011, Mr. Martin was at Rexam Plc, serving as Global Chief Information Officer from 2004 to 2011 and as Division CIO from 1999 to 2004.
Previously, Mr. Martin held management roles at CIT Group Capital Financing, Burlington Northern Santa Fe Corporation, and Frito-Lay, Inc. Mr. Martin has served as a director of Unisys since February 2017.

Attributes, Skills and Qualifications:

With extensive executive management experience across the entire IT industry, Mr. Martin understands the IT challenges that Unisys customers face. In addition, the Board will greatly benefit from Mr. Martin s international experience and his deep life sciences and healthcare expertise, a core industry area of focus for the Company.

REGINA PAOLILLO

Age: 59

Director Since: 2018

Independent

Professional Experience:

Ms. Paolillo has served as Executive Vice President, Chief Financial & Administrative Officer of TTEC Holdings, Inc. (formerly known as TeleTech Holdings, Inc.), a global customer experience company that designs, builds and operates omnichannel customer experiences on behalf of leading brands across the world, since 2011. Between 2009 and 2011, Ms. Paolillo was the Chief Financial Officer and Executive Vice President for Enterprise Services at TriZetto Group, Inc. while at General Atlantic from 2007 to 2008, she supported the investment claims and portfolio companies in the areas of financial, operations and human capital. Prior to General Atlantic, Ms. Paolillo served as Executive Vice President of the Revenue Cycle and Mortgage Services Division at Genpact, following its acquisition of Creditek. Prior to this acquisition, Ms. Paolillo was Creditek s Chief Financial Officer and Chief Operating Officer before becoming the company s Chief Executive Officer from 2003 to 2005. She has also held finance, operations and executive leadership positions at Gartner, Inc., Productivity, Inc., Citibank and Bristol-Myers Squibb. Ms. Paolillo began her career as an auditor at Price Waterhouse.

Table of Contents

Attributes, Skills and Qualifications:

As a certified public accountant and experienced financial and operational leader with a variety of technology and services companies, Ms. Paolillo brings a broad understanding of the strategic priorities of technology and services organizations, coupled with deep knowledge of financial and accounting matters and financial reporting as well as experience in investments and acquisitions.

LEE D. ROBERTS

Age: 65

Director Since: 2011

Compensation Committee, *Chair*

Audit and Finance Committee

Independent

Professional Experience:

Mr. Roberts is Chief Executive Officer and President of BlueWater Consulting, LLC. Prior to that, he was general manager and vice president for document, content and business process management at IBM Corporation. Mr. Roberts was with FileNET Corporation from 1997 until its acquisition by IBM in 2006, serving as its Chairman and Chief Executive Officer from 2000 to 2006, its President and Chief Executive Officer from 1998 to 2000, and President and Chief Operating Officer from 1997 to 1998. Prior to FileNET, Mr. Roberts spent twenty years at IBM, where he held numerous senior management, sales and marketing roles. He is a director of Inovalon, Inc. and QAD Inc.

Attributes, Skills and Qualifications:

Mr. Roberts brings a deep understanding of the IT industry, technology trends and customer requirements to the Unisys Board. In addition, his extensive executive experience in our industry enables him to provide important strategic counsel to the Board.

Board Meetings; Attendance at Annual Meetings

The Board of Directors held five meetings in 2017. During 2017, all directors attended at least 75% of the total number of meetings of the Board and standing committees on which they served (held during the period when the director served).

It is the Company s policy that all directors should attend the annual meeting of stockholders. All of the Company s current directors who were directors at the time of the 2017 annual meeting attended that meeting.

Independence of Directors

All of the Company s directors and nominees for director other than Mr. Altabef meet the independence requirements prescribed by the NYSE and, in the case of members of the Audit and Finance Committee, also meet the audit committee independence requirements prescribed by the SEC. In assessing whether a director or nominee has a material relationship with Unisys (either directly or as a partner, stockholder or officer of an organization that has a relationship with Unisys), the Board uses the criteria outlined below in paragraph 2 of Corporate Governance Guidelines . All non-employee directors met these criteria in 2017.

Table of Contents

Committees

The Board of Directors has a standing Audit and Finance Committee, Compensation Committee and Nominating and Corporate Governance Committee. The specific functions and responsibilities of each committee are set forth in its charter, which is available on the Company s web site at www.unisys.com/governance and is also available in print to any stockholder who requests it.

The current composition of each standing committee is set forth below:

Director	Audit and Finance Committee	Compensation Committee	Nominating and Corpora Governance Committee
Peter A. Altabef			
Jared L. Cohon		X	X
Alison Davis	X	X	
Nathaniel A. Davis			Chair
Denise K. Fletcher	Chair		
Philippe Germond			X
Deborah Lee James			X
Paul E. Martin	X		
Regina Paolillo[(1)]			
Lee D. Roberts	X	Chair	
Paul E. Weaver		X	

(1) Ms. Paolillo was elected to the Board of Directors on March 13, 2018 and has not yet been appointed to a standing committee.

AUDIT AND FINANCE COMMITTEE

Members: Ms. Davis, Ms. Fletcher (chair), Mr. Martin and Mr. Roberts

Number of Meetings: 7

Independence and Qualifications: The Board has determined that each of Ms. Davis, Ms. Fletcher, Mr. Martin and Mr. Roberts qualifies as independent under the listing standards of the NYSE and is financially literate and that each of Ms. Davis, Ms. Fletcher and Mr. Roberts is an audit committee financial expert as defined by the SEC.

Purpose: The Audit and Finance Committee assists the Board in its oversight of (1) the integrity of the Company s financial statements and its financial reporting and disclosure practices, (2) the soundness of its systems of internal controls regarding financial reporting and accounting compliance, (3) the independence and qualifications of the Company s independent registered public accounting firm, (4) the performance of the Company s internal audit function and its independent registered public accounting firm, (5) the Company s compliance with legal and regulatory requirements and the soundness of its ethical and environmental compliance programs, (6) the Company s risk assessment and risk management policies, (7) the Company s financial affairs, including its capital structure, financial arrangements, capital spending and acquisition and disposition plans and (8) the management and investment of funds in the pension, savings and welfare benefit plans sponsored by the Company. The Audit and Finance Committee is also responsible for preparing the report required by the SEC to be included in the Company s annual proxy statement.

Table of Contents

COMPENSATION COMMITTEE
Members: Dr. Cohon, Ms. Davis, Mr. Roberts (chair) and Mr. Weaver
Number of Meetings: 5
Independence and Qualifications: The Board has determined that each of Dr. Cohon, Ms. Davis, Mr. Roberts and Mr. Weaver qualifies as independent under the listing standards of the NYSE.
Purpose: The Compensation Committee (1) oversees the compensation of the Company s elected executive officer and other executives who report directly to the Chief Executive Officer, (2) oversees the compensation-related policies and programs involving the Company s executive management and the level of benefits of officers and key employees and (3) reviews the senior executive succession plan and the senior executive leadership development process as presented by the Chief Executive Officer. The committee regularly reviews and approves the Company s executive compensation strategy and principles to ensure that they are aligned with the Company s business strategy and objectives and with stockholder interests. Under its charter, the Compensation Committee annually reviews and approves goals and objectives relevant to the compensation of the Chief Executive Officer, evaluates the performance of the Chief Executive Officer in light of those goals and objectives and makes recommendations to the independent members of the Board concerning the compensation level of the Chief Executive Officer. The committee also annually reviews and approves compensation levels of the other elected officers. In this regard, the committee solicits input from the Company s Chief Executive Officer regarding the compensation of those executives who report directly to him. The Compensation Committee also reviews and recommends to the Board the adoption of director compensation programs. The Company s guidelines regarding the compensation of directors are described more fully in paragraph 11 of Corporate Governance Guidelines below. Under its charter, the Compensation Committee also annually reviews management s assessment of risk as it relates to the Company s compensation arrangements. As is discussed more fully below in Compensation Discussion and Analysis , the Compensation Committee regularly receives reports and recommendations from management and from the committee s outside compensation consultant to assist it in carrying out its responsibilities. In 2017, the Compensation Committee engaged Pearl Meyer & Partners (Pearl Meyer) as its outside compensation consultant. During 2017, Pearl Meyer and its affiliates did not provide any additional services to the Company or its affiliates, and the work of Pearl Meyer has not raised any conflict of interest. Under its charter, the committee also may consult with legal, accounting or other advisors, as appropriate, and may form and delegate authority to subcommittees when appropriate.

Table of Contents

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
Members: Dr. Cohon, Mr. Davis (chair), Mr. Germond and Ms. James
Number of Meetings: 7
Independence and Qualifications: The Board has determined that each of Dr. Cohon, Mr. Davis, Mr. Germond and Ms. James qualifies as independent under the listing standards of the NYSE.
Purpose: The Nominating and Corporate Governance Committee identifies and reviews candidates and recommends to the Board of Directors nominees for membership on the Board of Directors. The director nomination process and the factors considered by the committee when reviewing candidates are described below in Director Nomination Process. It also oversees the Company s corporate governance. As a part of this responsibility, the Nominating and Corporate Governance Committee oversees the evaluation of the Board of Directors, including reviewing annually with the Board the independence of outside directors and annually facilitating the Board s self-assessment of its performance.

Director Nomination Process

As part of the nomination process, the Nominating and Corporate Governance Committee is responsible for determining the appropriate skills and characteristics required of new Board members in the context of the current make-up of the Board and for identifying qualified candidates for Board membership. In so doing, the Nominating and Corporate Governance Committee considers, with input from the Board, those factors it deems appropriate, such as independence, experience, expertise, strength of character, mature judgment, leadership ability, technical skills, diversity, age and the extent to which the individual would fill a present need on the Board. The aim is to assemble a Board that is strong in its collective knowledge and that consists of individuals who bring a variety of complementary attributes and who, taken together, have the appropriate skills and experience to oversee the Company s business. Since the last annual meeting, the Nominating and Corporate Governance Committee recommended, and the Board elected, two new directors, Ms. James in August 2017 and Ms. Paolillo in March 2018. As part of the selection process, the Board considered Ms. James unparalled senior homeland and national security experience in the federal government and private sector and Ms. Paolillo s experience as a financial and operational leader with a broad understanding of the strategic priorities of technology and services organizations.

As set forth above, the Nominating and Corporate Governance Committee considers diversity as one of a number of factors in identifying nominees for director. It does not, however, have a formal policy in this regard. The committee views diversity broadly to include diversity of experience, skills and viewpoint as well as traditional diversity concepts such as race and gender.

The Nominating and Corporate Governance Committee receives suggestions for new directors from a number of sources, including Board members. It also may, in its discretion, employ a third-party search firm to assist in identifying candidates for director. The committee will also consider recommendations for Board membership received from stockholders and other qualified sources. Recommendations on director candidates must be in writing and addressed to the Chair of the Nominating and Corporate Governance Committee, c/o Corporate Secretary, Unisys Corporation, 801 Lakeview Drive, Suite 100, Blue Bell, Pennsylvania 19422.

Table of Contents

The full Board is responsible for final approval of new director candidates, as well as the nomination of existing directors for reelection. With respect to existing directors, prior to making its recommendation to the full Board, the Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board and Chief Executive Officer, reviews each director s continuation on the Board as a regular part of the annual nominating process. Specific information on the qualifications of each of the Company s directors is included above.

Communications with Directors

Stockholders and other interested parties may send communications to the Board of Directors or to the non-employee directors as a group by writing to them c/o Corporate Secretary, Unisys Corporation, 801 Lakeview Drive, Suite 100, Blue Bell, Pennsylvania 19422. All communications directed to Board members will be delivered to them.

Board Leadership Structure

The Board believes that it should have the flexibility to make the selection of Chairman of the Board and Chief Executive Officer in the way that it believes best to provide appropriate leadership for the Company at any given point in time. Therefore, the Board does not have a policy, one way or the other, on whether the same person should serve as both the CEO and Chairman of the Board or, if the roles are separate, whether the Chairman should be selected from the non-employee directors or should be an employee. The Company s corporate governance guidelines require the Board to elect a lead director from its independent directors whenever the Chairman is an employee of the Company.

When Mr. Altabef began as the Company s CEO in January 2015, the Board determined to separate the positions of Chairman and CEO as Mr. Altabef transitioned into the role and appointed Mr. Weaver as non-executive Chairman to provide the Board with independent leadership during the CEO transition and to enable Mr. Altabef, as incoming CEO, to concentrate on the Company s business operations.

In accordance with the Company s Bylaws, the current Chairman of the Board, Mr. Weaver, will not stand for reelection at the annual meeting because he has reached age 72. In preparation for this transition, the Board conducted an in-depth review of its leadership structure and considered the individuals best-suited to lead the Board as the Company implements and executes its business strategy. As a part of this review, the Nominating and Corporate Governance Committee hired a third-party firm to conduct interviews of each director to assess the skill set and qualifications that each director believed was important for the Chairman to possess and to discuss with each director who would most effectively lead the Board. In making its recommendation to the Board, the Nominating and Corporate Governance Committee also reviewed recommended best practices for corporate governance.

As a result of this process, based on the recommendation of the Nominating and Corporate Governance Committee, the Board determined that combining the positions of Chairman and CEO and electing Mr. Altabef to serve as the Chairman and Mr. Davis to serve as independent lead director upon Mr. Weaver s retirement best positions the Board and management to implement the Company s strategy and deliver value to the Company s stockholders going forward. The Board believes that adopting this leadership structure will provide independent board leadership and oversight while benefiting the Company by having Mr. Altabef also serve as Chairman following his transition as incoming CEO, during which he demonstrated the strong leadership and vision necessary to drive the Company s strategies and achieve its objectives.

Risk Oversight

In its oversight role, the Board of Directors annually reviews the Company s strategic and operating plans, which address, among other things, the risks and opportunities facing the Company. The Board also has overall responsibility for executive officer succession planning and reviews succession plans each year. The Board has delegated certain risk management oversight responsibility to the Board committees. As part of its responsibilities as set forth in its charter, the Audit and Finance Committee is responsible for discussing with management the Company s major financial risk exposures and the steps management has taken to monitor and control those exposures, including the Company s risk assessment and risk management policies. In this regard, the Company s chief audit executive prepares annually a corporate risk assessment report and provides that report to the Board of Directors each year. This report identifies the material business risks (including strategic, operational, financial reporting and compliance risks) for the Company and identifies the controls and management initiatives that respond to and mitigate those risks. The Company s management regularly evaluates these controls, and the chief audit executive periodically reports to the Audit and Finance Committee regarding their design and effectiveness. The Audit and Finance Committee also receives annual reports from management on the Company s ethics program and on environmental compliance, regularly reviews with management the Company s financial arrangements, capital structure and the Company s ability to access the capital markets, and oversees the allocation policies with respect to the Company s pension assets, as well as the performance of pension plan investments. As part of its responsibilities as set forth in its charter, the Compensation Committee annually reviews management s assessment of risk as it relates to the Company s compensation arrangements. The Nominating and Corporate Governance Committee annually reviews the Company s corporate governance guidelines and their implementation. Each committee regularly reports to the full Board.

Compensation of Directors

The Company s non-employee directors receive an annual retainer of $60,000. Mr. Weaver receives an additional $100,000 annual retainer for serving as Chairman of the Board. The chair of the Audit and Finance Committee receives a $26,000 annual retainer, the chair of the Compensation Committee receives a $19,000 annual retainer and the chair of the Nominating and Corporate Governance Committee receives a $16,250 annual retainer. Each other member of the Audit and Finance Committee receives a $12,000 annual retainer and each other member of the Compensation Committee and the Nominating and Corporate Governance Committee receives a $7,500 annual retainer. On February 9, 2017, each non-employee director at the time of the Board meeting on that date received an annual grant of 10,639 restricted stock units having a value of $150,010 based on the fair market value of Unisys common stock on that date that vested immediately. On April 26, 2017, Mr. Martin received an annual grant of 12,500 restricted stock units having a value of $150,000 based on the fair market value of Unisys common stock on that date that vested immediately. On October 20, 2017, Ms. James received a grant of 8,427 restricted stock units having a value of $75,000 based on the fair market value of Unisys common stock on

Table of Contents

that date that vested immediately. Directors may defer receipt of these restricted stock units until termination of service, or until a specified date, under the Company s deferred compensation plan for directors.

The annual retainers described above are paid in monthly installments in cash. However, directors may defer until termination of service, or until a specified date, all or a portion of their cash fees under the Company s deferred compensation plan for directors. Under this plan, any deferred cash amounts, and earnings or losses thereon (calculated by reference to investment options available under the Unisys Savings Plan and selected by the director), are recorded in a memorandum account maintained for each director. Formerly, directors could choose, on an annual basis, to receive their fees in the form of common stock equivalent units under the Unisys Corporation Director Stock Unit Plan. The value of each stock unit at any point in time is equal to the value of one share of Unisys common stock. Stock units are recorded in a memorandum account maintained for each director. A director s stock unit account is payable in Unisys common stock, either upon termination of service or on a date specified by the director, at the director s option. Directors do not have the right to vote with respect to any stock units. This plan was terminated in 2004 and no shares (other then shares subject to outstanding awards previously received) are available for future issuance under this plan. The right to receive future payments of deferred cash accounts is an unsecured claim against the Company s general assets. Directors who are employees of the Company do not receive any cash, stock units, stock options or restricted stock units for their services as directors.
The following table provides a summary of the 2017 compensation of current non-employee directors who served during 2017.

Name	Fees Earned or Paid in Cash (1) ($)	Stock Awards (2) (3) ($)	Option Awards (4) ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings	All Other Compensation ($)	Total ($)
Jared L. Cohon	72,500	150,010					222,510
Alison Davis	79,500	150,010					229,510
Nathaniel A. Davis Chair, Nominating and Corporate Governance Committee	73,333	150,010					223,343
Denise K. Fletcher Chair, Audit and Finance Committee	86,750	150,010					236,760
Philippe Germond	67,500	150,010					217,510
Deborah Lee James	20,000	75,000					95,000
Paul E. Martin	58,000	150,000					208,000
Lee D. Roberts Chair, Compensation Committee	91,000	150,010					241,010
Paul E. Weaver Chairman of the Board	173,667	150,010					323,677

(1) Amounts shown are the annual board retainer and annual retainer fees for chairs of committees, committee membership and the Chairman of the Board. Includes amounts that have been deferred under the deferred compensation plan for directors. Also includes the value of stock units received in lieu of cash payments of retainers and fees, as described above.

(2) Amounts shown are the aggregate grant date fair value of awards computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. For a discussion of the assumptions made in such valuation, see note 16 to the Company s 2017 financial statements included in the Annual Report on Form 10-K for the year ended December 31, 2017. Amounts shown are in respect of the 10,639 restricted stock units granted to directors other than Mr. Martin and Ms. James on February 9, 2017 and in respect of the 12,500 restricted stock units granted to Mr. Martin on April 26, 2017 and 8,427 restricted stock units granted to Ms. James on October 20, 2017. Includes awards that have been deferred under the deferred compensation plan for directors.

(3) At December 31, 2017, directors had outstanding stock units in respect of directors fees as follows: Dr. Cohon 0; Ms. Davis 0; Mr. Davis 0; Ms. Fletcher 1,314.8; Mr. Germond 0; Ms. James 0; Mr. Martin 0; Mr. Roberts 0; Mr. Weaver 0.

(4) At December 31, 2017, none of the directors had outstanding stock options.

Under the Company s stock ownership guidelines, directors are expected to own Unisys stock or stock units having a value equal to five times their annual retainer within five years after the director s date of election to the Board. The number of shares owned by each director is set forth in the stock ownership table on page 26.

Code of Ethics and Business Conduct

The Unisys Code of Ethics and Business Conduct applies to all employees, officers (including the Chief Executive Officer, Chief Financial Officer and principal accounting officer or controller) and directors. The code is posted on the Company s web site at www.unisys.com/ethics and is also available in print to any stockholder who requests it. The Company intends to post amendments to or waivers from the code (to the extent applicable to the Company s Chief Executive Officer, Chief Financial Officer or principal accounting officer or controller) at this location on its web site.

Corporate Governance Guidelines

The Board of Directors has adopted Guidelines on Significant Corporate Governance Issues. The full text of these guidelines is available on the Company s web site at www.unisys.com/governance and is also available in print to any stockholder who requests it. Among other matters, the guidelines cover the following:

1. A majority of the Board of Directors shall qualify as independent under the listing standards of the NYSE. Members of the Audit and Finance, Compensation, and Nominating and Corporate Governance Committees must also meet the NYSE independence criteria, as well as any applicable independence criteria prescribed by the SEC.

2. The Nominating and Corporate Governance Committee reviews annually with the Board the independence of outside directors. Following this review, only those directors who meet the independence qualifications prescribed by the NYSE and who the Board affirmatively determines have no material relationship with the Company will be considered independent. The Board has determined that the following commercial or charitable relationships will not be considered to be material relationships that would impair independence: (a) if a director is an executive officer or partner of, or owns more than a ten percent equity interest in, a company that does business with Unisys, and sales to or purchases from Unisys are less than one percent of the annual revenues of that company and (b) if a director is an officer, director or trustee of a charitable organization, and Unisys contributions to that organization are less than one percent of its annual charitable receipts.

Table of Contents

3. The Nominating and Corporate Governance Committee is responsible for determining the appropriate skills and characteristics required of Board members in the context of its current make-up, and will consider factors such as independence, experience, expertise, strength of character, mature judgment, leadership ability, technical skills, diversity and age in its assessment of the needs of the Board.

4. The Board is free to make the selection of Chairman of the Board and Chief Executive Officer any way that seems best to assure the success of the Company so as to provide appropriate leadership at a given point in time. Therefore, the Board does not have a policy, one way or the other, on whether or not the role of the Chief Executive and Chairman of the Board should be separate and, if it is to be separate, whether the Chairman should be selected from the non-employee directors or be an employee. If the Chairman of the Board is not an employee of the Company, the Chairman should qualify as independent under the listing standards of the NYSE.

5. In accordance with the Company s Bylaws, no director shall stand for re-election at any annual stockholders meeting following attainment of age 72 and no person shall be elected a director (as a result of an increase in the number of directors, to fill a vacancy or otherwise) if such person has attained the age of 72.

6. Directors should volunteer to resign from the Board upon a change in primary job responsibility. The Nominating and Corporate Governance Committee will review the appropriateness of continued Board membership under the circumstances and will recommend, and the Board will determine, whether or not to accept the director s resignation. In addition, if the Company s Chief Executive Officer resigns from that position, he is expected to offer his resignation from the Board at the same time.

7. Non-employee directors are encouraged to limit the number of public company boards on which they serve to no more than four in addition to the Company s and should advise the Chairman of the Board and the general counsel of the Company before accepting an invitation to serve on another board.

8. The non-employee directors will meet in executive session at all regularly scheduled Board meetings. They may also meet in executive session at any time upon request. If the Chairman of the Board is an employee of the Company, the Board will elect from the independent directors a lead director who will preside at executive sessions. If the Chairman is not an employee, the Chairman will preside at executive sessions.

9. Board members have complete access to Unisys management. Members of senior management who are not Board members regularly attend Board meetings, and the Board encourages senior management, from time to time, to bring into Board meetings other managers who can provide additional insights into the matters under discussion.

10. The Board and its committees have the right at any time to retain independent outside financial, legal or other advisors.

11. It is appropriate for the Company s staff to report once a year to the Compensation Committee on the status of Board compensation in relation to other large U.S. companies. Changes in Board compensation, if any, should come at the suggestion of the Compensation Committee, but with full discussion and concurrence by the Board. Particular attention will be paid to structuring Board compensation in a

Table of Contents

manner aligned with stockholder interests. In this regard, a meaningful portion of a director s compensation should be provided and held in stock options and/or stock units. Directors should not, except in rare circumstances approved by the Board, draw any consulting, legal or other fees from the Company. In no event shall any member of the Audit and Finance Committee receive any compensation from the Company other than directors fees.

12. The Company will provide an orientation program for new directors. The Company will also provide directors with presentations from time to time on topics designed by the Company or third-party experts to assist directors in carrying out their responsibilities. Directors may also attend appropriate continuing education programs at the Company s expense.

13. The Board will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. In addition, each committee will conduct an annual self-evaluation of its performance and will make a report annually to the Board.

14. The non-employee directors will evaluate the performance of the Chief Executive Officer annually and will meet in executive session, led by the chairperson of the Compensation Committee, to review this performance. The evaluation is based on objective criteria, including performance of the business, accomplishment of long-term strategic objectives and development of management. Based on this evaluation, the Compensation Committee will recommend, and the members of the Board who meet the independence criteria of the NYSE will determine and approve, the compensation of the Chief Executive Officer.

15. To assist the Board in its planning for the succession to the position of Chief Executive Officer, the Chief Executive Officer is expected to provide an annual report on succession planning to the Board.

16. Members of the Board should at all times act in accordance with the Company s confidentiality policy for directors.

17. The Company s stockholder rights plan expired on March 17, 2006, and it has no present intention to adopt a new one. Subject to its continuing fiduciary duties, which may dictate otherwise depending on the circumstances, the Board shall submit the adoption of any future stockholder rights plan to a vote of the stockholders. Any stockholder rights plan adopted or extended without stockholder approval shall be approved by a majority of the independent members of the Board and shall be in response to specific, articulable circumstances that are deemed to warrant such action without the delay that might result from seeking prior stockholder approval. If the Board adopts or extends a rights plan without prior stockholder approval, the Board shall, within one year, either submit the plan to a vote of the stockholders or redeem the plan or cause it to expire.

Related Party Transactions

The Company is required to disclose any transactions since the beginning of 2017 (or any currently proposed transaction) in which the Company was a participant, the amount involved exceeds $120,000 and a director or executive officer, any immediate family member of a director or executive officer or any person or group beneficially owning more than 5% of the Company s common stock had a direct or indirect material interest. The Company does not have any such transactions to report.

Table of Contents

Currently the Company has not adopted a policy specifically directed at the review, approval or ratification of related party transactions required to be disclosed. However, under the Unisys Code of Ethics and Business Conduct, all employees, officers and directors are required to avoid conflicts of interest. Employees (including officers) must review with, and obtain the approval of, their immediate supervisor and the Company s Corporate Ethics Office, any situation (without regard to dollar amount) that may involve a conflict of interest. Directors should raise possible conflicts of interest with the Chief Executive Officer or the general counsel. The code of ethics defines a conflict of interest as any relationship, arrangement, investment or situation in which loyalties are divided between Unisys interests and personal interests and specifically notes involvement (either personally or through a family member) in a business that is a competitor, supplier or customer of the Company as a particularly sensitive area that requires careful review.

Audit and Finance Committee Report

In performing its oversight responsibilities as defined in its charter, the Audit and Finance Committee has reviewed and discussed the audited financial statements and reporting process for 2017, including internal controls over financial reporting, with management and with KPMG LLP, the Company s independent registered public accounting firm. The committee has also discussed with KPMG LLP the matters required to be discussed by the Public Company Accounting Oversight Board (the PCAOB) Auditing Standard No. 1301, Communications with Audit Committees. In addition, the committee has received from KPMG LLP the written disclosures and the letter required by applicable requirements of the PCAOB regarding KPMG LLP s communications with the committee concerning independence and has discussed with KPMG LLP their independence. The committee has also considered the compatibility of audit-related services, tax services and other non-audit services with KPMG LLP s independence.

Based on the reviews and discussions referred to above, the committee recommended to the Board of Directors that the audited financial statements be included in the Annual Report on Form 10-K for the year ended December 31, 2017 for filing with the SEC.

Audit and Finance Committee

Alison Davis

Denise K. Fletcher (Chair)

Paul E. Martin

Lee D. Roberts

Independent Registered Public Accounting Firm Fees and Services

KPMG LLP was the Company s independent registered public accounting firm for the years ended December 31, 2017 and 2016. KPMG LLP has billed the Company the following fees for professional services rendered in respect of 2017 and 2016 (in millions of dollars):

	2017	2016
Audit Fees	$ 8.9	$ 8.8
Audit-Related Fees	1.7	2.3
Tax Fees	0.2	0.1
All Other Fees		

Table of Contents

Audit fees consist of fees for the audit and review of the Company s financial statements, statutory audits, comfort letters, consents, assistance with and review of documents filed with the SEC and Section 404 attestation procedures. Audit-related fees consist of fees for SSAE No. 16 engagements, employee benefit plan audits, accounting advice regarding specific transactions and various attestation engagements. Tax fees principally represent fees for tax compliance services.

The Audit and Finance Committee annually reviews and pre-approves the services that may be provided by the independent registered public accounting firm. The committee has adopted an Audit and Non-Audit Services Pre-Approval Policy that contains a list of pre-approved services, which the committee may revise from time to time. In addition, the Audit and Finance Committee has delegated pre-approval authority to the chair of the committee. The chair of the committee reports any such pre-approval decision to the Audit and Finance Committee at its next scheduled meeting.

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

(Item 2)

The Audit and Finance Committee has engaged the firm of KPMG LLP as the independent registered public accounting firm to audit the Company s financial statements for the year ending December 31, 2018. KPMG LLP has been the Company s independent registered public accounting firm since 2008. The Company expects that representatives of KPMG LLP will be present at the annual meeting and will have the opportunity to make a statement if they desire to do so and to respond to appropriate questions asked by stockholders. The Board of Directors considers KPMG LLP to be well qualified to serve as the independent registered public accounting firm for Unisys and recommends a vote for the proposal to ratify their selection.

The Board of Directors recommends a vote FOR the proposal to ratify the selection of KPMG LLP as the Company s independent registered public accounting firm for 2018.

ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

(Item 3)

In accordance with Section 14A of the Securities Exchange Act of 1934, as amended (the Exchange Act), which was added under the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Company is asking stockholders to approve an advisory resolution on compensation of its named executive officers, as described below in this proxy statement in Executive Compensation , Summary Compensation Table and the related compensation tables and narrative.

As described in detail in Compensation Discussion and Analysis beginning on page 27, the Company s executive compensation program is designed to attract, motivate and retain the executives who lead the Company s business, to reward them for achieving financial and strategic company goals and to align their interests with the interests of stockholders. The Company believes that the compensation of its named executive officers is reasonable, competitive and strongly focused on pay for performance principles, with a significant portion of target compensation at risk and performance based. The Company

Table of Contents

emphasizes compensation opportunities that appropriately reward executives for delivering financial results that meet or exceed pre-established goals, and executive compensation varies depending upon the achievement of those goals. Through stock ownership requirements and equity incentives, the Company also aligns the interests of its executive officers with those of stockholders and the long-term interests of the Company. The Company believes that the policies and procedures articulated in Compensation Discussion and Analysis are effective in achieving the Company s goals and that the executive compensation reported in this proxy statement was appropriate and aligned with 2017 results. Please read the Compensation Discussion and Analysis below, as well as the compensation tables and narrative that follow it, for additional details about the Company s executive compensation programs and compensation of the named executive officers in 2017.

For the reasons set forth above, the Company is asking stockholders to approve the following advisory resolution at the annual meeting:

RESOLVED, that the stockholders of Unisys Corporation approve, on an advisory basis, the compensation of the Company s named executive officers set forth in the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables and narrative in the Proxy Statement for the Company s 2018 Annual Meeting of Stockholders.

This advisory resolution, commonly referred to as a say-on-pay resolution, is non-binding on the Company s Board of Directors. However, the Board and the Compensation Committee will review and consider the vote when making future executive compensation decisions.

The Board of Directors recommends a vote FOR the advisory resolution approving the compensation of the Company s named executive officers as described in this proxy statement.

Table of Contents

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of December 31, 2017 with respect to compensation plans under which Unisys common stock is authorized for issuance.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	1.757 million[(1)]	$ 26.35	
	1.688 million[(2)]	$ 0	3.172 million[(3)]
Equity compensation plans not approved by security holders[(4)]	0.002 million[(5)]	$ 0	0
Total	3.447 million		3.172 million

(1) Represents stock options.

(2) Represents restricted stock units. Assumes that unearned performance-based restricted stock units will vest at target.

(3) Shares issuable under the Unisys Corporation 2016 Long-Term Incentive and Equity Compensation Plan (the 2016 Plan). Assumes that outstanding unearned performance-based restricted stock units will vest at the maximum amount.

(4) Represents the Unisys Corporation Director Stock Unit Plan (the Stock Unit Plan). Under the Stock Unit Plan, directors received a portion of their annual retainers and attendance fees in common stock equivalent units. The Stock Unit Plan was terminated in 2004, and stock units are now granted to directors under the 2016 Plan, which was approved by stockholders. No shares (other than shares subject to outstanding awards previously made) are available for future issuance under the Stock Unit Plan.

(5) Represents stock units granted under the Stock Unit Plan.

Table of Contents

SECURITY OWNERSHIP BY CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Shown below is information with respect to persons or groups that beneficially owned more than 5% of Unisys common stock as of February 28, 2018. This information is derived from Schedules 13G filed by such persons or groups.

Name and Address of Beneficial Owner	Number of Shares Of Common Stock	Percent of Class
AllianceBernstein L.P. 1345 Avenue of the Americas New York, NY 10105	2,953,145(1)	5.9
BlackRock, Inc. 55 East 52nd Street New York, NY 10055	3,946,796(2)	7.8
Fairpointe Capital LLC 1 N. Franklin Street, Suite 3300 Chicago, IL 60606	5,920,461(3)	11.7
FMR LLC 245 Summer Street Boston, MA 02210	7,570,995(4)	14.999
JPMorgan Chase & Co. 270 Park Avenue New York, NY 10017	4,319,466(5)	8.5
Towle & Co 1610 Des Peres Road, Suite 250 St. Lous, MO 63131	3,215,524(6)	6.37
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	6,942,315(7)	13.75

(1) Sole dispositive power has been reported for all shares. Sole voting power has been reported for 2,391,765 shares.

(2) Sole dispositive power has been reported for all shares. Sole voting power has been reported for 3,799,875 shares.

(3) Sole dispositive power has been reported for all shares. Sole voting power has been reported for 5,444,558 shares and shared voting power has been reported for 67,503 shares.

(4) Sole dispositive power has been reported for all shares. Sole voting power has been reported for 223,538 shares.

(5)

Sole dispositive power has been reported for 4,292,800 shares and shared dispositive power has been reported for 166 shares. Sole voting power has been reported for 3,792,680 shares.

(6) Sole dispositive and sole voting power have been reported for all shares.

(7) Sole dispositive power has been reported for 6,856,454 shares, and shared dispositive power has been reported for 85,861 shares. Sole voting power has been reported for 83,727 shares and shared voting power has been reported for 4,802 shares.

Table of Contents

Shown below are the number of shares of Unisys common stock (or stock units) beneficially owned as of February 26, 2018 by all directors, each of the executive officers named on page 33, and all directors and current officers of Unisys as a group.

Beneficial Owner	Number of Shares of Common Stock (1)(2)	Additional Shares of Common Stock Deemed Beneficially Owned (1)(3)	Percent of Class
Peter A. Altabef	231,056	140,000	*
Jared L. Cohon	54,651	0	*
Alison Davis	59,028	0	*
Nathaniel A. Davis	28,928	0	*
Tarek El-Sadany	35,147	14,667	*
Denise K. Fletcher	86,973	0	*
Philippe Germond	39,039	0	*
Eric Hutto	33,380	8,091	*
Deborah Lee James	23,062	0	*
Paul E. Martin	27,135	0	*
Regina Paolillo	1,000	0	*
Jeffrey E. Renzi	60,304	66,750	*
Lee D. Roberts	58,015	0	*
Inder M. Singh	15,898	0	*
Paul E. Weaver	78,490	0	*
All directors and current officers as a group	945,460	364,845	2.2

* Less than 1%

(1) Includes shares reported by directors and officers as held directly or in the names of spouses, children or trusts as to which beneficial ownership may have been disclaimed.

(2) Includes:

(a) Shares held under the Unisys Savings Plan, a qualified plan under Sections 401(a) and 401(k) of the Internal Revenue Code, for current officers as a group, 1,292.1. With respect to such shares, plan participants have authority to direct voting.

(b) Stock units, as described on page 17, for directors as follows: Ms. Fletcher, 1,314.8. They may not be voted.

(c) Stock units deferred under the 2005 Deferred Compensation Plan for Directors as follows: Dr. Cohon, 54,651; Ms. Davis, 44,393; Ms. Fletcher, 65,826; Mr. Germond, 14,635; and Ms. James, 23,062. Deferred stock units are distributed in shares of common stock upon the earlier of termination of service or on any date at least two years after the stock units are awarded, as previously elected by the director. They may not be voted.

(3) Shares shown are shares subject to options exercisable within 60 days following February 26, 2018.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Summary

Our Business

Unisys is a global information technology company that builds high-performance, security-centric solutions for clients across the government, financial services and commercial markets. The Company s offerings include security software and services; digital transformation and workplace services; industry applications and services; and innovative software operating environments for high-intensity enterprise computing.

The Company has gone through significant changes since the beginning of 2015. We have transformed the company structure to support an industry go-to-market effort to differentiate ourselves. We have streamlined our cost structure and increased liquidity. In 2017, the Company made substantial progress towards strengthening our go-to-market approach and delivered non-GAAP operating profit margin and adjusted free cash flow that exceeded our full year guidance range while achieving the high end of our revenue guidance for the full year. While more work remains to be done with our on-going strategic re-positioning, we believe we are on the right path to further improving our Services margins, growing revenue, strengthening our balance sheet and managing our pension obligations.

Table of Contents

Our Transformation

We continue to execute against our business strategy and improve our financial performance as depicted below.

Since 2015, we have continued to improve the rate of revenue decline and believe we are making progress on driving to our revenue inflection point to grow our company. We believe that continued focus on increasing our services productivity and efficiency will drive a leaner competitive cost structure and improve our operating margin.

In 2017, we exceeded or achieved full-year guidance on all guidance metrics as shown below. Our 2017 results represent the second consecutive year of exceeding or achieving full-year guidance since we re-established the process of issuing guidance two years ago.

Table of Contents

As of the end of 2017, the pension deficit improved by $390 million compared to the end of the prior year. This decline of 18% represented the largest percentage decline since 2013. The estimated required cash contributions over the next five years also declined by $300 million compared to the estimates as of the end of the prior year. We are proactively addressing our pension obligation to strengthen our balance sheet. Effective January 1, 2018, the company approved an amendment to reorganize its U.S. defined benefit pension plan from one plan into two distinct plans. Participants were divided between plans to maximize administrative efficiencies in compliance with all regulations. The company estimates administrative costs, including Pension Benefit Guaranty Corporation premiums, and the resulting contributions to fund such costs, will be reduced by approximately $10 million per year through 2021. Benefits offered to participants in the plans are unchanged. This amendment had no impact on the Company s consolidated results of operations and financial position for the year ended and as of December 31, 2017. In August 2017, a new Treasurer joined the Company who is focusing on funding and risk management for the corporate pension plans to continue strengthening the balance sheet.

Stockholder Feedback

The Company has undertaken a comprehensive approach to improving the results of the stockholder advisory vote on our executive compensation (say-on-pay), which includes:

- Continuing our dialogue and engagement with stockholders regarding executive compensation
- Continuing to incorporate stockholder feedback in developing the design and goal-setting process for 2018
- Enhancing our proxy to continually improve transparency and presentation

The Compensation Committee, with input from its independent compensation consultant, regularly evaluates its compensation programs and considers the results of its most recent stockholder say-on-pay vote as well as feedback received directly from stockholders through our ongoing engagement. In 2017, a comprehensive effort was made to engage with many of our largest stockholders to discuss how our executive compensation program supports our strategy and our say-on-pay vote. At the April 2017 annual meeting, we received say-on-pay support from holders of approximately 68% of our shares of common stock present at the meeting. Following that meeting, we reached out to holders of over 85% of outstanding shares of our common stock to request a call to discuss corporate governance and executive compensation matters. Holders of over 60% of our shares responded to our request and either accepted our invitation for engagement or declined our invitation saying they had no concerns with our compensation program. During these calls, senior executives and directors of the Company provided information regarding our executive compensation programs, responded to questions and discussed investor feedback. This process resulted in valuable insight regarding stockholder views. Feedback received directly from stockholders, as well as from proxy advisory firms, is summarized below.

Table of Contents

What We Heard	What We Have Done and Are Doing
Performance should be measured over 3-year cycles rather than 3 1-year cycles	Performance-based restricted stock units (Performance-Based RSUs) were historically (from 2010 through 2014) earned based on performance in the year of grant. The current design was selected to transition to a longer performance measurement period given the uncertainty of the current business context and based on the outlook at the time. Performance is measured separately for each of the three years in the performance period with progressively higher goals set each year. This was intended to motivate and focus executives over the entire three-year period. ***In 2018***, we will continue to transition to a longer performance measurement period by using ***a multi-year (including 1-year, 2-year cumulative and 3-year cumulative goals) performance period*** for both performance cash and Performance-Based RSUs.
Performance assessments should include consideration of relative performance	***In 2018***, the metric for Performance-Based RSUs will be changed from Non-GAAP Operating Profit to ***Total Shareholder Return (TSR) assessment relative to a broad stock index.*** Caps and a minimum absolute TSR threshold will prevent excessive payments.

We will continue this dialogue with our stockholders and consider their perspectives regarding compensation and governance matters.

Overview of Our Compensation Programs

This section describes 2017 compensation and benefit programs for the executive officers listed in the Summary Compensation Table on page 52 and referred to as Named Officers .

Peter Altabef joined the Company in January 2015 to reposition our company by establishing our strategy with a focus on higher growth markets, building a management team that would have the full confidence of the Board to achieve our strategic priorities and, ultimately, creating the stockholder value that is expected from our investors. As our industry evolves and our opportunities for competitive business advantages change over time, we must likewise evolve in order to create value. Our compensation programs are tailored to our strategic priorities and our current outlook, while also motivating and retaining our management team.

Highlights of our compensation program include:

- Strong emphasis on performance-based pay with the majority of target compensation (86% in the case of Mr. Altabef and 76% on average for the other Named Officers) at-risk

- Incorporation of feedback from our stockholders with respect to performance measure selection and overall design of our incentive programs

- Rigorous and progressively challenging performance goals that are aligned with our business strategy

Increase in the emphasis on performance-based incentives over time to align management long-term interests with the long-term interest of our stockholders

Programs designed so that our new leadership is both focused on and held accountable for execution relative to the turnaround strategy

Additional detail on each compensation element is provided starting on page 41.

Table of Contents

Changes from 2016	2017 Design
Base Salary	
Largest increases allocated to Named Officers with significant increases in responsibility	Reflects level of responsibility and complexity of the position compared to the market and other executives within the Company, individual performance, and other factors
Short-Term Incentives	
Increased target opportunities to reinforce the urgency of near-term performance objectives	Annual cash incentives under the Executive Variable Compensation (EVC) Plan Targeted award amounts set as a percentage of salary for each Named Officer No award paid if pre-set non-GAAP pre-tax profit level gate is not met Metrics: 40% g non-GAAP pre-tax profit 35% g revenue 25% g adjusted free cash flow No funding on a metric if performance below threshold; payout capped at 200% of target Goals aligned with Company s operating plan and financial guidance
Long-Term Incentives (LTI)	Consists of performance-based LTI (67% of target LTI value) and time-based restricted stock units (Time-Based RSUs) (33% of target LTI value)

Largest increases allocated to Named Officers with significant increases in responsibility	Performance-based LTI earned per achievement of pre-established non-GAAP operating profit goals
	1/3 of target shares or cash award linked to each of specific 2017, 2018, and 2019 performance objectives
	Rewards consistent profitability over time while addressing the uncertainty given the current business context
	No payout for performance below threshold; maximum payout capped at 200% of target
	Vesting or settlement per achievement of specific performance objectives for each year of each tranche on 1st, 2nd, and 3rd anniversary of grant
	Goals set at the time of grant and represent progressively stronger performance standards for each year for a particular grant
	Goals aligned with Company s operating plan and financial guidance at the time of the grant

Table of Contents

Good Governance Practices

The Compensation Committee continually evaluates the Company s compensation policies and practices to ensure that they are consistent with good governance principles. The Committee receives regular updates on governance matters from its independent consultant. Below are highlights of our governance practices:

What We Do

Provide the majority of compensation in **performance-based pay**

Measure performance **over a three-year period** for performance-based LTI in support of our current turnaround strategy

Grant LTI awards which **vest ratably over 3 years** to promote retention

Set a **funding gate**, which requires a pre-defined level of profitability prior to any EVC payout

No payouts below threshold and **cap payouts at 2x target** on the long-term and short-term incentive plans

Maintain **stock ownership guidelines** for both officers and Directors;

Have change in control employment agreements with **double-trigger severance provisions** for Named Officers

Conduct annual **risk assessment** of our compensation programs and policies

Adhere to an **insider trading policy**

Maintain a **clawback policy**, which applies to all executive officers of the Company and covers cash and equity awards

Receive **advice from a compensation consulting firm that satisfies stringent independence criteria** and is engaged by the Compensation Committee

Limit discretionary bonuses; incentives are linked to performance relative to pre-established objectives

What We Don t Do

× No **excise tax gross-ups** on a change in control for Named Officers

× No **excessive severance** in a change in control or termination

× No **excessive perquisites**

× No hedging transactions or **pledging** Unisys securities

× No **automatic vesting of equity** upon a change in control

× No **liberal share counting**

× No **stock option repricing, reloads, or cash buyouts**

× No **discounted stock options or SARs**

× No **liberal change in control definition**

Table of Contents

How We Set Pay

This section describes how we set pay for our executive officers listed below, sometimes referred to as the Named Officers :

Named Officer	Role	In Role Since
Peter A. Altabef	President and Chief Executive Officer	2015
Inder M. Singh	Senior Vice President and Chief Financial Officer	2016
Eric Hutto	Senior Vice President and President, Enterprise Solutions	2015
Tarek El-Sadany	Senior Vice President, Technology, and CTO	2015
Jeffrey E. Renzi	Senior Vice President and President, Global Sales	2014

Our Compensation Strategy

Our executive compensation program is designed to:

- Attract, motivate, and retain the leadership talent necessary to drive our business
- Hold key leaders accountable for achieving financial and strategic Company goals
- Align interests of leaders with those of our stockholders

A significant portion of target compensation for Named Officers is at-risk and performance-based. In order to maximize our ability to compete effectively, we maintain a strong pay-for-performance bias as described in the Executive Summary section. This focus is intended to 1) offer target total compensation opportunities which are competitive to attract and retain executive talent and 2) through incentives, focus executives on successful execution of the operating plan and actions which over time, are expected to lead to enhanced profitability and growth.

Total target compensation for Mr. Altabef and the average total target compensation for the other Named Officers are shown below.

Components of Compensation

* At-Risk Compensation is subject to performance and/or stock price fluctuation

Table of Contents

Further detail on Mr. Altabef s compensation is shown below:

Chief Executive Officer Compensation Component	Target Amount	Percentage of Target	Actual Amount	Performance Measured
Fixed Compensation				
Base Salary	$ 991,000	14%	$ 991,000	
At-Risk Compensation[1]				
Short-term Incentive[2]	$ 1,387,400	20%	$ 1,916,971	Non-GAAP Pre-Tax Profit[2], Revenue, Adjusted Free Cash Flow
Time-Based RSUs[3]	$ 1,533,361	22%	$ 915,514	
Performance-Based RSUs[3]	$ 1,533,361	22%	$ 1,087,842	Non-GAAP Operating Profit[4]
Long-Term Performance Cash[3]	$ 1,533,300	22%	$ 1,083,934	Non-GAAP Operating Profit[4]
Total At-Risk Compensation	$ 5,987,422	86%	$ 5,004,261	
Total Target Compensation	$ 6,978,422	100%	$ 5,995,261	

(1) Subject to performance and/or stock price fluctuation

(2) Threshold must be met to fund any other metrics under the EVC Plan

(3) Actual amounts are amounts which vested in 2018

(4) Threshold performance must be met for payout

While actual compensation reflects the performance of the Company, the Compensation Committee s goal is for total target compensation, as well as each element of total target compensation, to be at or around the median target compensation for executives with similar positions in the market as described beginning on page 38. The Committee incorporates flexibility into its compensation programs and into the assessment process to respond to changing business needs, to emphasize specific compensation objectives and to take into consideration individual performance, as well as the relative complexity and strategic importance of specific roles.

Given the Company s ongoing transformation, our executive compensation programs are designed to both hold executives accountable for meeting short-term objectives expected to result in long-term value creation and align realizable pay with long-term performance. We maintain a strong bias towards pay-for-performance principles and alignment of interests of executives and stockholders.

Table of Contents

The 2017 compensation program included the following performance-based elements:

Performance-Based Elements	EVC Plan	Performance-Based LTI	Time-Based RSU
Tied to achievement of targets related to non-GAAP pre-tax profit, revenue, and adjusted free cash flow			
Requires a pre-defined level of non-GAAP pre-tax profit for a payout to be made on any metric			
No payouts for performance below threshold			
Number of shares or cash value is capped at 200% of target			
Performance goals align to financial guidance provided to investors			
Earned over a three-year period based on operating profit in each of the three years			
Payout subject to stock price fluctuations until vesting		(RSUs)	

How We Measure Performance and Set Goals

The table below describes measures used in our incentive plans and the rationale for their inclusion.

Plan	Executive Variable Compensation (EVC)	Performance-Based LTI
Metrics	Non-GAAP Pre-Tax Profit (40% and funding gate) Revenue (35%) Adjusted Free Cash Flow (25%)	Non-GAAP Operating Profit (100%)
Why They Are Important	Reflect both profitability and revenue Important to our stockholders Commonly used among the peer companies Measures provide strong line-of-sight for both line and staff executives to which they can influence and be held accountable Key measures used to manage the business and tracked regularly	Encompasses revenue and operating margin across the Company in a single measure Relevant to stockholders as it is an important measure commonly used among peer companies Consistent with current focus on improving margins while maintaining expected scale Measures provide strong line-of-sight for both line and staff executives to which they can influence and be held accountable Key measure used to manage the business and tracked regularly

Addresses liquidity and working capital needs through adjusted free cash flow

Table of Contents

The Committee regularly assesses the Company s incentive plan measures in light of the current business plan, relevance to stockholders, and alignment with peer company practices. Measures used in the EVC Plan are important to our business and widely used in our industry. When the current LTI plan design was adopted in 2015, several measures were considered. Operating profit was selected as it offers a strong line-of-sight for plan participants, it is not influenced by pension expense, which is largely driven by interest rate fluctuations, and it reflects both top-line growth and bottom line profitability.

The above performance metrics include non-GAAP financial measures, which will therefore differ from the amounts shown in the Company s financial statements. The Company defines adjusted free cash flow as cash from operations less capital expenditures. Non-GAAP pre-tax profit, adjusted free cash flow, and non-GAAP operating profit exclude payments and charges related to defined benefit pension expense and restructuring and other charges which are not indicative of our ongoing operating performance. Non-GAAP pre-tax profit and adjusted free cash flow exclude interest expense and interest payments on new debt in the given year and redemption costs. The interest expense and interest payments associated with the issuance by the Company of $440 million of senior secured notes were excluded from the calculation of achievement of the Company s performance metrics in 2017 in order to evaluate ongoing operating performance to which both line and staff executives have line-of-sight and separate it from financing decisions.

In setting performance targets for both our short-term and long-term incentive goals, the business planning process and factors considered are depicted below:

Based on this process and factors considered, a range of performance scenarios is developed. Goals are then set at the threshold, target, and maximum performance levels with the target goals aligning with our operating plan and the financial guidance we provide externally. The Committee considers probability of achievement of different levels of performance. Based on market practice described by the Committee s consultant that we

Table of Contents

believe to be consistent with practices at other companies with size and complexity similar to our own, the targeted probability of meeting or exceeding each level is shown below:

Performance Level	Approximate Probability of Achievement	Payout at Level
Maximum	10%	200% of Target
Target	60%	100% of Target