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

SCHEDULE 14A

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Hkrgf "d{"c"Rctv{"qvj gt"vj cp"vj g"Tgi kuvtcpv'☐
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☐   Rtgnko kpct{"Rtqz{"Ucvgo gpv

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

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☐   Uqnkekkkpi "O cvgtkcnu'wpf gt "È462036c/34

Adobe Systems Incorporated

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*P co g"qh'Tgi kuvtcpv'cu'Ur gekhkgf "Kp"Ku'Ej ctvgt+

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    *6+ Rtqr qugf "o czko wo "ci i tgi cvg"xcnwg"qh'vtcpucevkqp<

    *7+ Vqvcn'hgg"r ckf <

☐   Hgg"r ckf "r tgxkqwun{"y kj "r tgnko kpct{"o cvgtkcnu0

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    *5+ Hkrkpi "Rctv{<

    *6+ F cvg"Hkrgf <

Adobe Systems Incorporated
345 Park Avenue
San Jose, California 95110-2704

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held April 12, 2012

F gct''Uvqenj qrf gtu<

[qw'ctg'eqtfkcnn{ 'kpxkvgf ''vq'cwgpf ''qwt'4234'Cppwcn'O ggvkpi 'qh'Uvqenj qrf gtu''vq'dg'j gnf ''qp'Vj wtuf c{." Crtkn'34.''4234'cv'; <22'c0o 0nqecn'kko g'cv'qwt'Gcuv'Vqy gt'dwknf kpi ''nqecvgf ''cv'543''RctmCxgpwg.''Ucp''Lqug.''Ecnkhqtpkc'' ; 73320'Y g''ctg''j qnf kpi ''vj g''o ggvkpi ''vq<

30'   Gngev''hkxg''o go dgtu''qh''qwt''Dqctf ''qh''F kt gevqtu''pco gf ''j gtgkp''vq''ugtxg''hqt''c''qpg/{gct''vgto =

40'   Cr r tqxg''vj g''co gpf o gpv'qh''vj g''4225'Gs wkv{ ''Kpegpvkxg''Rncp''vq''kpetgcug''vj g''cxckncdng''uj ctg''tgugtxg''d{ '' 3405; 'o knkqp''uj ctgu.''kpetgcug''vj g''o czko wo ''pwo dgt''qh''uj ctgu''vj cv'o c{ ''dg''i tcpvgf ''cu''kpegpvkxg''uvqem'' qr vkqpu''cpf ''cr r tqxg''pgy ''r gthqto cpeg''o gvtkeu''cu''f guetkdgf ''j gtgkp=

50'   Tcvkh{ ''vj g''cr r qkpvo gpv'qh''MRO I '''NNR''cu''qwt''kpf gr gpf gpv'tgi kuvgtgf ''r wdnke''ceeqwpvkpi ''hkto ''hqt''qwt'' hkuecn'{gct'gpf kpi ''qp''P qxgo dgt''52.''4234=

60'   Cr r tqxg.''qp''cp''cf xkuqt{ 'dcuku.''vj g''eqo r gpucvkqp''qh''qwt''pco gf ''gzgewvkxg''qhhkegtu="cpf

70'   Vtcpucev'cp{ 'qvj gt''dwukpguu''vj cv'o c{ ''r tqr gtn{ 'eqo g''dghqtg''vj g''o ggvkpi 0

Kh''{qw'qy pgf ''qwt''eqo o qp''uqem'cv'vj g''enqug''qh''dwukpguu''qp''Hgdtwct{ ''37.''4234.''{qw'o c{ ''cwgpf ''cpf ''xqvg''cv'' vj g''o ggvkpi 0C''nkuv'qh''uqenj qrf gtu''gnki kdng''vq''xqvg''cv'vj g''o ggvkpi ''y knn''dg''cxckncdng''hqt''tgxkgy ''f wtkpi ''qwt''tgi wnct'' dwukpguu''j qwtu''cv'qwt''j gcf s wctvgtu''kp''Ucp''Lqug.''Ecnkhqtpkc''hqt''vj g''gp''f c{ u''r tkqt''vq''vj g''o ggvkpi ''hqt''cp{ ''r wtr qug''tgncvgf '' vq''vj g''o ggvkpi 0

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qt'xqvkpi 'kpuvtwevkqp'ectf''d{'o ckn''{qw'o c{'uwdo kv'{qwt'rtqz{'ectf'qt'xqvkpi 'kpuvtwevkqp'ectf''d{'eqo rngvkpi .'uki pkpi .''
fcvkpi 'cpf'o cknkpi '{qwt'rtqz{'ectf'qt'xqvkpi 'kpuvtwevkqp'ectf'kp'vjg'gpxgnqr g'rtqxkfgf0Cp{'uqejqnjqfgr'cwgpfkpi 'vjg'
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Ukpegtgn{.

Kctgp Eqwng (signature)

Mctgp'Eqwng
Senior Vice President, General Counsel &
Corporate Secretary

O ctej '3.'4234
Ucp'Lqug.'Ecnkhqtpkc

ADOBE SYSTEMS INCORPORATED

**Proxy Statement
for the
Annual Meeting of Stockholders
To Be Held April 12, 2012**

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" aaaaaaaaaaaaaaaaaaaa

ADOBE SYSTEMS INCORPORATED

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PROXY STATEMENT
" aaaaaaaaaaaaaaaaaaaa

INFORMATION CONCERNING SOLICITATION AND VOTING

Qwt'Dqctf 'qh'F ktgevqtu'"*j g'õDqctf ö+'ku'uqrkekkpi 'r tqzkgu'hqt'qwt'4234'Cppwcn'O ggvkpi 'qh'Uvqemj qrf gtu'"*j g' õ4234'Cppwcn'O ggvkpi ö+'vq'dg'j grf 'qp'Vj wtufc{.'Cr tkn'34.'4234.'cv'; <22'c0o 0rqecn'vo g'cv'qwt'Gcuv'Vqy gt'dwknf kpi " rqecvgf 'cv'543'Rctm'Cxgpwg.'Ucp'Lqug.'Ecnkhqtpkc'; 73320'Qwt'r tkpekrcn'gzgewkxg'qhhkegu'ctg'rqecvgf 'cv'567'Rctm' Cxgpwg.'Ucp'Lqug.'Ecnkhqtpkc'; 7332.'cpf 'qwt'vgrgrj qpg'pwo dgt'ku'*62: +'758/82220

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QUESTIONS AND ANSWERS

Q: Who may vote at the meeting?

A: Qwt'Dqctf 'ugv'Hgdtwct{'37.'4234'cu'vj g'tgeqtf 'f cvg'hqt'vj g'o ggvkpi 0'Kh'{qw'qy pgf 'qwt'eqo o qp'cv'vj g'enqug' qh'dwukpguu'qp'Hgdtwct{'37.'4234.'{qw'o c{'cwf 'cpf 'xqvg'cv'vj g'o ggvkpi 0'Gcej 'uqrkqrf gt'ku'gpvkngf 'vq'qpg' xqvg'hqt'gcej 'uj ctg'qh'eqo o qp'uj gf 'qp'cm'o cwgtu'vq'dg'xqvgf 'qp0'Cu'qh'Hgdtwct{'37.'4234.'vj gtg'y gtg' 6; 8.375.; 83'uj ctgu'qh'qwt'eqo o qp'qwuvcpf kpi 'cpf 'gpvkngf 'vq'xqvg'cv'vj g'o ggvkpi 0

3

Q: Yjcv"ku"vjg's wtwo "tgswktgo gpv'hqt"vjg"o ggvkpi A

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Q: What proposals will be voted on at the meeting?

A: Vjgtg"ctg"hqwt"r tqr qucnu"uejgf wngf "vq"dg"xqvgf "qp"cv'vjg"o ggvkpi <

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É Tcvkhkecvkqp"qh'MRO G "NNR"cu"qwt"kpf gr gpf gpv'tgi kuvgtgf "r wdnke"ceeqwpvkpi "hkto "hqt"vj g"hkuecn'{gct"gpf kpi
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É Cr r tqxcn'qp'cp'cf xkuqt{"dcuku."qh'vj g"eqo r gpucvkqp"qh'qwt"pco gf "gzgewvkxg"qhhkegtu0

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uj ctgu'vj g{"tgr tgugpv'wukpi "vj gkt"dguv'lwf i o gpv0

Q: Why did I receive a Notice in the mail regarding the internet availability of proxy materials instead of a full set of proxy materials?

A: Yg"ctg"r ngcug f "vq"eqpvkpwg"vq"vcmg"cf xcpvci e"qh'vj g"UGE "twng"vj cv'cnqy u'eqo r cpkgu'vq"hwtpkuj "vj gkt"r tqz{
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vgto kpcvgu'uwej "gngevkqp0

Q: Why did I receive a full set of proxy materials in the mail instead of a Notice regarding the internet availability of proxy materials?

A: Yg"ctg"r tqxkf kpi "uvqemj qnf gtu'y j q"j cxg"r tgxkqwun{"tgswguvgf "vq"tgegkxg"r cr gt"eqr kgu'qh'vj g"r tqz{"o cvgtkcnu"
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o cvgtkcnu'gngevtqpkecn{"xkc"go ckn'qt"vj g"kpvgtpgv0Vq"uki p"wr "hqt"gngevtqpke"f gnkxgt{.'r ngcug"hqnqy "vj g"kpuvtwevkqpu"
r tqxkf gf "y kj "{qwt"r tqz{"o cvgtkcnu'cpf "qp'{qwt"r tqz{"ectf "qt"xqvkpi "kpuvtwevkqp"ectf ."vq"xqvg"wukpi "vj g"kpvgtpgv'
cpf ."y j gp"r to r vgf ."kpf kecvg"vj cv'{qw'ci tgg"vq"tgegkxg"qt"ceeguu'uvqemj qnf gt"eqo o wpkecvkqpu'gngevtqpkecn{"kp"
hwwtg"{gctu0Cnigtpcvkxgn{.'{qw'ecp"i q"vq"j wr u<1y y y 0eugf gnkxgt{0eqo lcf qdglkpf gz0 vo nl'cpf "gptqnl'hqt"qpnkpg"
f gnkxgt{"qh'cppwcn'o ggvkpi "cpf "r tqz{"xqvkpi "o cvgtkcnu0

Q: How can I get electronic access to the proxy materials?

A: [qw'ecp'xkgy "yj g"r tqz{ "o cvgtkcnu"qp"yj g'kpvgtpgv'cv' y y y Qr tqz{xqvg@eqo 0'Rngcug'j cxg "{qwt'34''f ki kv'eqpvtqn' pwo dgt"cxckncdng0[qwt'34''f ki kv'eqpvtqn'pwo dgt'ecp'dg'hqwpf "qp"{qwt'P qvkeg0Kf "{qwtgegkxgf "c'r cr gt''eqp {'qh" {qwt'r tqz{ "o cvgtkcnu ."{qwt'34''f ki kv'eqpvtqn'pwo dgt'ecp'dg'hqwpf "qp"{qwt'r tqz{ "ectf "qt'xqvkpi "kpuvtwevkqp"ectf 0

Qwt'r tqz{ "o cvgtkcnu'ctg'cnuq'cxckncdng'qp"qwt 'Kpxguvqt 'Tgncvkqpu'y gdukvg'cv' y y y 0cf qdg0eqo _cdqwv_cdqge] kpxtgncvkqpu0

Q: Can I vote my shares by filling out and returning the Notice?

A: P q0'Vj g'P qvkeg'y km'j qy gxgt .'r tqxkf g'kpuvtwevkqpu'qp'j qy "q'xqvg'd{ 'kpvgtpgv .'d{ 'vgngrj qpg.'d{ 'tgswguvkpi "cpf tgwtpkpi "c'r cr gt'r tqz{ "ectf "qt'xqvkpi "kpuvtwevkqp"ectf .'qt'd{ 'uwdo kvkpi "c'dcnqv'kp'r gtuqp'cv'vj g'o ggvkpi 0

Q: How may I vote my shares in person at the meeting?

A: Kf "{qwt'uj ctgu'ctg'tgi kuvgtgf "f ktgevn{ "kp"{qwt'pco g"y kj "qwt'tcpuhgt'ci gpv ."Eqo r wgtuj ctg "Kpxguvqt "Ugtxkegu"NNE ."{qw'ctg'eqpukf gtgf .'y kj "tgur gev'q'j qug'uj ctgu ."yj g'uvqenj qf gt'qh'tgeqtf 0Cu'yj g'uvqenj qf gt'qh' tgeqtf ."{qw'j cxg'yj g'tki j v'q'xqvg'kp'r gtuqp'cv'yj g'o ggvkpi 0Kf "{qwt'uj ctgu'ctg'j gnf 'kp'c'dtqmgtci g'ceeqwpv'qt'd{ " cpqyj gt'pqo kpgg'qt'twuvgg ."{qw'ctg'eqpukf gtgf "yj g'dgpghkekcn'qy pgt'qh'uj ctgu'j gnf 'kp'uvtggv'pco g0Cu'yj g' dgpghkekcn'qy pgt ."{qw'ctg'cnuq'kpxkvgf "q'cwgpf 'yj g'o ggvkpi 0Ukpeg'c'dgpghkekcn'qy pgt'ku'pqv'yj g'uvqenj qf gt'qh' tgeqtf ."{qw'o c{ "pqv'xqvg'yj gug'uj ctgu'kp'r gtuqp'cv'yj g'o ggvkpi "wpnguu'{qw'qdvckp'c'öngi cn'r tqz{ö'htqo "{qwt" dtqmgt .'pqo kpgg."qt'twuvgg'yj cv'qnf u'{qwt'uj ctgu.'i kxkpi "{qw'yj g'tki j v'q'xqvg'yj g'uj ctgu'cv'yj g'o ggvkpi 0Vj g' o ggvkpi "y km'dg'j gnf 'cv'qwt'Ecuv'Vqy gt'dwknf kpi "nqecvgf 'cv'543 "Rctm'Cxgpwg ."Ucp'Lqug."Ecnkhqtpkc; 73320Kf "{qw" pggf "f ktgevkqpu'q'yj g'o ggvkpi .'r ngcug'xkukv'j wr <11y y y 0cf qdg0eqo _cdqge]o cr ululmo cr 0] vo m0

Q: How can I vote my shares without attending the meeting?

A: Y j gyj gt "{qwj qnf "uj ctgu'f ktgevn{ "cu'c'tgi kuvgtgf "uvqenj qf gt'qh'tgeqtf "qt'dgpghkekcnn{ 'kp'uvtggv'pco g ."{qwo c{ "xqvg'y kj qw'cwgpf kpi "yj g'o ggvkpi 0Y qwo c{ "xqvg'd{ 'i tcpvkpi "c'r tqz{ .'hqt'uj ctgu'j gnf 'dgpghkekcnn{ 'kp'uvtggv pco g ."d{ 'uwdo kwkpi "xqvkpi "kpuvtwevkqpu'q'{qwt'uqemdtqngt .'twuvgg"qt'pqo kpgg0Ko o quv'ecugu ."{qw'y km'dg'cdng vq'f q'yj ku'd{ 'vgngrj qpg."d{ 'uukpi "yj g'kpvgtpgv'qt'd{ 'o ckn'kh'{qwtgegkxgf "c'r tkpvgf "ugv'qh'yj g'r tqz{ "o cvgtkcnu0

By Telephone or Internet '‒'Kf "{qw'j cxg'vgngrj qpg'qt'kpvgtpgv'ceeguu ."{qw'o c{ "uwdo kv'{qwt'r tqz{ "d{ 'hqnnqy kpi " yj g'kpuvtwevkqpu'r tqxkf gf 'kp'yj g'P qvkeg."qt'kh'{qwtgegkxgf "c'r tkpvgf "xgtukqp'qh'yj g'r tqz{ "o cvgtkcnu'd{ "o ckn'd{ " hqnnqy kpi "yj g'kpuvtwevkqpu'r tqxkf gf "y kj "{qwt'r tqz{ "o cvgtkcnu'cpf "qp"{qwt'r tqz{ "ectf "qt'xqvkpi "kpuvtwevkqp"ectf 0

By Mail '‒'Kf "{qwtgegkxgf "r tkpvgf "r tqz{ "o cvgtkcnu ."{qw'o c{ "uwdo kv'{qwt'r tqz{ "d{ "o ckn'd{ "uki pkpi "{qwt'r tqz{ " ectf "kh'{qwt'uj ctgu'ctg'tgi kuvgtgf 'qt .'hqt'uj ctgu'j gnf 'dgpghkekcnn{ 'kp'uvtggv'pco g ."d{ 'hqnnqy kpi "yj g'xqvkpi " kpuvtwevkqpu'kpenwf gf 'd{ "{qwt'uqemdtqngt .'twuvgg"qt'pqo kpgg."cpf "o cknkpi "kv'kp'yj g'gpenqugf "gpxgnqr g0Kf "{qw' r tqxkf g'ur gekhke'xqvkpi "kpuvtwevkqpu ."{qwt'uj ctgu'y km'dg'xqvgf "cu'{qw'j cxg'kpuvtwevgf 0

5

Q: What happens if I do not give specific voting instructions?

A: *Registered Stockholder of Record.* Kli{qw'ctg'c'tgi kuvgtgf "uvqemj qnfgt'qh'tgeqtf "cpf "{qw'kpfkecvg'y j gp'xqvkpi " qp"vj g"kpvgtpgv'qt'd{"vgngrj qpg"vj cv"{qw'y kuj "vq"xqvg"cu'tgeqo o gpfgf "d{"vj g"Dqctf."qt"uki p"cpf "tgwwtp"c"rtqz{" ectf "y kj qw'i kxkpi "urgekhke"xqvkpi "kpuvtwevkqpu."vj gp"vj g"rtqz{"j qnfgtu"o kn'xqvg"{qwt"uj ctgu"kp"vj g"o cppgt" tgeqo o gpfgf "d{"vj g"Dqctf "qp"cmi'o cwgu'rtgugpvgf "kp"vj ku"rtqz{"uvcvgo gpv'cpf "cu'vj g"rtqz{"j qnfgtu'o c{" fgvgto kpg"kp"vj gkt'fkuetgvkqp"y kj "tgurgev'vq"cp{"qvj gt"o cwgt'rtqrgtn{"rtgugpvgf "hqt"c"xqvg"cv"vj g"o ggvkpi 0

Beneficial Owners of Shares Held in Street Name. Kli{qw'ctg'c"dgpghkekcn'qy pgt'qh'uj ctgu'j gnf "kp"uvtggv'pco g" cpf "fq"pqv'rtqxkfg"vj g"qti cpk| cvkqp"vj cv'j qnfu'{qwt'uj ctgu'y kj "urgekhke"xqvkpi "kpuvtwevkqpu."vj g"qti cpk| cvkqp"vj cv' j qnfu'{qwt'uj ctgu'o c{"i gpgtcm{"xqvg"cv'ku'fkuetgvkqp"qp"tqwkpg"o cwgtu'dw'ecppqv'xqvg"qp"pqp/tqwkpg"o cwgu0' Kli'vj g"qti cpk| cvkqp"vj cv'j qnfu'{qwt'uj ctgu'fqgu'pqv'tgegkxg"kpuvtwevkqpu'htqo "{qw'qp"j qy "vq"xqvg"{qwt'uj ctgu'qp"c" pqp/tqwkpg"o cwgt."vj g"qti cpk| cvkqp"y km'kphqto "vj g"kpurgevqt'qh'gngevkqp"vj cv'kv'fqgu'pqv'j cxg"vj g"cwj qtkv{"vq" xqvg"qp"vj ku'o cwgt"y kj "tgurgev'vq"{qwt'uj ctgu0'Vj ku'ku'c"i gpgtcm{"tghgttgf "vq"cu'c"õdtqmgt'pqp/xqvg0ö'Kp"cdwncvkpi " vj g"xqvkpi "tguwnu'hqt'cp{"r ctvkewnct'r tqr qucn'uj ctgu'vj cv'eqpuvkwwg"dtqmgt'pqp/xqvgu'ctg'pqv'eqpukfgtgf "gpvkvngf " vq"xqvg"qp"vj cv'rtqr qucn0Vj wu."dtqmgt'pqp/xqvgu'y km'pqv'chfgev'vj g"qwveqo g"qh'cp{"o cwgt'dgkpi "xqvgf "qp"cv'vj g" o ggvkpi ."cuuwo kpi "vj cv'c"s wqtwo "ku'qdvckpgf 0

Q. Which ballot measures are considered "routine" or "non-routine?"

A. Vj g"tcwhhecvkqp"qh'vj g"cr r qkpvo gpv'qh'MRO I "NNR'cu'qwt'kpfgr gpfgpv'tgi kuvgtgf "r wdmke"ceeqwpvkpi "hkto "hqt'vj g" hkuecn'{ect'gpfkpi "P qxgo dgt'52."4234'*Rtqr qucn'5+'ku'eqpukfgtgf "tqwkpg"wpfgt'cr r mecdng"twngu0'C "dtqmgt'qt qvj gt'pqo kpgg"o c{"i gpgtcm{"xqvg"qp"tqwkpg"o cwgu."cpf "vj gtghqtg"pq"dtqmgt'pqp/xqvgu'ctg'gzr gevgf "vq"gzkuv'kp" eqppgevkqp"y kj "Rtqr qucn'50Vj g"gngevkqp"qh'fktgevqtu'*Rtqr qucn'3+'vj g"co gpfo gpv'qh'vj g"4225'Gs wkv{"Kpegpvkxg Rncp"*Rtqr qucn'4+'cpf "vj g"cfxkuqt{"xqvg"qp"gzgewkxg"eqo r gpucvkqp"*Rtqr qucn'6+'ctg"o cwgu'eqpukfgtgf "pqp/ tqwkpg"wpfgt'cr r mecdng"twngu0'C"dtqmgt'qt"qvj gt'pqo kpgg"ecppqv'xqvg"y kj qw'kpuvtwevkqpu'qp"pqp/tqwkpg o cwgu."cpf ."vj gtghqtg."vj gtg"o c{"dg"dtqmgt'pqp/xqvgu'qp"Rtqr qucnu'3."4'cpf "60

Q: How can I revoke my proxy and change my vote after I return my proxy card?

A: [qw'o c{"tgxqmg"{qwt'rtqz{"cpf "ej cpi g"{qwt'xqvg"cv'cp{"vko g"dghqtg"vj g"hkpcn'xqvg"cv'vj g"o ggvkpi 0Kli'{qw'ctg'c" uvqemj qnfgt'qh'tgeqtf."{qw'o c{"fq"vj ku'd{"uki pkpi "cpf "uwdo kvvkpi "c"pgy "rtqz{"ectf "y kj "c"ncvgt'fcvg⸗'d{"xqvkpi d{"vgngrj qpg"qt'd{"wukpi "vj g"kpvgtpgv."gkj gt'qh'y j kej "o wuv'dg"eqo r ngvgf "d{"33<9; "r0o 0Gcuvgtp"Vko g"qp" Cr tkn'33."4234'*qwt'ncvgu'vgngrj qpg"qt'kpvgtpgv'rtqz{"ku'eqwpvgf ⸗'qt'd{"cwgpfkpi "vj g"o ggvkpi "cpf "xqvkpi "kp" r gtuqp0Cwgpfkpi "vj g"o ggvkpi "cnqpg"y km'pqv'tgxqmg"{qwt'rtqz{"wpnguu'{qw'urgekhkecm{"tgs wguv'{qwt'rtqz{"vq'dg" tgxqmgf 0Kli'{qw'j qnf "uj ctgu'vj tqwi j "c"dcpm'qt'dtqmgtci g"hkto ."{qw'o wu'eqpvcev'vj cv'dcpm'qt'hkto "fktgevn{"vq" tgxqmg"cp{"rtkqt'xqvkpi "kpuvtwevkqpu0

Q: Where can I find the voting results of the meeting?

A: Vj g"rtgmo kpct{"xqvkpi "tguwnu'y km'dg"cppqwpegf "cv'vj g"o ggvkpi 0Vj g"hkpcn'xqvkpi "tguwnu'y km'dg"tgr qtvgf "kp"c" ewttgpv'tgr qtv'qp"Hqto ": /M"y j kej "y km'dg"hkngf "y kj "vj g"UGE"y kj kp"hqwt'dwukpguu'fc{u'chvgt'vj g"o ggvkpi 0Kli'qwt hkpcn'xqvkpi "tguwnu'ctg"pqv'cxckncdng"y kj kp"hqwt'dwukpguu'fc{u'chvgt'vj g"o ggvkpi ."y g"y km'hkng"c"ewttgpv'tgr qtv'qp Hqto ": /M"tgr qtvkpi "vj g"rtgmo kpct{"xqvkpi "tguwnu'cpf "uwdugs wgpvn{"hkng"vj g"hkpcn'xqvkpi "tguwnu'kp"cp"co gpfo gpv vq"vj g"ewttgpv'tgr qtv'qp"Hqto ": /M"y kj kp"hqwt'dwukpguu'fc{u'chvgt'vj g"hkpcn'xqvkpi "tguwnu'ctg"mpqy p"vq"wu0

PROPOSAL 1
ELECTION OF DIRECTORS

Y g'ewttgpvn{'j cxg'pkpg"o go dgtu'qh'qwt'Dqctf .'hkxg'fktgevqtu'qh'yj g'Eqo r cp{'y j qug'vgto "y kn'gzr ktg'cv'yj g" 4234'Cppwcn'O ggvkpi "qh'Uqenj qnfgtu'cpf 'hqwt'fktgevqtu'qh'yj g'Eqo r cp{'y j qug'vgto "y kn'gzr ktg'cv'yj g'4235'Cppwcn' O ggvkpi "qh'Uqenj qnfgtu0""Uqenj qnfgtu'y kn'xqvg'hqt'yj g'hkxg'pqo kpggu'nkuvgf 'dgnqy "q"ugtxg'wpvkn'qwt'4235'Cppwcn' O ggvkpi "qh'Uqenj qnfgtu'cpf 'wpvkn'uwej 'fktgevqtu''uweeguuqt'j cu'dggp'gngevgf 'cpf 's wcnkhkgf ."qt'wpvkn'uwej 'fktgevqtu' f gcvj .'tgukipcvkqp'qt'tgo qxcn0Vj g'hqwt'kpewo dgpv'o go dgtu'qh'qwt'Dqctf 'y j q'y gtg'gngevgf 'vq'"w q o o{gct'vgto u'cv'qwt' 4233'Cppwcn'O ggvkpi "qh'Uqenj qnfgtu'y kn'eqpvkpwg'vq'ugtxg'wpvkn'qwt'4235'Cppwcn'O ggvkpi "qh'Uqenj qnfgtu'cpf 'wpvkn' uwej 'fktgevqtu''uweeguuqt'j cu'dggp'gngevgf 'cpf 's wcnkhkgf ."qt'wpvkn'uwej 'fktgevqtu'f gcvj .'tgukipcvkqp'qt'tgo qxcn0' Vj gtgchvgt .'yj gkt'uweeguuqtu'y kn'dg'gngevgf 'vq'qpg/{gct'vgto u."cpf 'htqo "cpf 'chvgt'yj g'4235'Cppwcn'O ggvkpi "qh' Uqenj qnfgtu."cnl'fktgevqtu'y kn'uvcpf 'hqt'gngevkqp'cppwcnn{0

Gcej "qh'yj g'pqo kpggu'nkuvgf 'dgnqy "ku'ewttgpvn{'c'fktgevqt'qh'Cfqdg'cpf 'j cu'r tgxkqwun{'dggp'gngevgf 'd{'qwt' uyqenj qnfgtu0Vj gtg'ctg'pq'hco kn{'tgncvkqpuj kr 'u'co qpi 'qwt'fktgevqtu'qt'gzgewvkxg'qhhkegtu0Kh'cp{'pqo kpgg'ku'wpcdng'qt' f genkpgu'vq'ugtxg'cu'c'fktgevqt .'yj g'Dqctf 'o c{'f guki pcvg'cpqyj gt'pqo kpgg'vq'hkn'yj g'xcecpe{'cpf 'yj g'r tqz {'y kn'dg" xqvgf 'hqt''yj cv''pqo kpgg0

Vote Required and Board Recommendation

Qwt 'D{ncy u'tgs wktg'yj cv'gcej 'fktgevqt'dg'gngevgf 'd{ 'yj g'o clqtkv{'qh'xqvgu'ecuv'y kj 'tgur gev'vq'uwej 'fktgevqt'kp" wpeqpvguvgf 'gngevkqpu0Cp{ 'pqo kpgg'hqt'fktgevqt .'kp'cp'wpeqpvguvgf 'gngevkqp.'y j q'tgegkxgu'c'i tgcvgt'pwo dgt'qh'xqvgu" õCI CKP UVö'j ku'qt'j gt'gngevkqp'yj cp'xqvgu'õHQTö'uwej 'gngevkqp'uj cnl'r tqo r vn{'vgpf gt'j ku'qt'j gt'tguki pcvkqp'vq'yj g" Dqctf .'cpf 'yj g'Dqctf .'chvgt'vcmkpi 'kpvq'eqpukf gtcvkqp'yj g'tgeqo o gpf cvkqp'qh'yj g'P qo kpcvkpi 'cpf 'I qxgtpcpeg" Eqo o kvgg'qh'yj g'Dqctf .'y kn'f gvgto kpg'y j gyj gt'qt'pqv'vq'ceegr v'yj g'fktgevqtöu'tguki pcvkqp0Vj g'gngevkqp'qh'fktgevqtu" r wtuwcpv'vq'yj ku'Rtqr qucn'ku'cp'wpeqpvguvgf 'gngevkqp."cpf .'yj gtghqtg.'yj g'o clqtkv{'xqvg'uvcpf ctf 'y kn'cr r n{0Cduvgpvkqpu" cpf 'dtqmgt'pqp/xqvgu'y kn'pqv'j cxg'cp{'ghhgev'qp'yj g'qwveqo g'qh'yj ku'Rtqr qucn0Kp'cdumcvkpi 'yj g'xqvkpi 'tguwnu'hqt'yj g" gngevkqp'qh'fktgevqtu.'qpn{ 'õHQTö'cpf 'õCI CKP UVö'xqvgu'ctg'eqwpvgf 0

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" ALL NOMINEES

Our Board of Directors

Vj g"ecdrgu"dgmy "ugv"hqtyj "yj g"hqmy kpi "kphqro cvkqp"hqt"gcej "pmo kpgg"cpf "gcej "f ktgevqt"qh"Cf qdg"y j qug" vgtom "qh"qhhkeg"y kn"eqpvkpwg"chvgt"yj ku"o ggvkpi <"pmo g.""ci g.""r tkpekr cn"qeewr cvkqp"f wtkpi "yj g"r cuv"hkxg"{gctu."qyj gt" f ktgevqtuj kr u"j gnf "kp"r wdrke"eqo r cpkgu."tgngxcpv"gzr gtkgpeg.""s wcrkhkecvkqpu."cwtkdwugu"qt"ukknu."cpf "yj g"{ gct"ugtxkeg"cu" c"f ktgevqt"qh"Cf qdg"eqo o gpegf 0

Nominees for Election for a One-Year Term Expiring in 2013

Name	Principal Occupation During Last Five Years and Relevant Experiences, Qualifications, Attributes or Skills	Age	Director Since
Gf y ctf "Y 0Dctpj qm00000	O t0Dctpj qm"ugtxgf "cu"Rtgukf gpv"cpf "Ej kgh"Gzgewvkxg"Qhhkegt"qh Ci kngpv"Vgej pqmi kgu."Kpe0"c"o gcuwtgo gpv"eqo r cp{."htqo "O ctej 3; ; "vq"O ctej "4227"cpf "cu"kvu"Ej cko cp"qh"yj g"Dqctf "htqo "P qxgo dgt 4224"wpvkn'j ku"tgvktgo gpv"kp"O ctej "42270Htqo "3; ; 2"vq"3; ; ; . O t0Dctpj qm"ugtxgf "kp"ugxgtcn"gzgewvkxg"r qukvkqpu"cv'J gy ngvV Rcemtf Eqo r cp{."c"eqo r wgt"cpf "ngevtqpkeu"eqo r cp{."kpenwf kpi "ugtxkpi "cu Gzgewvkxg"Xkeg"Rtgukf gpv"cpf "I gpgtcn'O cpci gt"qh"ku"O gcuwtgo gpv Qti cp| cvkqp00O t0Dctpj qm"ewttgpvn{"ugtxgu"qp"yj g"dqctf "qh"f ktgevqtu qh"gDc{"Kpe0"c"i mdcn'qpnkpg"o ctmgvr nceg"cpf "cu"Ej cko cp"qh"yj g Dqctf "qh"MNC/Vgpeqt"Eqtr qtcvkqp."c"r qxkf gt"qh"r tqeguu"eqpvqn'cpf {kgnf "o cpci go gpv"uqnwkqpu00O t0Dctpj qm"j qnf u"c"D0U0"cpf "c"O 0U0"kp Grgevtkecn'Gpi kpggtkpi "htqo "Uvcphqtf "Wpkxgtukv{0	8:	4227
	Cu"yj g"hqto gt"Rtgukf gpv."Ej kgh"Gzgewvkxg"Qhhkegt"cpf "Ej cko cp"qh"yj g Dqctf "qh"Ci kngpv."cu"y gn'cu"c"hqto gt"ugpkqt"gzgewvkxg"y kj "J gy ngvV Rcemtf ."O t0Dctpj qm"r qssuggu"uki pkhecpv'ngcf gtuj kr "cpf "qr gtcvkqpcn gzr gtkgpeg."kpenwf kpi "qp"o cwgu"r ctvkewnct{ "tgngxcpv'vq"eqo r cpkgu y kj "eqo r ngz"vgej pqmi { "cpf "kpvgtpcvkqpcn'kuuwgu0Cu"c"dqctf "o go gdt qh"y q"qyj gt"r wdrke"eqo r cpkgu."O t0Dctpj qm"cmq"j cu"uvtqpi "eqtr qtcv i qxgtpcpeg"gzr gtvkug"cpf "c"i mdcn'dwukpguu"r gtur gevkxg0		
O kej cgn'T0Ecppqp 00000	O t0Ecppqp"ugtxgf "cu"Rtgukf gpv."I mdcn'Qr gtcvkqpu"qh"F gn'Kpe0"c eqo r wgt"u{uvgo u"o cpwhcevwtgt"cpf "ugtxkegu"r tqxkf gt."htqo "Hgdtwct{ 4229"wpvkn'j ku"tgvktgo gpv"kp"Lcpwct{ "422; ."cpf "cu"c"eqpuwncpv"vq"F gn htqo "Lcpwct{ "422; "wpvkn'Lcpwct{ "53."42330Rtkqt"vq"lqkpkpi "F gn O t0Ecppqp"y cu"yj g"Rtgukf gpv"cpf "Ej kgh"Gzgewvkxg"Qhhkegt"qh Uqngevtqp"Eqtr qtcvkqp."cp"gngevtqpke"o cpwhcevwtkpi "ugtxkegu"eqo r cp{. htqo "Lcpwct{ "4225"wpvkn'Hgdtwct{ "422; 0Htqo "Lwn{ "3; ; 8"wpvkn'Lcpwct{ 4225."O t0Ecppqp"ugtxgf "cu"yj g"Ej kgh"Gzgewvkxg"Qhhkegt"qh"O cz vqt Eqtr qtcvkqp."c"f kum'f tkxg"cpf "uvqtci g"u{uvgo u"o cpwhcevwtgt0Rtkqt"vq lqkpkpi "O cz vqt."O t0Ecppqp"j gnf "ugpkqt"o cpci go gpv"r qukvkqpu"cv KDO ."c"i mdcn'ugtxkegu."uqhvy ctg"cpf "u{uvgo u"eqo r cp{0O t0Ecppqp cmq"ugtxgu"qp"yj g"dqctf "qh"f ktgevqtu"qh"Ugci cvg"Vgej pqmi { "Rwdrke Nko kgf "Eqo r cp{."c"f kum'f tkxg"cpf "uqtci g"uqnwkqpu"eqo r cp{."Nco Tgugctej "Eqtr qtcvkqp."c"ugo keqpf wevqt"y chgt"hcdtkecvkqp"gswkro gpv eqo r cp{"cpf "Gnuvgt"I tqwr "UG."c"o gvgtkpi "cpf "uo ctv"i tkf "vgej pqmi { eqo r cp{0O t0Ecppqp"uwf kgf "o gej cpkecn'gpi kpggtkpi "cv'O kej ki cp Uvcvg"Wpkxgtukv{ "cpf "eqo r ngvgf "yj g"Cf xcpegf "O cpci go gpv"Rtqi tco cv'J ctxctf "Dwukpguu"Uej qqn0	7;	4225
	O t0Ecppqpøu"ectggt"ur cpu"57"{gctu"kp"vgej pqmi {0Cu"c"tguwnv'qh"j ku hqto gt"ugpkqt"gzgewvkxg"r qukvkqpu"cv'F gn'Uqngevtqp"cpf "O cz vqt. O t0Ecppqp"r qssuggu"c"uki pkhecpv'co qwpv'qh"ngcf gtuj kr "cpf y qtnf y kf g"qr gtcvkqpcn'gzr gtkgpeg"y kj "eqo r cpkgu"kp"j ki j "vgej pqmi { kpf wutkgu0Kp"cf f kvkqp."cu"Ej kgh"Gzgewvkxg"Qhhkegt"y kj "hkpcpekcn qxgtuki j v"tgur qpukdknkvkgu"cv'dqyj "Uqngevtqp"cpf "O cz vqt."O t0Ecppqp r qssuggu"gzvgpukxg"hkpcpekcn'gzr gtvkug0Cmq."htqo "j ku"ugtxkeg"cu"c dqctf "o go gdt"y kj "yj tgg"qyj gt"r wdrke"eqo r cpkgu."O t0Ecppqp"qhgtu qwt"Dqctf "c"f ggr "wpf gtuvcpf kpi "qh"eqtr qtcv i qxgtpcpeg"o cwgu0		

Name	Principal Occupation During Last Five Years and Relevant Experiences, Qualifications, Attributes or Skills	Age	Director Since
Lco gu'G0F crg{ (OOOOOOOOOOOO)	O t0F crg{'j cu'dggp'cp'kpf gr gpf gpv'eqpuwncpv'ukpeg'j ku'tgvktgo gpv'kp Lwn{ '4225'htqo 'Grgevtqpke'F cvc'U{uvgo u'Eqtr qtcvkqp'"öGF U÷+'cp kphqto cvkqp'vgej pqnqi { 'ugtxkeg'eqo r cp{0O t0F crg{'ugtxgf 'cu Gzgewvkxg'Xkeg'Rtgukf gpv'cpf 'Ej kgh'Hkpcpekcn'Qhhkegt'qh'GF U'htqo O ctej '3; ; ; 'vq 'Hgdtwct{ '4225.'cpf 'cu'ku'Gzgewvkxg'Xkeg'Rtgukf gpv'qh Erkgpv'Uqnwvkqpu.'I nqdcn'Ucngu'cpf 'O ctmgvkpi 'htqo 'Hgdtwct{ '4225'vq Lwn{ '42250Htqo '3; 85'wpvkn'j ku'tgvktgo gpv'kp'3; ; ; .'O t0F crg{'y cu'y kj Rtkeg'Y cvgtj qwug.'NNOR0'cp'ceeqwpvkpi 'hkto .'y j gtg'j g'ugtxgf 'cu'Eq/ Ej ckto cp/Qr gtcvkqpu'cpf 'Xkeg/Ej ckto cp/Kpvgtpcvkqpcn'htqo '3; : : 'vq 3; ; 0O t0F crg{'ewttgpvn{ 'ugtxgu'qp'vj g'dqctf 'qh'f ktgevqtu'qh'Vj g I wctf kcp'Nkhg'Kpuwtcpeg'Eqo r cp{'qh'Co gtkec0O t0F crg{'j qnf u'c DODC0'htqo 'Qj kq'Wpkxgtukv{0	92	4223
	Y kj "o qtg'vj cp'57"{gctu'qh'ugtxkeg'y kj 'vj g'kpvgtpcvkqpcn'ceeqwpvkpi hkto 'Rtkeg'Y cvgtj qwug.'NNOR0'cu'y gnn'cu'j ku'r cuv'ugtxkeg'cu'vj g'Ej kgh Hkpcpekcn'Qhhkegt'qh'c'r wdnkek'vtcf gf 'i nqdcn'vgej pqnqi { 'eqo r cp{. O t0F crg{'dtkpi u'vq'vj g'Dqctf 'gzvgpukxg'hkpcpekcn'gzr tvkug'tgncvgf 'vq vj g'dwukpguu'cpf 'hkpcpekcn'kuuwgu'hcekpi 'ncti g'i nqdcn'vgej pqnqi { eqtr qtcvkqpu.'cu'y gnn'cu'c'eqo r rgj gpukxg'wpf gtuvcpf kpi 'qh kpvgtpcvkqpcn'dwukpguu'cpf 'eqtr qtcvg'i qxgtpcpeg'o cwvtu0		
Ej ctrgu'O 0I guej mg (OOOOOO)	F t0I guej mg'y cu'c'hqwpf gt'qh'Cf qdg'cpf 'j cu'ugtxgf 'cu'qwt'Ej ckto cp qh'vj g'Dqctf 'ukpeg'Ugr vgo dgt'3; ; 9.'uj ctkpi 'vj cv'qhhkeg'y kj 'Lqj p'G0 Y ctpqem0J g'y cu'qwt'Ej kgh'Qr gtcvkpi 'Qhhkegt'htqo 'F gego dgt'3; : 8 wpvkn'Lwn{ '3; ; 6'cpf 'qwt'Rtgukf gpv'htqo 'Cr tkn'3; ; '; 'wpvkn'j ku'tgvktgo gpv kp'Cr tkn'42220F t0I guej mg'j qnf u'c'Rj 0F 0kp'Eqo r wvgt'Uekgpeg'htqo Ectpgi kg'O gnqp'Wpkxgtukv{0	94	3; : 5
	Cu'c'eq/hqwpf gt'qh'Cf qdg'cpf 'ku'hqto gt'Rtgukf gpv'cpf 'Ej kgh Qr gtcvkpi 'Qhhkegt.'F t0I guej mg'j cu'gzr gtkgpeg'i tqy kpi 'Cf qdg'htqo 'c uvctv'vir 'vq'c'ncti g'r wdnken{ 'vtcf gf 'eqo r cp{0J ku'pgctn{ '42'{gctu'qh gzgewvkxg'cpf 'vgej pqnqi kecn'ngcf gtuj kr 'cv'Cf qdg'r tqxkf gu'vj g'Dqctf y kj 'uki pkhkecpv'ngcf gtuj kr .'qr gtcvkqpu'cpf 'vgej pqnqi { 'gzr gtkgpeg.'cu y gnn'cu'ko r qtvcpv'r gtur gevkxgu'qp'kppqxcvkqp.'o cpci go gpv f gxgnqr o gpv.'cpf 'i nqdcn'ej ckgpi gu'cpf 'qr r qtwpkvkgu0Cu'Ej ckto cp'qh vj g'Dqctf 'qh'F ktgevqtu'qh'Cf qdg.'F t0I guej mg'j cu'uvtqpi wpf gtuvcpf kpi 'qh'j ku'tqng'cu'c'f ktgevqt'cpf 'c'dtqcf 'r gtur gevkxg'qp'ng{ kpf wuvt{ 'kuuwgu'cpf 'eqtr qtcvg'i qxgtpcpeg'o cwvtu0		
Uj cpvcpw'P ctc{ cp (OOOOOO)	O t0P ctc{ cp'ewttgpvn{ 'ugtxgu'cu'qwt'Rtgukf gpv'cpf 'Ej kgh'Gzgewvkxg Qhhkegt0J g'lqkpgf 'Cf qdg'kp'Lcpwct{ '3; ; : 'cu'Xkeg'Rtgukf gpv'cpf I gpgtcn'O cpci gt'qh'qwt'gpi kpggtkpi 'vgej pqnqi { 'i tqwr 0Kp'Lcpwct{ 3; ; ; .'j g'y cu'r tqo qvgf 'vq'Ugpkqt'Xkeg'Rtgukf gpv0Y qtrf y kf g'Rtqf wev. cpf 'kp'O ctej '4223'j g'y cu'r tqo qvgf 'vq'Gzgewvkxg'Xkeg'Rtgukf gpv. Y qtrf y kf g'Rtqf wev'O ctngvkpi 'cpf 'F gxgnqr o gpv0Kp'Lcpwct{ '4227. O t0P ctc{ cp'y cu'r tqo qvgf 'vq'Rtgukf gpv'cpf 'Ej kgh'Qr gtcvkqp'Qhhkegt. cpf 'ghhgevkxg'F gego dgt'4229.'j g'y cu'cr r qkpvgf 'qwt'Ej kgh'Gzgewvkxg Qhhkegt'cpf 'lqkpgf 'qwt'Dqctf 'qh'F ktgevqtu0O t0P ctc{ cp'ugtxgu'qp'vj g dqctf 'qh'f ktgevqtu'qh'F gn'Kpe0O t0P ctc{ cp'j qnf u'c'D0U0Kp'Grgevtqpkeu Gpi kpggtkpi 'htqo 'Quo cpkc'Wpkxgtukv{ 'kp'Kpf kc.'c'O 0U0Kp'Eqo r wvgt Uekgpeg'htqo 'Dqy nkpi 'I tggp'Uvcvg'Wpkxgtukv{ 'cpf 'cp'O 0D0C0htqo 'vj g J ccu'Uej qqn'qh'Dwukpguu.'Wpkxgtukv{ 'qh'Ecnkhqtpkc.'Dgtmgng{ 0	6:	4229
	Cu'qwt'Rtgukf gpv'cpf 'Ej kgh'Gzgewvkxg'Qhhkegt'cpf 'cu'cp'Cf qdg go r rq{gg'hqt'y gnn'qxgt'c'f ecf g.'O t0P ctc{ cp'dtkpi u'vq'vj g'Dqctf gzvgpukxg'ngcf gtuj kr 'cpf 'kpf wuvt{ 'gzr gtkgpeg.'kpenwf kpi 'c'f ggr mpqy ngf i g'cpf 'wpf gtuvcpf kpi 'qh'qwt'dwukpguu.'qr gtcvkqpu'cpf go r rq{ggu.'vj g'qr r qtwpkvkgu'cpf 'tkumu'hcegf 'd{ 'Cf qdg.'cpf o cpci go gpv'u'ewttgpv'cpf 'hwwtg'uvtcvgi { 'cpf 'r ncpu0Cu'c'o go dgt'qh vj g'dqctf 'qh'f ktgevqtu'qh'F gn'j g'cnuq'j cu'uvtqpi 'wpf gtuvcpf kpi 'qh'j ku tqng'cu'c'f ktgevqt'cpf 'c'dtqcf 'r gtur gevkxg'qp'ng{ 'kpf wuvt{ 'kuuwgu'cpf eqtr qtcvg'i qxgtpcpeg'o cwvtu0		

Incumbent Directors with a Term Expiring in 2013

Name	Principal Occupation During Last Five Years and Relevant Experiences, Qualifications, Attributes or Skills	Age	Director Since
Tqdgtv'M0'Dwtiguu(000000)	O t0'Dwtiguu'j cu'dggp'cp'kpfgrgpfgpv'eqpuwncpv'ukpeg'Fgego dgt 42270'J g'ugtxgf "cu'Ejkgh'Gzgewkxg'Qhhkegt'qh'O cetqogfkc.'kpe'c rtqxkfgt'qh'kpvgtpgv'cpf"o wnko gfkc'uqhwy ctg.'htqo "Pqxgo dgt'3;;8 vq'Lcpwct{'42270'J g'cnuq'ugtxgf "qp'vj g'dqctf'qh'fktgevqtu'qh O cetqogfkc'htqo "Pqxgo dgt'3;;8'wpvkn'Fgego dgt'4227.'cu Ejckto cp'qh'vj g'Dqctf'qh'O cetqogfkc'htqo "Lwn{'3;;;'wpvkn Fgego dgt'4227'cpf'cu'Gzgewkxg'Ejckto cp'qh'O cetqogfkc'htqo Lcpwct{'4227'wpvkn'Fgego dgt'4227.'y j gp'O cetqogfkc'y cu'ceswktgf d{'Cfqdg0'Rtkqt'vq'lqkpkpi 'O cetqogfkc.'O t0'Dwtiguu'j gnf'mg{ gzgewkxg'r qukkqpu'cv'Ukrkeqp'I tcrj keu.'Kpe0.'c'i tcrj keu'cpf eqo r wkpi 'eqo r cp.'cpf "htqo '3;;3'vq'3;;7'ugtxgf "cu'Ejkgh Gzgewkxg'Qhhkegt'cpf'c'o go dgt'qh'vj g'dqctf'qh'fktgevqtu'qh'Crkcu Tgugctej .'Kpe0.'c'r wdrken{'vtcfgf'5F "uqhwy ctg'eqo r cp.'r tkqt'vq'kv cceswkukkqp'd{'Ukrkeqp'I tcrj keu0'O t0'Dwtiguu'ewttgpvn{'ugtxgu'qp'vj g dqctf'qh'KO TKU'Kpe0.'c'r tqxkfgt'qh'ko ci g'i wkfgf'vj gtcr{'uqnwkqpu. cpf "PXKFKC'Eqtr qtcvkqp.'c'r tqxkfgt'qh'r tqi tco o cdng'i tcrj keu r tqeguukpi 'vej pqnqi kgu0'O t0'Dwtiguu'j qnfu'c'DŒeqo 0'htqo 'O eO cuvgt Wpkxgtukv{'kp'Ecpcfc0

Cu'vj g'hqto gt'Gzgewkxg'Ejckto cp.'Ejkgh'Gzgewkxg'Qhhkegt'cpf Ejckto cp'qh'vj g'Dqctf'qh'O cetqogfkc.'cu'y gnn'cu'ugxgtcn'qvj gt gzgewkxg'r qukkqpu.'O t0'Dwtiguu'j cu'gzvgpukxg'gzgewkxg'ngcfgtuj kr gzr gtkgpeg.'cu'y gnn'cu'gzvgpukxg'mpqy ngfi g'qh'qr gtcvkqpcn'hkpcpekcn cpf "uvtcvgi ke'kuuwgu0'J g'cnuq'r quuguugu'uki pkhkecpv'kpfwuvt{'gzr gtkgpeg'y kvj dwukpguugu'kuuwgu'kp'vgej pqnqi {'qti cpk| cvkqpu'cu'c'tguwn'qh'j ku'hqto gt gzgewkxg'tqngu0'Y kj "o qtg'vj cp'37'{gctu'gzr gtkgpeg'cu'c'dqctf o go dgt'qh'r wdrken{'vtcfgf'eqo r cpkgu.'O t0'Dwtiguu'cnuq'j cu'c'dtqcf wpfgtuvcpfkpi 'qh'vj g'tqng'cpf 'tgur qpukdkrkvkgu'qh'vj g'dqctf 'cpf xcnwcdng'kpuki j v'qp'c'pwo dgt'qh'uki pkhkecpv'kuuwgu'kp'vj g'vgej pqnqi { kpfwuvt{0 | 76 | 4227 |
| Fcpkgn'Tqugpygki (000000) | O t0'Tqugpygki 'ku'ewttgpvn{'Rtgukfgpv.'Ejkgh'Gzgewkxg'Qhhkegt'cpf 'c o go dgt'qh'vj g'dqctf'qh'fktgevqtu'qh'Ejgi i Œeqo .'cp'qprkpg'gzvdqqm tgpvcn'eqo r cp{0'Rtkqt'vq'lqkpkpi 'Ejgi i Œeqo 'kp'Hgdtwct{'4232. O t0'Tqugpygki 'ugtxgf "cu'Rtgukfgpv'cpf "Ejkgh'Gzgewkxg'Qhhkegt'qh TgfQevcpg.'c'dwukpguu'wpkv'qh'Cevkxkukqp'Rwdrkuj kpi .'Kpe0.'c fgxgnqr gt.'r wdrkuj gt'cpf 'fkuvtkdwqt'qh'kpvgtcevkxg'gpvgtvckpo gpv'cpf rngkuwtg'r tqfwevu0'Rtkqt'vq'lqkpkpi 'TgfQevcpg'kp'O ctej '422;. O t0'Tqugpygki 'y cu'cp'Qr gtcvkpi 'Rtkpekr cn'cv'vj g'S wcftcpi ng'I tqwr. c'r tkxcvg'kpxguvo gpv'hkto 0'Rtkqt'vq'lqkpkpi 'vj g'S wcftcpi ng'I tqwr 'kp Cwi wuv'4229.'O t0'Tqugpygki 'ugtxgf "cu'Ejkgh'Qr gtcvkpi 'Qhhkegt'qh [cj qq#'Kpe0'cp'kpvgtpgv'eqpvgpv'cpf 'ugtxkeg'r tqxkfgt.'y j kej 'j g'lqkpgf kp'Cr tkn'42240'Rtkqt'vq'lqkpkpi '[cj qq#.'O t0'Tqugpygki 'y cu'Rtgukfgpv qh'EPGV'Pgy qtmu.'Kpe0'cp'kpvgtpgv'eqpvgpv'cpf 'ugtxkeg'r tqxkfgt.'y j kej 'j g lqkpgf "kp'Qevqdgt'42220'O t0'Tqugpygki 'ugtxgf "hqt'3 '{gctu'y kj \ khh/Fcxku.'cp'kpvgi tcvgf "o gfkc'cpf "o ctmgvkpi 'ugtxkegu'eqo r cp{. kpenwfkpi 'tqngu'cu'Rtgukfgpv'cpf 'Ejkgh'Gzgewkxg'Qhhkegt'qh'ku uwdukfkct{'\ FPgv.'htqo '3;;9'wpvkn'4222'y j gp'\ FPgv'y cu'ceswktgf d{'EPGV0'O t0'Tqugpygki 'j qnfu'c'DŒC0'kp'Rqrkxkecn'Uekgpeg'htqo J qdctv'Eqnngi g0

Cu'c'tguwnv'qh'j ku'ewttgpv'gzgewkxg'r qukkqp'cv'Ejgi i Œeqo .'cu'y gnn'cu j ku'hqto gt'r qukkqpu'cu'c'ugpkqt'gzgewkxg'cv'i mqdcn'o gfkc'cpf vgej pqmqi {'qti cpk| cvkqpu.'O t0'Tqugpygki 'r tqxkfgu'vj g'Dqctf 'y kj gzvgpukxg'cpf 'tgngxcpv'gzgewkxg'ngcfgtuj kr .'y qtnf y kfg'qr gtcvkqpu cpf "vgej pqnqi {'kpfwuvt{'gzr gtkgpeg0 | 72 | 422; |

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Name	Principal Occupation During Last Five Years and Relevant Experiences, Qualifications, Attributes or Skills	Age	Director Since
Tqdgtv"Ugf i gy kem(000000)	F t0"Ugf i gy kem"j cu"dggp"c"Rtqhguuqt"qh"Eqo r wgt"Uekgpeg"cv"Rtkpegvqp Wpkxgtukv{"ukpeg"3; ; 7."y j gtg"j g"y cu"vj g"hqwpf kpi "Ej ckto cp"qh"vj g F gr ctvo gpv"qh"Eqo r wgt"Uekgpeg"cpf "ku"pqy "vj g"Y knnkco "O0"Dcmgt Rtqhguuqt"qh"Eqo r wgt"Uekgpeg0"Htqo "3; 97"vq"3; ; 7."j g"ugtxgf "qp"vj g hcewnv{"cv"Dtqy p"Wpkxgtukv{0"F t0"Ugf i gy kem"j qnf u"c"Rj 0F 0"kp Eqo r wgt"Uekgpeg"htqo "Uvcphqtf "Wpkxgtukv{0	87	3; ; 2
	Rtqhguuqt"Ugf i gy kem"j cu"j gnf "xkukvkpi "tgugctej "r qukvkqpu"cv"Zgtqz RCTE"kp"Rcnq"Cnq.."Kpuvkwwg"hqt"F ghgpug"Cpcn{ugu"kp"Rtkpegvqp"cpf KP TKC"kp"'Tqeswgpeqwtv."Htcpeg0"J g"tgi wnctn{"ugtxgu"qp"lqwtpcn gf kqtkcn"dqctf u"cpf "qti cpk{ gu"r tqi tco "eqo m uwgu"qh"eqphgtgpegu cpf "y qtmuj qr u"qp"f cvc"ulvtwevwtgu"cpf "vj g"cpcn{uku"qh"cni qtkvjo u"j gnf y tqwi j qw"vj g"y qtnf 0		
	Rtqhguuqt"Ugf i gy kemu"tgugctej "kpvgtguvu"kpenwf g"o cvj go cvkecn" cpcn{uku"qh"cni qtkvjo u."f guki p"qh"f cvc"ulvtwevwtgu"cpf "cni qtkvjo u"cpf " r tqi tco "xkuwcnk{ cvkqp0"J g"j cu"r wdnkuj gf "y kf gn{"kp"vj gug"ctgcu"cpf "ku" vj g"cwj qt"qh"ugxgtcn"dqqmu0"J ku"ncvguv"dqqmu"ctg"õCp"Kpvtqf wevkqp"vq" Rtqi tco o kpi "kp"Lcxc"/"Cp"Kpvgtf kuekr nkpct{"Cr r tqcej "ö"%y kj "Mgxkp" Y c{pg+."õCpcn{ke"Eqo dkpcvqtkeuö"%y kj "Rj knkr r g"Hnclqngv+"cpf "c"pgy " hqwtwj "gf kkqp"qh"õCni qtkvjo u.ö"vj g"ncvgu"kp"c"ugtkgu"vj cv"j cu"uqnf "qxgt" qpg/j cnh"o knnkqp"eqr kgu0		
	Cu"c"Rtqhguuqt"cpf "vj g"hqwpf kpi "Ej ckto cp"qh"vj g"F gr ctvo gpv"qh Eqo r wgt"Uekgpeg."F t0"Ugf i gy kem"dtkpi u"vq"vj g"Dqctf "gzvgpukxg ngcf gtuj kr "gzr gtkgpeg"cpf "gzr gtvkug"qp"vgej pqnqi {"kuuwgu"kp"vj g uqhwy ctg"kpf wut{0"Cnuq."cu"vj g"j qnf gt"qh"c"Rj 0F 0"f gi tgg"kp"Eqo r wgt Uekgpeg"htqo "Uvcphqtf "Wpkxgtukv{."cpf "vj g"cwj qt"qh"pwo gtqwu tgugctej "r cr gtu"cpf "y kf gn{"wugf "ugtkgu"qh"vgzvdqqmu"qp"cni qtkvjo u. F t0"Ugf i gy kem"qhhgtu"tgngxcpv"gzr gtvkug"qp"c"dtqcf "tcpi g"qh vgej pqnqi {"kuuwgu0"Cu"c"tguwnv"qh"ku"o go dgtuj kr "qp"Cf qdgøu"Dqctf . F t0"Ugf i gy kem"cnuq"r quuguugu"gzr gtkgpeg"y kj "c"tcpi g"qh"eqtr qtcvg i qxgtpcpeg"kuuwgu0		
Lqj p"G0"Y ctpqem(00000000)	F t0"Y ctpqem"y cu"c"hqwpf gt"qh"Cf qdg"cpf "j cu"dggp"qwt"Ej ckto cp"qh vj g"Dqctf "ukpeg"Cr tkn"3; ; 0"Ukpeg"Ugr vgo dgt"3; ; 9."j g"j cu"uj ctgf "vj g r qukvkqp"qh"Ej ckto cp"y kj "Ej ctngu"O 0"I guej mg0"F t0"Y ctpqem"ugtxgf cu"qwt"Ej kgh"Gzgewkxg"Qhhkegt"htqo "3; ; 4"wpvkn"F gego dgt"42220"Htqo F gego dgt"4222"wpvkn"j ku"tgvktgo gpv"kp"O ctej "4223."F t0"Y ctpqem ugtxgf "cu"qwt"Ej kgh"Vgej pkecn"Qhhkegt0"F t0"Y ctpqem"ewttgpvn{"ugtxgu cu"Ej ckto cp"qh"vj g"Dqctf "qh"Ucmqp"O gf kc."I tqwr ."Kpe0"F t0"Y ctpqem j qnf u"c"Rj 0F 0"kp"Gngevtkecn"Gpi kpggtkpi "htqo "vj g"Wpkxgtukv{"qh"Wcj 0	93	3; ; 5
	Cu"c"eq/hqwpf gt"qh"Cf qdg"cpf "ku"hqto gt"Ej kgh"Gzgewkxg"Qhhkegt"cpf Ej kgh"Vgej pkecn"Qhhkegt."F t0"Y ctpqem"j cu"gzr gtkgpeg"i tqy kpi "Cf qdg htqo "c"uvctvwr "vq"c"ncti g"r wdnken{"vtcf gf "eqo r cp{0J ku"pgctn{ 42"{ gctu"qh"gzgewkxg"cpf "vgej pqnqi kecn"ngcf gtuj kr "cv"Cf qdg"r tqxkf gu vj g"Dqctf "y kj "uki pkhkecpv"ngcf gtuj kr ."qr gtcvkqpu"cpf "vgej pqnqi { gzr gtkgpeg."cu"y gn"cu"ko r qtvcpv"r gtur gevkxgu"qp"kppqxcvkqp. o cpci go gpv"f gxgnqr o gpv."cpf "i nqdcn"ej cmgpi gu"cpf "qr r qtwpkkgu0 Cu"Ej ckto cp"qh"vj g"Dqctf "qh"F ktgevqtu"qh"Cf qdg"cpf "Ucmqp. F t0"Y ctpqem"j cu"c"utqpi "wpf gtuvcpf kpi "qh"j ku"tqng"cu"c"f ktgevqt"cpf "c dtqcf "r gtur gevkxg"qp"mg{"kpf wut{"kuuwgu"cpf "eqtr qtcvg"i qxgtpcpeg o cwgtu0		

Independence of Directors

Cu'tgs wktgf "d{ "yj g 'P CUF CS "I mqdcn'Ugngev'O ctmgvu'"*öP CUF CS ö+'rkukpi "uncpf ctf u ."c"o clqtkv{'qh'yj g'"
o go dgtu'qh'qwt'Dqctf "o wuv's wcnkh{'cu'ökpf gr gpf gpv."cu'chhko cvkxgn{'f gvgm okpf d{'qwt'Dqctf0'Qwt'Dqctf "eqpuwuu'"
y kj "qwt'ngi cn'eqwpugn'vq 'gpuwtg'yj cv'ku'f gvgm okpcvkqpu'ctg'eqpukuvgpv'y kj 'cnn'tgngxcpv'ugewtkkgu'cpf 'qyj gt'ncy u'cpf "
tgi wncvkqpu'tgi ctf kpi "yj g'f ghkpkkqp'qh'ökpf gr gpf gpv.ö'kpenwf kpi 'yj qug'ugv'hqtyj "kp'yj g'cr r nkecdng'P CUF CS "nkukpi "
uncpf ctf u0

Kp'f gvgto kpkpi "F t0'Y ctpqemu'kpf gr gpf gpeg."yj g'Dqctf "eqpukf gtgf "F t0'Y ctpqemu'ur qpuör go r m{o gpv'cv'Cf qdg"
cu'c"r tqlgev'o cpci gt."c'pqp/gzgewkxg'r qukkqp."r tkqt'vq'j ku'ur qpuör f gr ctwtg'htqo 'Cf qdg'kp'O ctej "4232'cpf "cpqyj gt"
ur qpuör ugtxkeg'cu'c"eqpuwncpv'vq'yj g'Eqo r cp{'f wtkpi " hkuecn'{gct'42330Cf qdg'eqpukf gtu'yj gug'dwukpguu'tgncvkqpuj kr u'vq'"
dg'cv'cto u'ngpi yj 'cpf 'kp'yj g'qtf kpct{'eqwtug'qh'dwukpguu0'P gkyj gt'y cu'eqpukf gtgf "c"o cvgtkcn'tgncvkqpuj kr "dgecwug'qh'yj g"
pcwtg'cpf .'y kj 'tgi ctf u'vq'yj g'eqpuwmkpi "ugtxkeg."yj g'ko kvgf 'f wtcvkqp'qh'yj g'ugtxkeg'cpf 'yj g'tgncvkxg'"kpuki pkhkecpv"
co qwpv'kpxqmxgf 0

Eqpukuvgpv'y kj "yj ug'eqpukf gtcvkqpu."chvgt 'tgxkgy "qh'cmn'tgngxcpv'tcpucevkqpu'cpf 'tgncvkqpuj kr u'dgvy ggp'gcej "
f ktgevqt.'cp{'qh'j ku'cm hco km{o go dgtu.'Cf qdg.'qwt'gzgewkxg'qhhkegtu'cpf 'qwt'kpf gr gpf gpv'tgi kugtgf "r wdnke'ceeqwpvkpi "
hko .'yj g'Dqctf 'j cu'chhko cvkxgn{'f gvgto kpgf 'yj cv'c"o clqtkv{'qh'qwt'Dqctf 'ku'eqo r ikugf 'qh'kpf gr gpf gpv'f ktgevqtu0'Qwt"
kpf gr gpf gpv'f ktgevqtu'kpenwf g<'O t0'Dctpj qn.'O t0'Dwti guu.'O t0'Ecppqp.'O t0'F cng{.'F t0'I guej mg.'O t0'Tqugpuy ki .'"
F t0'Ugfi gy kem'cpf 'F t0'Y ctpqem0

Committees of the Board

Vj g'*Audit Committee's*'tqng'kpenwf gu'yj g'qxgtuki v'qh'qwt'hkpcpekcn'ceeqwpkpi 'cpf 'tgr qtkpi 'r tqeguugu=''qwt"
u{uvgo "qh'kpvgtpcn'ceeqwpkpi 'cpf 'hkpcpekcn'eqpvtqnu="qwt'gpvgtr tkug'tkum"o cpci go gpv'r tqi tco ="*kp"eqplwpevkqp'y kj 'yj g"
Dqctf +="cpf 'qwt'eqo r ikpeg'y kj 'tgncvgf 'ngi cn'tgi wncvqt{'cpf 'gyj kecn'tgs wktgo gpu0'Vj g'Cwf kv'Eqo o kvgg'qxgtuggu'yj g"
cr r qkpvo gpv.'eqo r gpucvkqp.'gpi ci go gpv.'tgvgpvkqp.'vgto kpcvkqp'cpf 'ugtxkegu'qh'qwt'kpf gr gpf gpv'tgi kugtgf "r wdnke"
ceeqwpkpi "hko ."kpenwf kpi "eqpf wevkpi 'c"tgxkgy "qh'ku'kpf gr gpf gpeg="tgxkgy kpi 'cpf 'r r tqxkpi "yj g'r mppgf "ueqr g'qh'qwt"
cppwcn'cwf kv="qxgtuggkpi "qwt'kpf gr gpf gpv'tgi kugtgf "r wdnke'ceeqwpkpi "hko 'øu'cwf kv'y qtm="tgxkgy kpi 'cpf 'r tg/cr r tqxkpi "
cp{'cwf kv'cpf 'pqp/cwf kv'ugtxkegu'kv'o c{'dg'r gthqto gf 'd{'qwt'kpf gr gpf gpv'tgi kugtgf "r wdnke'ceeqwpkpi "hko ="
tgxkgy kpi 'y kj 'o cpci go gpv'cpf 'qwt'kpf gr gpf gpv'tgi kugtgf "r wdnke'ceeqwpkpi "hko 'yj g'cf gs wce{'qh'qwt'kpvgtpcn'
hkpcpekcn'cpf 'f kuenquwtg'eqpvtqnu="tgxkgy kpi 'qwt'etkkecn'ceeqwpkpi 'r qnkekgu'cpf 'yj g'cr r nkecvkqp'qh'ceeqwpkpi "
r tkpekr ngu="o qpkqtkpi "yj g'tqvcvkqp'qh'r ctvpgtu'qh'qwt'kpf gr gpf gpv'tgi kugtgf "r wdnke'ceeqwpkpi "hko 'qp'qwt'cwf kv'"
gpi ci go gpv'vco "cu'tgs wktgf "d{'tgi wncvkqp="cpf 'qxgtuggkpi 'yj g'r gthqto cpeg'qh'qwt'kpvgtpcn'cwf kv'hwpevkqp0'Vj g'Cwf kv'"
Eqo o kvgg'guvcdnkuj gu'r tqegf wtgu.'cu'tgs wktgf "wpf gt'cr r nkecdng'tgi wncvkqp.'hqt 'yj g'tgegkr v.'tgvgpvkqp'cpf 'tgcvo gpv'qh'"
eqo r mkpu'tgegkxgf 'd{'wu'tgi ctf kpi 'ceeqwpkpi .'kpvgtpcn'ceeqwpkpi 'eqpvtqnu'qt'cwf kkpi 'o cwgtu'cpf 'yj g'uwdo kuukqp'"
d{'go r mq{ggu'qh'eqpegtpu'tgi ctf kpi 's wguvkqpcdng'ceeqwpkpi 'qt'cwf kkpi 'o cwgtu0'Vj g'Cwf kv'Eqo o kgg'øu'tqng'cmq"
kpenwf gu'o ggvkpi 'vq 'tgxkgy "qwt'cppwcn'cwf kgf "hkpcpekcn'uvcvgo gpu'cpf 's wctvgtn{'hkpcpekcn'uvcvgo gpu'y kj "
o cpci go gpv'cpf 'qwt'kpf gr gpf gpv'tgi kugtgf "r wdnke'ceeqwpkpi "hko 0'Vj g'Cwf kv'Eqo o kgg'j cu'yj g'cwyj qtkv{'vq'qdvckp'"
kpf gr gpf gpv'cf xkeg'cpf 'cuukuvcpeg'htqo 'kpvgtpcn'qt'gzvgtpcn'ngi cn'ceeqwpkpi 'cpf 'qyj gt'cf xkuqtu.'cv'Cf qdg'øu'gzr gpug0"
Ugg'öTgr qtv'qh'yj g'Cwf kv'Eqo o kgg'ö'eqpvckpgf 'kp'yj ku'r tqz{'uvcvgo gpv0

Gcej "o go dgt'qh'yj g'Cwf kv'Eqo o kgg'o ggu'yj g'kpf gr gpf gpeg'etkgtkc'r tguetkdgf "d{'cr r nkecdng'tgi wncvkqp'
cpf 'yj g'twngu'qh'yj g'UGE 'hqt 'cwf kv'eqo o kgg'o go dgtuj kr 'cpf 'ku'cp'ökpf gr gpf gpv'f ktgevqtö'y kj kp'yj g'o gcpkpi 'qh'
cr r nkecdng'P CUF CS "nkukpi "uncpf ctf u0Gcej 'Cwf kv'Eqo o kgg'o go dgt'o ggu'P CUF CS 'øu'hkpcpekcn'nkgtce{'
tgs wktgo gpu.'cpf 'yj g'Dqctf 'j cu'hwtyj gt 'f gvgto kpgf 'yj cv'O t0'Dwti guu.'O t0'Ecppqp'cpf 'O t0'F cng{ 'ki 'ctg'öcwf kvö'
eqo o kgg'hkpcpekcn'gzr gtuö'cu'uwej 'vgto 'ku'f ghkpgf 'kp'Kgo "629*f +'qh'Tgi wncvkqp'U/M'r tqo wni cvgf 'd{'yj g'UGE 'cpf '
*kk+'cmq 'o ggv'P CUF CS 'øu'hkpcpekcn'uqr j kukecvkqp'tgs wktgo gpv0'Vj g'Cwf kv'Eqo o kgg'cevu'r wtuwcpv'vq'c'y tkwgp'
ej ctgt.'y j kej 'eqo r ikgu'y kj 'yj g'cr r nkecdng'r tqxkukqpu'qh'yj g'Uctdcpgu/Qzng{'Cev'qh'4224'cpf 'tgncvgf 'twngu'qh'yj g'UGE '
cpf 'P CUF CS .'c"eqr {'qh'y j kej 'ecp'dg'hqwpf 'qp'qwt'y gdukg'cv'y y y 0'Cf qdg0eqo legr r qtcvgur qpukdkrkv{1
eqtr qtcvg0j vo n0

Vj g'*Executive Compensation Committee*'ugu'cpf 'cf o kpkuvgtu'yj g'r qnkekgu'i qxgtpkpi 'cnn'eqo r gpucvkqp'qh'qwt'
gzgewkxg'qhhkegtu."kpenwf kpi 'ecuj 'cpf 'pqp/ecuj 'eqo r gpucvkqp'cpf 'gs wkv{'eqo r gpucvkqp'r tqi tco u.'cpf 'ku'tgur qpukdng'
hqt 'o cmkpi 'tgeqo o gpf cvkqpu'vq 'yj g'Dqctf 'eqpegtpkpi 'Dqctf 'cpf 'eqo o kgg'eqo r gpucvkqp0'Vj g'Gzgewkxg'
Eqo r gpucvkqp'Eqo o kgg'cmq 'tgxkgy u'cpf 'cr r tqxgu'gs wkv{/dcugf 'eqo r gpucvkqp'i tcpu'vq 'qwt'pqp/gzgewkxg'qhhkegt'
go r mq{ggu'cpf 'eqpuwncpu.'qyj gt 'yj cp'uvqem'qr vkqp.'r gthqto cpeg'uj ctg'cpf 'tguvtkevgf 'uvqem'wpku'i tcpu'vq 'qwt'pqp/
gzgewkxg'qhhkegt'go r mq{ggu'yj cv'ctg'cr r tqxgf 'd{'c'O cpci go gpv'Eqo o kgg'hqt 'Go r mq{gg'Gs wkv{'Cy ctf u'cr r qkpvgf "

32

d{"vj g"Dqctf "cpf "eqpukuvkpi "qh"qwt"Ej kgh"Gzgewkxg"Qhhegt"cpf "Ugpkqt"Xkeg"Rtgukfgpv."J wo cp"Tguqwtegu0"Kp"cff kvkqp."
yj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"tgxkgy u"cpf "cr r tqxgu"qwt"uvqen'qy pgtuj kr "i wkf gnkpgu"hqt"ugpkqt"o cpci go gpv."
y j kej "ctg"f guetkdgf "dgmy "kp"õEqo r gpucvkqp"Fkuewuukqp"cpf "Cpcn{uku Qy pgtuj kr "I wkf gnkpgu"cpf "Rqrkekguô Uvqen'
Qy pgtuj kr "I wkf gnkpguö0"Vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"ku"cnuq"tgur qpukdng"hqt"qxgtuki j v'qh"qwt"qxgtcn'
eqo r gpucvkqp"r ncpu"cpf "dgpghkv'r tqi tco u."cu"y gn'cu"yj g"cr r tqxcn'qh"cn'go r m{o gpv."ugxgtcpeg"cpf "ej cpi g"qh"eqpvtqn'
ci tggo gpv'cpf "r ncpu"cr r nkecdng"vq"qwt"gzgewkxg"qhhegtu0"Vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"qxgtuggu"cn'
o cwvtu"tgncvgf "vq"uvqen'qy pgt"cr r tqxcn'qh"gzgewkxg"eqo r gpucvkqp"cpf "gxcnwcvgu"yj g"tkum/cmkpi "kpegpvkxgu"cpf "tkun'
o cpci go gpv'qh"qwt"eqo r gpucvkqp"r qrkekgu"cpf "r tcevkegu0"Vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"cnuq"j cu"yj g"
cwyj qtkv{"vq"qdvckp"kpf gr gpf gpv'cf xkeg"cpf "cuukuvcpeg"htqo "kpvgtpcn'qt"gzvgtpcn'ngi cn'ceeqwpvkpi "cpf "qyj gt"cf xkuqtu."cv'
Cf qdgø0"gzr gpug0"Vj g"o go dgtu"qh"yj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"ctg"cn'kpf gr gpf gpv'f ktgevqtu'y kyj kp"yj g"
o gcpkpi "qh"cr r nkecdng"PCUFCS "nkuvkpi "uvcpf ctf u."cpf "cn'qh"yj g"o go dgtu"ctg"õpqp/go r mq{gg'f ktgevqtuö'y kyj kp"yj g"
o gcpkpi "qh'Twng"38d/5"wpf gt"yj g"Ugewtkvkgu'Gzej cpi g"Cev'qh'3; 56"*yj g"õGzej cpi g"Cevö+'cpf "õqwvukf g'f ktgevqtuö"hqt"
r wtr qugu"qh"Ugevkqp"384 *o +'qh"yj g"Kpvgtpcn'Tgxgpwg"Eqf g"qh'3; ; 8."cu"co gpf gf "*yj g"õEqf gö+0Vj g"Gzgewkxg"
Eqo r gpucvkqp"Eqo o kwgg"cevu'r wtuwcpv'vq"c"y tkvgp"ej ctvgt."c"eqr { "qh"y j kej "ecp"dg"hqwpf "qp"qwt"y gdukg"
cv'y y y 0cf qdg0eqo leqtr qtcvgtgur qpukdknkv{ leqtr qtcvg0j vo n0

Risk Analysis of Performance-Based Compensation Plans

Qwt"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"dgnkgxgu'yj cv'qwt"go r mq{gg'eqo r gpucvkqp"r tqi tco u"f q"pqv'
gpeqwtci g"gzeguukxg"cpf "wppgeguuct{"tkum/cmkpi "yj cv'y qwf "dg"tgcuqpcdn{"nkmgn{ "vq"j cxg"c"o cvtkcn'cf xgtug"ghhgev'qp"
Cf qdg0"Vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"qxgtucy u "yj g"r gthqto cpeg"qh"c"tkun'cuuguuo gpv'qh"qwt"eqo r gpucvkqp"
r tqi tco u'cu'k gpgtcn{"cr r nkecdng"vq"qwt"go r mq{ggu"vq"cuegtvckp"cp"r qvgpvkcn'o cvtkcn'tkumu'y kyj "c{"dg"etgcvgf "d{ "yj g"
eqo r gpucvkqp"r tqi tco u0'Vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"eqpukf gtgf "yj g"hkpf kpi u'qh"yj g"cuuguuo gpv'
eqpf wevgf "kpvgtpcn{"cpf "eqpenwf gf "yj cv'qwt"eqo r gpucvkqp"r tqi tco u"ctg"f guki pgf "cpf "cf o kpkuvgtgf "y kyj "yj g"
cr r tqr tkcvg"dcncpeg"qh"tkum'cpf "tgy ctf "kp"tgncvkqp"vq"qwt"qxgtcn'dwukpguu"uvtcvgi { "cpf "f q"pqv'gpeqwtci g"go r mq{ggu"vq"
vcmg"wppgeguuct{ "qt"gzeguukxg"tkumu."cpf "yj cv'yj g"ngxgn'qh"tkun'yj cv'yj g{ "f q"gpeqwtci g"ku"pqv'tgcuqpcdn{ "nkmgn{ "vq"
o cvtkcn{"j cto "qwt"dwukpguu'qt"hkpcpekcn'eqpf kvkqp."ngvgt"eqpukf gtkpi "o kvki cvkpi "eqpvtqnu0

Cnyj qwi j "yj g"o clqtkv{"qh"ctgvg"vqvcn'f ktgev'eqo r gpucvkqp"r tqxkf gf "vq"qwt"gzgewkxg"qhhegtu"ku'v{ r kecn{ "
r gthqto cpeg/dcugf ."yj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"dgnkgxgu'yj cv'qwt"gzgewkxg"eqo r gpucvkqp"r tqi tco u'j cxg"
dggp"f guki pgf "y kyj "cr r tqr tkcvg"eqpvtqnu'cpf "yj gt"o kvki cvkpi "o gcuwtgu'vq"r tgxgpv'gzeguukxg"cpf "wppgeguuct{"tkun'
vcmkpi 0Qwt'qyj gt'r gthqto cpeg/dcugf "go r mq{gg'eqo r gpucvkqp"r tqi tco u'v{ r kecn{ "o cmg"wr "c"uo cngt'r gtegpvci g"qh'qwt"
qyj gt"go r mq{gguø'qxgtcn'eqo r gpucvkqp"cpf "yj gtghqtg'r tqxkf g"gxgp"nguu'kpegpvkxg"hqt"tkum/cmkpi 0Vj g"f guki p"qh"yj gug"
dtqcf /dcugf "go r mq{gg'eqo r gpucvkqp"r tqi tco u'ku'kpvgpf gf "vq"gpeqwtci g"qwt"go r mq{ggu'vq"go ckp"hqewugf "qp"dqyj "
uj qtv/'cpf "mpi /vgto "qr gtcvkqpcn'cpf "hkpcpekcn'i qcn'qh'yj g"eqo r cp{ "kp"ugxgtcn'mg{ "tgur gevu<

É’   Vj g"Gzgewkxg"Dqpwu"Rncp"*cu'f guetkdgf "wpf gt"õEqo r gpucvkqp"Fkuewuukqp"cpf "Cpcn{ukuô Gngo gpvu"qh"
     Eqo r gpucvkqpô Ecuj "Kpegpvkxguô Cppwcn'Ecuj "Kpegpvkxg"Rncpö+."cpf "yj g"uko knct"dqpwu'r ncp"hqt"
     go r mq{ggu'y j q"ctg"pqv'gzgewkxg"qhhegtu'j cf "qpn{ "c"qpg"{gct"o gcuwtgo gpv'r gtkqf ."dwv'kpenwf gf "dqyj "
     tgxgpwg"cpf "qr gtcvkpi "r tqhkv'o gcuwtgu'yj cv'o wuv'dg"cej kgxgf ."kp"qtf gt"vq"r tqxkf g"dcncpegf "qdlgevkxgu"
     go r j cuk{kpi "dqyj "tgxgpwg"i gpgtcvkqp"cpf "gzr gpug"o cpci go gpv0

É’   Qwt"u{uvgo "qh"kpvgtpcn'eqpvtqnu'qxgt"hkpcpekcn'tgr qtvkpi ."uvcpf ctf u'qh"dwukpguu'eqpf wev."cpf "eqo r nkcpeg"
     r tqi tco u."co qpi "qyj gt"yj kpi u."tgf weg"yj g"nkmgnkj qqf "qh"o cpkr wncvkqp"qh"qwt"hkpcpekcn'r gthqto cpeg"vq"
     gpj cpeg"r c{o gpvu'wpf gt"qwt"dqpwu'cpf "ucngu'eqo r gpucvkqp"r ncpu0

É’   Qwt'r gthqto cpeg/dcugf "r ncpu'kpenwf g"ecr u'yj cv'kp"tgegpv'{gctu'j cxg"tcpi gf "htqo "332' "vq"422' "qh"yj g"
     vcti gv'cy ctf u0Y g"dgnkgxg"yj gug"ecr u'nko kv'yj g"kpegpvkxg"hqt"gzeguukxg"tkum/cmkpi "d{"qwt"go r mq{ggu0

É’   Gs wkv{ "kpegpvkxgu"cy ctf "hqt"qwt"gzgewkxg"qhhegtu'j cxg"kpenwf gf "yj ugg"f khhgtgpv'v{ r gu'qh"gs wkv{ ."y j kej "
     j gnr u'vq"f kxgtukh{ "yj g"gzgewkxg"qhhegtuø'kpvgtguvu'cpf "nko kv'yj g"r qvgpvkcn'xcnwg"qh"gzeguukxg"tkum/cmkpi 0'
     Hqt"o quv'qh"qwt"pqp/gzgewkxg"go r mq{ggu."gs wkv{ "kpegpvkxg"cy ctf u'ctg"uqngn{ "kp"yj g"hqto "qh"tguvtkevgf "
     uvqen'wpkvu"*õTUWuö+0Cppwcn'gs wkv{ "kpegpvkxg"cy ctf "hqt"qwt"gzgewkxg"qhhegtu'cpf "go r mq{ggu'hqt"hkuecn'
     {gct"4233"j cxg'o qpj n{"kp"gs wcn'kpuvcno gpvu'qxgt"hqtv{/gki j v'o qpvj u'hqt"qr vkqpu."47' "gcej "{gct"qxgt"
     hqwt"{gctu"hqt"TUWu'cpf "31 5"gcej "{gct"qxgt"yj tgg"{gctu"hqt"r gthqto cpeg"uj ctgu."gpeqwtci kpi "
     gzgewkxgqhhegtu'cpf "yj gt"go r mq{ggu'vq"hqewu"qp"uvuvckpgf "uvqen'r tkeg"cr r tgekcvkqp"qxgt"yj g"mpi "vgto 0'
     Cu'f kuewuugf "kp"yj g"gzgewkxg"uwo o ct{"qh"yj g"Eqo r gpucvkqp"Fkuewuukqp"cpf "Cpcn{uku'ugevkqp"qh"yj ku'
     r tqz{ "uvcvgo gpv."uvqen'qr vkqpu'y gtg"gnko kpcvgf "htqo "yj g"o kz"qh"gs wkv{ "kpegpvkxg"cy ctf u'i tcpvgf "vq"qwt"

33

"	gzgewkxg"qhhkegtu"kp"hkuecn"{gct"4234."yj kej "qwt"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"dgnkgxgu"y kn"
hwtvj gt"o kki cvg"vj g"r qvgpvkcn"xcnwg"vq"qwt"gzgewkxg"qhhkegtu"qh"wppgeguuct{"qt"gzeguukxg"tkum/vcmkpi 0

É	Qwt"qhhkegtu"cv"vj g"Ugpkqt"Xkeg"Rtgukfgpv"ngxgn"cpf "cdqxg"ctg"cm"uwdbgev"vq"cpf "kp"eqo r nkcpeg"y kj "qwt"
	uvqem/qy pgtuj kr "i wkfgnkpgu."f guetkdgf "wpfgt"õEqo r gpucvkqp"Fkuewuukqp"cpf "Cpcn{ukuô Qy pgtuj kr "
	I wkfgnkpgu"cpf "Rqnkekguô Uvqem/Qy pgtuj kr "I wkfgnkpgu.ö"y kej "gpeqwtci g"c"ngxgn"qh"uvqem/qy pgtuj kr "cv"
	y g"dgnkgxg"cr r tqr tkcvgn{"cnki pu"y kjt"kpvgtguvu"y kj "vj que"qh"qwt"uvqemj qnf gtu0

	Vj g"Nominating and Governance Committeeøu"r tko ct{"r wtr que"ku"vq"gxcnwcvg"ecpf kfcvgu"hqt"o go dgtuj kr "qp"
qwt"Dqctf "cpf "o cmg"tgeqo o gpfcvkqpu"vq"qwt"Dqctf "tgi ctf kpi "ecpf kfcvgu—o cmg"tgeqo o gpfcvkqpu"y kj "tgur gev"vq"vj g"
eqo r qukkqp"qh"qwt"Dqctf "cpf "ku"eqo o kwgg—ngxgn{"cpf "o cmg"tgeqo o gpfcvkqpu"tgi ctf kpi "vj g"hwpevkqpkpi "qh"qwt"
Dqctf "cu"cp"gpvkj{—tgeqo o gpf "eqtr qtcvg"i qxgtpcpeg"r tkpekr ngu"cr r nkecdng"vq"Cfqdg—o cpci g"tgi ktqf ke"tgxkgy ."
f kuewuukqp"cpf "gxcnwcvkqp"qh"vj g"r gthqto cpeg"qh"qwt"Dqctf ."ku"eqo o kwgu"cpf "ku"o go dgtu—cuuguu"vj g"kpf gr gpfgpeg"
qh"qwt"f ktgevqtu—eqpukf gt"cpf "cr r tqxg"qt"f kucr r tqxg"cp{ "tgncvgf/r gtuqp"vtcpucevkqpu"cu"f ghkpgf "wpfgt"Kgo "626"qh"
Tgi wncvkqp"U/M"r tqo wni cvgf "d{ "vj g"UGE."cvgt"gzco kpkpi "gcej "uwej "vtcpucevkqp"hqt"r qvgpvkcn"eqphnkevu"qh"kpvgtguv"cpf "
qy g"ko r tqr tkgvkgu—ngxgn{ "vj g"dqctf "o go dgtuj kr "qh"qyj g"gpvkvkgu"j gnf "d{ "o go dgtu"qh"vj g"Dqctf "cpf "tgxkgy "cpf "
cr r tqxg"uwej "o go dgtuj kr "hqt"qwt"gzgewkxg"qhhkegtu0"Vj g"Pqo kpcvkpi "cpf "I qxgtpcpeg"Eqo o kwgg"cnuq"cuukuvu"qwt"
Dqctf "kp"tgxkgy kpi "cpf "cuuguukpi "o cpci go gpv"cpf "uweeguukqp"r ncppkpi "hqt"qwt"gzgewkxg"qhhkegtu0"Vj g"
Pqo kpcvkpi "cpf "I qxgtpcpeg"Eqo o kwgg"j cu"vj g"cwj qtkv{ "vq"qdvckp"kpf gr gpfgpv"cf xkeg"cpf "cuukuvcpeg"htqo "kpvgtpcn"qt "
gzvgtpcn"ngi cn"ceeqwpvkpi "cpf "qyj gt"cf xkuqtu."cv"Cf qdgøu"gzr gpug0"Vj g"o go dgtu"qh"qwt"Pqo kpcvkpi "cpf "I qxgtpcpeg"
Eqo o kwgg"ctg"cm"kpf gr gpfgpv"f ktgevqtu"y kj kp"vj g"o gcpkpi "qh"cr r nkecdng"PCUFCS "kuvkpi "uvcpf ctf u0"Vj g"
Pqo kpcvkpi "cpf "I qxgtpcpeg"Eqo o kwgg"qr gtcvgu"r wtuwcpv"vq"c"y tkwgp"ej ctvgt."c"eqr { "qh"y j kej "ecp"dg"hqwpf "qp"qwt"
y gdukvg"cv"y y y 0Cf qdg0Eqo leqtr qtcvgtgur qpukdknkv{ leqtr qtcvg() vo n0

	Kp"ectt{ kpi "qwt"ku"hwpevkqp"vq"pqo kpcvg"ecpf kfcvgu"hqt"gngevkqp"vq"qwt"Dqctf ."vj g"Pqo kpcvkpi "cpf "I qxgtpcpeg"
Eqo o kwgg"eqpukf gtu"vj g"Dqctf øu"kz"qh"ukmku."gzr gtkgpeg."ej ctcevgt."eqo o ko gpv"cpf "f kxgtukv{ô f kxgtukv{ "dgkpi "
dtqcf n{ "eqpuvtwgf "vq"o gcp"c"xctkgv{ "qh"qr kpkqpu."r gtur gevkxgu"cpf "dcemi tqwpf u."uwej "cu"i gpf gt."tceg"cpf "gvj pkekv{ "
f khhgtgpegu."cu"y gm"cu"qyj gt"f khhgtgpvkcvkpi "ej ctcevgtkuvkeu."cm"kp"vj g"eqpvgzv"qh"vj g"tgs wktgo gpvu"cpf "pggf u"qh"qwt"
Dqctf "cv"vj cv"r qkpv"kp"vko g0"Kp"tgxkgy kpi "r qvgpvkcn"ecpf kfcvgu"hqt"vj g"Eqo o kwgg"y km"cnuq"eqpukf gt"cm"tgncvkqpuj kr u"
dgvy ggp"cp{ "r tqr qugf "pqo kpgg"cpf "cp{ "qh"Cf qdgøu"uvqemj qnf gtu."eqo r gvkqtu."ewuvqo gtu."uwr r nkgtu"qt"qyj gt"r gtuqp"
y kj "c"tgncvkqpuj kr "vq"Cf qdg0Vj g"Pqo kpcvkpi "cpf "I qxgtpcpeg"Eqo o kwgg"dgnkgxgu"cv"j cej "ecpf kfcvg"uj qwnf "dg"cp"
kpf kxkf wcn"y j q"cu"f go qpuvtcvgf "kpvgi tkv{ "cpf "y j ku5"kp"uwej "ecpf kfcvgøu"r gtuqpcn"cpf "r tqhguukqpcn"nkhg."j cu"cp"
wpf gtuvcpf kpi "qh"go gpvu"tgngxcpv"vq"vj g"uweeguu"qh"c"r wdnken{ "vtcf gf "eqo r cp{ "cpf "j cu"guvcdnkuj gf "c"tgeqtf "qh"
r tqhguukqpcn"ceeqo r nkuj go gpv"kp"uwej "ecpf kfcvgøu"ej queg"hkgnf 0Gcej "ecpf kfcvg"uj qwnf "dg"r tgr ctgf "vq"r ctvkekr cvg"hwm{ "
kp"Dqctf "cevkxkvkgu."kpenwf kpi "cwpf cpeg"cv."cpf "cevkxg"r ctvkekr cvkqp"kp."o ggvkpi u"qh"vj g"Dqctf ."cpf "pqv"j cxg"qyj gt"
r gtuqpcn"qt"r tqhguukqpcn"eqo o ko go gpvu"vj cv"y qwnf ."kp"vj g"Pqo kpcvkpi "cpf "I qxgtpcpeg"Eqo o kwggøu"lwf i o gpv."kpvgthgtg"
y kj "qt"nko kv"uwej "ecpf kfcvgøu"cdknkv{ "vq"f q"uq0Gcej "ecpf kfcvg"uj qwnf "cnuq"dg"r tgr ctgf "vq"tgr tgugpv"vj g"dguv"kpvgtguvu"qh"
cm"qh"qwt"uvqemj qnf gtu"cpf "pqv"lwuv"qpg"r ctvkewnct"eqpuvkwgpe{0Cf f kkqpcm."kp"f gvgto kpkpi "y j gvj gt"vq"tgeqo o gpf "c"
f ktgevqt"hqt"tg/gngevkqp."vj g"Pqo kpcvkpi "cpf "I qxgtpcpeg"Eqo o kwgg"cnuq"eqpukf gtu"uwej "f ktgevqtøu"r cuv"cwgpf cpeg"cv"
Dqctf "cpf "eqo o kwgg"o ggvkpi u"cpf "r ctvkekr cvkqp"kp"cpf "eqpvtkdwkqpu"vq"vj g"cevkxkvkgu"qh"vj g"Dqctf 0"Vj g"Pqo kpcvkpi "
cpf "I qxgtpcpeg"Eqo o kwgg"j cu"pq"uvcvgf "ur gekhke"o kpko wo "s wcnkhkecvkqpu"vj cv"o wuv"dg"o gv"d{ "c"ecpf kfcvg"hqt"c"
r qukkqp"qp"qwt"Dqctf 0Vj g"Pqo kpcvkpi "cpf "I qxgtpcpeg"Eqo o kwgg"f qgu."j qy gxgt."dgnkgxg"kv"cr r tqr tkcvg"hqt"cv"ngcuv"
qpg"o go dgt"qh"qwt"Cwf kv"Eqo o kwgg"vq"o ggv"vj g"etkgtkc"hqt"cp"õcwf kv"eqo o kwgg"hkpcpekcn"gzr gtö"cu"f ghkpgf "d{ "UGE"
twngu."vj cv"cm"qh"qwt"o go dgtu"qh"qwt"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"ctg"õpqp/go r nq{gg"f ktgevqtuö"y kj kp"vj g"
o gcpkpi "qh"Twng"38d/5"wpfgt"vj g"Gzej cpi g"Cev"cpf "õqwukf g"f ktgevqtuö"hqt"r wtr queu"qh"Ugevkqp"384*o +"qh"vj g"Eqf g."
cpf "vj cv"c"o clqtkv{ "qh"vj g"o go dgtu"qh"qwt"Dqctf "o ggv"vj g"f ghkpkvkqp"qh"õkpf gr gpfgpv"f ktgevqtö"y kj kp"vj g"o gcpkpi "qh"
cr r nkecdng"PCUFCS "kuvkpi "uvcpf ctf u0

	Vj g"Pqo kpcvkpi "cpf "I qxgtpcpeg"Eqo o kwggøu"o gyj qf u"hqt"kf gpvkh{kpi "ecpf kfcvgu"hqt"gngevkqp"vq"qwt"Dqctf "
kpenwf g"vj g"uqnkekvcvkqp"qh"kf gcu"hqt"r qukdng"ecpf kfcvgu"htqo "c"pwo dgt"qh"uqwtegu."kpenwf kpi "htqo "o go dgtu"qh"qwt"
Dqctf ."qwt"gzgewkxg"qhhkegtu."kpf kxkf wcn"y j q"qwt"gzgewkxg"qhhkegtu"qt"Dqctf "o go dgtu"dgnkgxg"y qwnf "dg"cy ctg"qh"
ecpf kfcvgu"y j q"y qwnf "cf f "xcnwg"vq"qwt"Dqctf "cpf "vj tqwi j "qyj gt"tgugctej 0Vj g"Pqo kpcvkpi "cpf "I qxgtpcpeg"
Eqo o kwgg."htqo "kko g"vq"kko g."tgvckpu"hqt"c"hgg"qpg"qt"o qtg"vj ktf/r ctv{ "ugctej "hkto u"vq"kf gpvkh{ "uwkkcdng"ecpf kfcvgu0

	Cp{ "qh"qwt"uvqemj qnf gtu"o c{ "pqo kpcvg"qpg"qt"o qtg"r gtuqpu"hqt"gngevkqp"cu"c"f ktgevqt"cv"qwt"cppwcn"o ggvkpi "qh"
uvqemj qnf gtu"kh"vj g"uvqemj qnf gt"eqo r nkgu"y kj "vj g"pqvkeg."kphqto cvkqp"cpf "eqpugpv"r tqxkukqp"eqpvckpgf "kp"qwt"D{ncy u0"
Kp"cf f kkqp."vj g"pqvkeg"o wuv"kpenwf g"cp{ "qyj gt"kphqto cvkqp"tgs wktgf "r wtuwcpv"vq"Ugevkqp"36"qh"vj g"Gzej cpi g"Cev0Kp"
qtf gt"hqt"vj g"f ktgevqt"pqo kpcvkqp"vq"dg"ko gn{ "hqt"qwt"4235"Cppwcn"O ggvkpi "qh"Uvqemj qnf gtu."c"uvqemj qnf gtøu"pqvkeg"vq"

qwt'Eqtrqtcvg'Ugetgvct{'o wuv'dg'fgnkxgtgf '\q'qwt'r tkpekrcn'gzgewvkxg'qhhkegu'pq'ncvgt'\jcp'Pqxgodgt'3."4234'pqt"
gctnkgt'\jcp'Qevqdgt'4."42340'Qwt'D{ncy u'urgekh{'cffkvkqpcn'tgswktgogpvu'kh'\uvqemjqnfgtu'y kuj '\q'pqokpcvg'fktgevqtu'cv'
urgekcn'o ggvkpi u'qh'\uvqemjqnfgtu0

Vj g'Pqokpcvkpi "cpf'I qxgtpcpeg'Eqo o kwgg'y knl'eqpukfgt'cnl'ecpfkfcvgu'kfgpvkhkgf '\jtqwij '\j g'r tqeguugu'
fguetkdgf 'cdqxg.'cpf 'y knl'gxcnwcvg'gcej "ecpfkfcvg.'kpenwfkpi "kpewo dgpvu.'dcugf 'qp'\j g'uco g'etkvgtkc0

Meetings of the Board and Committees

Fwtkpi "hkuecnl{gct'4233."qwt'Dqctf'j gnf 'hqwt'o ggvkpi u."cpf 'ku'\jgg'uvcpfkpi "eqo o kwgguô Cwfkv'Eqo o kwgg."
Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg.'cpf 'Pqokpcvkpi "cpf'I qxgtpcpeg'Eqo o kwggô eqnngevkxgn{j gnf '45"o ggvkpi u0'
Qyj gt'\jcp'O t0Dwti guu."cej 'fktgevqt'cwgpfgf 'cv'ngcuv'97" 'qh'\j g'o ggvkpi u'*j gnf 'fwtkpi '\j g'r gtkqf 'cv'uwej 'fktgevqt"
ugtxgf +'qh'\j g'Dqctf 'cpf '\j g'eqo o kwggu'qp'y j kej 'uwej 'fktgevqt'ugtxgf 'kp'hkuecnl{gct'42330'O go dgtu'qh'qwt'Dqctf 'ctg'
gpeqwtci gf '\q'cwgpf 'qwt'cppwcnlo ggvkpi u'qh'\uvqemjqnfgtu0Gki j '\qh'qwt'Dqctf 'o go dgtu'cwgpfgf 'qwt'4233'Cppwcnl
O ggvkpi "qh'Uvqemjqnfgtu0

Vj g'hqnqy kpi "\cdng'ugwu'hqtyj '\j g'j gg'uvcpfkpi "eqo o kwggu'qh'qwt'Dqctf .'\j g'o go dgtu'qh'gcej "eqo o kwgg."
cpf '\j g'pwo dgt'qh'o ggvkpi u'j gnf 'd{'qwt'Dqctf 'cpf '\j g'eqo o kwggu'fwtkpi "hkuecnl{gct'4233<

Name	Board	Audit[1]	Executive Compensation[2]	Nominating and Governance[3]
O t0Dctpj qnv(..)	Z		Z	Ej ckt
O t0Dwti guu(..)	Z	Z		
O t0Ecppqp(..)	Z	Z		
O t0Fcng{(..)	Z	Ej ckt		Z
Ft0I guej ng(..)	Ej ckt			
O u0O kmu[*6+](..)	Z		Ej ckt	Z
O t0Pctc{gp(..)	Z			
O t0Tqugpwy gki (..)	Z		Ej ckt	Z
Ft0Ugfi gy kem(..)	Z	Z	Z	
Ft0Y ctpqem(..)	Ej ckt			
Pwo dgt'qh'o ggvkpi u'j gnf 'kp'hkuecnl{gct'4233(..............)	8	33	9	7

aaaaaaaaaaaaaaaaaaaaaaaaaaaa

[*3+] Rtkqt'\q'Cr tkn'42.'4233."qwt'Cwfkv'Eqo o kwgg'hqt'hkuecnl{gct'4233'y cu'eqo r qugf 'qh'O t0Ecppqp.'O t0Fcng{'*Ej ckt+'
cpf 'Ft0Ugfi gy kem0Ghhgevkxg'Cr tkn'42.'4233'cpf 'hqt'\j g'tgo ckpfgt'qh'hkuecnl{gct'4233.'qwt'Cwfkv'Eqo o kwgg'y cu'
eqo r qugf 'qh'O t0Dwti guu.'O t0Ecppqp'cpf 'O t0Fcng{'*Ej ckt+0

[*4+] Rtkqt'\q'Cr tkn'42.'4233."qwt'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'hqt'hkuecnl{gct'4233'y cu'eqo r qugf 'qh'O t0'
Dctpj qnv.'O u0O kmu'*Ej ckt+'cpf 'O t0Tqugpwy gki 0Ghhgevkxg'Cr tkn'42.'4233'cpf 'hqt'\j g'tgo ckpfgt'qh'hkuecnl{gct'
4233.'qwt'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'y cu'eqo r qugf 'qh'O t0Dctpj qnv.'O t0Tqugpwy gki '*Ej ckt+'cpf 'Ft0'
Ugfi gy kem0

[*5+] Rtkqt'\q'Cr tkn'42.'4233."qwt'Pqo kpcvkpi "cpf'I qxgtpcpeg'Eqo o kwgg'hqt'hkuecnl{gct'4233'y cu'eqo r qugf 'qh'O t0'
Dctpj qnv'*Ej ckt+.'O t0Fcng{'cpf 'O u0O kmu0Ghhgevkxg'Cr tkn'42.'4233'cpf 'hqt'\j g'tgo ckpfgt'qh'hkuecnl{gct'4233.'qwt'
Pqo kpcvkpi "cpf'I qxgtpcpeg'Eqo o kwgg'y cu'eqo r qugf 'qh'O t0Dctpj qnv'*Ej ckt+.'O t0Fcng{'cpf 'O t0Tqugpwy gki 0

[*6+] O u0O kmu'fkf 'pqv'uvcpf 'hqt'tg/gngevkqp'\q'qwt'Dqctf 'cv'qwt'4233'Cppwcnl O ggvkpi 'qh'Uvqemjqnfgtu0Ko o gfkcvgn{"
r tgegfkpi "qwt'4233'Cppwcnl O ggvkpi 'qh'Uvqemjqnfgtu'j gnf 'qp'Cr tkn'43.'4233.'\j g'cwj qtk\gf 'uk\g'qh'qwt'Dqctf 'y cu'
tgfwegf '\q'pkpg'o go dgtu0

Vj g'o go dgtu'qh'\j g'tgur gevkxg'eqo o kwggu'ucvkuh{ '\j g'cr r nkecdng's wcnkhkecvkqp'tgs wktgo gpvu'qh'\j g'UGE."
PCUFCS "cpf '\j g'Eqfg0

35

Communications with the Board

Cp{ 'uvqenj qnfgt'y j q 'f guktgu'vq 'eqpvcev'qwt 'Dqctf .'qt 'urgekhke 'o go dgtu'qh'qwt 'Dqctf .'o c{ 'fq 'uq '
grgevtqpkecm{ 'd{ 'ugpfkpi 'cp 'go ckn'vq 'vj g 'hqnqy kpi 'cfftguu<fktgevqtuBcfqdg0eqo 0Cngtpcvkxgn{ .'c 'uvqenj qnfgt'o c{ '
eqpvcev'qwt 'Dqctf .'qt 'urgekhke 'o go dgtu'qh'qwt 'Dqctf 'd{ 'y tkkpi 'vq< Uvqenj qnfgt'Eqo o wpkecvkqpu.'Cf qdg 'U{uvgo u '
Kpeqtrqtcvgf .'567 'Rctm 'Cxgpwg.'Ucp 'Lqug .'Ecnkhqtpkc '; 7332/4926 'WUC0Cnn 'uwej 'eqo o wpkecvkqpu'y knn 'dg 'kpkkcn{ '
tgegkxgf 'cpf 'r tqeguugf 'd{ 'vj g 'hhhkeg 'qh'qwt 'Eqtr qtcvg 'Ugetgvct{ 0Ceeqwpvki .'cwfkv'kpvgtpcn'ceeqwpvkpi 'eqpvtqni 'cpf '
qvj g 'hkpcpekcn'o cwtu'y knn 'dg 'tghgttgf 'vq 'vj g 'Ej ckt'qh'vj g 'Cwfkv'Eqo o kwgg0Qvj gt'o cwtu'y knn 'dg 'tghgttgf 'vq 'vj g '
Dqctf .'vj g 'pqp/go r nq{gg'f ktgevqtu'qt 'kpfkxkfwcn'f ktgevqtu'cu'crr tqr tkcvg0

Board Leadership Structure

Y g 'ugr ctcvg 'vj g 'tqngu'qh'Ej kgh'Gzgewvkxg 'Qhhkegt 'cpf 'Ej ckto gp 'qh'qwt 'Dqctf 0'Qwt 'Dqctf 'ku 'ewttgpvn{ 'ej cktgf '
d{ 'F tu0I guej ng 'cpf 'Y ctpqem 'Cf qdg/u 'hqwpfgtu 'cpf 'vj g 'hqto gt 'Rtgukfgpv'cpf 'Ej kgh'Gzgewvkxg 'Qhhkegt. 'tgur gevkxgn{ 0'
Vj g 'f wkgu 'qh'vj g 'Ej ckto gp 'qh'qwt 'Dqctf 'kpenwfg<

É' r tgukf kpi 'qxgt 'cnn'o ggvkpi u 'qh'vj g 'Dqctf =

É' r tgr ctkpi 'vj g 'ci gpf c 'hqt 'Dqctf 'o ggvkpi u 'kp 'eqpuwncvkqp 'y kj 'vj g 'Ej kgh'Gzgewvkxg 'Qhhkegt 'cpf 'qvj gt '
   o go dgtu'qh'qwt 'Dqctf =

É' ecnkpi 'cpf 'r tgukf kpi 'qxgt 'o ggvkpi u 'qh'vj g 'kpfgr gpfgpv'f ktgevqtu=

É' o cpci kpi 'vj g 'Dqctf øu 'gxcnwcvkqp 'qh'vj g 'Ej kgh'Gzgewvkxg 'Qhhkegt =''cpf

É' r tgukf kpi 'qxgt 'cnn'o ggvkpi u 'qh'uvqenj qnfgtu0

Ceeqtf kpi n{ .'vj g 'Ej ckto gp 'j cxg 'uwduvcpvkcn'cdknkv{ 'vq 'uj cr g 'vj g 'y qtm 'qh'qwt 'Dqctf 0Y g 'dgnkgxg 'vj cv'ugr ctcvkqp '
qh'vj g 'r qukkqpu'qh'Ej cko gp 'cpf 'Ej kgh'Gzgewvkxg 'Qhhkegt 'tgkphqtegu'vj g 'kpfgr gpfgpeg 'qh'qwt 'Dqctf 'kp 'ku 'qxgtukj v'qh'
qwt 'dwukpguu'cpf 'chhcktu0Kp 'cff kkqp.'uwej 'ugr ctcvkqp 'j gnr u'etgcvg 'cp 'gpxktqpo gpv'vj cv'ku 'o qtg 'eqpf wekxg 'vq 'qdjgevkxg '
gxcnwcvkqp 'cpf 'qxgtukj v'o cpci go gpvøu 'r gthqto cpeg. 'kpetgcukpi 'o cpci go gpv'ceeqwpvcdknkv{ 'cpf 'ko r tqxkpi 'vj g '
cdknkv{ 'qh'qwt 'Dqctf 'vq 'o qpkqt 'y j gvj gt 'o cpci go gpvøu 'cevkqpu'ctg 'kp 'vj g 'dguv'kpvgtguvu'qh'Cf qdg 'cpf 'ku 'uvqenj qnfgtu0

Qwt 'Dqctf 'cnuq 'dgnkgxgu'vj cv'vj g 'o c{ 'dg 'cf xcpvci gu'vq 'j cxkpi 'kpfgr gpfgpv'ej cko gp 'hqt 'o cwtgu'uwej 'cu '
eqo o wpkecvkqpu'cpf 'tgncvkqpu'dgvy ggp 'qwt 'Dqctf .'vj g 'Ej kgh'Gzgewvkxg 'Qhhkegt. 'cpf 'qvj gt 'ugpkqt 'o cpci go gpv'cpf 'kp '
cuukukpi 'qwt 'Dqctf 'kp 'tgcej kpi 'eqpugpuwu 'qp 'r ctvkewnct 'uvtcvgi kgu'cpf 'r qnkekgu0F tu0I guej ng 'cpf 'F tu0Y ctpqem 'r cuv'
ugtxkeg 'cu 'gzgewvkxg 'qhhkegtu 'j gnr u'gpuwtg 'qwt 'Dqctf 'cpf 'o cpci go gpv'cev'y kj 'c 'eqo o qp 'r wtr qug. 'o cnkpi 'vj go 'dguv'
r qukkqpgf 'vq 'cev'cu 'c 'dtkf i g 'dgvy ggp 'o cpci go gpv'cpf 'vj g 'Dqctf 0J cxkpi 'Ej cko gp 'ugr ctcvg 'htqo 'vj g 'Ej kgh'Gzgewvkxg '
Qhhkegt 'cnuq 'cnqy u'vj g 'Ej cko gp 'vq 'hqewu'qp 'cuukukpi 'vj g 'Ej kgh'Gzgewvkxg 'Qhhkegt 'cpf 'ugpkqt 'o cpci go gpv'kp 'uggmkpi '
cpf 'cf qr vkpi 'uweeguuhwn'dwukpguu'uvtcvgi kgu'cpf 'tkum 'o cpci go gpv'r qnkekgu'cpf 'kp 'o cnkpi 'uweeguuhwn'ej qkegu'kp '
o cpci go gpv'uweeguukqp0Vj g 'Dqctf 'cnuq 'dgnkgxgu'vj cv'ku 'cf xcpvci gqwu'vq 'j cxg 'Ej cko gp 'y kj 'gzvgpukxg 'j kuvqt{ 'cpf '
mpqy ngf i g 'qh'Cf qdg. 'cu 'ku 'vj g 'ecug 'y kj 'F tu0I guej ng 'cpf 'Y ctpqem 0

The Board's Role in Risk Oversight

Tkum 'cuuguuo gpv'cpf 'qxgtukj v'ctg 'cp 'kpvgi tcn'r ctv'qh'qwt 'i qxgtpcpeg 'cpf 'o cpci go gpv'r tqeguugu0Qwt 'Dqctf '
gpeqwtci gu'o cpci go gpv'vq 'r tqo qvg 'c 'ewnvwtg 'vj cv'cevkxgn{ 'o cpci gu'tkumu'cu 'c 'r ctv'qh'Cf qdgøu 'eqtr qtcvg 'uvtcvgi { 'cpf '
f c{/vq/f c{ 'dwukpguu'qr gtcvkqpu0O cpci go gpv'f kuewuugu'uvtcvgi ke 'cpf 'qr gtcvkqpcn'tkumu'cv'tgi wnct 'o cpci go gpv'
o ggvkpi u. 'cpf 'eqpf wevu'ur gekhke 'uvtcvgi ke 'r ncppkpi 'cpf 'tgxkgy 'uguukqpu'f wtkpi 'vj g '{gct 'vj cv'kpenwf g 'c 'hqewugf '
f kuewuukqp 'cpf 'cpcn{ uku 'qh'vj g 'tkum 'hcekpi 'Cf qdg0Vj tqwi j qwv'vj g '{gct. 'ugpkqt 'o cpci go gpv'tgxkgy u'vj gug 'tkumu'y kj '
vj g 'Dqctf 'cv'tgi wnct 'Dqctf 'o ggvkpi u'cu 'r ctv'qh'o cpci go gpv'r tgugpvcvkqpu'vj cv'hqewu'qp 'r ctvkewnct 'dwukpguu'hwpevkqpu. '
qr gtcvkqpu'qt 'uvtcvgi kgu. 'cpf 'r tgugpvu'vj g 'uvgr u'vcmgp 'd{ 'o cpci go gpv'vq 'o kki cvg 'qt 'gnko kpcvg 'uwej 'tkum0

Qwt 'Dqctf 'f qgu'pqv'j cxg 'c 'uvcpf kpi 'tkum 'o cpci go gpv'eqo o kwgg. 'dwv'tcvj gt 'cf o kpkuvgtu'vj ku 'qxgtukj v'
hwpevkqp 'f ktgevn{ 'vj tqwi j 'qwt 'Dqctf 'cu 'c 'y j qng. 'cu 'y gnn'cu 'vj tqwi j 'xctkqwu'uvcpf kpi 'eqo o kwggu'qh'qwt 'Dqctf 'vj cv'
cff tguu'tkumu'kpj gtgpv'kp 'vj gkt 'tgur gevkxg 'ctgcu'qh'qxgtukj v0Kp 'r ctvkewnct. 'qwt 'Dqctf 'ku 'tgur qpukdng 'hqt 'o qpkqtkpi 'cpf '
cuuguukpi 'uvtcvgi ke 'tkum 'gzr quwtg. 'cpf 'qwt 'Cwf kv'Eqo o kwgg 'j cu 'vj g 'tgur qpukdknkv{ 'vq 'qxgtugg 'qwt 'o clqt 'hkpcpekcn'tkum '
gzr quwtgu'cpf 'vj g 'uvgr u'qwt 'o cpci go gpv'j cu 'vcmgp 'vq 'o qpkqt 'cpf 'eqpvtqn'vj gug 'gzr quwtgu'cu 'y gnn'cu 'qxgtukj v'qh'qwt '

36

gpvgtr tkug'tkum'o cpci go gpv'r tqi tco 0'Vj g'Cwf kv'Eqo o kwgg'cnuq'o qpkqtu'eqo r nkcpeg'y kvj "ngi cn'cpf "tgi wncvqt{"

tgswktgo gpvu'cpf "qxgtuggu'y kvj 'r gthqto cpeg'qh'qwt'kpvgtpcn'cwf kv'hwpevkqp0'Qwt'P qo kpcvkpi "cpf "I qxgtpcpeg"

Eqo o kwgg'o qpkqtu'y kvj 'ghhgevkxgpguu'qh'qwt'eqtr qtcvg'i qxgtpcpeg'i wkf gnkpgu'cpf "eqpukf gtu'cpf "cr r tqxgu'qt"

f kucr r tqxgu'cp{'tgncvgf /r gtuqpu'vtcpucevkqpu0Qwt'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'cuuguugu'cpf "o qpkqtu'y j gvj gt"

cp{'qh'qwt'eqo r gpucvkqp'r qlkekgu'cpf 'r tqi tco u'j cu'j g'r qvgpvkcn'vq'gpeqwtci g'gzeguukxg'tkum/vcmkpi 0

PROPOSAL 2
APPROVAL OF THE AMENDMENT OF THE
ADOBE SYSTEMS INCORPORATED 2003 EQUITY INCENTIVE PLAN

Kp'Hgdtwct{'4234.'vj g'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'cr r tqxgf "co gpfo gpvu'vq'vj g'Cfqdg'U{uvgo u'Kpeqtr qtcvgf '4225'Gs wkv{'Kpegpvkxg'Rncp'*vj g'õ4225'Rncpö+.'kpenwfkpi 'cp'kpetgcug'vq'vj g'cxckncdng'uj ctg'tgugtxg."cp'kpetgcug'vq'vj g'o czko wo 'pwo dgt'qh'kpegpvkxg'uvqem'qr vkqpu'vj cv'o c{'dg'kuuwgf 'wpfgt'vj g'4225'Rncp."cpf 'vj g'cff kvkqp'qh'pgy 'r gthqto cpeg'o gvtkeu."cej 'uwdlgev'vq'cr r tqxcl'd{'qwt'uvqemqf tu0Qwt'Dqctf 'dgnkgxgu'vj cv'vj g'4225'Rncp'ku'cp'kpvgi tcl'r ctv'qh'qwt'VqvclTgy ctfu'Rtqi tco 0Ugg'õEqo r gpucvkqp'F kuewuukqp'cpf 'Cpcn{uku'ö'eqpvckpgf 'kp'vj ku'r tqz{'uvcvgo gpv'hqt'o qtg'kphqto cvkqp'qp'qwt'VqvclTgy ctfu'Rtqi tco 0

Uvqemj qnfgt'cr r tqxcl'qh'qwt'tgs wguvu'hqt'cff kvkqpcl'uj ctgu'ku'pgeguuct{'vq'gpcdng'wu'vq'i tcpv'gs wkv{'vq'pgy 'go r nq{ggu'cpf 'eqpvkpwg'y kvj 'qwt'cppwcl'i tcpv'r tqi tco 'hqt'gzkuvkpi 'go r nq{ggu'kp'ku ecl'{gct'4235.'gxgp'vj qwi j 'y g'uki pkhkecpvn{'tgfwegf 'vj g'r gtegpvci g'qh'go r nq{ggu'gnki kdng'vq'tgegkxg'ku ecl'{gct'4234'cppwcl'i tcpvu0Pgy 'j ktg'i tcpvu'ctg'guugpvkcl'kp'j gnr kpi 'wu'cwtcev'vcngpvgf 'kpf kxkfwcnu'cpf 'cki p'vj gkt'kpvgtguvu'y kj 'qwt'uvqemj qnfgtu."cpf 'cppwcl'i tcpvu'ctg'guugpvkcl'kp'j gnr kpi 'wu'tgvckp'qwt'o quv'xcnwcdng'go r nq{ggu'cpf 'ngg r 'vj gkt'kpvgtguvu'cnki pgf 'y kj 'qwt'uvqemj qnfgtu0Qwt'Dqctf 'cpf 'o cpaci go gpv.'vj gtghqtg.'tgeqo o gpf 'vj cv'uvqemj qnfgtu'cr r tqxg'vj g'co gpfo gpvu'vq'vj g'4225'Rncp.'kpenwfkpi 'vj g'tgs wguv'hqt'cp'cff kvkqp'qh'34.5 o knkqp'uj ctgu'vq'vj g'uj ctg'tgugtxg0

General 2003 Plan Information

Qwt'4225'Rncp'ku'c'xkvcl'eqo r qpgpv'qh'qwt'go r nq{gg'eqo r gpucvkqp'r tqi tco u.'ukpeg'kv'cnnq y u'wu'vj g'cdknkv{'vq'eqo r gpucvg'qwt'go r nq{ggu'dcugf 'qp'eqo r cp{'r gthqto cpeg.'y j kng'cv'vj g'uco g'vko g'r tqxkfkpi 'cp'kpegpvkxg'vq'dwknf 'uvqemj qnfgt'xcnwg0Qwt'4225'Rncp'y cu'qtki kpcnn{'cfqr vgf 'd{'qwt'Dqctf 'kp'Lcpwct{'4225'cpf 'cr r tqxgf 'd{'qwt'uvqemj qnfgtu'kp'Cr tkn'4225'cu'c'uweeguuqt'r ncp'vq'qwt'3; 6 'Uvqem'Qr vkqp'Rncp'cpf 'qwt'3; ; ; 'Gs wkv{'Kpegpvkxg'Rncp0Qp'Cr tkn';.'422: .'qwt'uvqemj qnfgtu'cr r tqxgf 'vj g'gzr cpukqp'qh'vj g'gnki kdng'encuu'qh'r ctvkekr cpvu'wpfgt'vj g'4225'Rncp'vq'kpenwfg'pqp/go r nq{gg'f ktgevqtu.'cpf 'qwt'4225'Rncp'dgeco g'c'uweeguuqt'r ncp'vq'vj g'3; ; 8'Qwvukf g'F ktgevqtu'Uvqem'Qr vkqp'Rncp0Kp'cff kvkqp.'qwt'Dqctf .'qt'c'eqo o kwgg'vj gtgqh'y kj 'uvqemj qnfgt'cr r tqxcl'cu'tgs wktgf .'j cu'co gpfgf 'qwt'4225'Rncp'htqo 'ko g'vq'ko g0Cu'qh'Hgdtwct{'4.'4234.'cp'ci i tgi cvg'qh'42.982.; 62'uj ctgu'qh'qwt'eqo o qp'uvqem'tgo ckpgf 'cxckncdng'hqt'hwwtg'i tcpvu'wpfgt'qwt'4225'Rncp0Vj g'enqukpi 'o ctmgv'r tkeg'qh'qwt'eqo o qp'uvqem'qp'Hgdtwct{'4.'4234'y cu'&5304; 0

Kp'hkuecl'{gct'4233.'gs wkv{'cy ctfu'hqt'c'vqvcl'qh'33.38: .59: 'uj ctgu'qh'qwt'eqo o qp'uvqem'y gtg'i tcpvgf 'vq'go r nq{ggu'r wtuwcpv'vq'vj g'4225'Rncp0M t0P ctc{gp.'qwt'Rtgukf gpv'cpf 'Ej kgh'Gzgewvkxg'Qhhkegt.'y cu'i tcpvgf 'cy ctf u'vqvclkpi '679.222'uj ctgu'*cuuwo kpi 'r gthqto cpeg'uj ctgu'cv'vctig gv+.'qt'6   'qh'vj g'vqvcl'pwo dgt'qh'uj ctgu'i tcpvgf 0'I tcpvu'vq'cnl'qh'qwt'gzgewvkxg'qhhkegtu'gs wcngf '34   'qh'vj g'vqvcl'pwo dgt'qh'uj ctgu'i tcpvgf 0Kp'hkuecl'{gct'4234.'vj g'gs wkv{'i tcpvu'vq'O t0P ctc{gp'y gtg'gs wcl'vq'cr r tqzko cvgn{'6   'qh'vj g'vqvcl'pwo dgt'qh'uj ctgu'qh'qwt'eqo o qp'uvqem'i tcpvgf 'vj tqwi j 'Lcpwct{'46.'4234.'y j kej 'kpenwfgu'qwt'cppwcl'i tcpv'cy ctf u'vq'cnl'gnki kdng'go r nq{ggu'qh'Cfqdg.'cpf 'qwt'qyj gt'gzgewvkxg'qhhkegtu'y gtg'i tcpvgf 'cr r tqzko cvgn{';   'qh'vj g'vqvcl'pwo dgt'qh'uj ctgu'qh'qwt'eqo o qp'uvqem'i tcpvgf 'vq'cnl'go r nq{ggu'qh'Cfqdg'vj tqwi j 'Lcpwct{'46.'42340'

Shares Available in Our Equity Incentive Plans

Y j kng'vj g'4225'Rncp'ku'vj g'r tko ct{'gs wkv{'r ncp'y g'wug'vq'i tcpv'gs wkv{'cy ctf u.'y g'cnuq'j cxg'c'uo cnl'pwo dgt'qh'uj ctgu'cxckncdng'kp'qwt'4227'Gs wkv{'Kpegpvkxg'Cuuwo r vkqp'Rncp'cpf 'qwt'3; ; 6'Rgthqto cpeg'cpf 'Tguvtkevgf 'Uvqem'Rncp0

Cu'qh'Hgdtwct{'4.'4234.'y g'j cf 'c'vqvcl'qh'4.; ; 3.767'uj ctgu'cxckncdng'kp'qwt'4227'Gs wkv{'Kpegpvkxg'Cuuwo r vkqp'Rncp0Vj ku'r ncp'j cu'hqwt'ugr ctcvg'uj ctg'tgugtxgu0Vj tgg'qh'vj g'tgugpvkgu.'tgr tgugpvkpi '4: 35.9: 4'qh'vj g'cxckncdng'uj ctgu.'tgs wktg'vj cv'cej 'hwnl'xcnwg'cy ctf 'tgf wegu'vj g'uj ctg'tgugtxg'd{'3099'uj ctgu0'Vj g'hkpcltgugtxg.'tgr tgugpvkpi '389.985'qh'vj g'cxckncdng'uj ctgu.'f qgu'pqv'j cxg'c'hwpi kdng'tcvkq'r tqxkukqp'*uq'cej 'hwnl'xcnwg'uj ctg'tgf wegu'vj g'uj ctg'tgugtxg'd{'qpg'uj ctg+0Cff kvkqpcl'kphqto cvkqp'tgi ctf kpi 'qwt'4227'Gs wkv{'Kpegpvkxg'Cuuwo r vkqp'Rncp'cpf 'ku'xctkqwu'tgugtxgu'ecp'dg'hqwpf 'kp'õGs wkv{'Eqo r gpucvkqp'Rncp'Kphqto cvkqpö'dgnq y 0

Kp'cff kvkqp.'cu'qh'Hgdtwct{'4.'4234.'y g'j cf 'c'vqvcl'qh'72.54: 'uj ctgu'cxckncdng'kp'qwt'3; ; 6'Rgthqto cpeg'cpf 'Tguvtkevgf 'Uvqem'Rncp0Vj ku'r ncp'f qgu'pqv'j cxg'c'hwpi kdng'tcvkq'r tqxkukqp0

Cu"qh"Hgdtwct{"4."4234."wpfgt"qwt"vj tgg"gswkv{"kpegpvkxg"r ncpu"fguetkdgf "cdqxg"cpf "gswkv{"r ncpu"cpf "qvj gt" i tcpvu"cuuwo gf "cu"vj g"tguwvn'qh"ceswkukvkqpu."y g"j cf "cp"ci i tgi cvg"qh"55.; 57.883"qwurcpf kpi "uvqem'qr vkqpu"cpf "uvqem' crr tgekcvkqp"tki j w"%õUCT uö+."y kj "c"y gki j vgf "cxgtci g"gzgtekug"r tkeg"qh"&53022"cpf "c"y gki j vgf "cxgtci gf "tgo ckpkpi " vgto "qh"5086"{gctu."cu"y gm'cu"42.48: .322"qwurcpf kpi "hwnri'xcnwg"cy ctfu0

Amendments to the 2003 Plan

Qwt"Dqctf "dgrkgxgu"vj g"4225"Rncp"ku"ko r qtvcpv"vq"Cf qdgøu"uweeguu"kp"gpj cpekpi "qwt"cdkrkv{"vq"cwtcev"cpf " tgvckp"vcrgpvgf "r gqr rg"cpf "o qvkxcvg"vj go "vq"dwkrf "nqpi /vgto "xcrwg"hqt"qwt"uvqem'qrf gtu0Ugg"õEqo r gpucvkqp"F kuewuukqp" cpf "Cpcr{ukuö"eqpvckpgf "kp"vj ku"r tqz{"uvcvgo gpv"hqt"o qtg"kphqto cvkqp"tgi ctf kpi "qwt"gzgewkxg"eqo r gpucvkqp"uvtcvgi {0" Kp"cf f kvkqp"vq"tgegpv"enctkh{kpi "wr f cvgu"vq"vj g"4225"Rncp"cu"crr tqxgf "d{"qwt"Dqctf."y g"j cxg"o cf g."cpf "uwdo kv"hqt"{qwt" eqpukf gtcvkqp."cp"co gpf o gpv"vq"vj g"4225"Rncp"vq"*k+"kpetgcug"vj g"cxckrcdrg"uj ctg"tgugtxg"d{ "340; "o krikqp"uj ctgu"qh"qwt" eqo o qp"uvqem'*hqt"c"ewo wncvkxg"ci i tgi cvg"uj ctg"cwvj qtk| cvkqp"qh"44; .86; .842"uj ctgu+"*kk+"kpetgcug"vj g"o czko wo " pwo dgt"qh"uj ctgu"vj cv"o c{"dg"i tcpvgf "cu"kpegpvkxg"uvqem'qr vkqpu"wpf gt"vj g"4225"Rncp"vq"gswcn'vj g"r tqr qugf ."co gpf gf " cxckrcdrg"uj ctg"tgugtxg"hqt"vj g"4225"Rncp=cpf "*kkk+"cr r tqxg"pgy "r gthqto cpeg"o gvtkeu"cu"f guetkdgf "kp"vj g"õRgthqto cpeg" Cy ctf uö"ugevkqp"qh"vj ku"r tqr qucn0

Vote Required and Board Recommendation

Cr r tqxcn'qh"cp"co gpf o gpv"vq"vj g"4225"Rncp"tgswktgu"vj g"chhko cvkxg"xqvg"qh"vj g"j qrf gtu"qh"c"o clqtkv{"qh"vj g" xqvgu"ecuv"kp"r gtuqp"qt"d{ "r tqz{"cpf "gpvkvrgf "vq"xqvg"cv"vj g"o ggvkpi 0Cduvgpvkqpu"cpf "dtqmgt'non-votes y km'pqv'j cxg" cp{"ghhgev"qp"vj g"qwveqo g"qh"vj ku"r tqr qucn0

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THIS PROPOSAL

Summary of the 2003 Plan

Vj g'hqmqy kpi 'r ctci tcr j u'r tqxkf g'c'uwo o ct{ 'qh'vj g'r tkpekr cnlhgcwtgu'qh'vj g'4225'Rncp0Vj ku'uwo o ct{ 'f qgu'pqv' r wtr qtv'vq'dg'eqo r ngvg'cpf 'ku'uwdlgev'vq. 'cpf 's wcnkhkgf 'kp'ku'gpvktgv{ 'd{. 'vj g'r tqxkukqpu'qh'vj g'co gpf gf 'cpf 'tguvcvgf '4225' Rncp."c'eqr { 'qh'y j kej 'j cu'dggp 'hkngf 'y kvj 'vj g'UGE'y kvj 'vj ku'r tqz{ 'uvcvgo gpv'cu'Cppgpz'C0'

" ***General.*** Qwt '4225'Rncp'cf xcpegu'vj g'kpvgtguvu'qh'Cf qdg'cpf 'qwt'uvqemj qnf gtu'd{ 'r tqxkf kpi 'gs wkv{/dcugf ' kpegpvkxgu'vj cv'ctg'pgeguuct{ 'kp'qf c{øu'eqo r gvkvkxg'ncdqt'o ctmgv'vq'cwtcev. 'tgy ctf 'cpf 'tgvckp 'go r nq{ggu. 'eqpuwncpvu. ' f ktgevqtu'cpf 'qvj gt'cf xkuqtu'wr qp'y j qug'lwf i o gpv'cpf 'eqpvtkdwvkqpu'y g'f gr gpf 'hqt'qwt'uweeguu0Vj g'4225'Rncp'cnqy u' wu'vq'cej kgxg'vj gug'r wtr qugu'd{ 'r tqxkf kpi 'hqt'i ctpvu'qh'uvqem'qr vkqpu. 'uvqem'cr r tgekcvkqp'tki j vu. 'uvqem'r wtej cug'tki j vu. ' uvqem'dqpugu. 'TUWu. 'r gthqto cpeg'uj ctgu'cpf 'r gthqto cpeg'wpku'kp'eqpukf gtcvkqp'hqt'ugtxkegu'tgpf gtgf 'd{ 'vj g' r ctvkekr cpv'vq'Cf qdg0

" ***Eligibility.*** Wpf gt'vj g'4225'Rncp. 'y g'o c{ 'i ctpv'cy ctf u'vq'go r nq{ggu'*kpenwf kpi 'gzgewvkxg'qhhkegtu+'cpf ' eqpuwncpvu'qh'Cf qdg. 'qwt'uwdukf kct{ 'eqtr qtcvkqpu'qt'qvj gt'chhknkcvgf 'gpvkvkgu'qh'Cf qdg. 'cpf 'o go dgtu'qh'qwt'Dqctf 0' Rwtuwcpv'vq'cr r nkecdng'ncy . 'y g'o c{ 'i ctpv'kpegpvkxg'uvqem'qr vkqpu'qpn{ 'vq'go r nq{ggu='j qy gxgt. 'y g'o c{ 'i ctpv' pqpuvcwwvqt{ 'uvqem'qr vkqpu. 'uvqem'cr r tgekcvkqp'tki j vu. 'uvqem'dqpugu. 'uvqem'r wtej cug'tki j vu. 'TUWu. 'r gthqto cpeg'uj ctgu' cpf 'r gthqto cpeg'wpku'vq'cp{ 'gnki kdng'r ctvkekr cpv0Cu'qh'Hgdtwct{ '4. '4234. 'y g'j cf 'c'vqvcn'qh. '998'go r nq{ggu'cpf ' eqpuwncpvu'cpf 'gki j v'pqp/go r nq{gg'f ktgevqtu'y j q'qwf 'dg'gnki kdng'vq'dg'i ctpvgf 'cy ctf u'htqo 'vj g'4225'Rncp0

" ***Shares Subject to the 2003 Plan.*** Y g'ctg'r tqr qukpi 'cp'kpetgcug'kp'vj g'cxckncdng'uj ctg'tgugtxg'wpf gt'vj g'4225' Rncp'd{ '3405; 'o knkqp'uj ctgu'qh'qwt'eqo o qp'uvqem0Kp'hkuecn'{ gct'4234.'"vq'j gnr 'wu'eqpugtxg'uj ctgu. 'y g'qpn{ 'o cf g' cppwcn'i ctpvu'vq'cr r tqzko cvgn{ 'qpg/vj ktf 'qh'qwt'go r nq{ggu. 'hqewukpi 'qp'qwt'vqr 'r gthqto gtu. 'y j gtgcu'kp'r tkqt'{ gctu'y g' j cxg'o cf g'i ctpvu'vq'72' 'qt'o qtg'qh'qwt'go r nq{ggu0Kf 'vj ku'kpetgcug'ku'pqv'cr r tqxgf .'y g'y knl'pqv'j cxg'gpqwi j 'uj ctgu' cxckncdng'vq'o cmg'o gcpkpi hwnlcppwcn'i ctpvu'kp'hkuecn'{ gct'4235'vq'j gnr 'wu'tgvckp'qwt'go r nq{ggu0Kf 'uwej 'kpetgcug'ku' cr r tqxgf 'd{ 'qwt'uvqemj qnf gtu. 'vj g'ewo wncvkxg'ci i tgi cvg'uj ctg'cwvj qtk| cvkqp'wpf gt'qwt'4225'Rncp'y knl'kpetgcug'htqo ' 439.47; .842'*vj göEzkuvkpi 'Uj ctg'Tgugtxgö+'vq'44; .86; .842'uj ctgu0Cu'qh'Hgdtwct{ '4. '4234. '58.58: .375'uj ctgu'y gtg' kuuwgf 'htqo 'vj g'Gzkuvkpi 'Uj ctg'Tgugtxg. 'cy ctf u'eqxgtkpi '66.737.297'uj ctgu'y gtg'qwuvcpf kpi 'wpf gt'vj g'Gzkuvkpi 'Uj ctg' Tgugtxg. 'cpf '42.982.; 62'uj ctgu'tgo ckpgf 'cxckncdng'hqt'hwwwtg'cy ctf u'wpf gt'vj g'Gzkuvkpi 'Uj ctg'Tgugtxg0

" Vj g'uj ctg'tgugtxg'hqt'vj g'4225'Rncp'ku'tgf wegf <

É' d{ 'qpg'uj ctg'hqt'gcej 'uj ctg'i ctpvgf 'wr qp'vj g'gzgtekug'qh'uvqem'qr vkqpu'qt'uvqem'cr r tgekcvkqp'tki j vu' cy ctf gf 'cv'cp{ 'vko g'wpf gt'vj g'4225'Rncp=

É' d{ '3099'uj ctgu'hqt'gcej 'uj ctg'i ctpvgf 'r wtuwcpv'vq'cnl'cy ctf u'qvj gt'vj cp'uvqem'qr vkqpu'qt'uvqem' cr r tgekcvkqp'tki j vu'cy ctf gf 'wpf gt'vj g'4225'Rncp'qp'qt'chvgt'Cr tkn'3. '422; =

É' d{ '406'uj ctgu'hqt'gcej 'uj ctg'i ctpvgf 'r wtuwcpv'vq'cnl'cy ctf u'qvj gt'vj cp'uvqem'qr vkqpu'qt'uvqem'cr r tgekcvkqp' tki j vu'cy ctf gf 'wpf gt'vj g'4225'Rncp'htqo 'Cr tkn'32. '422: 'vj tqwi j 'O ctej '53. '422; =

É' d{ '403'uj ctgu'hqt'gcej 'uj ctg'i ctpvgf 'r wtuwcpv'vq'cnl'cy ctf u'qvj gt'vj cp'uvqem'qr vkqpu'qt'uvqem'cr r tgekcvkqp' tki j vu'cy ctf gf 'wpf gt'vj g'4225'Rncp'htqo 'Cr tkn'7. '4229'vj tqwi j 'Cr tkn'; .'422: =''cpf

É' d{ 'qpg'uj ctg'hqt'gcej 'uj ctg'i ctpvgf 'r wtuwcpv'vq'cnl'cy ctf u'i ctpvgf 'wpf gt'vj g'4225'Rncp'r tkqt'vq'Cr tkn'7. ' 42290

Kf 'cp{ 'cy ctf 'i ctpvgf 'wpf gt'vj g'4225'Rncp'gzr ktgu. 'ncr ugu'qt'qvj gty kug'vgto kpcvgu'hqt'cp{ 'tgcuqp'y kvj qwv' j cxkpi 'dggp'gzgtekugf 'qt'ugwgf 'kp'hwnl'qt'kh'uj ctgu'uwdlgev'vq'hqthgkwtg'qt'tgr wtej cug'wr qp'hcknwtg'vq'xguv'cv' vgto kpcvkqp'ctg'hqthgkvgf 'qt'tgr wtej cugf .'uwej 'uj ctgu'y knl'ci ckp'dgeqo g'cxckncdng'hqt'kuuwcpeg'wpf gt'vj g'4225'Rncp'kp' r tqr qtvkqp'vq'vj g'pwo dgt'qh'uj ctgu'd{ 'y j kej 'vj g'tgugtxg'y cu'qtki kpcnl{ 'tgf wegf 'cv'vj g'vko g'qh'i ctpv'qt'kuuwcpeg0Uj ctgu' y knl'pqv'dg'tgvcvgf 'cu'j cxkpi 'dggp'kuuwgf 'wpf gt'vj g'4225'Rncp. 'cpf 'y knl'vj gtghqtg'pqv'tgf weg'vj g'pwo dgt'qh'uj ctgu' cxckncdng'hqt'i ctpv'vq'vj g'gzvgpv'cp'cy ctf 'ku'ugwgf 'kp'ecuj 'q*vj gt'vj cp'ecuj 'ugwgf 'uvqem'cr r tgekcvkqp'tki j vu+0Uj ctgu' y knl'dg'tgvcvgf 'cu'j cxkpi 'dggp'kuuwgf 'wpf gt'vj g'4225'Rncp'vq'vj g'gzvgpv'uwej 'uj ctgu'ctg'y kvj j gnf 'kp'ucvkuhcevkqp'qh'vcz' y kvj j qnf kpi 'qdnki cvkqpu'qt'vj g'r c{ o gpv'qh'vj g'cy ctf u'gzgtekug'qt'r wtej cug'r tkeg0

Cr r tqr tkcvg'cf lwuvo gpwu'y kml'dg'o cf g'\q'\j g'\j ctg'tgugtxg.'\q'\j g'qyj gt'pwo gtkecrl'hko ku'f guetkdgf'kp'\j g'4225'"
Rncp'"uwej "cu'\j g'\ko kv'qp'\j g'pwo dgt'qh'uj ctgu'\j cv'o c'\dg'kuuwgf "cu'kpegpvkxg'uvqelⁱqr vkqpu'cpf '\j g'\ko kv'qp'\j g'"
pwo dgt'qh'uj ctgu'\j cv'o c'\dg'cy ctf gf '\q'cp'"qpg'r gtuqp'kp'cp{'hkuecrl{gct'hqt'r wr qugu'qh'Ugevkqp'384*o +'qh'\j g'"
Eqf g+'cpf '\q'qwuvcpf kpi "cy ctf u'kp'\j g'gxgpv'qh'cp{'ej cpi g'kp'qwt'eqo o qp'uvqelⁱtjqwij "o gti gt.'eqpuqrkfcvkqp.'"
tgqti cpk{ cvkqp.'tgkpeqtr qtcvkqp.'tgecr kcrk{ cvkqp.'tgecriuukhkecvkqp.'uvqelⁱf kxkf gpf .'uvqelⁱur rkv.'tgxgtug'uvqelⁱur rkv.'ur rkv/"
wr."ur rkv/qhh."ur kp/qhh.'qo o dkpcvkqp'qh'uj ctgu."gzej cpi g'qh'uj ctgu'qt'uko kat'ej cpi g'kp'qwt'ecr kcrl'uvtwevwtg.'qt'kh'\y g'"
o cmg'c'f kuvtkdwvkqp'kp'c'hqto "qyj gt'\j cp'co o qp'uvqelⁱ*gzelⁱf kpi "pqto crl'ecuj 'f kxkf gpfu+'\j cv'cu'c'o cvtkcrl'ghhgev'qp'"
\j g'hckt'o ctmgv'xcⁱwg'qh'qwt'eqo o qp'uvqel0"

" ***Administration.*** Vj g'4225'Rncp'ku'cf o kpkuvgtgf 'd{'\j g'Dqctf 'cpf 'd{'\y q'co o kwgggu'fwⁱ'cr r qkpvgf 'd{'\j g'"
Dqctf<'\j g'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'cpf '\j g'O cpci go gpv'Eqo o kwgg'hqt'Go r rq{gg'Gswkv{'Cy ctf u0Vj g'"
Dqctf "cwj qtk{ gu'i tcpvu'qh'cy ctf u'\q'ku'f ktgevqtu'r wtuwcpv'\q'\j g'\gto u'qh'\j g'4225'Rncp0Vj g'Gzgewvkxg'Eqo r gpucvkqp'"
Eqo o kwgg.'y j kej "eqpukuvu'qh'cvⁱgcuv'\y q'f ktgevqtu'y jq'ctg'"pqp/go rㅁq{gg'f ktgevqtuö'y kj kp'\j g'o gcpkpi 'qh'"
Twng'38d/5'wpf gt'\j g'Gzej cpi g'"Cev'cpf '"öqwuukf g'f ktgevqtuö'hqt'r wtr qugu'qh'Ugevkqp'384*o +'qh'\j g'Eqf g.'ku'cwj qtk{ gf '"
\q'i tcpv'cⁱⁱ{ rgu'qh'cy ctf u'\q'go r rq{ggu."gzgewvkxg'qhhkegtu'cpf "eqpuwⁱcpvu0Vj g'O cpci go gpv'Eqo o kwgg'hqt'"
Go r rq{gg'Gswkv{'Cy ctf u'ku'cwj qtk{ gf 'd{'\j g'Dqctf '\q'i tcpv'uvqelⁱqr vkqpu'r gthqto 'cpeg'uj ctgu'cpf "TUWu'\q'grki kdⁱg'"
go r rq{ggu'y jq'ctg'pqv'gzgewvkxg'qhhkegtu.'f ktgevqtu'qt'eqpuwⁱcpvu0Hqt'r wtr qugu'qh'\j ku'r tqr qucⁱ'\j g'\gto "
õEqo o kwggö'tghgtu'\q'gkj gt'qh'uwej "f wⁱ'cr r qkpvgf "eqo o kwggu'qt'\j g'Dqctf .'wpⁱguu'\j g'eqpvgzv'qt'cr r ⁱkecdⁱg'ⁱcy "
tgswktgu'qyj gty kug0"

Uwdlgev'\q'\j g'r tqxkukqpu'qh'\j g'4225'Rncp'cpf '\j g'cwj qtkv{'f gⁱgi cvgf '\q'kv'd{'\j g'Dqctf .'\j g'Eqo o kwgg'"
f gvgto kpgu.'kp'ku'f kuetgvkqp.'\j g'r gtuqpu'\q'y jq'cpf '\j g'\ko gu'cv'y j kej "cy ctf u'ctg'i tcpvgf .'\j g'\{ r gu'cpf 'uk{ gu'qh'"
uwej "cy ctf u.'cpf 'cⁱⁱ'qh'\j gkt'\gto u'cpf "eqpf kkqpu0Vj g'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'o c{'"uwdlgev'\q'egtvckp'"
ⁱko kvcvkqpu'tgswktgf 'd{'Ugevkqp'384*o +'qh'\j g'Eqf g'cpf '\j g'gzr tguu'ⁱcpi wci g'kp'\j g'4225'Rncp'\j cv'r tqj kdku'c'"
tgf wevkqp'kp'\j g'gzgtekug'r tkeg'qh'qwuvcpf kpi "cy ctf u'y kj qwⁱ'uvqelⁱ j qⁱf gt'cr r tqxcⁱ."\q'co gpf ."o qf kh{."gzvgpf ."ecpegⁱ'qt'"
tgpgy "cp{'cy ctf .'y ckxg'cp{'tguvtkevkqpu'qt'eqpf kkqpu'cr r ⁱkecdⁱg'\q'cp{'cy ctf .'cpf 'ceegⁱgtcvg.'eqpvkpwg.'gzvgpf 'qt'"
f ghgt'\j g'xguvkpi 'qh'cp{'cy ctf 0Vj g'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'o c{'cⁱuq'guvcdⁱkuj 'twⁱgu'cpf 'r qⁱkekgu'hqt'"
cf o kpkuvtcvkqp'qh'\j g'4225'Rncp'cpf 'cf qr v'qpg'qt'o qtg'hqto u'qh'ci tggo gpv'\q'gxkf gpeg'cy ctf u'cf g'wpf gt'\j g'4225'"
Rncp0Vj g'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'kpvgtr tgvu'\j g'4225'Rncp'cpf 'cp'"ci tggo gpv'wgf 'wpf gt'\j g'4225'Rncp."
cpf 'cⁱⁱ'f gvgto kpcvkqpu'qh'\j g'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'y kⁱ'dg'hkpcⁱ'cpf 'dkpf kpi "qp'cⁱⁱ'r gtuqpu'j cxkpi 'cp'"
kpvgtguv'kp'\j g'4225'Rncp'qt'cp{'cy ctf 'kuuwgf 'wpf gt'\j g'4225'Rncp0Vj g'4225'Rncp'r tqxkf gu'uwdlgev'\q'egtvckp'"
ⁱko kvcvkqpu.'hqt'kpf go pkhkecvkqp'd{'Cf qdg'qh'cp{'qhhkegt.'go r rq{gg'qt'f ktgevqt'ci ckpuv'cⁱⁱ'tgcuqpcdⁱg'gzr gpugu.'"
kpeⁱwf kpi "cwqtpg{u'öhggu."kpewttgf 'kp'eqppgevkqp'y kj 'cp{'ⁱgi cⁱ'cevkqp'ctkukpi 'htqo "uwej 'r gtuqpøu'cevkqp'qt'hckⁱwtg'\q'"
cev'kp'cf o kpkuvgtkpi '\j g'4225'Rncp0"

" ***Stock Options.*** Vj g'Eqo o kwgg'o c{'i tcpv'pqpuvcwwqt{'uvqelⁱqr vkqpu."kpegpvkxg'uvqelⁱqr vkqpu'qt'c'"
eqo dkpcvkqp'qh'gcej 0Uwdlgev'\q'cr r tqr tkcvg'cf lwuvo gpv'kp'\j g'gxgpv'qh'c'ej cpi g'kp'qwt'ecr kcrlⁱuvtwevwtg.'y g'o c{'pqv'"
i tcpv'\q'cp'"qpg'go r rq{gg'kp'cp{'hkuecrl{gct'uvqelⁱqr vkqpu'y kj '"Htggⁱwcpf kpi "UCTu'*cu'f ghkpgf 'dgⁱqy +'"
i tcpvgf '\j cv'{gct.'eqxgt'o tqg'\j cp'6.222.222'uj ctgu'kp'\j g'ci i tgi cvg0"

Vj g'\gto u'qh'\j g'4225'Rncp'ⁱko kv'\j g'uj ctgu'qh'qwt'eqo o qp'uvqelⁱcxckⁱcdⁱg'hqt'kuuwcpeg'r wtuwcpv'\q'\j g'"
gzgtekug'qh'kpegpvkxg'uvqelⁱqr vkqpu0Y g'ctg'"cⁱuq "j cv'qwt'uvqelⁱj qⁱf gtu'cr r tqxg'cp'kpetgcug'\q'ku'ⁱko kvcvkqp'\q'gswcⁱ'"
\q'\j g'r tqr qugf .'co gpf gf "cxckⁱcdⁱg'uj ctg'tgugtxg'hqt'\j g'4225'Rncp.'hqt'c'\qvcⁱ'qh'44; .86; .842'uj ctgu.'cu'r ctv'qh'\j ku'"
r tqr qucⁱ0"

Gcej "uvqelⁱqr vkqp'i tcpvgf 'wpf gt'\j g'4225'Rncp'o wuv'dg'gxkf gpegf 'd{'c'y tkwgp'ci tggo gpv'dgⁱy ggp'wu'cpf '\j g'"
qr vkqpgg'ur gekh{kpi '\j g'pwo dgt'qh'uj ctgu'uwdlgev'\q'\j g'uvqelⁱqr vkqp'cpf '\j g'qyj gt'\gto u'cpf "eqpf kkqpu'qh'\j g'uvqelⁱ"
qr vkqp.'eqpukuvgpv'y kj '\j g'tgswktgo gpvu'qh'\j g'4225'Rncp0Vj g'gzgtekug'r tkeg'qh'gcej "uvqelⁱqr vkqp'o c{'pqv'dg'ⁱguu'\j cp'"
\j g'hckt'o ctmgv'xcⁱwg'qh'c'uj ctg'qh'qwt'eqo o qp'uvqelⁱqp'\j g'f cvg'qh'i tcpv'*gzegr v'kp'eqppgevkqp'y kj '\j g'cuuwo r vkqp'qt'"
uwduvkwwkqp'hqt'cpqyj gt'uvqelⁱqr vkqp'kp'c'o cppgtⁱswcⁱkh{kpi 'wpf gt'Ugevkqpu'62; 'C'cpf '646'c'qh'\j g'Eqf g+0Kp'cf f kkqp."
cp{'kpegpvkxg'uvqelⁱqr vkqp'i tcpvgf '\q'c'r gtuqp'y jq'cv'\j g'\ko g'qh'\j g'i tcpv'qy pu'uvqelⁱr quuguukpi 'o tqg'\j cp'32 '"qh'\j g'"
\qvcⁱ'eqo dkpgf 'xqvkpi 'r qy gt'qh'cⁱⁱ'eⁱcuugu'qh'qwt'uvqelⁱcp'"uwdukf kct{'eqtr qtcvkqp'qh'Cf qdg'"c'öVgp'Rgtegpv'"
Uvqelⁱj qⁱf gtö+'o wuⁱ'j cxg'cp'gzgtekug'r tkeg'gswcⁱ'\q'cⁱ'ⁱgcuv'332 '"qh'\j g'hckt'o ctmgv'xcⁱwg'c'uj ctg'qh'qwt'eqo o qp'"
uvqelⁱqp'\j g'f cvg'qh'i tcpv0"

Vj g'4225'Rncp'r tqxkf gu'\j cv'\j g'uvqelⁱqr vkqp'gzgtekug'r tkeg'o c{'dg'r ckf 'kp'ecuj .'d{'ej gelⁱqt'kp'ecuj "
gswkxcⁱgpv='d{'o gcpu'qh'c'dtqⁱgt/cuukuvgf 'ecuj ⁱguu'gzgtekug='d{'o gcpu'qh'c'öpgv'gzgtekugö'cttcpi go gpv='\gpf gt'qh'"
uj ctgu'qh'eqo o qp'uvqelⁱqy pgf 'd{'\j g'qr vkqpgg'j cxkpi 'c'hckt'o ctmgv'xcⁱwg'pqv'ⁱguu'\j cp'\j g'gzgtekug'r tkeg='d{'uwej "

qyj gt ncy hwr eqpukfgtcvkqp cu crrtqxgf d{ yj g Eqo o kwgg= qt d{ cp{ eqo dkpcvkqp qh yj gug0P gxgtj gnguu. yj g
Eqo o kwgg o c{ tguvtkev yj g hqto u qh c o gpv r gto kwgf kp eqppgevkqp y kj cp{ uvqem qr vkqp cy ctf0P q uvqem qr vkqp
o c{ dg gzgtekugf wpnguu yj g qr vkqpgg j cu cf g cf gs wcv{ r tqxkukqp hqt hgf gtcn uvcvg. nqecn cpf hqtgki p vczgu. kh cp{.
tgncvkpi vq yj g gzgtekug qh yj g uvqem qr vkqp. kpenwf kpi . kh r gto kwgf qt tgs wktgf d{ wu. yj tqwi j yj g qr vkqpgg uuwttgpf gt
qh c r qtvkqp qh yj g uvqem qr vkqp uj ctgu vq Cf qdg0

Uvqem qr vkqpu dgeqo g xguvgf cpf gzgtekucdng cv uwej vko gu qt wr qp uwej gxgpvu cpf uwdlgev vq uwej vgto u.
eqpf kkqpu. r gthqto cpeg etkgtkc qt tguvtkevkqpu cu ur gekhkgf d{ yj g Eqo o kwgg0Kp i gpgtcn qwt go r nq{gg uvqem qr vkqpu
xguv kp o qpyj n{ kpuvcm gpvu qxgt c r gtkqf qh hqwt {gctu chvgr yj g f cvg qh i tcpv. gzegr v hqt pgy /j ktg i tcpvu. y j kej xguv
31l qp yj g hktuv cppkxgtuct{ qh yj g i tcpv f cvg cpf yj gp o qpyj n{ yj gtgchvgt hqt yj g hqnqy kpi yj tgg {gctu0Uvqem qr vkqpu
i tcpvgf vq qwt f ktgevqtu i gpgtcm{ xguv 322 qp yj g f c{ ko o gf kcvgn{ r tgegf kpi yj g f cvg qh yj g pgzv cppwcm o ggvkpi qh
uvqemj qnf gtu0

Uvqem qr vkqpu i tcpvgf vq qwt go r nq{ggu cpf f ktgevqtu y km gzr ktg pqv ncvgt yj cp ugxgp {gctu htqo yj g f cvg qh
i tcpv cpf kp pq gxgpv y km yj g vgto qh cp kpegpvkxg uvqem qr vkqp i tcpvgf vq c Vgp Rgtegpv Uvqemj qnf gt gzeggf hkxg {gctu0
Uwdlgev vq yj g vgto qh yj g uvqem qr vkqp. c uvqem qr vkqp i gpgtcm{ y km go ckp gzgtekucdng hqt yj tgg o qpyj u hqmqy kpi yj g
qr vkqpgg uvgo kpcvkqp qh ugtxkeg. gzegr v cv kh ugtxkeg vgo kpcvu cv qt chvgt cp qr vkqpgg j cu tgcej gf 87 {gctu qh ci g
*qt. hqt f ktgevqtu. chvgt hqwt {gctu qh ugtxkeg+. qt cu c tguwn qh cp qr vkqpggu f gcyj qt f kucdknkv{. yj g uvqem qr vkqp
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qr vkqp y km vgo kpcvg ko o gf kcvgn{0Vj g Eqo o kwgg kp ku f kuetgvkqp. o c{ r tqxkf g f kihgtgpv r quv vgo kpcvkqp gzgtekug
r gtkqf u. dwv kp cp{ gxgpv yj g uvqem qr vkqp o wuv dg gzgtekugf pq ncvgt yj cp yj g qtki kpcn gzr ktcvkqp qh ku vgo 0

Uvqem qr vkqpu ctg pqv cuuki pcdng qt vtcpuhgtcdng d{ yj g qr vkqpgg qyj gt yj cp d{ y km qt d{ yj g ncy u qh f guegpv
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cu co gpf gf *y j kej kpenwf gu vtcpuhgtu vq co kn{ o o dgtu. co kn{ vtuuvu qt r tuwcpv vq f qo guke tgncvkqpu qtf gtu. dwv
gzenwf gu vtcpuhgtu qh uvqem qr vkqpu hqt eqpukf gtcvkqp+0

Stock Appreciation Rights. Vj g Eqo o kwgg o c{ i tcpv uvqem cr r tgekcvkqp tki j vu gkj gt kp cpf go y kj c
tgncvgf uvqem qr vkqp *c õVcpf go UCTö+ qt kpf gr gpf gpvn{ qh cp{ uvqem qr vkqp *c õHtgguvcpf kpi UCTö+0C Vcpf go UCT
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i tcpvgf wpf gt yj g 4225 Rncp ku gki j v {gctu0

Repricing Prohibition. Vj g 4225 Rncp gzr tguun{ r tqxkf gu yj cv y kj qwv yj g cr r tqxcn qh c o clqtkv{ qh yj g xqvgu
ecuv kp r gtuqp qt d{ r tqz{ cv c o ggvkpi qh qwt uvqemj qnf gtu. yj g Eqo o kwgg o c{ pqv r tqxkf g hqt gkj gt yj g ecpegncvkqp
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Stock Awards. Uvqem cy ctf u o c{ dg i tcpvgf wpf gt yj g 4225 Rncp kp yj g hqto qh c uvqem dqpwu. c uvqem
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" ***Performance Awards.*** Vj g"Eqo o kwgg"o c{"i tcpv'r gthqto cpeg"cy ctf'u'uwdlgev'vq"uwej "eqpfkkqpu'cpf "vj g" cwckpo gpv'qh'uwej "r gthqto cpeg"i qcnu'qxgt"uwej "r gtkqfu'cu'vj g"Eqo o kwgg"fgvgto kpgu'kp"y tkkpi "cpf "ugv'hqtyj "kp"c" y tkwgp"ci tggo gpv'dgwy ggp'Cf qdg"cpf "vj g"r ctvkekr cpv0Vj gug"cy ctf'u'o c "dg'f guki pcvgf "cu'r gthqto cpeg"uj ctgu'qt" r gthqto cpeg'wpkku0Rgthqto cpeg'uj ctgu'cpf "r gthqto cpeg'wpkku'ctg"wphwpfgf "dqqmmggr kpi "gpvtkgu'i gpgtcm{"j cxkpi " kpkkcn'xcnwgu'gs wcn'vq"vj g'hckt'o ctmgv'xcnwg'f gvgto kpgf "qp"vj g"i tcpv'fcvg"qh"qpg"uj ctg'qh'eqo o qp"uvqem'cpf "&322"r gt" wpkv'tgur gevkxgn{0Rgthqto cpeg"cy ctf'u'y km'ur gekh{ "c"r tgf gvgto kpgf "co qwpv'qh'r gthqto cpeg"uj ctgu'qt'r gthqto cpeg" wpku'vj cv'o c{"dg'gctpgf "d{"vj g"r ctvkekr cpv'vq"vj g"gzvgpv'vj cv'qpg"qt'o qtg'r tgf gvgto kpgf "r gthqto cpeg"i qcnu'ctg'cwckpgf " y kj kp"c"r tgf gvgto kpgf "r gthqto cpeg"r gtkqf 0Y g"o c{"ugwg'r gthqto cpeg"cy ctf'u'vq"vj g"gzvgpv'gctpgf "kp"ecuj ."uj ctgu'qh" qwt'eqo o qp"uvqem*kpenwfkpi "uj ctgu'qh'tguvtkevgf "uvqem+'qt'cp"eqo dkpcvkqp"vj gtgqh0Uwdlgev'vq"cr r tqr tkcvg"cfluwo gpv" kp"vj g"gxgpv'qh"cp{"ej cpi g"kp"qwt'ecr kcn'uvwewtg..'y g"o c{"pqv'i tcpv'r gthqto cpeg"uj ctgu'vq"cp{"qpg"go r nq{gg"kp"cp{" eqwf "tgswn'kp"vj g"go r nq{gg'tgegkxkpi "o qtg"vj cp"422.222"uj ctgu'qh'eqo o qp"uvqem'hqt"gcej "hwn'hkuecn'{ gct'eqpvckpgf " kp"vj g"r gthqto cpeg"r gtkqf ."qt'r gthqto cpeg'wpkku'vq"cp"qpg"go r nq{gg"eqwf "tgswn'kp"vj g"go r nq{gg'tgegkxkpi "o qtg" vj cp"&4.722.222"hqt"gcej "hwn'hkuecn'{ gct'eqpvckpgf "kp"vj g"r gthqto cpeg"r gtkqf 0P q"r ctvkekr cpv'o c "dg'i tcpvgf "o qtg"vj cp" qpg"r gthqto cpeg"cy ctf "hqt"vj g"uco g"r gthqto cpeg"r gtkqf 0

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- É' r tqf wev'tgxgpwg=

- É' o cti kp."kpenwf kpi "i tquu"o cti kp=

- É' qr gtcvkpi "kpeqo g"chvgt"cz gu=

- É' qr gtcvkpi "r tqhkv"qt"pgv"qr gtcvkpi "r tqhkv=

- É' kpeqo g"dghqtg"qt"chvgt"cz gu"*kpenwf kpi "pgv"kpeqo g+=

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- É' gctpkpi u."kpenwf kpi "dww'pqv'hko kgf "vq."gctpkpi u'r gt"uj ctg"cpf "pgv"gctpkpi u=

- É' cxgtci g"uqenj qnf gtuø'gs wkv{=

- É' tgwtp"qp"cuugwu."kpxguvo gpv'qt"ecr kcn'go r nq{gf =

- É' equv'tgf wevkqp"i qcnu=

- É' ko r tqxgo gpv'kp"qt"cwckpo gpv'qh"y qtmkpi "ecr kcn'ngxgnu=

- É' f gdv'tgf wevkqp=

- É' f gdv'ngxgnu=

- É' ecr kcn'gzr gpf kwtgu=

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- É' dknkpi u=

- É' y qtmhqteg"f kxgtukv{="cpf

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ceeqwpvkpi "r tkpekr ngu."qt"dwukpguu"eqpf kkqpu=*kz+"vq"gzenwf g"jg"f knwvkxg"ghhgevu"qh"ces wkukkqpu"qt"lqkpv'xgpvwtgu=*z+"vq"
cuuwo g"jcv'cp{ "dwukpguu"f kxguvgf "d{ "Cf qdg"cej kgxgf "r gthqto cpeg"qdlgevkxgu"cv'cti gvgf "ngxgnu"f wtkpi "jg"dcncpeg"qh"c"
r gthqto cpeg"r gtkqf "hqmqy kpi "uwej "f kxguvkwwtg=*zk+"vq"gzenwf g"jg"ghhgev'qh"cp{ "ej cpi g"kp"jg"qwuvcpf kpi "uj ctgu"qh"
Uqo o b{ "tgcuqp"qh"cp{ "uqem"f kxkf gpf "qt"ur rkv'uqem'tgr wtej cug."tgqti cp{ cvkqp."tgecr kcrk cvkqp."o gti gt."
eqpuqrkf cvkqp."ur kp/qhh."eqo dkpcvkqp"qt"gzej cpi g"qh"uj ctgu"qt"y g"ko knct'eqtr qtcvg"ej cpi g."qt"cp{ "f kuvtkdwvkqpu'vq"
eqo o qp"uqenj qnf gtu"qyj gt"yj cp"tgi wct'ecuj "f kxkf gpf u=*zkk+"vq"tghngev'c"eqtr qtcvg"tcpucevkqp."uwej "cu"c"o gti gt."
eqpuqrkf cvkqp."ugr ctcvkqp"*kpenwf kpi "c"ur kpqhh"qt"qyj gt"f kuvtkdwvkqp"qh"uqem"qt"r tqr gtv{ "d{ "c"eqtr qtcvkqp+."qt"
tgqti cp{ cvkqp"*y j gvj gt"qt"pqv'uwej "tgqti cp{ cvkqp"eqo gu"y kj kp"jg"f ghkpkvkqp"qh"uwej "vgto "kp"Ugevkqp"58: "qh"jg"
Eqf g+="cpf "*zkkk+"vq"tghngev'cp{ "r ctvkcn'qt"eqo r ngvg"eqtr qtcvg"rks wkf cvkqp0

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Kp"cf f kvkqp. "y g"ctg"cumkpi "y cv"qwt"uvqemj qrf gtu"cr r tqxg"yj g"co gpf o gpv"vq. "qt"cf f kvkqpu"qh"yj g"hqmqy kpi "
cf lwuvo gpvu"vq"r gthqto cpeg"kp"eqppgevkqp"y kj "yj g"guvcdnkuj o gpv"qh"c"r gthqto cpeg"i qcn"cu"r ctv"qh"ku"r tqr qucn<

    É'   vq"kpenwf g"qt"gzenwf g"tguvtwewtkpi "cpf lqt"qyj gt"pqptgewttkpi "ej cti gu=

    É'   vq"kpenwf g"qt"gzenwf g"gzej cpi g"tcvg"ghhgevu."cu"cr r nkecdng."hqt"pqp/WUU"f qmct"f gpqo kpcvgf "
r gthqto cpeg"i qcn=

    É'   vq"kpenwf g"qt"gzenwf g"yj g"ghhgevu"qh"ej cpi gu"vq"i gpgtcm{"ceegr vgf "ceeqwpvkpi "r tkpekr ngu"tgswktgf "d{"
yj g"Hkpcpekcn"Ceeqwpvkpi "Uvcpf ctf u"Dqctf =

    É'   vq"kpenwf g"qt"gzenwf g"yj g"ghhgevu"qh"cp{"tuncwwqt{"cf lwuvo gpvu"vq"eqtr qtcvg"vcz"tcvgu=

    É'   vq"kpenwf g"qt"gzenwf g"yj g"ghhgevu"qh"cp{"õgzvtcqtf kpct{"kvgo uö"cu"f gvgto kpgf "wpf gt"i gpgtcm{"
ceegr vgf "ceeqwpvkpi "r tkpekr ngu=

    É'   vq"kpenwf g"qt"gzenwf g"yj g"ghhgev"qh"r c{o gpv"qh"dqpwugu"wpf gt"cp{"ecuj "dqpwu"r ncpu"qh"Cf qdg=

    É'   vq"kpenwf g"qt"gzenwf g"yj g"ghhgev"qh"uvqem/dcugf "eqo r gpucvkqp"cpf lqt"f ghgttgf "eqo r gpucvkqp=

    É'   vq"kpenwf g"qt"gzenwf g"cp{"qyj gt"wpwuwcn"pqp/tgewttkpi "i ckp"qt"nquu"qt"qyj gt"gzvtcqtf kpct{"kvgo ="

    É'   vq"kpenwf g"qt"gzenwf g"yj g"ghhgevu"qh"f kxguvkwtgu."ceswkukvkqpu"qt"lqkpv"xgpwtgu=

    É'   vq"kpenwf g"qt"gzenwf g"yj g"ghhgevu"qh"f kueqpvkpwgf "qr gtcvkqpu"yj cv"f q"pqv"s wcnkh{"cu"c"ugi o gpv"qh"c"
dwukpguu"wpvkn"wpf gt"i gpgtcm{"ceegr vgf "ceeqwpvkpi "r tkpekr ngu=

    É'   vq"kpenwf g"qt"gzenwf g"yj g"ghhgev"qh"cp{"ej cpi g"kp"yj g"qwuvcpf kpi "uj ctgu"qh"Uvqem"d{"tgcuqp"qh"cp{"
uvqem"f kxkf gpf "qt"ur nkv."uvqem"tgr wtej cug."tgqti cpk| cvkqp."tgecr kvcn| cvkqp."o gti gt."eqpuqnkf cvkqp."
ur kp/qhh."eqo dkpcvkqp"qt"gzej cpi g"qh"uj ctgu"qt"yj gt"uko knct"eqtr qtcvg"ej cpi g."qt"cp{"f kuvtkdwvkqpu"vq"
eqo o qp"uvqemj qnf gtu"qyj gt"yj cp"tgi wnct"ecuj "f kxkf gpf u=

    É'   vq"tghngev"uj kr r cdng"dcemqi ="cpf

    É'   vq"kpenwf g"qt"gzenwf g"yj g"co qtvk| cvkqp"qh"r wtej cugf "kpvcpi kdngu."vgej pqnqi {"nkegpug"cttcpi go gpvu"
cpf "kpeqo r ngvg"vgej pqnqi {0

    Vj g"vcti gv"ngxgnu"y kj "tgur gevq"yj gug"r gthqto cpeg"i qcnu"kpenwf kpi "yj g"pgy "i qcnu."kh"cr r tqxgf "d{"qwt"
uvqemj qnf gtu"cv"qwt"4234"Cppwcn"O ggvkpi "qh"Uvqemj qnf gtu."o c{"dg"gzr tguugf "cu"cp"cduqnwvg"xcnwg"qt"cu"c"xcnwg"
f gvgto kpgf "tgncvkxg"vq"c"uvcpf ctf "ugngevgf "d{"yj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg0Kp"guvcdnkuj kpi "c"r gthqto cpeg"
i qcn"yj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg"o c{"r tqxkf g"yj cv"r gthqto cpeg"yj cm"dg"cr r tqr tkcvgn{"cf lwuvgf "hqt"
ej cpi gu"kp"ceeqwpvkpi "uvcpf ctf u."tguvtwewtkpi "ej cti gu."cpf "uko knct"gzvtcqtf kpct{"kvgo u"cu"qwwukf gf "kp"yj g"4225"Rncp0

    Hqmqy kpi "eqo r ngvkqp"qh"yj g"cr r nkecdng"r gthqto cpeg"r gtkqf ."yj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg"y kmi "
egtvkh{"yj g"gzvgpv"vq"y j kej "yj g"cr r nkecdng"r gthqto cpeg"i qcnu"j cxg"dggp"cw\ckpgf "cpf "yj g"tguwnkpi "xcnwg"vq"dg"r ckf "vq"
yj g"r ctvkekr cpv0Vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg"o c{"yj gty kug"o cmg"r qukvkxg"qt"pgi cvkxg"cf lwuvo gpvu"vq"
r gthqto cpeg"cy ctf "r c{o gpvu"vq"r ctvkekr cpvu"vq"tghngev"yj g"r ctvkekr cpvu"kpf kxkf wcn"qd"r gthqto cpeg"qt"qyj gt"hcevqtu"
f gvgto kpgf "d{"yj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg="j qy "gxgt."kh"f gf wevkdknkv{"qh"yj g"eqo r gpucvkqp"ku"f guktgf "hqt"c"
õeqxgtgf "go r nq{gg"y kj kp"yj g"o gcpkpi "qh"Ugevkqp"384*o +"qh"yj g"Eqf g."yj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg"
tgvckpu"yj g"f kuetgvkqp"vq"o cmg"pgi cvkxg"qt"tgf weg."dwv"pqv"rqukvkxg."yj g"co qwpv"yj cv"y qwf "yj gty kug"dg"r c{cdng"qp"yj g"dcuku"
qh"yj g"r gthqto cpeg"i qcnu"cwckpgf 0Vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg"o c{"r tqxkf g"hqt"r gthqto cpeg"cy ctf "
r c{o gpvu"kp"nwo r "uwo u"qt"kpuvcmn gpvu0Vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg"o c{"cnuq"r tqxkf g"hqt"yj g"r c{o gpv"qh"
f kxkf gpf "gswkxcngpvu"y kj "tgur gev"vq"cej "f kxkf gpf u"r ckf "qp"yj g"eqo o qp"uvqemuwdlgev"vq"yj g"r gthqto cpeg"cy ctf 0
I gpgtcm{."r gthqto cpeg"cy ctf u"o c{"pqv"dg"uqmf "qt"vtcpuhgttgf "qyj gt"yj cp"d{"y kmn"qt"yj g"ncy u"qh"f guegpv"cpf "
f kuvtkdwvkqp0

    Rgthqto cpeg"uj ctgu"i tcpvgf "r tkqt"vq"hkuecn"{gct"4232"xguv"47'   qp"yj g"ncvgt"qh"yj g"egtvkhkecvkqp"d{"yj g"
Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg"qh"yj g"cej kgxgo gpv"qh"yj g"r gthqto cpeg"i qcnu"cpf "yj g"qpg/{gct"cppkxgtuct{"qh"yj g"

i tcpv'f cvg0'Vj g''tgo ckpkpi '97' "ku'uwdlgev'\q''ko g/dcuge 'cppwcn'xguvkpi ''kp'gs wcn'kpuvcnn gpvu'qxgt'\j g''pgzv'\j tgg''{gctu0'
Rgthqto cpeg'uj ctgu'i tcpvgf 'kp'qt'chvgt 'hkuecn'{gct'4232'xguv''qpg/vj ktf 'wr qp'\j g''ncvgt 'qh'\j g''egtvkhkecvkqp'd{ 'qwt'
Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'qh'\j g''cej kgxgo gpv'qh'\j g''rgthqto cpeg'i qcnu'cpf '\j g''qpg/{gct'cppkxgtuct{ 'qh'\j g''
i tcpv'f cvg0'Vj g''tgo ckpkpi ''y q/vj ktf u'ku'uwdlgev'\q''ko g/dcuge 'cppwcn'xguvkpi ''kp'gs wcn'kpuvcnn gpvu'qxgt'\j g''pgzv'\y q'
{gctu0

"   ***Change of Control.*** Hqt'cy ctfu'i tcpvgf 'r tkqt'\q''Lcpwct{ '46.'422: .'c'öEj cpi g'qh'Eqpvtqnö'wpfgt'\j g'4225'Rncp'
o gcpu'cp{ 'qh'\j g''hqnnqy kpi ''gxgpvu''qt'ugtkgu'qh'tgncvgf ''gxgpvu+'y j kej 'Cf qdgöu'uqejq qnfgtu."ko o gfkcvgn{ 'r tkqt'\q''\j g''
gxgpv.'f q'pqv'tgvckp."ko o gfkcvgn{ 'chvgt 'y j g''gxgpv.'f ktgev'qt'kpfktgev'dgpghkekcn'qy pgtuj kr 'qh'o qtg'\j cp'72'   'qh'\j g''\qvcn'
eqo dkpgf 'xqvkpi 'r qy gt'qh'qwvuvcpfkpi 'xqvkpi 'ugewtkkgu'qh'Cf qdg''qt'\j g''gpvk{ 'kpvq'y j kej 'Cf qdgöu'cuugu'y gtg''
vtcpuhgttgf <'*k+'\j g'f ktgev'qt'kpfktgev'ucng'qt'gzej cpi g'd{ 'y j g''uqejq qnfgtu'qh'cnn'qt'uwduvcpvkcn{ 'cnn'qh'xqvkpi ''uqekq'qh'
Cf qdg='\kk+'c'o gti gt'qt'eqpuqnkfcvkqp'kp'y j kej 'Cf qdg''c'r ct{ ='\kkk+'\j g''ucng.'gzej cpi g.'qt'vtcpuhgt'qh'cnn'qt'
uwduvcpvkcn{ 'cnn'qh'Cf qdgöu'cuuguu='qt''\kx +'\ks wkf cvkqp'qt'f kuuqnwvkqp'qh'Cf qdg0'Kh'c'Ej cpi g'qh'Eqpvtqn'qeewtu.'\j g''
uwtxkxkpi ."eqpvkpwkpi ."uweeguuqt''qt'r wtej cukpi ''gpvk{ 'qt'ku'r ctgpv'o c{.'y kj qw'\j g''eqpugpv'qh'cp{ 'r ct{ekr cpv.'gkjgt '
cuuwo g'cnn'qwvuvcpfkpi ''uqejqö'qr vkqpu."TUWu'cpf ''uqejqö'cr r tgecvkqp'tki j u'qt'uwdukwvg''uwduvcpvkcn{ 'gs wkxcngpv'uqejqö'
qr vkqpu."TUWu'qt'uqejqö'cr r tgekcvkqp'tki j u'hqt'ku'uqejqö0'Kh'\j g''qwvuvcpfkpi ''uqejqö'qr vkqpu."TUWu'cpf ''uqejqö'cr r tgekcvkqp'
tki j u''ctg'pqv'cuuwo gf ''qt'uwdukwgf ."\j gp'cnn''wpgzgtekug{ 'cpf ''wpxguvgf 'r qt\vkqpu'qh'uwej 'qwvuvcpfkpi 'cy ctfu'y knn'
dgeqo g''ko o gfkcvgn{ 'gzgtekucdng''cpf 'xguvgf '\kp'hwnn0'Cp{ 'uqejqö'qr vkqpu."TUWu'qt'uqejqö'cr r tgekcvkqp'tki j u'y j kej ''ctg'pqv'
cuuwo gf 'kp'eqppgevkqp'y kj 'c'Ej cpi g'qh'Eqpvtqn'qt'gzgtekugf 'r tkqt'\q''\j g'Ej cpi g'qh'Eqpvtqn'y knn'vgto kpcvg''ghhgevkxg'cu'
qh'\j g''ko g''qh'\j g'Ej cpi g''qh'Eqpvtqn0

         Hqt'cy ctfu'i tcpvgf 'qp'qt'chvgt 'Lcpwct{ '46.'422: .'c'öEj cpi g'qh'Eqpvtqnö'wpfgt'\j g'4225'Rncp'o gcpu'c'ej cpi g''
qh'eqpvtqn'qh'Cf qdg'qh'c'pawtg'\j cv'y qwf 'dg'tgs wktgf '\q''dg'tgr qt\gf 'kp'tgur qpug'\q''Kgo '8*g+'qh'Uej gf wg'36C'qh''
Tgi wncvkqp'36C'r tqo wi cvgf 'wpfgt '\j g''Gzej cpi g''Cev='r tqxkfgf .'j qy gxgt.'\j cv'c'Ej cpi g'qh'Eqpvtqn'uj cnn'dg''f ggo gf 'q'
j cxg'qeewttgf 'kh<'\k+'cp 'kpfkxkfwcn'r ct\pgtuj kr .''ko o .''eqtr qtcvqp.''cuuqekcvqp.'\twuv.''wpkpeqtr qtcvgf ''qti cpk\cvqp'qt'
qyj gt''gpvk{ 'qt'cp 'u{pfkecvg''qt'i tqwr 'f ggo gf '\q''dg''c'r gtuqp''wpfgt 'Ugevkqp'36*f +*4+'qh'\j g'Gzej cpi g'Cev.'ku'
qt'dgeqo gu'\j g''ödgpghkekcn'qy pgtö''cu'f ghkpgf 'kp'Rule 13d-3 qh'\j g'I gpgtcl Twngu'cpf 'Tgi wncvkqpu'wpfgt '\j g''
Gzej cpi g'Cev+.'f ktgev{ 'qt'kpfktgev{ .'qh'ugewtkkgu'qh'Cf qdg'tgr tgugpvkpi '52'   'qt'o qtg'qh'\j g''eqo dkpgf 'xqvkpi 'r qy gt''
qh'Cf qdgöu'\j gp'qwvuvcpfkpi ''ugewtkkgu'gpvkngf '\q''xqvg'kp'\j g''ngevkqp'qh'f ktgevqtu'qh'Cf qdg='\kk+'f wtkpi 'cp 'r gtkqf 'qh''
y q'eqpugewkxg''{gctu.'kpfkxkfwcnu'y j q''cv'\j g''dgi kppkpi 'qh'uwej 'r gtkqf 'eqpuvkwgf '\j g'Dqctf 'cpf 'cp 'pgy 'f ktgevqtu.''
y j qug'gngevkqp'd{ 'y j g'Dqctf 'qt'pqo kpcvkqp'hqt'gngevkqp'd{ 'Cf qdgöu'uqejq qnfgtu'y cu'cr r tqxgf 'd{ 'c'xqvg'qh'cv'ngcu\'
three-fourths qh'\j g'f ktgevqtu'\j gp'\ukn'kp'qhhkeg'y j q''gkj gt 'y gtg'f ktgevqtu'cv'\j g'dgi kppkpi 'qh'\j g''r gtkqf 'qt'y j qug'
gngevkqp'qt'pqo kpcvkqp'hqt'gngevkqp'y cu'r tgxkqwun 'uq'cr r tqxgf .'egcug'hqt'cp 'tgcuqp'\q''eqpuvkwg''c'o clqtkv{ 'y j gtgqh='
*kkk+'\j gtg'qeewtu'c'tgeti cpk\cvqp.'o gti gt.''eqpuqnkfcvqp'qt'qyj gt'eqtr qtcvg''tcpucevkqp'kpxqnxkpi 'Cf qdg.'kp'gcej 'ecug'
y kj 'tgur gev'\q''y j kej '\j g''uqejq qnfgtu'qh'Cf qdg''ko o gfkcvgn{ 'r tkqt'\q''uwej 'vtcpucevkqp'f q''pqv.''ko o gfkcvgn{ 'chvgt 'y j g''
vtcpucevkqp.'qy p'ugewtkkgu'tgr tgugpvkpi '0o qtg'y j cp'72'   'qh'\j g''eqo dkpgf 'xqvkpi 'r qy gt'qh'Cf qdg.'c'r ctgpv'qh'Cf qdg'qt'
qyj gt''eqtr qtcvkqp'tguwnkpi ''htqo ''uwej 'vtcpucevkqp'*eqwpvkpi .'hqt'kju''r wtr qug.''qpn 'y j qug'ugewtkkgu'j gnf 'd{ 'Cf qdgöu'
uqejq qnfgtu'ko o gfkcvgn{ 'chvgt 'y j g''vtcpucevkqp'y cv'y gtg''tgegkxgf 'kp'gzej cpi g''hqt.'qt'\j gt'tgr tgugpv'\j gkt'eqpvkpwkpi ''
qy pgtuj kr 'qh'ugewtkkgu'qh'Cf qdg'j gnf 'd{ 'y j go ''ko o gfkcvgn{ 'r tkqt'\q''y j g''vtcpucevkqp+='\kx +'cnn'qt'uwduvcpvkcn{ 'cnn'qh'\j g''
cuuguu'qh'Cf qdg'ctg'uqnf .'ks wkf cvgf 'qt'f kuvtkdwgf =''qt''x +'\j gtg'ku'c''öEj cpi g'qh'Eqpvtqnö'qt''c''öej cpi g'kp'\j g''ghhgevkxg''
eqpvtqnö'qh'Cf qdg'y kj kp'\j g'o gcpkpi 'qh'Ugevkqp'4: 2I '''qh'\j g'Eqfg0

         Kh'c'Ej cpi g'qh'Eqpvtqn'qeewtu.'\j g''uwtxkxkpi .''eqpvkpwkpi .''uweeguuqt''qt'r wtej cukpi ''gpvk{ 'qt'ku'r ctgpv'o c{.''
y kj qw'\j g''eqpugpv'qh'cp 'r ct\ekr cpv.'gkj gt 'cuuwo g'Cf qdgöu'tki j u'cpf 'qdnki cvqpu'wpfgt 'qwvuvcpfkpi 'cy ctfu'qt''
uwdukwg''uwduvcpvkcn{ 'gs wkxcngpv'gs wk{ 'cy ctfu0'Kh'\j g''ecs wktkpi ''gpvk{ 'gngevu''pqv'\q''f q''uq.''y j gp'cnn''wpgzgtekug{ 'cpf ''
wpxguvgf 'r qt\vkqpu'qh'cnn''qwvuvcpfkpi ''cy ctfu'y knn'dgeqo g''ko o gfkcvgn{ 'gzgtekucdng''cpf 'xguvgf 'kp'hwnn0'Cp{ 'cy ctfu'y j kej ''
ctg'pqv'cuuwo gf 'qt'tgr ncegf 'kp'eqppgevkqp'y kj 'c'Ej cpi g'qh'Eqpvtqn'qt'gzgtekugf 'r tkqt'\q''\j g'Ej cpi g'qh'Eqpvtqn'y knn'
vgto kpcvg''ghhgevkxg''cu'qh'\j g''ko g''qh'\j g'Ej cpi g'qh'Eqpvtqn0

         Gs wk{ 'cy ctfu'i tcpvgf '\q''f ktgevqtu'y knn'hwnn 'ceegngtcvg''cu'qh''ko o gfkcvgn{ 'r tkqt'\q''\j g''ghhgevkxg''f cvg'qh'c''
Ej cpi g'qh'Eqpvtqn'uwdlgev'\q''\j g''eqpuwo o cvkqp'qh'\j g'Ej cpi g'qh'Eqpvtqn0

         Vj g''Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'j cu''tqxkfgf .''cpf 'o c{''r tqxkfg'kp'\j g''hwwtg.''cf f kvkqpcn'dgpghkku'
wr qp'c''Ej cpi g'qh'Eqpvtqn'qt'qyj gt 'uko knct'\tcpucevkqpu0'Hqt'gzco r ng.'qwt 'gzgewkxg''qhhkegtu'ctg'gkj gt 'eqxgtgf 'd{ '\j g''
vgto u'qh'c''ugr ctcvg'\tgvgpvkqp'ci ggo gpv'qt'cp'Gzgewkxg'Ugxgtcpeg'Rncp'kp'\j g'Gxgpv'qh'c'Ej cpi g'qh'Eqpvtqn'y j kej ''
r tqxkfg'hqt'egtvckp'ceegngtcvkqp'dgpghkku'cr r nkecdng'\q''gs wk{ 'eqo r gpucvkqp'cy ctfu'kp'\j g''gxgpv'qh'c'Ej cpi g'qh'Eqpvtqn'
*ugg''öEqo r gpucvkqp'F kuewuukqp'cpf 'Cpcn{ukuô''Ugxgtcpeg''cpf 'Ej cpi g'qh'Eqpvtqn'Eqo r gpucvkqpö'cpf 'öGzgewkxg''
Eqo r gpucvkqpô Ej cpi g'qh'Eqpvtqnö''eqpvckpgf 'kp'\j ku'r tqz{ 'uvavgo gpv'hqt'o qtg'kphqto avkqp+0

46

" ***Termination or Amendment.*** Vj g"4225"Rncp"y km"eqpvkpwg"kp"ghhgev"wpvkn"vj g"hktuv"vq"qeewt"qh"*k+"ku"vgto kpcvkqp" d{"vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg."qt"*kk+"vj g"fcvg"qp"y jkej"cnn"uj ctgu"cxckncdng"hqt"kuuwcpeg"wpfgt"vj g"4225" Rncp"j cxg"dggp"kuuwgf"cpf"cnn"tguvtkevkqpu"qp"uwej "uj ctgu"wpfgt"vj g"vgto u"qh"vj g"4225"Rncp"cpf"vj g"ci tggo gpvu" gxkfgpekpi "cy ctfu"i tcpvgf"wpfgt"vj g"4225"Rncp"j cxg"nc r ugf0Cnn"kpegpvkxg"uvqem"qr vkqpu"o wuv"dg"i tcpvgf."kh"cv"cnn" y kj kp"vgp"{gctu"htqo "vj g"gctnkgt"qh"vj g"fcvg"vj g"4225"Rncp"ku"cf qr vgf."cu"co gpfgf."d{"vj g"Dqctf"*"qt"vj g"Gzgewvkxg" Eqo r gpucvkqp"Eqo o kvgg+"qt"vj g"fcvg"vj g"4225"Rncp"ku"f wn{"cr r tqvgf."cu"co gpfgf."d{"qwt"uvqemj qnf gtu0Vj g tghqtg." ewttgpvn{"pq"kpegpvkxg"uvqem"qr vkqpu"o c{"dg"i tcpvgf"wpfgt"vj g"4225"Rncp"qp"qt"chvgt"Cr tkn"38."4242."vj g" 32vj "cppkxgtuct{"qh"vj g"nc uv"co gpf o gpv"vq"vj g"4225"Rncp"cr r tqxgf"d{"qwt"uvqemj qnf gtu0

Vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kvgg"o c{"vgto kpcvg"qt"co gpf "vj g"4225"Rncp"cv"cp{"vko g."r tqxkf gf"vj cv" y kj qwt"uvqemj qnf gt"cr r tqxcn"vj g"4225"Rncp"ecppqv"dg"co gpf gf "vq"kpetgcug"vj g"uj ctg"tgugtxg."ej cpi g"vj g"encuu"qh" r gtuqpu"gnki kdng"vq"tgegkxg"kpegpvkxg"uvqem"qr vkqpu"qt"ghhgev"cp{"qvj gt"ej cpi g"cv"y qwf"tgswktg"uvqemj qnf gt"cr r tqxcn" wpfgt"cp{"cr r nkecdng"nc y 0P q"vgto kpcvkqp"qt"co gpf o gpv"o c{"chhgev"cp{"qwvuvcpf kpi "cy ctf "wpnguu"gzr tguun{"r tqxkf gf " d{"vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kvgg."cpf ."kp"cp{"gxgpv."o c{"pqv"cf xgtugn{"chhgev"cp{"qwvuvcpf kpi "cy ctf "y kj qwv" vj g"eqpugpv"qh"vj g"r ctvkekr cpv"wpnguu"pgeguuct{"vq"eqo r n{"y kj "cp{"cr r nkecdng"nc y 0

Summary of Federal Income Tax Consequences

Vj g"hqmqy kpi "uwo o ct{"ku"kpvgpfgf "qpn{"cu"c"i gpgtcn"i wkf g"vq"vj g"ewttgpv"WUU0hgf gtcn"kpeqo g"vcz" eqpugs wgpegu"qh"r ctvkekr cvkqp"kp"vj g"4225"Rncp"cpf "f qgu"pqv"cwgo r v"vq"f guetkdg"cnn"r quukdng"hgf gtcn"qt"qvj gt"vcz" eqpugs wgpegu"qh"uwej "r ctvkekr cvkqp"qt"vcz"eqpugs wgpegu"dcugf "qp"r ctvkewnct"ektewo uvcpegu0Hwtvj gt o qtg."vj g"vcz" eqpugs wgpegu"ctg"eqo r ngz"cpf "uwdlgev"vq"ej cpi g."cpf "c"vcz r c{gt’u"r ctvkewnct"ukwcvkqp"o c{"dg"uwej "vj cv"uqo g"xctkcvkqp" qh"vj g"f guetkdgf "twngu"ku"cr r nkecdng0

" ***Incentive Stock Options.*** C"r ctvkekr cpv"tgeqi pk| gu"pq"vczcdng"qtf kpct{"kpeqo g"cu"c"tguwnv"qh"vj g"i tcpv"qt" gzgtekug"qh"cp"kpegpvkxg"uvqem"qr vkqp"s wcnkh{kpi "wpfgt"Ugevkqp"644"qh"vj g"Eqf g0J qy gxgt."vj g"gzgtekug"qh"cp"kpegpvkxg" uvqem"qr vkqp"o c{"kpetgcug"vj g"r ctvkekr cpv’u"cnvgtpcvkxg"o kpko wo "vcz"nkcdknkv{."kh"cp{0

Kh"c"r ctvkekr cpv"j qnf u"uvqem"ces wktgf "vj tqwi j "vj g"gzgtekug"qh"cp"kpegpvkxg"uvqem"qr vkqp"hqt"o qtg"vj cp"vy q"{gctu" htqo "vj g"f cvg"qp"y j kej "vj g"qr vkqp"y cu"i tcpvgf "cpf "o qtg"vj cp"qpg"{gct"chvgt"vj g"f cvg"qh"vj g"qr vkqp"y cu" gzgtekugf "hqt"vj qug"uj ctgu."cp"{"i ckp"qt"nquu"qp"c"f kur qukvkqp"qh"vj qug"uj ctgu"*"c"õs wcnkh{kpi "f kur qukvkqp÷"y knn"dg"c"nqpi /" vgto "ecr kvcn"i ckp"qt"nquu0Wr qp"uwej "c"s wcnkh{kpi "f kur qukvkqp."Cf qdg"y knn"pqv"dg"gpvkungf "vq"cp"{kpeqo g"vcz"f gf wevkqp0

I gpgtcn{."kh"vj g"r ctvkekr cpv"f kur qugu"qh"vj g"uvqem"dghqtg"vj g"gz r ktcvkqp"qh"gkj gt"qh"vj qug"j qnf kpi "r gtkqf u"*"c" õf kus wcnkh{kpi "f kur qukvkqp÷+"cv"qp"cv"vj g"ko g"qh"uwej "f kus wcnkh{kpi "f kur qukvkqp"vj g"r ctvkekr cpv"y knn"tgeni g"vczcdng" qtf kpct{"kpeqo g"gs wcn"vq"vj g"nguugt"qh"*k+"vj g"gzeguu"qh"vj g"uvqem’u"hckt"o ctmgv"xcnwg"qp"vj g"f cvg"qh"gzgtekug"qxgt"vj g" gzgtekug"r tkeg."qt"*kk+"vj g"r ctvkekr cpv’u"cewcn"i ckp."kh"cp{."qp"vj g"r wtej cug"cpf "ucng0Vj g"r ctvkekr cpv’u"cf f kvkqpcn"i ckp"qt" cp{"nquu"wr qp"vj g"f kus wcnkh{kpi "f kur qukvkqp"y knn"dg"c"ecr kvcn"i ckp"qt"nquu."y j kej "y knn"dg"npi "vgto "qt"uj qtv/vgto " f gr gpf kpi "qp"y j gvj gt"vj g"uvqem"y cu"j gnf "hqt"o qtg"vj cp"qpg"{gct0Vq"vj g"gzvgpv"vj g"r ctvkekr cpv"tgeqi pk| gu"qtf kpct{" kpeqo g"d{"tgcuqp"qh"c"f kus wcnkh{kpi "f kur qukvkqp."i gpgtcn{."Cf qdg"y knn"dg"gpvkungf "*"uwdlgev"vq"vj g"tgs wktgo gpv"qh" tgcuqpcdngpguu."vj g"r tqxkukqpu"qh"Ugevkqp"384"o +"qh"vj g"Eqf g."cpf "vj g"ucvkuhcevkqp"qh"c"vcz"tgr qtvkpi "qdnki cvkqp+"vq"c" eqttgur qpf kpi "kpeqo g"vcz"f gf wevkqp"kp"vj g"vcz"{gct"kp"y j kej "vj g"f kus wcnkh{kpi "f kur qukvkqp"qeewtu0

" ***Nonstatutory Stock Options.*** Uvqem"qr vkqpu"pqv"f guki pcvgf "qt"s wcnkh{kpi "cu"kpegpvkxg"uvqem"qr vkqpu"ctg" pqpuvcwwqt{"uvqem"qr vkqpu"j cxkpi "pq"ur gekcn"vcz"uvcwu0C"r ctvkekr cpv"i gpgtcn{"tgeqi pk| gu"pq"vczcdng"qtf kpct{"kpeqo g" cu"vj g"tguwnv"qh"i tcpv"qh"uwej "c"uvqem"qr vkqp0Wr qp"gzgtekug"qh"c"pqpuvcwwqt{"uvqem"qr vkqp."vj g"r ctvkekr cpv"pqto cn{" tgeqi pk| gu"qtf kpct{"kpeqo g"kp"vj g"co qwpv"qh"vj g"f khhgtgpeg"dgwy ggp"vj g"uvqem"qr vkqp"gzgtekug"r tkeg"cpf "vj g"hckt"o ctmgv" xcnwg"qh"vj g"uj ctgu"qp"vj g"f cvg"qh"r wtej cug0I gpgtcn{."Cf qdg"y knn"dg"gpvkungf "*"uwdlgev"vq"vj g"tgs wktgo gpv"qh" tgcuqpcdngpguu."vj g"r tqxkukqpu"qh"Ugevkqp"384"o +"qh"vj g"Eqf g."cpf "vj g"ucvkuhcevkqp"qh"c"vcz"tgr qtvkpi "qdnki cvkqp+"cp" kpeqo g"vcz"f gf wevkqp"kp"vj g"vcz"{gct"kp"y j kej "uwej "qtf kpct{"kpeqo g"ku"tgeqi pk| gf "d{"vj g"r ctvkekr cpv0

Wr qp"vj g"f kur qukvkqp"qh"uvqem"ces wktgf "d{"vj g"gzgtekug"qh"c"pqpuvcwwqt{"uvqem"qr vkqp."cp"{i ckp"qt"nquu."dcugf " qp"vj g"f khhgtgpeg"dgwy ggp"vj g"ucng"r tkeg"cpf "vj g"hckt"o ctmgv"xcnwg"qp"vj g"gzgtekug"f cvg."y knn"dg"vczgf "cu"ecr kvcn"i ckp"qt" nquu0

" ***Stock Appreciation Rights.*** C"r ctvkekr cpv"tgeqi pk| gu"pq"vczcdng"qtf kpct{"kpeqo g"wr qp"vj g"tgegkr v"qh"c"uvqem" cr r tgekcvkqp"tki j v0Wr qp"vj g"gzgtekug"qh"c"uvqem"cr r tgekcvkqp"tki j v."vj g"r ctvkekr cpv"y knn"tgeqi pk| g"qtf kpct{"kpeqo g"kp"cp" co qwpv"gs wcn"vq"vj g"eceguu"qh"vj g"hckt"o ctmgv"xcnwg"qh"vj g"wpfgtn{kpi "uj ctgu"qh"eqo o qp"uvqem"qp"vj g"gzgtekug"f cvg"qxgt"

47

yj g"gzgtekug"r tkeg0"Kh"yj g"r ctvkekr cpv"ku"cp"go rmq{gg."uwej "qtf kpct{"kpeqo g"i gpgtcm{"ku"uwdlgev"vq"y kyj qnf kpi "qh"
kpeqo g"cpf "go rmq{o gpv"czgu0"Cf qdg"i gpgtcm{"uj qwnf "dg"gpvknvgf "vq"c"f gf wevkqp"gs wcn"vq"yj g"co qwpv"qh"qtf kpct{"
kpeqo g"tgeqi pk| gf "d{"yj g"r ctvkekr cpv"kp"eqppgevkqp"y kyj "yj g"gzgtekug"qh"yj g"uvqem"crr tgekcvkqp"tki j v."gzegr v"vq"yj g"
gzvgpv"uwej "f gf wevkqp"ku"nko kvgf "d{"crr nkecdng"r tqxkukqpu"qh"yj g"Eqf g0

"   ***Stock Bonuses and Stock Purchase Rights.*** C"r ctvkekr cpv"ces wktkpi "tguvtkevgf "uvqem"i gpgtcm{"y knn"tgeqi pk| g"
qtf kpct{"kpeqo g"gs wcn"vq"yj g"f kkhgtgpeg"dgvy ggp"yj g"hckt"o ctmgv"xcnwg"qh"yj g"uj ctgu"qp"yj g"f kfgtto kpcvkqp"f cvg"ö"*cu"
f ghkpgf "dgnqy +"cpf "yj g"r ctvkekr cpvu"r wtej cug"r tkeg."kh"cp{0"Kh"yj g"r ctvkekr cpv"ku"cp"go rmq{gg."uwej "qtf kpct{"kpeqo g"
i gpgtcm{"ku"uwdlgev"vq"y kyj qnf kpi "qh"kpeqo g"cpf "go rmq{o gpv"czgu0"Vj g"f kfgtto kpcvkqp"f cvg"ö"ku"yj g"f cvg"qp"y j ej "
yj g"r ctvkekr cpv"ces wktgu"yj g"uj ctgu"wpnguu"yj g"*ctg"uwdlgev"vq"c"uwduvcpvkcn"tkum"qh"hqthgkvwtg"cpf "ctg"pqv"vtcpuhgtcdng."kp"
y j ej "ecug"yj g"f gvgto kpcvkqp"f cvg"ku"yj g"gctnkgt"qh"*k+"yj e"f cvg"qp"y j ej "yj g"uj ctgu"dgeqo g"tcpuhgtcdng."qt "*kk+"yj e"f cvg"
qp"y j ej "yj g"uj ctgu"ctg"pq"nqpi gt"uwdlgev"vq"c"uwdubtcpvkcn"tkum"qh"hqthgkwtg0"Kh"yj g"f gvgto kpcvkqp"f cvg"ku"chvgt"yj g"f cvg"qp"
y j ej "yj g"r ctvkekr cpv"ces wktgu"yj g"uj ctgu."yj g"r ctvkekr cpv"o c{"gngev."r wtuwcpv"vq"Ugevkqp": 5*d+"qh"yj g"Eqf g."vq"j cxg"yj g"
f cvg"qh"ces wkukkqp"dg"yj g"f gvgto kpcvkqp"f cvg"d{"hknkpi "cp"gngevkqp"y kyj "yj g"Kpvgtpcn"Tgxgpwg"Ugtxkeg"pq"ncvgt"yj cp"
52"f c{u"chvgt"yj g"f cvg"yj g"uj ctgu"ctg"ces wktgf0"Wr qp"yj g"ucng"qh"uj ctgu"ces wktgf "r wtuwcpv"vq"c"tguvtkevgf "uqem"cy ctf ."
cp{"i ckp"qt"nquu."dcugf "qp"yj g"f kfgtgpeg"dgvy ggp"yj g"ucng"r tkeg"cpf "yj g"hckt"o ctmgv"xcnwg"qp"yj g"f gvgto kpcvkqp"f cvg."
y knn"dg"czgf "cu"c"ecr kcn"i ckp"qt"nquu0"Uwej "i ckp"qt"nquu"y knn"dg"nqpi "vgto "qt"uj qtv"vgto "f gr gpfkpi "qp"y j gyj gt"yj g"uqem"
y cu"j gnf "hqt "o qtg"yj cp"qpg"{gct0"Cf qdg"y knn"dg"gpvknvgf "*uwdlgev"vq"yj g"tgs wktgo gpv"qh"tgcuqpcdngpguu."yj g"r tqxkukqpu"
qh"Ugevkqp"384 *o +"qh"yj g"Eqf g."cpf "yj g"ucvkufcevkqp"qh"c"czg"tgr qtvkpi "qdnki cvkqp+"vq"c"eqttgur qpf kpi "kpeqo g"czg"
f gf wevkqp"kp"yj g"{gct"kp"y j ej "qtf kpct{"kpeqo g"ku"tgeqi pk| gf "d{"yj g"r ctvkekr cpv0

"   ***Restricted Stock Units.*** P q"czcdng"kpeqo g"ku"tgeqi pk| gf "wr qp"tgegkr v"qh"cp"TUW"cy ctf 0"Kp"i gpgtcn"yj g"
r ctvkekr cpv"y knn"tgeqi pk| g"qtf kpct{"kpeqo g"kp"yj g"{gct"kp"y j ej "yj g"uj ctgu"uwdlgev"vq"yj cv"cy ctf "xguv"cpf "ctg"cewwcn{"
kuuwgf "vq"yj g"r ctvkekr cpv"kp"cp"co qwpv"gs wcn"vq"yj g"hckt"o ctmgv"xcnwg"qh"yj g"uj ctgu"qp"yj g"f cvg"qh"kuuwcpeg0Cf qdg"y knn'
dg"gpvknvgf "*uwdlgev"vq"yj g"tgs wktgo gpv"qh"tgcuqpcdngpguu."yj g"r tqxkukqpu"qh"Ugevkqp"384 *o +"qh"yj g"Eqf g."cpf "yj g"
ucvkufcevkqp"qh"c"czg"tgr qtvkpi "qdnki cvkqp+"vq"cp"kpeqo g"czg"f gf wevkqp"gs wcn"vq"yj g"co qwpv"qh"qtf kpct{"kpeqo g"
tgeqi pk| gf "d{"yj g"r ctvkekr cpv"cv"yj g"vko g"yj g"uj ctgu"ctg"kuuwf 0"Kp"i gpgtcn"yj g"f gf wevkqp"y knn"dg"cnny gf "hqt "yj g"czcdng"
{gct"kp"y j ej "uwej "qtf kpct{"kpeqo g"ku"tgeqi pk| gf "d{"yj g"r ctvkekr cpv0

"   ***Performance Awards.*** C"r ctvkekr cpv"i gpgtcm{"y knn"tgeqi pk| g"pq"kpeqo g"wr qp"yj g"i tcpv"qh"c"r gthqto cpeg"
uj ctg"qt"c"r gthqto cpeg"wpkv"cy ctf 0"Wr qp"yj g"ugwngo gpv"qh"uwej "cy ctf u."r ctvkekr cpvu"pqto cm"y knn"tgeqi pk| g"qtf kpct{"
kpeqo g"kp"yj g"{gct"qh"tgegkr v"kp"cp"co qwpv"gs wcn"vq"yj g"ecuj "tgegkxgf ."kh"cp{."cpf "yj g"hckt"o ctmgv"xcnwg"qh"cp{"
wptguvtkevgf "uj ctgu"tgegkxgf 0Kh"yj g"r ctvkekr cpv"ku"cp"go rmq{gg."uwej "qtf kpct{"kpeqo g"i gpgtcm{"ku"uwdlgev"vq"
y kyj qnf kpi "qh"kpeqo g"cpf "go rmq{o gpv"czgu0Kh"yj g"r ctvkekr cpv"tgegkxgu"uj ctgu"qh"tguvtkevgf "uqem"yj g"r ctvkekr cpv"
i gpgtcm{"y knn"dg"czgf "kp"yj g"uco g"o cppgt"cu"f guetkdgf "cdqxg"kp"öUqem"Dqpwugu"cpf "Uqem"Rwtej cug"Tki j vu0ö"Wr qp"
yj g"ucng"qh"cp{"uj ctgu"tgegkxgf ."cp{"i ckp"qt"nquu."dcugf "qp"yj g"f kfgtgpeg"dgvy ggp"yj g"ucng"r tkeg"cpf "yj g"hckt"o ctmgv"
xcnwg"qp"yj e"f gvgto kpcvkqp"f cvg."ö"y knn"dg"czgf "cu"c"ecr kcn"i ckp"qt"nquu0Cf qdg"i gpgtcm{"uj qwnf "dg"gpvknvgf "vq"c"
f gf wevkqp"gs wcn"vq"yj g"co qwpv"qh"qtf kpct{"kpeqo g"tgeqi pk| gf "d{"yj g"r ctvkekr cpv"qp"yj g"f gvgto kpcvkqp"f cvg."gzegr v"vq"
yj g"gzvgpv"uwej "f gf wevkqp"ku"nko kvgf "d{"crr nkecdng"r tqxkukqpu"qh"yj g"Eqf g0

"   ***Potential Limitation on Deductions.*** Ugevkqp"384 *o +"qh"yj g"Eqf g"f gpkgu"c"f gf wevkqp"vq"cp{"r wdnken{"j gnf "
eqtr qtcvkqp"hqt"eqo r gpucvkqp"r ckf "vq"egtvckp"öeqxgtgf "go rmq{ggö"kp"c"czcdng{"{gct"vq"yj g"gzvgpv"yj cv"eqo r gpucvkqp"vq"
gcej "eqxgtgf "go rmq{gg"gzeggf u"&3"o knkqp0Kku"r quukdng"yj cv"eqo r gpucvkqp"cwtkdwcdng"vq"cy ctf u"i tcpvgf "wpfgt"yj g"
4225 Rncp."y j gp"eqo dkpgf "y kyj "cm"qyj gt"v{r gu"qh"eqo r gpucvkqp"tgegkxgf "d{"c"eqxgtgf "go rmq{gg"htqo "Cf qdg."o c{"
ecwug"yj ku"nko kcvkqp"vq"dg"gzeggfgf "kp"cp{"r ctvkewnct"{gct0J qy gxgt."egtvckp"mkpf u"qh"eqo r gpucvkqp."kpenwf kpi "s wcnkkfgf "
ör gthqto cpeg/dcugf "eqo r gpucvkqp.ö"ctg"f kutgi ctf gf "hqt "r wtr qugu"qh"yj g"f gf wevkqp"nko kcvkqp0

            Kp"ceeqtf cpeg"y kyj "Vtgcuwt{"Tgi wncvkqpu"kuuwgf "wpfgt"Ugevkqp"384 *o +"qh"yj g"Eqf g."eqo r gpucvkqp"cwtkdwcdng"
vq"uqem"qr vkqpu"cpf "uqem"crr tgekcvkqp"tki j vu"y knn"s wcnkf{"cu"r gthqto cpeg/dcugf "eqo r gpucvkqp"kh"*"*k+"uwej "cy ctf u"ctg"
crr tqxgf "d{"c"eqo r gpucvkqp"eqo o kwgg"eqo r tkugf "uqngn{"qh"öqwukfg"f ktgevqtu.ö"*kk+"yj g"r ncp"eqpvckpu"c"r gt/go rmq{gg"
nko kcvkqp"qp"yj g"pwo dgt"qh"uj ctgu"hqt"y j ej "uwej "cy ctf u"o c{"dg"i tcpvgf "f wtkpi "c"ur gekfkgf "r gtkqf ."*kkk+"yj g"vgto u"qh"
yj g"r ncp."kpenwf kpi "yj g"r gt/go rmq{gg"nko kcvkqp"qp"i tcpv"uk| g."ctg"crr tqxgf "d{"yj g"uqemj qnfgtu."cpf "*kx+"yj g"gzgtekug"qt"
uvtkmg"r tkeg"qh"yj g"cy ctf "ku"pq"nguu"yj cp"yj g"hckt"o ctmgv"xcnwg"qh"yj g"uqem"qp"yj g"f cvg"qh"i tcpv0Kp"tgnkcpeg"qp"ku"twng."
cu"hwtyj gt "f guetkdgf "kp"yj g"Eqo r gpucvkqp"F kuewuukqp"cpf "Cpcn{uku"dgnqy ."kv"ku"kpvgpf gf "yj cv"yj g"Gzgewkxg"
Eqo r gpucvkqp"Eqo o kwgg"o c{"i tcpv"uqem"qr vkqpu"cpf "uqem"crr tgekcvkqp"tki j vu"wpfgt"yj g"4225 Rncp"yj cv"s wcnkf{"cu"
r gthqto cpeg/dcugf "eqo r gpucvkqp"yj cv"ku"gzgo r v"htqo "yj g"&3"o knkqp"f gf wevkqp"nko kcvkqp0

48

Eqo r gpucvkqp'cwtkdwcdng'vq'uvqem'dqpwu'cy ctf u.'uvqem'r wtej cug'tki j vu.'TUWu.'r gthqto cpeg'uj ctgu'cpf '' r gthqto cpeg'wpku'y km'u wcrkh{'cu'r gthqto cpeg-dcugf 'eqo r gpucvkqp.'r tqxkf gf 'vj cv'*k+'vj g'cy ctf 'ku'crr tqxgf 'd{'c'' eqo r gpucvkqp'eqo o kwgg'eqo r tkugf 'uqrgn{'qh'ōqwwukf g'f ktgevqtuö='kk+'vj g'cy ctf 'ku'i tcpvgf '*qt'xguvu+'dcugf 'wr qp'vj g'' cej kgxgo gpv'qh'cp'qdlgevkxg'r gthqto cpeg'i qcn'uvcdrkuj gf 'kp'y tkvkpi 'd{'vj g'eqo r gpucvkqp'eqo o kwgg'y kng'vj g'' qwweqo g'ku'uwduvcpvkcn{'wpegtvckp=*kkk+'vj g'eqo r gpucvkqp'eqo o kwgg'egtvkhkgu'kp'y tkvkpi 'r tkqt'vq'vj g'i cpv'*qt'xguvkpi .'' cu'crr rkecdng+'qh'vj g'cy ctf 'vj cv'vj g'r gthqto cpeg'i qcn'j cu'dggp'ucvkuhkgf =cpf '*kx+'r tkqt'vq'vj g'kuuwcpee.'uvqej qrf gtu'' j cxg'crr tqxgf 'vj g'o cvgtkcn'vgto u'qh'vj g'r rcp'*kpenwf kpi 'vj g'encuu'qh'go r rq{ggu'grki kdng'hqt'cy ctf u.'vj g'dwukpguu'etkgtkc'' qp'y j kej 'vj g'r gthqto cpeg'i qcn'o c{'dg'dcugf .'cpf 'vj g'o czko wo 'co qwpv.'qt'hqto wrc'wugf 'vq'ecnewrcvg'vj g'co qwpv.'' r c{cdng'wr qp'cwckpo gpv'qh'r gthqto cpeg'i qcn+0'Kv'ku'kpvgpf gf 'vj cv'vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'o c{'i tcpv'' uvqem'dqpwu'cy ctf u.'uvqem'r wtej cug'tki j vu.'TUWu.'r gthqto cpeg'uj ctgu'cpf 'r gthqto cpeg'wpku'wpf gt'vj g'4225'Rncp'vj cv'' s wcrkh{'cu'r gthqto cpeg-dcugf 'eqo r gpucvkqp'vj cv'ku'gzgo r v'htqo 'vj g'&3'o kmkqp'f gf wevkqp'ko kvcvkqp0

New Plan Benefits

"   *Equity Awards Made in Fiscal Year 2011.* Y g'ecppqv'ewttgpvn{'f gvgto kpg'vj g'dgpghku'qt'pwo dgt'qh'uj ctgu'' uvdlgev'vq'cy ctf u'vj cv'o c{'dg'i tcpvgf 'kp'vj g'hwwtg'vq'r ctvkekr cpvu'wpf gt'vj g'4225'Rncp='vj gtghqtg.'vj g'hqmqy kpi 'vcdrg'' ugu'hqtvj 'kphqto cvkqp'y kj 'tgur gev'vq'ęuykv{'cy ctf u'o cf g'kp'hkuecn'{gct'4233'wpf gt'vj g'4225'Rncp'vq'gcej 'qh'*k+'vj g'' pco gf 'gzgewkxg'qhhkegtu'kf gpvkhkgf 'kp'vj g'ōGzgewkxg'Eqo r gpucvkqpóUwo o ct{'Eqo r gpucvkqp'Vcdrgö'eqpvckpgf 'kp'vj ku'' r tqx{'uvcvgo gpv.'*kk+'cm'ewttgpv'gzgewkxg'qhhkegtu'cu'c'i tqwr .'*kkk+'qwt'ewttgpv'pqp/gzgewkxg'qhhkegt'f ktgevqtu'cu'c'' i tqwr .'cpf '*kx+'cm'go rq{ggu'qyj gt'yj cp'gzgewkxg'qhhkegtu'cu'c'i tqwr 0

2003 Plan Grants During Fiscal Year 2011

Name	Stock Options (#)	Restricted Stock Units (#)	Performance Shares[1]		
			Threshold (#)	Target (#)	Maximum (#)
Uj cpcvpw'P ctc{gp.'Rtgukf gpv'cpf 'Ej kgh'Gzgewkxg Qhhkegt	494.222[4]	; 6.222[5]	ô	; 3.222[6]	358.722[6]
O ctk'I cttgw.'Gzgewkxg'Xkeg'Rtgukf gpv'cpf 'Ej kgh ''Hkpcpekcn'Qhhkegt	: : .222[4]	52.222[5]	ô	4; .222[6]	65.722[6]
Mgxkp'N{pej .'Ugpkqt'Xkeg'Rtgukf gpv.'Ej kgh ''Vgej pqnqi {'Qhhkegt	363.222[4]	6: .222[5]	ô	69.222[6]	92.722[6]
O cwj gy 'Vj qo r uqp.'Ugpkqt'Xkeg'Rtgukf gpv. ''Y qtrf y kf g'Hkgnf 'Qr gtcvkqpu	99.222[4]	49.222[5]	ô	48.222[6]	5; .222[6]
F cxkf 'Y cf j y cpk'Ugpkqt'Xkeg'Rtgukf gpv'cpf 'I gpgtcn ''O cpci gt.'F ki kvcn'O gf kc'Dwukpguu'Wpkv	99.222[4]	49.222[5]	ô	48.222[6]	5; .222[6]
Gzgewkxg'I tqwr '*; 'r gtuqpu+	: 39.222[4]	4: 8.222[5]	ô	486.222[6]	5; 8.222[6]
P qp/Gzgewkxg'F ktgevqt'I tqwr '*: 'r gtuqpu+	: 7.326[7]	4: .58.[7]	ô	ô	ô
P qp/Gzgewkxg'Qhhkegt'Go rq{gg'I tqwr ''*; .978'r gtuqpu+	5.446.6; : [8]	8.637.977[8]	ô	383.347[8]	463.8: : [8]

aaaaaaaaaaaaaaaaaaaaaaaaaa

[1]   Tgr tgugpvu'vj g'vcti gv'cpf 'o czko wo '*372'   'qh'vcti gv+'pwo dgt'qh'uj ctgu'qh'qwt'eqo o qp'uvqem'vj cv'eqwrf 'j cxg'' dggp'gctpgf 'cv'vj g'tgur gevkxg'r gthqto cpeg'ngxgnu'kp'ceeqtf cpeg'y kj 'vj g'vgto u'qh'qwt'4233'Rgthqto cpeg'Uj ctg'' Rtqi tco 0Qpg'vj ktf 'qh'vj g'r gthqto cpeg'uj ctgu'xguv'qp'vj g'ncvgt'qh'egtvkhkecvkqp'qh'r gthqto cpeg'tguwnu'qt'vj g'' hktuv'cppkxgtuct{'qh'vj g'f cvg'qh'i tcpv'*Lcpwct{'46.'4234+'cpf 'vj g'tgo ckpf gt'y km'xguv'kp'gs wcn'kpuvcmo gpvu'qxgt'' y q'cf f kvkqpcn'{gctu0Chvgt'vj g'4233'hkuecn'{gct'gpf .'kv'y cu'f gvgto kpgf 'vj cv'352'   'qh'vcti gv'r gthqto cpeg'uj ctg'' cy ctf u'y gtg'gctpgf 'wpf gt'vj g'vgto u'qh'vj g'4233'Rgthqto cpeg'Uj ctg'Rtqi tco 0Ugg'ōEqo r gpucvkqp'F kuewuukqp'' cpf 'Cpcn{ukuö'cpf 'vj g'ōGs wkv{'Cy ctf u'f wtkpi 'Hkuecn['gct'4233ö'vcdrg'kp'vj ku'r tqx{'uvcvgo gpv'hqt'cy ctf '' cej kgxgo gpv'cpf 'c'f kuewuukqp'qh'cewwcn'tguwnu'wpf gt'vj g'4233'Rgthqto cpeg'Uj ctg'Rtqi tco 0

[4]   I tcpvgf 'qp'Lcpwct{'46.'4233'y kj 'cp'gzgtekug'r tkeg'qh'&5605; 'r gt'uj ctg0Vj g'uvqem'qr vkqpu'xguv'316: 'r gt'' o qpvj 'qxgt'hqwt'{gctu'cpf 'gzr ktg'ugxgp'{gctu'chgt'vj g'i tcpv'f cvg0

[5]   I tcpvgf 'qp'Lcpwct{'46.'4233'y kj 'c'hckt'o ctmgv'xcnwg'qh'&5605; 'r gt'uj ctg0Vj g'TUWu'xguv'47'   'qp'gcej '' cppkxgtuct{'qh'vj g'i tcpv'f cvg'qxgt'hqwt'{gctu0

[6]   I tcpvgf 'qp'Lcpwct{'46.'4233'y kj 'c'hckt'o ctmgv'xcnwg'qh'&5605; 'r gt'uj ctg0

49

*7+"   I tcpvgf'r wtuwcpv'vq'vj g'vgtou"qh'qwt'4233'Pqp/Go rnq{gg'F ktgevqt'Eqo rgpucvkqp'Rqnke{'Y gki j vgf'cxgtci g"gzgtekug'r tkeg'qh'&55045'r gt'uj ctg'hqt'uvqemlqr vkqpu."cpf'y gki j vgf'cxgtci g'hckt'o ctmgv'xcnwg'qh'&55045'r gt"uj ctg'hqt'TUWu0Hqt'cf f kvkqpcn'kphqto cvkqp'tgi ctf kpi 'gswkv{'cy ctf'o cf g'r wtuwcpv'vq'qwt'Pqp/Go rnq{gg'F ktgevqt'Eqo rgpucvkqp'Rqnke{.'ugg'öF ktgevqt'Eqo rgpucvkqpö'kp'vj ku'r tqz{'uvcvgo gpv0

*8+"   Vj gug'gswkv{'cy ctf'tgr tgugpv'xctkqwu'pgy j ktg."cppwcn'r tqo qvkqp'cpf 'tgvgpvkqp'i ctpu'y kj 'c'y gki j vgf "cxgtci g'gzgtekug'r tkeg'qh'&5602.5'r gt'uj ctg'hqt'uvqemlqr vkqpu."cpf'c'y gki j vgf'cxgtci g'hckt'o ctmgv'xcnwg'qh"&5602.5'cpf '&5606.7'r gt'uj ctg'hqt'r gthqto cpeg'uj ctgu'cpf 'TUWu.'tgur gevkxgn{0'Hqt'cf f kvkqpcn'kphqto cvkqp"tgi ctf kpi 'vj g'vgto u'cpf 'eqpf kkqpu'qh'qwt'gswkv{'cy ctf u.'kpenwf kpi 'uvcpf ctf 'xguvkpi 'r tqxkukqpu.'ugg"öUwo o ct{'qh'vj g'4225'Rncpö'cdqxg0

Equity Awards Made in Fiscal Year 2012 and Future Equity Awards. Cnj qwi j 'y g'ecppqv'ewttgpvn{"f gvgto kpg'vj g'dgpghku'qt'pwo dgt'qh'uj ctgu'uwdlgev'vq'cy ctf'y m'o cf e'dg'i tcpvgf 'f wtkpi 'vj g'tgo ckpf gt'qh'vj g'4234" hkuecn'{gct'vq'r ctvkekr cpvu'wpf gt'vj g'4225'Rncp.'y g'f kf 'cy ctf 'qwt'cppwcn'gswkv{ 'i tcpvu'hqt'hkuecn'{gct'4234'qp" Lcpwct{'46.'4234'vq'qwt'go rnq{ggu'kpenwf kpi 'qwt'gzgewvkxg'qhhkegtu.'wpf gt'vj g'4225'Rncp0Vj g'hcti gu'r qtvkqp'qh'qwt" i tcpvu'wpf gt'vj g'4225'Rncp'ctg'v{r kecn{'o cf g'f wtkpi 'vj ku'cppwcl'Lcpwct{'i tcpv'r tqeguu.'cpf 'kh'y g'r tqr qugf 'kpetgcug'kp" vj g'uj ctg'hko kv'hqt'vj g'4225'Rncp'j cf 'dggp'kp'ghhgev'kp'Lcpwct{'4234.'y g'dgnkgxg'vj cv'vj g'cy ctf u'i tcpvgf 'vq'qwt" gzgewvkxg'qhhkegtu'cpf 'go rnq{ggu'y qwf 'pqv'j cxg'dggp'f khhgtgpv0Y g'cnuq'kuuwgf 'egtvckp'r tqo qvkqp'cpf 'pgy 'j ktg'i tcpvu" kp'hkuecn'{gct'4234'vj tqwi j 'Lcpwct{'46.'42340'Kf 'cf f kvkqp.'r wtuwcpv'vq'vj g'vgto u'qh'qwt'ewttgpv'Pqp/Go rnq{gg'F ktgevqt" Eqo rgpucvkqp'Rqnke{.'qwt'f ktgevqtu'y km'gcej 'tgegkxg.'qp'vj g'hkuv'dwukpguu'f c{'chgt'vj g'4234'Cppwcl'O ggvkpi 'qh" Uvqemj qnf gtu.'cp'cppwcl'i tcpv'qh'uvqemlqr vkqpu.'TUWu'qt'c'72 'eqo dkpcvkqp'qh'gcej '*i ngevgf 'd{'gcej 'f ktgevqt'kp'j ku'qt" j gt'f kuetgvkqp'r tkqt'vq'vj g'gpf 'qh'vj g'r tgxkqwu'hkuecn'{ct+'y kej 'y k'vgu'322 'qp'vj g'f c{'ko o gf kcvgl'r tgegf kpi 'qwt" pgzv'cppwcl'o ggvkpi 'qh'uvqemj qnf gtu0Vj g'cppwcl'i tcpv'ku'xcnwgf 'cv'&462.222'*qp'vj g'f c{'qh'i tcpv+'cpf 'ku'eqpxgtvgf " kpvq'TUWu'cpf 'qr vkqpu'cu'f guetkdgf 'kp'öF ktgevqt'Eqo rgpucvkqpö Gswkv{'Cy ctf uö'kp'vj ku'r tqz{'uvcvgo gpv0

Vj g'hqmy kpi 'vcdng'ugu'hqtvj 'kphqto cvkqp'y kj 'tgur gev'vq'i tcpvu'o cf g'kp'hkuecn'{gct'4234'vj tqwi j 'Lcpwct{'46." 4234'wpf gt'vj g'4225'Rncp'vq'gcej 'qh'*k+'vj g'pco gf 'gzgewvkxg'qhhkegtu'kf gpvkhkgf 'kp'vj g'öGzgewvkxg'Eqo rgpucvkqpö Uwo o ct{'Eqo rgpucvkqp'Vcdngö'eqpvckpgf 'kp'vj ku'r tqz{'uvcvgo gpv.'*kk+'cm'ewttgpv'gzgewvkxg'qhhkegtu'cu'c'i tqwr .'*kkk+'qwt" ewttgpv'pqp/go rnq{gg'f ktgevqtu'cu'c'i tqwr .'cpf '*kx+'cm'ewttgpv'go rnq{ggu.'qvj gt'vj cp'gzgewvkxg'qhhkegtu.'cu'c'i tqwr 0Kf " cnuq'kpenwf gu'vj g'f qnct'xcnwg'qh'vj g'cpvkekr cvgf 'cy ctf u'vq'dg'o cf g'vq'qwt'pqp/gzgewvkxg'f ktgevqtu'qp'vj g'hkuv" dwukpguu'f c{'chgt'vj g'uej gf wgf 'f cvg'qh'vj g'4234'Cppwcl'O ggvkpi 'qh'Uvqemj qnf gtu0

2003 Plan Grants During Fiscal Year 2012

| Name | Restricted Stock Units (#) | Performance Shares[1] | | | Non-Executive Director Award Dollar Value ($) |
		Threshold (#)	Target (#)	Maximum (#)	
Uj cpvcpw'Pctc{cp .'Rtgukf gpv'cpf 'Ej kgh ""Gzgewkxg'Qhhkegt (⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛)	379.722*4+	ô	379.722*5+	458.472*5+	ô
O ctml'I cttgw."Gzgewkxg'Xkeg'Rtgukf gpv'cpf ""'Ej kgh'Hkpcpekcl'Qhhkegt (⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛)	84.722*4+	ô	84.722*5+	; 5.972*5+	ô
Mgxkp'N{pej .'Ugpkqt'Xkeg'Rtgukf gpv.""'Ej kgh'Vgej pqmi {'Qhhkegt (⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛)	84.722*4+	ô	84.722*5+	; 5.972*5+	ô
O cuj gy "Vj qo r uqp.'Ugpkqt'Xkeg'Rtgukf gpv. ""'Y qtnf y kf g'Hkgnf 'Qr gtcvkqpu (⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛)	84.722*4+	ô	84.722*5+	; 5.972*5+	ô
F cxkf "Y cf j y cpk.'Ugpkqt'Xkeg'Rtgukf gpv' ""cpf 'I gpgtcl'O cpci gt." ""'F ki kcl'O gf kc'Dwukpguu'Wpkv(⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛)	77.222*4+	ô	77.222*5+	: 4.722*5+	ô
Gzgewkxg'I tqwr '*: 'r gtuqpu+(⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛)	674.372*4+	ô	674.372*5+	89: .447*5+	ô
Pqp/Gzgewkxg'F ktgevqt'I tqwr '*: 'r gtuqpu+(⬛⬛⬛⬛⬛)	ô	ô	ô	ô	3.; 42.222*6+
Pqp/Gzgewkxg'Qhhkegt'Go rnq{gg'I tqwr ""*: .; 7; 'r gtuqpu+(⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛⬛)	8.488.422*7+	ô	887.: 22*7+	; ; : .922*7+	ô

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*3+"   Tgr tgugpvu'vj g'vcti gv'cpf 'o czko wo '*372 'qh'vcti gv+'pwo dgt'qh'uj ctgu'qh'qwt'eqo o qp'uvqemvj cv'o c{'dg" gctpgf 'd{'qwt'go rnq{ggu'wpf gt'vj g'4225'Rncp'kp'ceeqtf cpeg'y kj 'vj g'vgto u'qh'qwt'4234'Rgthqto cpeg'Uj ctg" Rtqi tco 0Rgthqto cpeg'uj ctgu'y km'dg'gctpgf ."kf 'cv'cm'hqmy kpi 'qwt'4234'hkuecl'{gct'gpf .'uwdlgev'vq'vj g" cej kgxgo gpv'qh'egtvckp'r gthqto cpeg'i qcnu0Qpe'vj ktf 'qh'cp{'gctpgf 'r gthqto cpeg'uj ctgu'y qwf 'vj gp'xguv'wr qp"

vj g"rcvgt"qh"vj g"egtvkhkecvkqp"d{"qwt"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kwgg"qh"vj g"cej kgxgo gpv"qh"vj g"
r gthqto cpeg"i qcnu"cpf "vj g"qpg-{gct"cppkxgtuct{"qh"vj g"i tcpv"f cvg"*Lcpwct{"46."4235+="vj g"tgo ckpf gt"y qwnf "
xguv"kp"gs wcn"cppwcn"kpuvcnno gpvu"qxgt"vj g"pgzv"y q"{gctu0

*4+" I tcpvgf "qp"Lcpwct{"46."4234"y kj "c"hckt"o ctngv"xcnwg"qh"&520; 7"r gt"uj ctg0TUWu"i tcpvgf "cu"r ctv"qh"qwt"cppwcn"
cy ctf "r tqeguu"xguv"47' qp"gcej "cppkxgtuct{"qh"vj g"i tcpv"f cvg"qxgt"hqwt"{gctu0

*5+" I tcpvgf "qp"Lcpwct{"46."4234"y kj "c"hckt"o ctngv"xcnwg"qh"&520; 7"r gt"uj ctg0

*6+" Tgr tgugpvu"vj g"ci i tgi cvg"f qnct"xcnwg"qh"cpvkekr cvgf "cy ctf u"vq"dg"o cf g"vq"qwt"gki j v"pqp-go r rq{gg"f ktgevqtu"
wpf gt"vj g"4225"Rncp"qp"Cr tkn"35."4234"*vj g"hktuv"dwukpguu"f c{"chvgt"vj g"ej gf wngf "f cvg"qh"vj g"4234"Cppwcn"
O ggvkpi "qh"Uvqenj qrf gtu+."r wtuwcpv"vq"vj g"vgto u"qh"qwt"4234"P qp-Go r rq{gg"F ktgevqt"Eqo r gpucvkqp"Rqrke{."
dcugf "qp"vj g"xcnwcvkqp"o gvj qf "f guetkdgf "wpf gt"õF ktgevqt"Eqo r gpucvkqpô Gs wkv{"Cy ctf uö"kp"vj ku"r tqz{"
uvcvgo gpv0

*7+" Vj gug"gs wkv{"cy ctf u"tgr tgugpv"xctkqwu"pgy "j ktg."cppwcn"r tqo qvkqp"cpf "tgvgpvkqp"i tcpu"i tcpvgf "f wtkpi "hkuecn"
{gct"4234"vj tqwi j "Lcpwct{"46."4234."y kj "c"y gki j vgf "cxgtci g"hckt"o ctngv"xcnwg"qh"&520; ; r gt"uj ctg"hqt"
r gthqto cpeg"uj ctgu"cpf "TUWu0Hqr "cf f kkqpcnkphqto cvkqp"tgi ctf kpi "vj g"vgto u"cpf "eqpf kkqpu"qh"qwt"gs wkv{"
cy ctf u."kpenwf kpi "uvcpf ctf "xguvkpi "r tqxkukqpu."ugg"õUwo o ct{"qh"vj g"4225"Rncpö"cdqxg0

4;

PROPOSAL 3
RATIFICATION OF APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Vj g''Cwf kv''Eqo o kwgg''cr r qkpvgf ''MRO I ''NNR''cu''qwt''kpf gr gpf gpv''tgi kuvgtgf ''r wdmke''ceeqwpvkpi ''hkto ''hqt''vj g''hkuecn''{gct''gpf kpi ''qp''P qxgm dgt''52.''4234.''cpf ''wti gu''{qw''vq''xqvg''hqt''tcvkhecvkqp''qh''MRO I ''u''cr r qkpvo gpv0''MRO I ''j cu''cwf kvgf ''qwt''hkpcpekcn''uvcvgo gpvu''ukpeg''hkuecn''{gct''3; ; 50Cnjqwi j ''y g''ctg''pqv''tgswktgf ''vq''uggm''{qwt''cr r tqxcn''qh''vj ku''cr r qkpvo gpv.''y g''dgnkgxg''kv''ku''i qqf ''eqtr qtcvg''i qxgtpcpeg''vq''f q''uq0P q''f gvgto kpcvkqp''j cu''dggp''o cf g''cu''vq''y j cv''cevkqp''qwt''Cwf kv''Eqo o kwgg''y wf ''cmg''kh''{qw''hckn'vq''tcvkh{''vj g''cr r qkpvo gpv0Gxgp''kh''vj g''cr r qkpvo gpv''ku''tcvkhkgf .''vj g''Cwf kv''Eqo o kwgg''tgvckpu''f kuetgvkqp''vq''cr r qkpv''c''pgy ''kpf gr gpf gpv''tgi kuvgtgf ''r wdmke''ceeqwpvkpi ''hkto ''kh''kv''vj g''Cwf kv''Eqo o kwgg''eqpenwf gu''uwej ''c''ej cpi g''y qwf ''dg''kp''vj g''dguv''kpvgtguvu''qh''Cf qdg''cpf ''ku''uvqemj qnf gtu0

Y g''gzr gev''tgr tgugpvcvkxgu''qh''MRO I ''vq''dg''r tgugpv''cv''vj g''o ggvkpi ''cpf ''cxckncdng''vq''tgur qpf ''vq''cr r tqr tkcvg''swguvkqpu''d{ ''uvqemj qnf gtu0Cf f kvkqpcm{ .''vj g''tgr tgugpvcvkxgu''qh''MRO I ''y km''j cxg''vj g''qr r qtwpkv{ ''vq''o cmg''c''uvcvgo gpv''kh''vj g{ ''uq''f guktg0

Vote Required and Board Recommendation

Uvqemj qnf gt''tcvkhkecvkqp''qh''MRO I ''cu''qwt''kpf gr gpf gpv''tgi kuvgtgf ''r wdmke''ceeqwpvkpi ''hkto ''tgswktgu''vj g''chhkto cvkxg''xqvg''qh''vj g''j qnf gtu''qh''c''o clqtkv{ ''qh''vj g''xqvgu''ecuv''kp''r gtuqp''qt''d{ ''r tqz{ ''cpf ''gpvkungf ''vq''xqvg''cv''vj ku''o ggvkpi 0'Cduvgpvkqpu''cpf ''dtqmgt''pqp/xqvgu''y km''j cxg''pq''ghhgev''qp''vj g''qwveqo g''qh''vj ku''Rtqr qucn0

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THIS PROPOSAL

PRINCIPAL ACCOUNTING FEES AND SERVICES

Fwtkpi "hkuecn"{gctu"4233"cpf "4232." y g"tgvckpgf "MRO I "vq"rtqxkfg"ugtxkegu"kp"yj g"hqmqy kpi "ecvgi qtkgu"cpf " co qwpw<

Fee Category	2011	2010
Cwf kv"Hggu⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩	&5.465.;:2	&5.3;2.559
Cwf kv/Tgncvgf "Hggu⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩	646.327	52.222
Vcz "Hggu⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩	555.835	685.4:;
Cnl Qyj gt "Hggu⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩	345.422	5;3.47:
Vqvcn⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩⑩	&6.346.:;;	&6.296.::6

Audit fees "kpenwfg"yj g"cwfkv"qh"Cf qbgeu"cppwcn"hkpcpekcn"ucvgo gpvu. "tgxkgy "qh"hkpcpekcn"ucvgo gpvu"kpenwfgf "kp" gcej "qh"qwt"S wctvgtn{ "Tgrqtvu"qp"Hqto "32/S ."cpf "ugtxkegu"yj cv"ctg"pqto cn{ "rtqxkfgf "d{ "MRO I "kp"eqppgevkqp"y kyj " uvcwwqt{ "cpf "tgi wncvqt{ "hkdpi u"qt"gpi ci go gpwu"hqt"yj qug"hkuecn{ "gctu0

Audit-related fees "eqpukuv"qh"hggu"hqt"cuuwtcpeg"cpf "tgncvgf "ugtxkegu"yj cv"ctg"tgcuqpcdn{ "tgncvgf "vq"yj g" rgthqto cpeg"qh"yj g"cwfkv"qt"tgxkgy "qh"qwt"hkpcpekcn"ucvgo gpwu0Vj ku"ecvgi qt{ "kpenwfgu"hggu"tgncvgf "vq"ceeqwpvkpi / tgncvgf "eqpuwnkpi "ugtxkegu0

Tax fees "eqpukuv"qh"hggu"hqt"rtqhguukqpcn"ugtxkegu"hqt"vcz"eqo rnkcpeg. "vcz"cf xkeg"cpf "vcz"rncppkpi 0Vj ku" ecvgi qt{ "kpenwfgu"hggu"rtko ctkn{ "tgncvgf "vq"yj g"rtgrctcvkqp"cpf "tgxkgy "qh"hgf gtcn"ucvg"cpf "kpvgtpcvkqpcn"vcz"tgwwtpu"cpf " cuukucpeg"y kyj "vcz"cwfkw0

All other fees "kpenwfg"cuuwtcpeg"ugtxkegu"pqv"tgncvgf "vq"yj g"cwfkv"qt"tgxkgy "qh"qwt"hkpcpekcn"ucvgo gpwu0Vj ku" ecvgi qt{ "kpenwfgu"hggu"rtko ctkn{ "tgncvgf "vq"fwg"f knki gpeg"kp"eqppgevkqp"y kyj "rtqrqugf "ceswkukvkqpu0

Qwt"Cwfkv"Eqo o kvgg"f gvgto kpgf "yj cv"yj g"rgpf gtkpi "qh"pqp/cwfkv"ugtxkegu"d{ "MRO I "ku"eqo r cvkdng"y kyj " o ckpvckpkpi "yj g"kpf gr gpf gpeg"qh"MRO I 0

AUDIT COMMITTEE PRE-APPROVAL OF SERVICES PERFORMED BY OUR
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Kl'ku"yj g"rqnle{ "qh"qwt"Cwfkv"Eqo o kvgg"vq"rtg/cr rtqxg"cnl"cwfkv"cpf "r tgo iuukdng"pqp/cwfkv"ugtxkegu"vq"dg" r gthqto gf "d{ "MRO I 0Qwt"Cwfkv"Eqo o kvgg"r tg/cr rtqxgu"ugtxkegu"d{ "cwyj qtkz kpi "ur gekhle"rtqlgevu"y kyj kp"yj g" ecvgi qtkgu"qwvnkpgf "cdqxg. "uwdlgev"vq"c"fwf i gv"hqt"cej "ecvgi qt{0Qwt"Cwfkv"Eqo o kvgg①ej ctvgt"f gngi cvgu"vq"c" uwdeqo o kvgg"y j gp"cr rtqr tkcvg. "qt"vq"qpg"qt"o qtg"o go dgtu"qh"yj g"Cwfkv"Eqo o kvgg. "yj g"cwyj qtkv{ "vq"cf f tguu"cp{ " tgswguwu"hqt"r tg/cr rtqxcn"qh"ugtxkegu"dgvy ggp"Cwfkv"Eqo o kvgg"o ggvkpi u. "cpf "yj g"uwdeqo o kvgg"qt"o cj o go dgt"qt" o go dgtu"o wu"tgr qtv"cp{ "r tg/cr rtqxcn"f gekukqpu"vq"qwt"Cwfkv"Eqo o kvgg"cv"ku"pgzv"uej gf wngf "o ggvkpi 0

Cnl"ugtxkegu"tgncvgf "vq"cwfkv"hggu. "cwfkv/tgncvgf "hggu. "vcz"hggu"cpf "cnl"qyj gt"hggu"rtqxkfgf "d{ "MRO I "fwtkpi " hkuecn{ "gctu"4233"cpf "4232"y gtg"r tg/cr rtqxgf "d{ "yj g"Cwfkv"Eqo o kvgg"kp"ceeqtf cpeg"y kyj "yj g"r tg/cr rtqxcn"rqnle{ " f guetkdgf "cdqxg0

Hqt"o qtg"kphqto cvkqp"qp"MRO I ."r ngcug"ugg"õTgr qtv"qh"yj g"Cwfkv"Eqo o kvgg0ö

REPORT OF THE AUDIT COMMITTEE[*]

Vj g''Cwfkv''Eqo o kwggøu''tqng''kpenwf gu''yj g''qxgtukij v''qh''qwt''hkpcpekcn''ceeqwpvkpi ''cpf ''tgr qtvkpi ''r tqeguugu=''qwt u{uvgo ''qh''kpvgtpcn''ceeqwpvkpi ''cpf ''hkpcpekcn''eqpvtqnu=''qwt''gpvgtr tkug''tkum''o cpci go gpv''r tqi tco ''cpf ''qwt''eqo r nkcpeg'' y kj ''tgncvgf ''ngi cn''tgi wncvqt{''cpf ''gvj kecn''tgs wktgo gpvu0Vj g''Cwfkv''Eqo o kwgg''qxgtuggu''yj g''cr r qkpvo gpv.''eqo r gpucvkqp.'' gpi ci go gpv.''tgvgpvkqp.''tgo kpcvkqp''cpf ''ugtxkegu''qh''qwt''kpf gr gpf gpv''tgi kuvgtgf ''r wdnke''ceeqwpvkpi ''hkto .''kpenwf kpi '' eqpf wevkpi ''c''tgxkgy ''qh''kvu''kpf gr gpf gpeg=''tgxkgy kpi ''cpf ''cr r tqxkpi ''yj g''ncppf ''ueqr g''qh''qwt''cppwcn''cwf kv''qxgtuggkpi '' qwt''kpf gr gpf gpv''tgi kuvgtgf ''r wdnke''ceeqwpvkpi ''hkto øu''cwf kv''y qtm=tgxkgy kpi ''cpf ''r tg/cr r tqxkpi ''cp{''cwf kv''cpf ''pqp/cwf kv'' ugtxkegu''yj cv''o c{''dg''r gthqto gf ''d{''kv=tgxkgy kpi ''y kj ''o cpci go gpv''cpf ''qwt''kpf gr gpf gpv''tgi kuvgtgf ''r wdnke''ceeqwpvkpi '' hkto ''yj g''cf gs wce{''qh''qwt''kpvgtpcn''hkpcpekcn''cpf ''f kuenquwtg''eqpvtqnu=tgxkgy kpi ''qwt''etkvkecn''ceeqwpvkpi ''r qnkekgu''cpf ''yj g'' cr r nkecvkqp''qh''ceeqwpvkpi ''r tkpekr ngu=''o qpkqtkpi ''yj g''tqvcvkqp''qh''r ctvpgtu''qh''qwt''kpf gr gpf gpv''tgi kuvgtgf ''r wdnke'' ceeqwpvkpi ''hkto ''qp''qwt''cwf kv''gpi ci go gpv''gco ''cu''tgs wktgf ''d{''tgi wncvkqp=''cpf ''qxgtuggkpi ''yj g''r gthqto cpeg''qh''qwt'' kpvgtpcn''cwf kv''hwpevkqp0Vj g''Cwf kv''Eqo o kwgg''guvcdnkuj gu''r tqegf wtgu.''cu''tgs wktgf ''wpf gt''cr r nkecdng''tgi wncvkqp.''hqt''yj g'' tgegkr v.''tgvgpvkqp''cpf ''tgcvo gpv''qh''eqo r nckpvu''tgegkxgf ''d{''wu''tgi ctf kpi ''ceeqwpvkpi .''kpvgtpcn''ceeqwpvkpi ''eqpvtqnu''qt'' cwf kkpi ''o cwwtu''cpf ''yj g''uwdo kuukqp''d{''go r nq{ggu''qh''eqpegtpu''tgi ctf kpi ''s wguvkqpcdng''ceeqwpvkpi ''qt''cwf kkpi ''o cwwtu0'' Vj g''Cwf kv''Eqo o kwggøu''tqng''cnuq''kpenwf gu''ggvkpi ''q ''tgxkgy ''qwt''cppwcn''cwf kf gf ''hkpcpekcn''uvcvgo gpvu''cpf ''s wctvgtn{'' hkpcpekcn''uvcvgo gpvu''y kj ''o cpci go gpv''cpf ''qwt''kpf gr gpf gpv''tgi kuvgtgf ''r wdnke''ceeqwpvkpi ''hkto 0Vj g''Cwf kv''Eqo o kwgg'' j gnf ''33''o ggvkpi u''f wtkpi ''hkuecn''{gct''42330

Gcej ''o go dgt''qh''yj g''Cwf kv''Eqo o kwggøo ggvu''yj g''kpf gr gpf gpeg''etkvgtkc''r tguetkdgf ''d{''cr r nkecdng''tgi wncvkqp'' cpf ''yj g''twngu''qh''yj g''UGE ''hqt''cwf kv''eqo o kwgg''o go dgtuj kr ''cpf ''ku''cp''ōkpf gr gpf gpvö''y kj kp''yj g''o gcpkpi ''qh'' cr r nkecdng''P CUF CS ''tkuvkpi ''uvcpf ctf u0Gcej ''Cwf kv''Eqo o kwgg''o go dgt''o ggvu''P CUF CS ''øu''hkpcpekcn''nkvgtce{'' tgs wktgo gpvu.''cpf ''yj g''Dqctf ''j cu''hwtyj gt''f gvgto kpgf ''yj cv''O t0Dwti guu.''O t0Ecppqp''cpf ''O t0F cng{''*kt''ō cwf kv'' eqo o kwgg''hkpcpekcn''gzr gtwö''cu''uwej ''vgto ''ku''f ghkpgf ''kp''Kgo ''629*f +''qh''Tgi wncvkqp''U/M''r tqo wni cvgf ''d{''yj g''UGE ''cpf '' *kk+''cnuq ''o ggv''P CUF CS ''øu''hkpcpekcn''uqr j kuvkecvkqp''tgs wktgo gpvu0Vj g''Cwf kv''Eqo o kwgg''ceu''r wtuwcpv''q''c''y tkwgp'' ej ctvgt.''y j kej ''eqo r nkgu''y kj ''yj g''cr r nkecdng''r tqxkukqpu''qh''yj g''Uctdcpgu/Qzng{''Cev''qh''4224''cpf ''tgncvgf ''twngu''qh''yj g''UGE '' cpf ''P CUF CS .''c''eqr {''qh''y j kej ''ecp''dg''hqwpf ''qp''qwt''y gdukg''cv''y y y 0cf qdg0eqo _leqtr qtcvgtur qpukdkry1 eqtr qtcvg0j vo n0

Y g''j cxg''tgxkgy gf ''cpf ''f kueuugf ''y kj ''o cpci go gpv''cpf ''MRO I ''qwt''cwf kgf ''hkpcpekcn''uvcvgo gpvu0Y g'' f kueuugf ''y kj ''MRO I ''cpf ''Cf qdgøu''kpvgtpcn''cwf kqtu''yj g''qxgtcnn''ueqr g''cpf ''r ncpu''qh''yj gkt''cwf ku0Y g''o gv''y kj ''MRO I .'' y kj ''cpf ''y kj qw''o cpci go gpv''r tgugpv.''q''f kueuu''tguwnu''qh''ku''gzco kpcvkqpu.''ku''gxcnwcvkqp''qh''Cf qdgøu''kpvgtpcn'' eqpvtqnu''cpf ''yj g''qxgtcnn's wcnky{''qh''Cf qdgøu''hkpcpekcn''tgr qtvkpi 0

Y g''j cxg''tgxkgy gf ''cpf ''f kueuugf ''y kj ''MRO I ''o cwgtu''tgs wktgf ''q''dg''f kueuugf ''r wtuwcpv''q''Uvcvgo gpv''qp'' Cwf kkpi ''Uvcpf ctf u''P q083.''cu''co gpf gf ''*CKERC.''Professional Standards.''Xqn030CW ugevkqp''5: 2+.''cu''cf qr vgf ''d{''yj g'' Rwdnke''Eqo r cp{''Ceeqwpvkpi ''Qxgtukij v''Dqctf ''kp''Twng''5422V0Y g''j cxg''tgegkxgf ''htqo ''MRO I ''yj g''y tkwgp''f kuenquwtgu'' cpf ''ngwgt''tgs wktgf ''d{''yj g''cr r nkecdng''tgs wktgo gpvu''qh''yj g''Rwdnke''Eqo r cp{''Ceeqwpvkpi ''Qxgtukij v''Dqctf ''tgi ctf kpi '' MRO I ''øu''eqo o wpkecvkqpu''y kj ''yj g''Cwf kv''Eqo o kwgg''eqpegtpkpi ''kpf gr gpf gpeg0Y g''j cxg''f kueuugf ''y kj ''MRO I '' o cwgtu''tgncvkpi ''q''ku''kpf gr gpf gpeg.''kpenwf kpi ''c''tgxkgy ''qh''dqyj ''cwf kv''cpf ''pqp/cwf kv''hggu.''cpf ''eqpukf gtgf ''yj g'' eqo r cvkdknky{''qh''pqp/cwf kv''ugtxkegu''y kj ''MRO I ''øu''kpf gr gpf gpeg0

Dcugf ''qp''yj g''tgxkgy u''cpf ''f kueuukqpu''tghgttgf ''q''cdqxg''cpf ''qwt''tgxkgy ''qh''Cf qdgøu''cwf kgf ''hkpcpekcn'' uvcvgo gpvu''hqt''hkuecn''{gct''4233.''y g''tgeqo o gpf gf ''q''yj g''Dqctf ''yj cv''Cf qdgøu''cwf kgf ''hkpcpekcn''uvcvgo gpvu''dg''kpenwf gf ''kp'' yj g''Cppwcn''Tgr qtv''qp''Hqto ''32/M''hqt''yj g''hkuecn''{gct''gpf gf ''F gego dgt''4.''4233.''hqt''hknkpi ''y kj ''yj g''UGE 0

Tgur gevhwnn{''uwdo kwgf .

CWF KV''EQO O KVVGG
Lco gu''G0F cng{.''Ej ckt
Tqdgtv''M0Dwti guu
O kej cgn''T0Ecppqp

aaaaaaaaaaaaaaaaaaaaaaaaaaaaa

PROPOSAL 4
ADVISORY VOTE ON EXECUTIVE COMPENSATION

Kp"ceeqtfcpeg"y kj "vj g"Fqff/Htcpm'Ycm'Uvtggv'Tghqto "cpf"Eqpuwo gt'Rtqvgevkqp'Cev'cpf"Ugevkqp"36"qh"vj g" Gzej cpi g'Cev.'Cf qdg"ku'cumkpi "ku'uvqemqf gtu'vq"ecuv'cp'cf xkuqt{"xqvg"vq"crrtqxg"vj g"hkuecn{gct"4233"eqo rgpucvkqp" qh"qwt"pco gf "gzgewkxg"qhhkegtu'cu'f kuenquef "kp"vj ku'rtqz{"uvcvgo gpv'**qwt"õPGQuö+0"Vj ku'Rtqrqucn"eqo o qp{"mpqy p" cu"c"õuc{/qp/rc{ö"rtqrqucn"i kxgu'qwt"uvqemqf gtu'vj g"qrrqtwpkv{"vq"gzrtguu'vj gkt"xkgy u'qp"vj g"f guki p'cpf " ghhgevkxgpguu'qh"qwt"gzgewkxg"eqo rgpucvkqp"rtqi tco u0

    Cu'f guetkdgf "kp'f gvckn'wpf gt"vj g"j gcf kpi "õEqo rgpucvkqp'Fkuewuukqp'cpf "Cpcn{uku.ö"qwt"gzgewkxg" eqo rgpucvkqp'rtqi tco u'ctg'f guki pgf "vq"cwtcev."o qvkxcvg."cpf "tgvckp'qwt"gzgewkxg"qhhkegtu."kpenwf kpi "qwt"PGQu."cu" vj g{"ctg'etkkecn'vq"qwt"uweeguu0"Wpf gt"vj gug"rtqi tco u."qwt"gzgewkxg"qhhkegtu."kpenwf kpi "qwt"PGQu."ctg'tgy ctf gf "hqt" vj g"cej kgxgo gpv'qh"dqyj "ur gekhke"hkpcpekcn'cpf "uvtcvgi ke"qdlgevkxgu'vj cv'ctg'gzr gevef "vq"tguwn'kp"kpetgcuef "uqpi qpf gt" xcnwg0"Rngcug'tgcf "vj g"õEqo rgpucvkqp'Fkuewuukqp'cpf "Cpcn{ukö'cpf "vj g"ceeqo rcp{kpi "vcdngu'cpf "pcttcvkxg'f kuewuukqp" hqt"cff kkqpcn'f gvcknu'cdqwv'qwt"gzgewkxg"eqo rgpucvkqp'rtqi tco u."kpenwf kpi "kphqto cvkqp'cdqwv'vj g"hkuecn{gct"4233" eqo rgpucvkqp'qh"qwt"PGQu0"Dkqi tcrj kecn'kphqto cvkqp'tgi ctf kpi "qwt"gzgewkxg"qhhkegtu'ku'eqpvckpgf "kp"vj g"ugevkqp" vkrgf "õGzgewkxg'Qhhkegtuö'kp"qwt"4233'Cppwcn'Tgr qtv'qp "Hqto "32/M'cpf "ku'kpeqtr qtcvgf "j gtgkp'd{"tghgtgpeg0

Fiscal Year 2011 Business Highlights and Compensation Decisions

    Y j kng"vj g"r cuv'{gct"o ctmgf "cpqyj gt"r gtkqf "qh"wpegtvckpv{"cpf "ej cmgpi gu'kp"vj g"i nqdcn'geqpqo {"cpf "hkpcpekcn" o ctmgw."qwt"gzgewkxg"qhhkegtu'uweeguuhwn{"ngf "c'etkkecn'dwukpguu'o qf gn'vtcpuhqto cvkqp'kp"hkuecn{gct"42330" Dgi kppkpi "y kj "qwt"ceswkukkqp'qh"Qo pkwtg'kp"422;."qwt"gzgewkxg'j cxg'f tkxgp'uwuvckpgf "kpxguvo gpw'kp"vj g'j ki j / i tqy yj 'f ki kcn'o ctngvkpi "ctgc."kpenwf kpi "qwt"uvtcvgi ke'ceswkukkpu'qh'Fc{'Uqhwy ctg.'Fgo o gz.'Cwf kwf g'cpf "Ghhkekgpv/ Htqpvkgt0"Cv'vj cu'uco g"ko g."Cf qdgøu'ngcf gtuj kr "vgco "eqpegkxgf "cpf "ku'ko rngo gpvkpi "c'dwukpguu'o qf gn'vtcpuhqto cvkqp" hqt"qwt"etgcvkxg"dwukpguu'htqo "r gtr gwcn'nkegpugu'vq"c'uwduetkrvkqp/dcugf "enqwf "qhhgtkpi .'tgko ci kpi kpi "vj g'etgcvkxg" rtqeguu'yj tqwi j "vj g'kpvtqf wevkqp'qh"qwt"Etgcvkxg'Enqwf .'yj kej "ku'c'eqo rgpi gpukg"qhhgtkpi "qh"qwt"Etgcvkxg'Uwkg" f gumqr "cr r nkecvkqpu'eqo dkpgf "y kj "etgcvkxg'ugtxkegu.'pgy "eqpvgpv'etgcvkqp'vqwej /dcugf "cr r u'hqt"wug"qp'vcdngwu.'cpf " eqo o wpkv{"hgcwtgu'yj cv'qci gyj gt'y g"dgnkgxg'y km'tgf ghkpg'yj g"eqpvgpv'etgcvkqp'rtqeguu0"Kp'vj ko kuv'qh'dtkpi kpi "cdqwv" yj gug'vtcpuhqto cvkqpu'vq"qwt"dwukpguu'o qf gn'cpf "uvtuewwtg."qwt"gzgewkxg'qhhkegtu'j cxg'eqpvkpwgf "vq"f gnkxgt'uvtqpi " hkpcpekcn'tguwnu.'eqpukuvgpv{"cej kgxkpi "vcti gv'hkpcpekcn'o knguqpgu0"Hqt"vj g'hkuecn'{gct'gpf kpi "Fgego dgt'4.'4233.'y g" tgr qtvgf <

-     tgeqtf "tgxgpwg"qh"&6038"dknkqp."eqo r ctgf "vq"&50 22"dknkqp'kp'hkuecn{gct"4232ô tgr tgugpvkpi '33' "{gct/ qxgt/{gct'i tqy yj =[1]

- É'   I CCR'qr gtcvkpi "r tqhkv'i tqy yj "htqo "&;;50"o knkqp'vq "&303"dknkqp."qt'33' .'htqo "hkuecn{gct"4232"vq" hkuecn{gct"4233=cpf

- É'   I CCR'f knwgf "gctpkpi u'r gt/uj ctg'qh"&3087."eqo r ctgf "vq"&3069"kp'hkuecn{gct"4232.'c"34' "kpetgcug0

    Fwtkpi "vj g'{gct.'qwt"gzgewkxg"qhhkegtu'cnuq"gzgewvgf "uweeguuhwn{"ag ckpuv'vj g'ng{"uvtcvgi ke'r gthqto cpeg" qdlgevkxgu'guvcdnkuj gf "d{"vj g'Gzgewkxg'Eqo rgpucvkqp'Eqo o kwgg'hqt'hkuecn{gct"42330"Vj gug'cej kgxgo gpw'kpenwf g<

- É'   f tkxkpi "uki pkhkecpv'kpetgcugu'kp'cppwcn'eqpvtcev'xcnwg"õCEXö'dqqmkpi u'cpf "gpvgtr tkug'ewuvqo gt" tgvgpvkqp'tcvgu'kp"qwt"Qo pkwtg'dwukpguu'cpf "cej kgxkpi "tgxgpwg'i tqy yj "hqt"qwt"Fc{'dwukpguu'kp"gzeguu'qh" vj g'i tqy yj "r ncp'guvcdnkuj gf "cv'vj g"ko g"qh"vj g'Fc{"ceswkukkqp=

- É'   f gxgnqr kpi "cpf "cppqwpekpi "vj g'Etgcvkxg'Enqwf "qhhgtkpi .'uvtcvgi {'cpf "xkukqp'cpf "ko rngo gpvkpi " o gcpkpi hwn'qti cpk{ cvkqpcn'ej cpi gu'vq"uwr r qtv'vj g"uweeguu'qh"ku'xkukqp'cpf "vj g"kpetgcukpi "hqewu'qp" i tqy yj "qr r qtwpkk{gu'kp'f ki kcn'o ctngvkpi .'kpenwf kpi "ko rngo gpvkpi "uvtcvgi {'ej cpi gu'hqt"qwt'Cf qdg'Hncuj ." Cf qdg'NkxgE{eng'cpf "Cf qdg'Eqppgev'r tqf wevu=

aaaaaaaaaaaaaaaaa

[1]   Cm'hkpcpekcn'tguwnu'qh'Cf qdg'kpenwf gf "kp'vj ku'r tqz{"uvcvgo gpv'cv'ctg'r tgugpvgf "kp"ceeqtf cpeg'y kj 'I CCR' tghngev'vj g"ko r cev'qh"ceswkukkqpu'd{"Cf qdg'f wtkpi "vj g"tgngxcpv'hkuecn'r gtkqf u0"Hqt'cff kkqpcn'kphqto cvkqp" tgi ctf kpi "qwt'hkpcpekcn'tguwnu.'r ngcug'ugg"qwt"4233'Cppwcn'Tgr qtv."kpenwf kpi "O cpci go gpvøu'Fkuewuukqp'cpf " Cpcn{uku'qh'Hkpcpekcn'Eqpf kkqp'cpf "Tguwnu'qh'Qr gtcvkqpu0

É' gzgewkpi "uvtcvgike"dwukpguu"ecswukukvkqpu"qh"Fgo fgz."Cwfkwfg"cpf "GejqUkip"cpf "gpvgtkpi "kpvq"c"
fghkpkvkxg"ci tggo gpv"vq"ceswktg"GhhkekgpV"Htqpvkgt=

É' kpetgcukpi "cy ctgpguu"qh'Cfqdgøu" recfgtuj kr "kp"f ki kvcri'gz rgtkgpegu"cpf "qr r qtwpkikgu"kp"f ki kvcri'o gfkc"cpf "
f ki kvcri'o ctngvkpi "vj tqwi j "vj g'uweeguuhwrnwrncwpej "qh'vj g"õCfqdg"(ö"dtcpf "eco rcki p"kp"vj g"WUU0=

É' cej kgxkpi "uvtqpi 'Cfqdg Øeqo "tgxgpwg"cpf "kpetgcugf 'CfqdgØeqo "eqpxgtukqp"tcvgu"kp"Pqtvj "Co gtkec="cpf "

É' ko r tqxkpi "eqo o wpkecvkqpu"cpf "enctkh{kpi "qwt"uvtcvgi ke"xkukqp"y kvj "qwt"go r nq{ggu"cpf "cej kgxkpi "vcti gvgf "
tgvgpvkqp"qh'ng{"vcngpv."kpenwfkpi "uweeguuhwrntgvgpvkqp"qh'go r nq{ggu"qh'cesswktgf "dwukpguugu0

" Qwt"hkuecrn'{gct"4233"ecuj "eqo r gpucvkqp"cpf "gswkv{"cy ctfu'y gtg"uwduvcpvkcm{"vkgf "vq"qwt"ng{"uvtcvgi ke"
qdlgevkxgu"cpf "vq"qwt"hkpcpekcrn'r gthqto cpeg<

É' Dcugf "qp"qwt"uvtqpi "{gct-qxgt-{gct'I CCR'tgxgpwg"cpf "qr gtcvkpi "r tqhkv/i tqy vj "qh'33' "cpf '33' ."
tgur gevkxgn{."qwt"P GQu"gctpgf "vj gkt"cppwcrn'ecuj "kpegpvkxg"cy ctfu'cv'329' "qh'vj gkt"cti gv'cy ctf "
qr r qtwpkv{0

É' Dcugf "qp"qwt"uvtqpi "I CCR'tgxgpwg"tguwnu"cpf "qwt"cej kgxgo gpv'qh'vj g'r tg/fgvgto kpgf "ng{"uvtcvgi ke"
r gthqto cpeg'qdlgevkxgu'tgncvgf "vq"qwt"tcpuhqto cvkqp."qwt"P GQu"gctpgf "vj gkr'r gthqto cpeg'uj ctg'cy ctfu"
cv'352' "qh'vj gkr'cti gv'cy ctf 'qr r qtwpkv{0

É' Vq"f ktgewn{"vkg'gzgewkxg"eqo r gpucvkqp"vq"qwr'r gthqto cpeg."vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kvgg"ugv"
vj g'ci i tgi cvg''cti gv'xcnwg''qh'O t0P ctc{gpøu''cppwcn'gswkv{''cy ctf ''vq''eqo r tkug''cr r tqzko cvgn{"': 2' "qh'j ku"
cti gv''vq'cari'fktgev'eqo r gpucvkqp''õVFEö'qr r qtwpkv{."cpf ''vj g'cxgtci g'ci i tgi cvg''cti gv'xcnwg''qh'vj g'
cppwcn'gswkv{''cy ctfu'hqt'qwr'qyj gr'P GQu'cv'cr r tqzko cvgn{'96' "qh'vj gkr'cti gv'VFE0

Changes to Fiscal Year 2012 Compensation Program

Fwtkpi "hkuecrn'{gct'4233.'vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kvgg'vqqm'pqvg''qh'uvqeml qnfgr'hggf dcem'cdqwv'vj g"
ghhgevkxgpguu''qh'qwt''õr c{-hqr'r gthqto cpeg'õ'r j kncquqr j {.'kpenwfkpi "vj cv'o qtg''vj cp'72' "qh'qwt''gzgewkxg'qhhkegru'gswkv{"
cy ctfu'y gtg''f grkxgtgf "vj tqwi j "ko g-dcugf "gswkv{''xgj kengu''*kpenwfkpi "uvqeml qr vkqpu+0'Kp'tgur qpug''vq''vj ku'hggf dcem''vj g"
Gzgewkxg'Eqo r gpucvkqp'Eqo o kvgg''vqqm'vj g'hqmqy kpi "cevkqpu'vq''tgdcncpeg''vj g''cti gv'gswkv{''cy ctf 'o kz'hqr'qwt"
gzgewkxg'qhhkegru.'kpenwfkpi "vj g'P GQu.'hqr'hkuecrn'{gct'4234''vq''kpkm'o qtg''qh'vj gkr'cti gv'VFE''vq''qpi gr/vgto "
r gthqto cpeg''cpf "tkum'qwveqo gu<

É' Grko kpcvgf "vj g'wug''qh'uvqeml qr vkqpu''*hqr'cari'go r nq{ggu+0

É' Cflwuvgf "vj g'gswkv{''cy ctf 'o kz''vq''kpetgcug''vj g'r tqr qtvkqp''qh'vj g''qxgtcarn'cy ctf 'fgrkxgtgf "vj tqwi j "
r gthqto cpeg-dcugf 'gswkv{''xgj kengu0'Ur gekhkecmn{.'hqr'hkuecrn'{gct'4234.'j cnh'qh'vj g'gswkv{''cy ctfu'i tcpvgf "
vq''qwr'gzgewkxg'qhhkegru'eqpukuv''qh'r gthqto cpeg''uj ctgu.'y kvj "vj g''qyj gr'j cnh'eqpukuvkpi "qh'ko g-dcugf 'TUW"
cy ctfu0

É' Eqpvkpwgf "vq''r tqxkfg''vj cv'vj g''r gthqto cpeg''uj ctg''cy ctfu'y qwrf 'dg''gctpgf 'dcugf "qp''qwr'cewcri'
cej kgxgo gpv''cu''o gcuwtgf ''ci ckpuv''o wnkr ng''r tg-guvcdnkuj gf "uvtcvgi ke''cpf 'hkpcpekcrn'qdlgevkxgu.'y kvj "c''pgy "
tgswktgo gpv'vj cv'42' "qh'gcej "r gthqto cpeg''uj ctg''cy ctf 'y qwrf 'dg''gctpgf 'dcugf "wr qp''c''tgncvkxg''vqvcrn'
uvqeml qnfgr'tgwtp''o gcuwtg0

É' Eqpvkpwgf "vq''ugv'vj g''ci i tgi cvg''cti gv'xcnwg''qh'O t0P ctc{gpøu''cppwcm'gswkv{''cy ctf ''vq''eqo r tkug"
cr r tqzko cvgn{': 2' "qh'j ku'cti gv'VFE''qr r qtwpkv{.'cpf "vj g'cxgtci g'ci i tgi cvg''cti gv'xcnwg''qh'vj g''cppwcn'
gswkv{''cy ctfu'hqr'qwr'qyj gr'P GQu''cv'cr r tqzko cvgn{'9: ' "qh'vj gkr'cti gv'VFE0

Vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kvgg'tgi wrcttn{'tgxkgy u'vj g''eqo r gpucvkqp'r tqi tco u'hqr'qwr'gzgewkxg'
qhhkegru.'kpenwfkpi "qwr'P GQu.'vq''gpuwtg''vj g{'cej kgxg'vj g'fguktgf 'i qcrn'qh'cri kpkpi "qwr'gzgewkxg'eqo r gpucvkqp'uvtwewtg"
y kvj "qwr'uvqeml qnfgru'kpvgtguvu0'Vj ku'kpenwfgu'uukpi "qwr'kpegpvkxg'eqo r gpucvkqp'cy ctfu'vq''uwr r qtv'qwr'uvtcvgi ke'cpf "
qr gtcvkpi "r ncpu0'Y g'cnuq''enqugn{'o qpkvqr'vj g'eqo r gpucvkqp'r tqi tco u'cpf "r c{''ngxgnu'qh'gzgewkxgu'htqo "eqo r cpkgu'qh'

56

uko knct"uk|"g"cpf "eqo r gzkv{.."uq"vj cv"y g"o c{"gpuwtg"vj cv"qwt"eqo r gpucvkqp"r tqi tco u"ctg"y kj kp"vj g"pqto "qh"o ctmgv"
r tcevkegu0"Vj ku"gpcdrgu"wu"vq"tgvckp"qwt"gzgewvkxg"qhhkegtu"kp"c"eqo r gvkvkxg"o ctmgv"hqt"gzgewvkxg"vcrgpv0

Y g"dgrkgxg"vj cv"qwt"gzgewvkxg"eqo r gpucvkqp"r tqi tco "j cu"dggp"ghhgevkxg"cv"f tkxkpi "vj g"cej kgxgo gpv"qh"qwt"
vcti gv"hkpcpekcn"cpf "uvtcvgi ke"tguwnu.."cr r tqr tkcvgn{"cnki pkpi "gzgewvkxg"r c{"cpf "eqtr qtcvg"r gthqto cpeg."cpf "gpcdnkpi "wu"
vq"cvvtcev"cpf "tgvckp"xgt{"cnrgpvgf "gzgewvkxgu"y kj kp"qwt"kpf wuvt{0

Advisory Vote and Board Recommendation

Y g"tgs wguv"uqejqnj qnf gt"cr r tqxcn"qh"vj g"hkuecn"{ gct"4233"eqo r gpucvkqp"qh"qwt"P GQu"cu"f kuenqugf "kp"vj ku"r tqz{"
uvcvgo gpv"r wtuwcpv"vq"vj g"UGE$u"eqo r gpucvkqp"f kuenquwtg"twrgu"y j kej "f kuenquwtg"kpenwf gu"vj g"õEqo r gpucvkqp"
F kuewuukqp"cpf "Cpcn{uku.ö"vj g"eqo r gpucvkqp"vcdrgu."cpf "vj g"pcttcvkxg"f kuewuukqp"vj cv"ceeqo r cpkgu"vj g"eqo r gpucvkqp"
vcdrgu"y kj kp"vj g"Gzgewvkxg"Eqo r gpucvkqp"ugevkqp"qh"vj ku"r tqz{"uvcvgo gpv0"Y g"gpeqwtci g"{ qw"vq"tgxkgy "vj g"
Eqo r gpucvkqp"F kuewuukqp"cpf "Cpcn{uku"cpf "ceeqo r cp{kpi "eqo r gpucvkqp"vcdrgu"cpf "pcttcvkxg"f kuewuukqp"grugy j gtg"kp"
vj ku"r tqz{"uvcvgo gpv"hqt"c"f guetkr vkqp"cpf "cpcn{uku"qh"qwt"r tkpekr cn"gzgewvkxg"eqo r gpucvkqp"cevkqpu"cpf "f gekukqpu"hqt"
hkuecn"{ gct"42330

Vj ku"xqvg"ku"pqv"kpvgpf gf "vq"cf f tguu"cp{"ur gekhke"grgo gpv"qh"eqo r gpucvkqp.."dwv"tcvj gt"vj g"qxgtcn"
eqo r gpucvkqp"qh"qwt"P GQu"cpf "vj g"eqo r gpucvkqp"r j kquqr j {.."r qrkekgu"cpf "r tcevkegu"f guetkdgf "kp"vj ku"r tqz{"uvcvgo gpv0

Ceeqtf kpi n{.."y g"cum"vj cv"{ qw"xqvg"õHQTö"vj g"hqnqy kpi "tguqnwvkqp"cv"vj ku"o ggvkpi <

õTGUQNXGF .."vj cv"vj g"uvqejqnj qnf gtu"qh"Cf qdg"U{uvgo u"Kpeqtr qtcvgf "cr r tqxg.."qp"cp"cf xkuqt{ "dcuku.."vj g"
eqo r gpucvkqp"qh"vj g"pco gf "gzgewvkxg"qhhkegtu.."cu"f kuenqugf "kp"vj g"eqo r cp{$u"r tqz{"uvcvgo gpv"hqt"vj g"4234"
Cppwcn"O ggvkpi "qh"Uvqejqnf gtu"r wtuwcpv"vq"vj g"eqo r gpucvkqp"f kuenquwtg"twrgu"qh"vj g"Ugewtkvkgu"cpf "
Gzej cpi g"Eqo o kuukqp.."kpenwf kpi "vj g"Eqo r gpucvkqp"F kuewuukqp"cpf "Cpcn{uku.."vj g"4233"Uwo o ct{"
Eqo r gpucvkqp"Vcdrg"cpf "vj g"ceeqo r cp{kpi "eqo r gpucvkqp"vcdrgu"cpf "pcttcvkxg"f kuewuukqp"y kj kp"vj g"
Gzgewvkxg"Eqo r gpucvkqp"ugevkqp"qh"vj ku"r tqz{"uvcvgo gpv0ö

Cr r tqxcn"qh"vj g"cdqxg"tguqnwvkqp"tgs wktgu"vj g"chhkto cvkxg"xqvg"qh"j qnf gtu"qh"c"o clqtkv{"qh"vj g"xqvgu"ecuv"kp"
r gtuqp"qt"d{"r tqz{"cpf "gpvkvngf "vq"xqvg"cv"vj ku"o ggvkpi 0"Cduvgpvkqpu"cpf "dtqmgt"pqp/xqvgu"y krn"j cxg"pq"ghhgev"qp"vj g"
qwveqo g"qh"vj ku"Rtqr qucn0

Cu"cp"cf xkuqt{ "xqvg.."vj g"qwveqo g"qh"vj g"xqvg"qp"vj ku"Rtqr qucn"ku"pqv"dkpf kpi "wr qp"wu"qt"qwt"Dqctf 0"J qy gxgt.."
qwt"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvvgg.."y j kej "ku"tgur qpukdrg"hqt"f guki pkpi "cpf "cf o kpkuvgtkpi "qwt"gzgewvkxg"
eqo r gpucvkqp"r tqi tco u.."xcnwgu"vj g"qr kpkqpu"gzr tguugf "d{"qwt"uvqejqnj qnf gtu"kp"vj gkt"xqvg"qp"vj ku"Rtqr qucn"cpf "y krn"
eqpukf gt"vj g"qwveqo g"qh"vj ku"xqvg"y j gp"o cmkpi "hwvwtg"eqo r gpucvkqp"f gekukqpu"hqt"qwt"gzgewvkxg"qhhkegtu0

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR" THIS PROPOSAL

CORPORATE GOVERNANCE

Corporate Governance Guidelines

Y g"dgnkgxg"kp"uqwpf"eqtrqtcvg"i qxgtpcpeg"r tcevkegu"cpf "j cxg"cf qr vgf "hqto cn"Eqtrqtcvg"I qxgtpcpeg" I wkf gnkpgu"vq"gpj cpeg"qwt"ghhgevkxgpguu0Qwt"Dqctf "cf qr vgf "vj gug"Eqtrqtcvg"I qxgtpcpeg"I wkf gnkpgu"kp"qtf gt "vq"gpuwtg" vj cv"kv"j cu"vj g"pgeguuct{ "r tcevkegu"kp"r nceg"vq"tgxkgy "cpf "gxcnwcvg"qwt"dwukpguu"qr gtcvkqpu"cu"pggf gf "cpf "vq"o cmg" f gekukqpu"vj cv"ctg"kpf gr gpf gpv"qh"qwt"o cpci go gpv0Vj g"Eqtrqtcvg"I qxgtpcpeg"I wkf gnkpgu"ctg"cnuq"kpvgpf gf "vq"cnki p" vj g"kpvgtguvu"qh"f ktgevqtu"cpf "o cpci go gpv"y kij "vj qug"qh"qwt"uqemj qrf gtu0Vj g"Eqtrqtcvg"I qxgtpcpeg"I wkf gnkpgu"ugv" hqtvj "vj g"r tcevkegu"qwt"Dqctf "hqnqy u"y kij "tgur gev"vq"Dqctf "cpf "eqo o kvvgg"eqo r qukkqp"cpf "ugngevkqp."Dqctf "o ggvkpi u." Ej kgh"Gzgewkxg"Qhhegt"r ghqto cpeg"gxcnwcvkqp"cpf "o cpci go gpv"f gxgnqr o gpv"cpf "uweeguukqp"r ncppkpi "hqt"ugpkqt" o cpci go gpv."kpenwf kpi "vj g"Ej kgh"Gzgewkxg"Qhhegt"r qukkqp0C"eqr {"qh"qwt"Eqtrqtcvg"I qxgtpcpeg"I wkf gnkpgu"ku" cxckncdng"qp"qwt"y gdukg"cv"y y y 0cf qdg0eqo_leqtrqtcvgtgur qpukdknv{ leqtrqtcvg0 vo n0

Code of Ethics

Y g"cf qr vgf "c"Eqf g"qh"Gvj keu"cr r nkecdng"vq"qwt"Ej kgh"Gzgewkxg"Qhhegt."Ej kgh"Hkpcpekcn"Qhhegt."Eqtrqtcvg" Eqpvtqngt."Vtgcuwtgt"cpf "egtvckp"qvj gt"hkpcpeg"f gr ctvo gpv"gzgewkxgu."y j kej "ku"c"õeqf g"qh"gvj keuö"cu"f ghkpgf "d{ " cr r nkecdng"UGE "twngu0Vj g"Eqf g"qh"Gvj keu"ku"r wdrkn{ "cxckncdng"qp"qwt"y gdukg"cv"y y y 0cf qdg0eqo_l eqtrqtcvgtgur qpukdknv{ leqtrqtcvg0 vo n0Kh"y g"o cmg"cp{ "co gpf o gpv"vq"vj g"Eqf g"qh"Gvj keu"qvj gt"vj cp"vgej pkecn" cf o kpkutcvkxg."qt"qvj gt"pqp/uwduvcpvkxg"co gpf o gpvu."qt"i tcpv"cp{ "y ckxgtu."kpenwf kpi "ko r nkekv"y ckxgtu."htqo "c" r tqxkukqp"qh"vj ku"Eqf g"qh"Gvj keu"vq"qwt"Ej kgh"Gzgewkxg"Qhhegt."Ej kgh"Hkpcpekcn"Qhhegt."Eqtrqtcvg"Eqpvtqngt." Vtgcuwtgt"qt"egtvckp"qvj gt"hkpcpeg"f gr ctvo gpv"gzgewkxgu."y g"knnf kuenqug"vj g"pcwtg"qh"vj g"co gpf o gpv"qt"y ckxgt."ku" ghhgevkxg"f cvg."cpf "vq"y j qo "kv"cr r nkgu."qp"qwt"y gdukg"cv"y y y 0cf qdg0eqo_leqtrqtcvgtgur qpukdknv{ leqtrqtcvg0 vo n"qt"kp" c"ewttgpv"tgr qtv"qp"Hqto ": /M"hkngf "y kij "vj g"UGE0Vj gtg"y gtg"pq"y ckxgtu"qh"vj g"Eqf g"qh"Gvj keu"f wtkpi "hkuecn"{gct"42330

Code of Business Conduct

Y g"j cxg"cnuq"cf qr vgf "c"Eqf g"qh"Dwukpguu"Eqpf wev"cr r nkecdng"vq"cnn"qhhkegtu."f ktgevqtu"cpf "go r nq{ggu"qh" Cf qdg"cu"tgswktgf "d{ "cr r nkecdng"P CUF CS "nkunkpi "uvcpf ctf u0Vj g"Eqf g"qh"Dwukpguu"Eqpf wev"kpenwf gu"cp"gphqtego gpv" o gej cpkuo ."cpf "cp{ "y ckxgtu"hqt"f ktgevqtu"qt"gzgewkxg"qhhkegtu"o wuv"dg"cr r tqxgf "d{ "qwt"Dqctf "cpf "f kuenqugf "kp"c" ewttgpv"tgr qtv"qp"Hqto ": /M"y kij "vj g"UGE0Vj ku"Eqf g"qh"Dwukpguu"Eqpf wev"ku"r wdrkn{ "cxckncdng"qp"qwt"y gdukg" cv"y y y 0cf qdg0eqo_leqtrqtcvgtgur qpukdknv{ leqtrqtcvg0 vo n0Vj gtg"y gtg"pq"y ckxgtu"qh"vj g"Eqf g"qh"Dwukpguu"Eqpf wev" hqt"cp{ "qh"qwt"f ktgevqtu"qt"gzgewkxg"qhhkegtu"f wtkpi "hkuecn"{gct"42330

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Vj g'hqmqy kpi "vcdng"ugwu'hqtyj "vj g"dgpghkekcn'qy pgtuj kr "qh'qwt"eqo o qp"uqem'cu'qh'Hgdtwct{ "37."4234"d{ "gcej "gpvkv{ "qt'r gtuqp"y j q'ku'npqy p"vq"dgpghkekcn'qy p"7" qt'o qtg"qh'qwt"eqo o qp"eqej "qh'qwt'fktgevqtu."gcej "P GQ"kf gpvkhkgf "kp'õGz gewwkxg'Eqo r gpucvkqpô Uwo o ct{ "Eqo r gpucvkqp'Vcdngõ eqpvckpgf "kp'vj ku'r tqz{ "uvcvgo gpv'cpf 'cnn'qh' qwt'f ktgevqtu'cpf 'ewttgpv'gzgewwxg'qhhkegtu'cu'c'i tqwr 0

Name of Beneficial Owner[1]	Amount and Nature of Beneficial Ownership[2]	Percent of Class
RTKO GECR'O cpci go gpv'Eqo r cp{ (..) "447"Uqwj "Ncmg'Cxgpwg. "P q0622 "Rcucf gpc. "EC"; 3323	66.842.462 [*5+]	: 0; '
Vj g'Dcpm'qh'P gy "[qtm'O gmqp'Eqtr qtcvkqp (......................................) "Qpg'Y cm'Uvtggv. "53uv'Hnqqt "P gy '[qtm'P gy '[qtm'324: 8	49.779.498 [*6+]	7077'
Uj cpvcpw'P ctc{ gp (..)	4.3: 5.854 [*7+]	,
O ctm'I cttgw (..)	86: .: 3 [*8+]	,
Mgxkp'N{ pej (..)	864.: 29 [*9+]	,
O cwj gy "Vj qo r uqp (..)	75; .948 [*:+]	,
F cxkf "Y cf j y cpk (..)	3; 8.894 [*;+]	,
Gf y ctf "Y 0Dctpj qn (..)	36; .; 47 [*32+]	,
Tqdgtv'M0Dwti guu (..)	465.5; 7 [*33+]	,
O kej cgn'T0Ecppqp (..)	35: .889 [*34+]	,
Lco gu'G0F cng{ (..)	4: 6.225 [*35+]	,
Ej ctngu'O 0I guej ng (..)	6: 9.262 [*36+]	,
F cpkgn'N0Tqugpwy gki (..)	55.564 [*37+]	,
Tqdgtv'Ugf i gy kem (..)	493.69; [*38+]	,
Lqj p'G0Y ctpqem (..)	3.65: .: : 7 [*39+]	,
Cnn'f ktgevqtu'cpf 'ewttgpv'gzgewwxg'qhhkegtu'cu'c'i tqwr "*38'r gtuqpu+(...........)	9.; 58.993 [*3:+]	307: '

aaaaaaaaaaaaaaaaaaaaaaaaaa

, "   Nguu'vj cp'3' 0

[*3+] Vj g'cf ftguu'qh'gcej 'r gtuqp'pco gf "kp'vj g'vcdng. "wpnguu'qvj gty kug'kpf kecvgf ."ku'e1q'Cf qdg'U{ uvgo u" Kpeqtr qtcvgf ."567'RctmlCxgpwg. "Ucp'Lqug. "Ecnkhqtpkc'; 73320

[*4+] Vj ku'vcdng'ku'dcugf "wr qp'kphqto cvkqp'uwr r nkgf "d{ "gzgewwxg'qhhkegtu. "f ktgevqtu'cpf 'r tkpekr cn'uvqemj qnf gtu0 Wpnguu'qvj gty kug'kpf kecvgf "kp'vj g'hqqvpqvgu'vq'vj ku'vcdng'cpf 'uwdlgev'vq'eqo o wpkv{ "r tqr gtv{ "ncy u'y j gtg cr r nkecdng. "gcej "qh'vj g'uvqemj qnf gtu'pco gf "kp'vj ku'vcdng'j cu'uqng'xqvkpi "cpf "kpxguvo gpv'r qy gt'y kj 'tgur gev'vq' vj g'uj ctgu'kpf kecvgf "cu'dgpghkekcn{ "qy pgf 0P qpg'qh'vj g'uj ctgu'dgpghkekcn{ "qy pgf "d{ "qwt'gzgewwxg'qhhkegtu cpf 'f ktgevqtu'ctg'r ngfi gf "cu'ugewtkv{ 0Cr r nkecdng'r gtegpvci gu'ctg'dcugf "qp'6; 8.375.; 83'uj ctgu'qwuvcpf kpi "qp' Hgdtwct{ "37. 4234. "cf lwuvgf "cu'tgswktgf "d{ "twngu'r tqo wni cvgf "d{ "vj g'UGE0

[*5+] Kpenwf gu'66.842.462'uj ctgu'dgpghkekcn{ "j gnf "d{ "RTKO GECR'O cpci go gpv'Eqo r cp{ "*õRTKO GECRö+'cu'qh' F gego dgt'53. "4233. "y kj "uqng'f kur qukxkg'r qy gt'cu'vq'cnn'uj ctgu'cpf "uqng'xqvkpi "r qy gt'cu'vq'35: 86.874" uj ctgu0Qh'vj qug'uj ctgu'dgpghkekcn{ "j gnf "d{ "RTKO GECR'Xcpi wctf 'tgncvgf "gpvkkgu'j cxg'uqng'xqvkpi "r qy gt" qxgt'4: 3; .722'uj ctgu0Vj ku'kphqto cvkqp'ku'dcugf "qp'c'Uej gf wng'35I 1C'hkngf "y kj 'vj g'UGE'qp'Hgdtwct{ "35. 4234'd{ 'RTKO GECR'cpf 'cf f kvkqpcn'kphqto cvkqp'r tqxkf gf "d{ "c'tgr tgugpvcvkxg'qh'RTKO GECR'qp'Hgdtwct{ "38. 42340

[*6+] Tghngevu'vj g'dgpghkekcn'qy pgtuj kr 'qh'Vj g'Dcpm'qh'P gy '[qtm'O gmqp'Eqtr qtcvkqp'cu'qh'F gego dgt'53. "4233." y kj "uqng'f kur qukvkxg'r qy gt'cu'vq'48.8: 3.; ; 2'uj ctgu'cpf "uj ctgf 'f kur qukvkxg'r qy gt'cu'vq'5: .26'uj ctgu. "cpf "

" y kj "uqrg"xqvkpi "r qy gt"cu"vq"43.58; .5; ; "uj ctgu"cpf "uj ctgf "xqvkpi "r qy gt"cu"vq"588.64: "uj ctgu0Vj g"dgpghkekcn' qy pgtuj kr "qh"O DE"Kpxguvo gpu"Eqtr qtcvkqp"eqpukuvgf "qh"46.769.963"uj ctgu."y kj "uqrg"f kur qukkkxg"r qy gt"cu"vq" cnn'uj ctgu."uqrg"xqvkpi "r qy gt"cu"vq"39.938.8: 9"uj ctgu"cpf "uj ctgf "xqvkpi "r qy gt"cu"vq"55: .946"uj ctgu0Vj g" uj ctgu"tgr qtvgf "ctg"dgpghkekcnn qy pgf "d{ "vj g"hqmqy kpi "f ktgev"qt"kpf ktgev"uwdukf kctkgu"qh"Vj g"Dcpm qh"P gy " [qtm O gmqp"Eqtr qtcvkqp<"Vj g"Dcpm qh"P gy "[qtm O gmqp."P cvkqpcn'Cuuqekcvkqp."DP ["O gmqp."P cvkqpcn' Vtwuv"qh"F gncy ctg."Vj g"F tg{ hwu"Eqtr qtcvkqp."Ngemy qqf "Cf xkqtu."Kpe0"O gmqp"Ecr kcn'O cpci go gpv' Eqtr qtcvkqp."P gy vqp"Ecr kcn'O cpci go gpv'Nko kgf ."P gy vqp"Kpxguv go gpv'O cpci go gpv'Nko kgf ."Y cmgt"Ueqw ("Rctvpgtu"Nko kgf ."O DUE."Ugewtkkgu"Eqtr qtcvkqp."Rgtuj kpi "NNE."Vj g"Dcpm qh"P gy "[qtm O gmqp" Eqtr qtcvkqp."DP [0J qnf kpi u"*F gncy ctg+"Eqtr qtcvkqp."O DE"Kpxguvo gpu"Eqtr qtcvkqp."O gmqp"Kpvgtpcvkqpcn' J qnf kpi u"UC0"N0"DP ["O gmqp"Kpvgtpcvkqpcn'Cuugv'O cpci go gpv'I tqwr "Nko kgf ."P gy vqp"O cpci go gpv' Nko kgf ."Rgtuj kpi "I tqwr "NNE"cpf "Vj g"Dcpm qh"P gy "[qtm O gmqp"UC I P X0Vj g"hqtgi qkpi "kphqto cvkqp"ku" dcugf "qp"c" Uej gf wg"35I "hkngf "d{ "Vj g"Dcpm qh"P gy "[qtm O gmqp"eqtr qtcvkqp"qp"Lcpwct{ "52. "4234"tgr qtvkpi " dgpghkekcn'qy pgtuj kr "cu"qh"F gego dgt "53. "42330'

*7+" Eqpukuvu"qh"447.576"uj ctgu"j gnf "d{ "vj g"P ctc{gp"Hco kn{ "Vtwuv."qh"y j kej "O t0P ctc{gp"ku"c"vtwuvgg."cpf " 3.; 7: .49: "uj ctgu"kuuwcdng"wr qp"gzgtekug"qh"qwuvcpf kpi "qr vkqpu"j gnf "d{ "O t0P ctc{gp"gzgtekucdng"y kj kp" 82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng0

*8+" Eqpukuvu"qh"322.882"uj ctgu"j gnf "d{ "vj g"I cttgw'Nkxkpi "Vtwuv."qh"y j kej "O t0I cttgw'ku"c"vtwuvgg."cpf "769.653" uj ctgu"kuuwcdng"wr qp"gzgtekug"qh"qwuvcpf kpi "qr vkqpu"j gnf "d{ "O t0I cttgw'gzgtekucdng"y kj kp"82"f c{u"qh"vj g" f cvg"qh"vj ku"cdng0

*9+" Kpenwf gu"7; 6.744"uj ctgu"kuuwcdng"wr qp"gzgtekug"qh"qwuvcpf kpi "qr vkqpu"j gnf "d{ "O t0N{pej "gzgtekucdng"y kj kp" 82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng0

*: +" Kpenwf gu"68: .344"uj ctgu"kuuwcdng"wr qp"gzgtekug"qh"qwuvcpf kpi "qr vkqpu"j gnf "d{ "O t0Vj qo r uqp"gzgtekucdng" y kj kp"82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng0

*; +" Kpenwf gu"3: 8.: 34"uj ctgu"kuuwcdng"y kj kp"82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng"wr qp"xguvkpi "qh"tgutkevgf "uvqemwpku" qt"vj g"gzgtekug"qh"qwuvcpf kpi "gzgtekucdng"qr vkqpu"j gnf "d{ "O t0Y cf j y cpk0'

*32+" Kpenwf gu"35: .; 9"uj ctgu"kuuwcdng"y kj kp"82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng"wr qp"xguvkpi "qh"tgutkevgf "uvqemwpku" qt"vj g"gzgtekug"qh"qwuvcpf kpi "gzgtekucdng"qr vkqpu"j gnf "d{ "O t0Dctpj qm0

*33+" Eqpukuvu"qh"324.9; 8"uj ctgu"j gnf "d{ "vj g"Dwti guu"Hco kn{ "Vtwuv."qh"y j kej "O t0Dwti guu"ku"c"vtwuvgg=3.842"uj ctgu." hqt"y j kej "O t0Dwti guu"j cu"uj ctgf "xqvkpi "cpf "f kur qukkkxg"r qy gt. "j gnf "kp"vtwuv"hqt"vj g"dgpghkv"qh"j ku"ej knf tgp=' cpf "35: .; 9"uj ctgu"kuuwcdng"y kj kp"82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng"wr qp"xguvkpi "qh"tgutkevgf "uvqemwpku"qt" vj g"gzgtekug"qh"qwuvcpf kpi "gzgtekucdng"qr vkqpu"j gnf "d{ "O t0Dwti guu0

*34+" Eqpukuvu"qh"43.797"uj ctgu"j gnf "d{ "vj g"O kej cgn'Ecppqp"4226"Vtwuv."qh"y j kej "O t0Ecppqp"ku"c"vtwuvgg=cpf " 339.2; 4"uj ctgu"kuuwcdng"y kj kp"82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng"wr qp"xguvkpi "qh"tgutkevgf "uvqemwpku"qt"vj g" gzgtekug"qh"qwuvcpf kpi "gzgtekucdng"qr vkqpu"j gnf "d{ "O t0Ecppqp0

*35+" Kpenwf gu"498.225"uj ctgu"kuuwcdng"wr qp"gzgtekug"qh"qwuvcpf kpi "qr vkqpu"j gnf "d{ "O t0F cng{ "gzgtekucdng"y kj kp" 82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng0

*36+" Eqpukuvu"qh"486.982"uj ctgu"j gnf "d{ "vj g"I guej mg"Hco kn{ "Vtwuv."qh"y j kej "F t0I guej mg"ku"c"vtwuvgg=3: .: 65" uj ctgu"j gnf "kp"c"i tcpqt"tgvckpgf "cppwk{ "vtwuv."qh"y j kej "F t0I guej mg"ku"c"vtwuvgg=3: .: 65"uj ctgu"j gnf "kp"c" i tcpqt"tgvckpgf "cppwk{ "vtwuv."qh"y j kej "F t0I guej mg0'ur qwug"ku"c"vtwuvgg=8.653"uj ctgu"j gnf "kp"vj g"Ej ctgu"O " I guej mg"cpf "P cpe{ "C"I guej mg"hqwpf cvkqp. "c"723*e+*5+"r tkxcvg"pqp/qr gtcvkpi "hqwpf cvkqp."qh"y j kej " F t0I guej mg"ku"r tgukf gpv=cpf "F t0I guej mg0'ur qwug"ku"ugetgvct{ . "cpf "cu"vq"y kj ej "F t0I guej mg"f kuencko u"cp{ " dgpghkekcn'qy pgtuj kr =cpf "39; .385"uj ctgu"kuuwcdng"wr qp"gzgtekug"qh"qwuvcpf kpi "qr vkqpu"j gnf "d{ "F t0I guej mg" gzgtekucdng"y kj kp"82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng0

*37+" Kpenwf gu"9.2; 4"uj ctgu"kuuwcdng"y kj kp"82"f c{u"qh"vj g"f cvg"qh"vj ku"cdng"wr qp"xguvkpi "qh"tgutkevgf "uvqemwpku" j gnf "d{ "O t0Tqugpwy gki 0

5:

[38+] Kpenwfgu'434.43: "uj ctgu'kuuwcdng'wr qp'gzgtekug'qh'qwuvcpfkpi "qr vkqpu'j gnf "d{ 'Ft0'Ugfi gy kem'gzgtekucdng" y kxj kp'82'fc{u'qh'vj g'f cvg'qh'vj ku'cdng0

[39+] Kpenwfgu'4; 4.43: "uj ctgu'kuuwcdng'wr qp'gzgtekug'qh'qwuvcpfkpi "qr vkqpu'j gnf "d{ 'Ft0'Y ctpqem'gzgtekucdng" y kxj kp'82'fc{u'qh'vj g'f cvg'qh'vj ku'cdng0

[3: +] Kpenwfgu'7.886.: 75'uj ctgu'kuuwcdng'y kxj kp'82'fc{u'qh'vj g'f cvg'qh'vj ku'cdng'wr qp'xguvkpi "qh'tguvtkevgf 'uvqem' wpku'qt'vj g'gzgtekug'qh'qwuvcpfkpi "gzgtekucdng'qr vkqpu'j gnf "d{ 'qwt'fktgevqtu'cpf "ewttgpv'gzgewxkxg'qhhkegtu0' Ugg'cnuq 'Pqvgu'7/390

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Ugevkqp'38*c+'qh'vj g'Gzej cpi g'Cev'tgswktgu'qwt'gzgewxkxg'qhhkegtu'cpf 'fktgevqtu."cu'y gnn'cu'cp{ 'r gtuqp'qt" gpvkv{ 'y j q'qy pu'o qtg'vj cp '32   'qh'c tgi kuvgtgf 'encuu'qh'qwt'eqo o qp'uvqem'qt'qvj gt'gswkv{ 'ugewtkvkgu."vq 'hkng'y kxj 'vj g' UGE 'egtvckp'tgr qtvu'qh'qy pgtuj kr 'cpf 'ej cpi gu'kp'qy pgtuj kr 'qh'qwt'ugewtkvkgu0Gzgewxkxg'qhhkegtu.'fktgevqtu'cpf " uvqemj qnf gtu'y j q 'j qnf 'o qtg'vj cp '32   'qh'qwt'qwuvcpfkpi "eqo o qp'uvqem'ctg'tgswktgf 'd{ 'vj g'UGE 'tq 'hwtpkuj "wu'y kxj " eqr kgu'qh'cnn'tgswktgf 'hqto u'hkngf 'wpf gt'Ugevkqp'38*c+0Y g'r tgr ctg'Ugevkqp'38*c+'hqto u'qp'dgj cnh'qh'qwt'gzgewxkxg" qhhkegtu'cpf 'fktgevqtu'dcugf 'qp'vj g'kphqto cvkqp'r tqxkf gf 'd{ 'vj go 0

Dcugf "uqngn{ 'qp 'tgxkgy 'qh'vj ku'kphqto cvkqp'cpf 'y tkvugp 'tgr tgugpvcvkqpu'd{ 'qwt'gzgewxkxg'qhhkegtu'cpf 'fktgevqtu' y j cv'pq 'qvj gt'tgr qtvu'y gtg'tgswktgf ."y g'dgnkgxg'vj cv 'f wtkpi 'hkuecn'{gct'4233.'pq 'tgr qtvkpi 'r gtuqp'hckngf 'vq 'hkng'vj g'hqto u' tgswktgf 'd{ 'Ugevkqp'38*c+'qh'vj g'Gzej cpi g'Cev'qp 'c 'vko gn{ 'dcuku0

EQUITY COMPENSATION PLAN INFORMATION

Vj g"hqmoy kpi "vcdng"uj qy u"kphqrtn cvkqp"tgrcvgf "vq"qwt"eqo o qp"uvqem"y j kej "o c{"dg"kuuwgf "wpfgt"qwt"gzkuvkpi "gs wkv{"eqo r gpucvkqp"r ncpu"cu"qh"F gego dgt "4."4233."kpenwfkpi "qwt"3; ; 9"Go r nq{gg"Uvqem"Rwtej cug"Rncp."4225"Gs wkv{"Kpegpvkxg"Rncp."cpf "3; ; 6"Rgthqto cpeg"cpf "Tguvtkevgf "Uvqem"Rncp."r nwu"egtvckp"pqp/uvqem"qr fgt"cr r tqxgf "gs wkv{"eqo r gpucvkqp"r ncpu"cpf "cy ctfu"cuuwo gf "d{"wu"*cpf "y j kej "y gtg"pqv"uwdugs wgpv"{"xqvgf "qp"d{"Cf qdgou"uvqem"qnfgtu+"kp"eqppgevkqp"y kj "qwt"ces wkukkqpu"qh"O cetqo gfkc."Kpe0kp"F gego dgt "4227."Oo pkuvwtg."Kpe0kp"Qevqdgt "422; ."F c{"Uqhwy ctg"J qnfkpi "CI "kp"Qevqdgt "4232."F go f gz."Kpe0kp"Lcpwct{ "4233."Gej qUki p."Kpe0kp"Lwn{ "4233."V{r gmkv"Kpe0kp"Ugr vgo dgt "4233."cpf "Cwf kwf g."Kpe0kp"Qevqdgt "4233<

Plan Category	Number of securities to be issued upon exercise of outstanding options, performance shares and restricted stock units	Weighted-average exercise price of outstanding options, performance shares and restricted stock units	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in first column)
Gs wkv{"eqo r gpucvkqp"r ncpu"cr r tqxgf "d{"""""Cf qdgou"uvqem qnf gtu‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚	67.435.49: [3+]	&43088	78.437.63; [4+]
Gs wkv{"eqo r gpucvkqp"r ncpu"pqv"cr r tqxgf "d{ "" """Cf qdgou"uvqem qnf gtu [5+] ‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚	9.664.572	37085	4.8: 3.94;
Total‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚‚	74.877.84:	&420 2	7: .: ; 9.36:

aaaaaaaaaaaaaaaaaaaaaaaaaa

[3+] Kpenwf gu"859.8: : "uj ctgu"qh"eqo o qp"uvqem kuuwcdng"r wtuwcpv"vq"vj g"vgto u"qh"qwt"4233"Rgthqto cpeg"Uj ctg"Rtqi tco "cv"o czko wo "ngxgnu"*372‚+"cu"qh"F gego dgt "4."42330J qy gxgt."chvgt"vj g"4233"hkuecn{ gct"gpf ."kv"y cu"f gvgto kpgf "vj cv"352‚"qh"vj g"vcti gv"cy ctfu"*774.885"uj ctgu+"y gtg"gctpgf "wpf gt"vj g"vgto u"qh"ku"r tqi tco "cpf "vj g"dcncpeg"*: 7.247"uj ctgu+"y gtg"hqthgkvgf "cu"qh"Lcpwct{ "46."4234="kp"cf f kvkqp."83.322"uj ctgu"y gtg"hqthgkvgf "f wg"vq"r ctvkekr cpvuö"f gr ctvwtg"htqo "Cf qdg"r tkqt"vq"vj g"egtvkhkecvkqp"f cvg0Ugg"öCo r gpucvkqp"F kuewuukqp"cpf "Cpcn{ukuö"kp"ku"r tqz{ "uvcvgo gpv"hqt"c"f kuewuukqp"qh"cewcntguwnu"wpf gt"vj g"4233"Rgthqto cpeg"Uj ctg"Rtqi tco 0

[4+] Kpenwf gu"44.5; 2.279"uj ctgu"vj cv"ctg"tgugtxgf "hqt"kuuwcpeg"wpf gt"vj g"3; ; 9"Go r nq{gg"Uvqem"Rwtej cug"Rncp"cu"qh"F gego dgt "4."42330

[5+] Qp"F gego dgt "5."4227."kp"eqppgevkqp"y kj "qwt"ces wkukkqp"qh"O cetqo gf kc."y g"cuuwo gf "vj g"qwuvcpf kpi "uvqem cy ctfu"cpf "vj g"uj ctgu"tgo ckpkpi "cxckncdng"hqt"hwwtg"kuuwcpeg"wpf gt"xctkqwu"gs wkv{"kpegpvkxg"r ncpu"o ckpvckpgf "d{"O cetqo gf kc0Qp"Qevqdgt "45."422; ."kp"eqppgevkqp"y kj "qwt"ces wkukkqp"qh"Oo pkuvwtg."y g"cuuwo gf "vj g"qwuvcpf kpi "uvqem cy ctfu"cpf "vj g"uj ctgu"tgo ckpkpi "cxckncdng"hqt"hwwtg"kuuwcpeg"wpf gt"xctkqwu"gs wkv{"kpegpvkxg"r ncpu"o ckpvckpgf "d{"Oo pkwtg0Qp"Qevqdgt "4: ."4232."kp"eqppgevkqp"y kj "qwt"ces wkukkqp"qh"F c{"Uqhwy ctg."y g"cuuwo gf "vj g"qwuvcpf kpi "wpxgstef "uvqem qr vkqpu"kuuwgf "wpf gt"xctkqwu"gs wkv{"kpegpvkxg"r ncpu"o ckpvckpgf "d{"F c{"Uqhwy ctg0Qp"Lcpwct{ "3: .4233."kp"eqppgevkqp"y kj "qwt"ces wkukkqp"qh"F go f gz."y g"cuuwo gf "vj g"qwuvcpf kpi "wpxgsvgf "uvqem cy ctfu"kuuwgf "wpf gt"vj g"gs wkv{"kpegpvkxg"r ncp o ckpvckpgf "d{ "F go f gz0Qp"Lwn{ "37.4233."kp"eqppgevkqp"y kj "qwt"ces wkukkqp"qh"Gej qUki p."y g"cuuwo gf "vj g"qwuvcpf kpi "wpxgsvgf "uvqem qr vkqpu"kuuwgf "wpf gt"xctkqwu"gs wkv{"kpegpvkxg"r ncpu"o ckpvckpgf "d{ "Gej qUki p0Qp"Ugr vgo dgt "4: ."4233."kp"eqppgevkqp"y kj "qwt"ces wkukkqp"qh"""V{r gmkv."y g"cuuwo gf "vj g"qwuvcpf kpi "wpxgsvgf "uvqem qr vkqpu"kuuwgf "wpf gt"vj g"gs wkv{"kpegpvkxg"r ncp o ckpvckpgf "d{ "V{r gmkv0Qp"Qevqdgt "3: ."4233."kp"eqppgevkqp"y kj "qwt"ces wkukkqp"qh"Cwf kwf g."y g"cuuwo gf "vj g"qwuvcpf kpi "wpxgsvgf "uvqem cy ctfu"kuuwgf "wpf gt"xctkqwu"gs wkv{"kpegpvkxg"r ncp o ckpvckpgf "d{ "Cwf kwf g0

Y g"cnuq"cuuwo gf "egtvckp"pqp/uvqem qr fgt"cr r tqxgf "i tcpvu"o cf g"qwukf g"qh"cuuwo gf "gs wkv{"eqo r gpucvkqp"r ncpu"f guetkdgf "cdqxg0Cu"qh"F gego dgt "4."4233."vj gug"cuuwo gf "i tcpvu"eqxgtgf "c"vqvcn"qh"4: .654"uj ctgu"qh"qwt"eqo o qp"uvqem cv"c"y gki j vgf "cxgtci g"gzgtekug"r tkeg"qh"&330130Vj g"uj ctgu"vq"dg"kuuwgf "wr qp"gzgtekug"qh"vj gug"i tcpvu"ctg"kpenwf gf "kp"vj g"öGs wkv{"eqo r gpucvkqp"r ncpu"pqv"cr r tqxgf "d{ "uvqem qnf gtuö"tqy "qh"vj g"cdng0

Cu'r ctv'qh'vj g'cuuwo r vkqp'qh'vj g'O cetqo gf kc'r ncpu.'ghhgevkxg'F gego dgt"5.'4227.'qwt'Dqctf 'cf qr vgf 'vj g' Cf qdg''U{uvgo u''Kpeqtr qtcvgf '4227'Gs wkv{'Kpegpvkxg'Cuuwo r vkqp'Rncp'*"vj g'õCuuwo r vkqp'Rncpö+0'Vj g'Cuuwo r vkqp'Rncp' r gto ku'vj g'i tcpv'qh'pqp/unvcwuqt{'uvqem'qr vkqpu.'uvqem'cr r tgekcvkqp'tki j vu.'uvqem'r wtej cug'tki j vu.'uvqem'dqpwugu." tguvtkevgf 'uvqem'tguvtkevgf 'uvqem'wpkvu.'r gthqto cpeg'uj ctgu'cpf 'r gthqto cpeg'wpkvu'wukpi 'uj ctgu'tgugtxgf 'wpfgt'egtvckp' qh'vj g'cuuwo gf 'O cetqo gf kc'r ncpu'*cu'fguetkdgf 'dgnqy +0'Kp'eqppgevkqp'y kj 'qwt'cuuwo r vkqp'qh'vj g'Qo pkwtg'r ncpu.'qp' P qxgo dgt'38.'422; .'vj g'Cuuwo r vkqp'Rncp'y cu'co gpf gf 'd{ 'vj g'Dqctf 'vq'kpenwf g'uj ctgu'tgugtxgf 'wpf gt'egtvckp'qh'vj g' cuuwo gf 'Qo pkwtg'r ncpu'*cu'f guetkdef 'dgnqy +0'Vj g'Cuuwo r vkqp'Rncp'j cu'pqv'dggp'cr r tqxgf 'd{ 'qwt'uvqej qnf gtu0Vj g' vgto u'cpf 'eqpf kvkqpu'qh'uvqem'cy ctfu'wpf gt'vj g'Cuuwo r vkqp'Rncp'ctg'uwduvcpvkcn{ 'uko knct'vq'vj qug'wpf gt'qwt'4225' Gs wkv{ 'Kpegpvkxg'Rncp0'Kp'ceeqtf cpeg'y kj 'cr r nkecdng'P CUF CS 'i kvlkpi 'tgs wktgo gpvu.'y g'o c{ 'i tcpv'pgy 'uvqem'cy ctfu' wpf gt'vj g'Cuuwo r vkqp'Rncp'vq'qwt'go r nq{ ggu'y j q'y gtg'pqv'go r ng{ gf 'd{ 'qr r tqxkf kpi 'ugtxkegu'vq'wu'qt'cp{ 'qh'qwt' chhknkevgu'r tkqt'vq'F gego dgt'5.'4227'*qvj gt'vj cp'go r nq{ ggu'qh'O cetqo gf kc'dghqtg'F gego dgt'5.'4227.'cpf 'Qo pkwtg' dghqtg'Qevqdgt'45.'422; .'cpf 'vj gkt'tgur gevkxg'chhknkevgu'cpf 'uwdukf kctkgu+0

Wpf gt'vj g'Cuuwo r vkqp'Rncp.'cp'ci i tgi cvg'qh'4.8: 3.94; 'uj ctgu'qh'qwt'eqo o qp'uvqem'ku'tgugtxgf 'hqt'kuuwcpeg0' Uwej 'uj ctg'tgugtxg'eqpukuvu'uqrgn{ 'qh'vj g'wpwugf 'cpf 'eqpxgtvgf 'uj ctg'tgugtxgu'cpf 'r qtgpvkcn'tgxgtukqpu'vq'vj g'uj ctg' tgugtxgu'y kj 'tgur gev'vq'egtvckp'O cetqo gf kc'cpf 'Qo pkwtg'r ncpu'*cu'f guetkdgf 'dgnqy +0'Vj g'uj ctg'tgugtxg'ku'f kxkf gf ' kpvq'Tgugtxgu'C'vj tqwi j 'G0Cu'qh'F gego dgt'4.'4233.'vj g'tgugtxgu'y gtg'cu'hqnqy u<

Reserve[1]	Shares of Common Stock, Including Unused Share Reserve and Reversions (#)	Acquired Plans from which Unused Share Reserve and Reversions Are Comprised	Last Day Stock Can Be Awarded from Reserve
D	5; .; 75	O cetqo gf kc.'Kpe.0'4224'Gs wkv{'Kpegpvkxg'Rncp	P qxgo dgt'32.'4236
		Cnncktg'Eqtr qtcvkqp'3; ; 9'Uvqem'Kpegpvkxg'Rncp	
		Cnncktg'Eqtr qtcvkqp'3; ; : 'Uvqem'Kpegpvkxg'Rncp	
		Cnncktg'Eqtr qtcvkqp'4222'Uvqem'Kpegpvkxg'Rncp	
E	4.372.; 49	Qo pkwtg.'Kpe.0'4228'Gs wkv{'Kpegpvkxg'Rncp	O ctej '45.'4238
F	48.372	Qo pkwtg.'Kpe.0'4229'Gs wkv{'Kpegpvkxg'Rncp	Lwpg'52.'4237
G	79: .669	Qo pkwtg.'Kpe.0'422: 'Gs wkv{'Kpegpvkxg'Rncp	Lwn{'36.'4236

aaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaa

*3+' Tgugtxg'C.'y j kej 'eqo r tkugf 'uj ctgu'htqo 'vj g'Cpftqo gf kc.'Kpe03; ; ; 'Uvqem'Rncp'ces wktgf 'kp'eqppgevkqp'y kj ' vj g'O cetqo gf kc'ces wukukqp.'gzr ktgf 'qp'Cwi wuv'3.'422; 0

Vj g'Cuuwo r vkqp'Rncp'rko ku'vj g'pwo dgt'qh'uj ctgu'vj cv'o c{ 'dg'kuuwgf 'htqo 'Tgugtxg'D'kp'vj g'hqto 'qh'uvqem' r wtej cug'tki j vu.'tguvtkevgf 'uvqem'wpkvu.'r gthqto cpeg'uj ctgu.'qt'r gthqto cpeg'wpkvu'vq'322.222'uj ctgu'qh' qwt'eqo o qp'uvqem0'Hqt'gcej 'cy ctf 'i tcpvgf 'wpf gt'Tgugtxgu'E.'F 'qt'G.'vj g'cr r nkecdng'tgugtxg'y knn'dg'tgf wegf 'd{ 'qpg' uj ctg'qh'eqo o qp'uvqem'hqt'gcej 'uvqem'qr vkqp'qt'uvqem'cr r tgekcvkqp'tki j v.'cpf 'd{ '3099'uj ctgu'qh'eqo o qp'uvqem'hqt'cn' qvj gt'cy ctfu0'Kh'cp'cy ctf 'hqt'cp 'tgcuqp'gzr ktgu.'vgto kpcvgu'qt'ku'ecpegngf 'y kj qwv'j cxkpi 'dggp'gzgtekugf 'qt'ugvrgf 'kp' hwnn'qt'kh'uj ctgu'qh'uvqem'ces wktgf 'r wtuwcpv'vq'cp'cy ctf 'ctg'hqthgkvgf 'qt'tgr wtej cugf 'd{ 'wu.'vj qug'uj ctgu'y knn'dg'cf f gf ' dcem'vq'vj g'cr r nkecdng'tgugtxg'kp'vj g'co qwpv'eqttgur qpf kpi 'vq'vj g'qtki kpcn'tgf wevkqp'cpf 'y knn'ci ckp'dg'cxckncdng'hqt' kuuwcpeg'wpf gt'vj g'Cuuwo r vkqp'Rncp0

Qwt'Dqctf 'o c{ 'vgto kpcvg'qt'co gpf 'vj g'Cuuwo r vkqp'Rncp'cv'cp{ 'vko g'uwdlgev'vq'cr r nkecdng'twngu0'Kp'vj g'gxgpv' qh'c'uceg'qh'uwduvcpvkcn{ 'cn'qh'qwt'xqvkpi 'uvqem'c'o gti gt'kpxqnxkpi 'wu.'vj g'uceg'qh'uwduvcpvkcn{ 'cn'qh'qwt'cuugvu.'qt'c' rks wkf cvkqp'qt'f kuuqnwvkqp'qh'wu.'uvqem'cy ctfu'eqxgtgf 'd{ 'vj g'Cuuwo r vkqp'Rncp'o c{ 'dg'cuuwo gf 'qt'uwduvkwwgf 'd{ 'c' uweeguuqt'gpvkv{ 0'Kp'vj g'gxgpv'cv'c'uweeguuqt'gpvkv{ 'grgevu'pqv'vq'cuuwo g'qt'uwdukwwg'hqt'uwej 'uvqem'cy ctfu.'vj g'uvqem' cy ctfu'y knn'dgeqo g'hwn{ 'xguvgf 0

Kp'cff kvkqp'vq'vj g'Cuuwo r vkqp'Rncp.'cu'qh'vj g'hkuecn'{ gct'gpf gf 'F gego dgt'4.'4233.'y g'o ckpvckpgf 'gki j v'gs wkv{ ' eqo r gpucvkqp'r ncpu'cuuwo gf 'd{ 'wu'kp'eqppgevkqp'y kj 'vj g'O cetqo gf kc'ces wukukqp.'pkpg'r ncpu'cuuwo gf 'd{ 'wu'kp' eqppgevkqp'y kj 'vj g'Qo pkwtg'ces wukukqp.'vy q'r ncpu'cuuwo gf 'd{ 'wu'kp'vj g'F c{ 'Uqhwy ctg'ces wukukqp." qpg'r ncp'cuuwo gf 'd{ 'wu'kp'eqppgevkqp'y kj 'vj g'Go f gz'ces wukukqp.''vy q'r ncpu'cuuwo gf 'd{ 'wu'kp'eqppgevkqp'y kj 'vj g' Gej qUki p'ces wukukqp.''qpg'r ncp'cuuwo gf 'd{ 'wu'kp'eqppgevkqp'y kj 'vj g'V{ r gmkv'ces wukukqp.'cpf 'vy q'r ncpu'cuuwo gf 'd{ ' wu'kp'eqppgevkqp'y kj 'vj g'Cwf kwf g'ces wukukqp'wpf gt'y j kej 'uvqem'cy ctf u'j cf 'dggp'i tcpvgf 'd{ 'vj gug'r tgf geguuqt' gpvkvkgu'vj cv'tgo ckpgf 'qwuvcpf kpi 'cv'vj k g'qh'vj g'O cetqo gf kc.'Qo pkwtg.'F c{ 'Uqhvy ctg.'F go f gz.'Gej qUki p.

V{r gmkv."cpf "Cwfkwfg"ces wkukkqpu."tgur gevkxgn{0Vj g"õGs wkv{"eqo r gpucvkqp"r ncpu"pqv"cr r tqxgf "d{ "uvqemj qrf gtuö"tqy "kp"vj g"õGs wkv{"Eqo r gpucvkqp"Rncp"Kphqto cvkqpö"cdng"cdqxg"uj qy u"ci i tgi cvgf "uj ctg"tgugtxg"kphqto cvkqp"hqt"vj gug"r ncpu"cpf "cy ctf u0Qvj gt"vj cp"vj tqwi j "vj g"Cuuwo r vkqp"Rncp."pq"hwwtg"cy ctf u"o c{ "dg"i tcpvgf "wpf gt"cp{ "qh"qwt"ces wktgf "r ncpu0

Rngcug"ugg"Rctv"KK"Kgo ": "õHkpcpekcn"Uvcvgo gpvu"cpf "Uwr r ngo gpvct{ "F cvcö"qh"qwt"4233"Cppwcn"Tgr qtv"qp"Hqto "32/M"kp"vj g"pqvgu"vq"Eqpuqnkf cvgf "Hkpcpekcn"Uvcvgo gpvu"cv"P qvg"35."õUvqem/dcugf "Eqo r gpucvkqpö"hqt"hwtvj gt"kphqto cvkqp"tgi ctf kpi "qwt"gs wkv{ "eqo r gpucvkqp"r ncpu"cpf "cy ctf u0

COMPENSATION DISCUSSION AND ANALYSIS

Vj ku'Eqo r gpucvkqp'F kuewuukqp'cpf 'Cpcn{uku'r tqxkf gu'kphqto cvkqp 'tgi ctf kpi "qwt'Vqvcn'Tgy ctf u'Rtqi tco "f wtkpi "hkuecn'{ gct"4233 "hqt"vj g"hqmqy kpi "gzgewvkxg'qhhkegtu'qh'Cf qdg<

- É' Uj cpvcpw'P ctc{gp."Rtgukf gpv'cpf 'Ej kgh'Gzgewvkxg'Qhhkeg
- É' O ctm'I cttgw."Gzgewvkxg'Xkeg'Rtgukf gpv'cpf 'Ej kgh'Hkpcpekcn'Qhhkeg
- É' Mgxkp'N{ pej ."Ugpkqt'Xkeg'Rtgukf gpv."Ej kgh'Vgej pqnqi {'Qhhkeg
- É' O cwj gy "Vj qo r uqp."Ugpkqt'Xkeg'Rtgukf gpv."Y qrnf y kf g'Hkgnf 'Qr gtcvkqpu
- É' F cxkf "Y cf j y cpk."Ugpkqt'Xkeg'Rtgukf gpv'cpf 'I gpgtcn'O cpci gt."F ki kvcn'O gf kc'Dwukpguu''Wpkv

Vj gug'gzgewvkxg'qhhkegtu'ctg'tghgttgf 'vq'kp'vj ku'Eqo r gpucvkqp'F kuewuukqp'cpf 'Cpcn{uku'cpf 'kp'vj g" ceeqo r cp{kpi "eqo r gpucvkqp'vcdngu'cu'qwt'pco gf "gzgewvkxg'qhhkegtu."qt'õP GQu.ö

Vj ku'Eqo r gpucvkqp'F kuewuukqp'cpf 'Cpcn{uku'f guetkdgu'vj g'o cvgtkcn'gngo gpvu'qh'qwt'Vqvcn'Tgy ctf u'Rtqi tco " hqt''qwt'gzgewvkxg'qhhkegtu'f wtkpi "hkuecn'{ gct'42330'Kv'cnuq'r tqxkf gu'cp'qxgtxkgy "qh'qwt'gzgewvkxg'eqo r gpucvkqp" r j kqurqr j {."kpenwf kpi "qwt'r rkpekr cn'eqo r gpucvkqp'r qrkekgu'cpf 'r tcevkegu0'Hkpcmn{."kv'cpcn{ gu'j qy 'cpf 'y j {'vj g" Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'qh'qwt'Dqctf 'cttkxgf 'cv'vj g'o cvgtkcn'eqo r gpucvkqp'f ekukqpu'hqt''qwt'gzgewvkxg" qhhkegtu."kpenwf kpi "qwt'P GQu."kp'hkuecn'{ gct'42330

Executive Summary

Cf qdgøu'xkukqp'ku'vq'ej cpi g'vj g'y qrnf 'vj tqwi j "f ki kvcn'gzr gtkgpegu0'Vq'uwr r qtv'qwt'r tqf wev'cpf 'vgej pkecn' kppqxcvkqp'y kij 'urtqpi "gzgewvkqp."y g'urtkxg'vq'etgcvg'c'f {pco ke'y qrnf'gpxktqpo gpv'vj cv'cvtcevu'cpf 'tgvckpu'i tgcv'r gqr rg" y j q'eqpvtkdwvg'f ktgevn{'vq'qrt i cpk| cvkqpcn'r tkqtkvkgu0'kppqxcvkqp."ewuqo gt'hqewu'cpf 'i tqy j 'hqt'Cf qdg0'Qwt'Vqvcn' Tgy ctf u'Rtqi tco 'r nc{u'c'hwpf co gpvcn'tqrg'kp'etgcvkpi 'vj ku'gpxktqpo gpv'd{ 'tgy ctf kpi 'cnn'ngxgnu'qh'go r nq{ggu." kpenwf kpi "qwt'P GQu."hqt''vj g'uweeguuhwn'gzgewvkqp'qh'qwt'uj qtv'cpf 'nqpi /vgto 'dwukpguu'qdlgevkxgu0

Business and Compensation Highlights

Y j kng'vj g'r cuv'{ gct'o ctmgf 'cpqvj gt'r gtkqf 'qh'wpegtvckpv{ 'cpf 'ej cmgpi gu'kp'vj g'i rqdcn'geqpqo { 'cpf 'hkpcpekcn' o ctmgvu."qwt'gzgewvkxg'qhhkegtu'uweeguuhwm{ 'rgf 'c'etkvkecn'dwukpguu'o qf gm'vtcpuhqto cvkqp'kp'hkuecn'{ gct'42330" Dgi kppkpi "y kj "qwt'ceswkukkqp'qh'Qo pkwwtg'kp'422; ."qwt'gzgewvkxgu'j cxg'f tkxgp'uwuvckpgf 'kpxguvo gpvu'kp'vj g'j ki j / i tqy vj 'f ki kvcn'o ctmgvkpi 'ctgc.'kpenwf kpi 'qwt'uvtcvgi ke'ceswkukkqp'qh'F c{'Uqhvy ctg.'F go f gz.'Cwf kwf g'cpf 'GHhkekgpv' Htqpvkgt0'Cv'vj g'uco g'vko g.'Cf qdgøu'ngcf gtuj kr 'vgco 'eqpegkxgf 'cpf 'ku'ko r ngo gpvkpi 'c'dwukpguu'o qf gm'vtcpuhqto cvkqp" hqt''qwt'etgcvkxg'dwukpguu'htqo 'r gtr gvwcn'rkegpugu'vq'c'uwduetkrvkqp/dcugf 'enqwf 'qhhgtkpi .'tgo ci kpkpi 'vj g'etgcvkxg" r tqeguu'vj tqwi j 'vj g'kpvtqf wevkqp'qh'qwt'Etgcvkxg'Enqwf .'y j kej 'ku'c'eqo r tgj gpukxg'qhhgtkpi 'qh'qwt'Etgcvkxg'Uwkng" f gumqr 'cr r rkecvkqpu'eqo dkpgf 'y kj 'etgcvkxg'ugtxkegu.'pgy 'eqpvgpv/etgcvkqp'vqwej /dcugf 'cr r u'hqt''wug'qp'vcdngvu.'cpf " eqo o wpkv{ 'hgcvwtgu'vj cv'qi gvj gt'y g'dgnkgxg'y knn'tgf ghkpg'vj g'eqpvgpv/etgcvkqp'r tqeguu0'Kp'vj g'o kf uv'qh'dtkpi kpi 'cdqw'' vj gug'vtcpuhqto cvkqpu'vq'qwt'dwukpguu'o qf gnu'cpf 'uvtwewtg.'qwt'gzgewvkxg'qhhkegtu'j cxg'eqpvkpwgf 'vq'f gnkxgt'urtqpi " hkpcpekcn'tguwnu.'eqpukuvgpvn{ 'cej kgxkpi 'cti gv'hkpcpekcn'o kngurqpgu0'Hqt''vj g'hkuecn'{ gct'gpf kpi 'F gego dgt'4.'4233.'y g" tgr qtvgf <

- É' tgeqtf 'tgxgpwg'qh'&60438'dknnkqp.'eqo r ctgf 'vq'&50 00'dknnkqp'kp'hkuecn'{ gct'4232'ö 'tgr tgugpvkpi '33' '{ gct/ qxgt/{ gct'i tqy vj ="

- É' I CCR'qr gtcvkpi 'r tqhkv'i tqy vj 'htqo "&; ; 50'o knnkqp'vq '&303'dknnkqp.'qt'33' .'htqo 'hkuecn'{ gct'4232'vq' hkuecn'{ gct'4233="cpf

- É' I CCR'f knwvgf 'ectpkpi u'r gt/uj ctg'qh'&3087.'eqo r ctgf 'vq'&3069'kp'hkuecn'{ gct'4232.'c'34' '"kpetgcug0

F wtkpi "vj g'{ gct.'qwt'gzgewvkxg'qhhkegtu'cnuq'gzgewvgf 'uweeguuhwn'ci ckpuv'vj g'ng{ 'uvtcvgi ke'r gthqto cpeg" qdlgevkxgu'guvcdrkuj gf "d{ 'vj g'Gzgewvkxg'Eqo r gpucvkqp'Eqo o kwgg'hqt'hkuecn'{ gct'42330'Vj gug'cej kgxgo gpvu'kpenwf gf <

- É' f tkxkpi "uki pkhkecpv'kpetgcugu'kp'CEX'dqqmkpi u'cpf 'gpvgtr tkug'ewuqo gt'tgvgpvkqp'tcvgu'kp'qwt'Qo pkwwtg" dwukpguu'cpf 'cej kgxkpi 'tgxgpwg'i tqy vj 'hqt''qwt'F c{'dwukpguu'kp'gzeguu'qh'vj g'i tqy vj 'r rcp'guvcdrkuj gf 'cv' vj g'ko g'qh'vj g'F c{ 'ceswkukkqp=

- fgxgnqrkpi "cpf "cppqwpekpi "yjg"Etrcvkxg"Enqwf "qhhgtkpi ."utcvgi {"cpf "xkukqp"cpf "ko rngo gpvkpi "
o gcpkpi hwnl'qtr cpk{ cvlqpcrl'ejcpi gu''q''uwr r qtV''yjg"uweeguu''qh'yju'xkukqp''cpf "yjg'kpetgcukpi "hqewu''qp"
i tqy yj "qr r qtwpkkgu''kp''fki kxcnl'o ctlgvkpi ."kpenkfkpi "ko r ngo gpvkpi "utcvgi {'ejcpi gu''qt''qwt''Cfqdg''Hncuj ."
Cfqdg''NkxgE{eng'cpf 'Cfqdg''Eqppgev'r tqfwevu=

- gzgewvkpi "utcvgi ke''dwukpguu''ces wkukkvlqpu''qh'F go fgz.'Cwfkwfg'cpf 'Gej qUki p'cpf 'gpvgtkpi "kpvq''c"
fghkpkxkxg''ci tggo gpv'q''ces wktg''Ghhkekgpv'Htqpvkgt=

- kpetgcukpi "cy ctgpguu''qh'Cfqdgøn'ngcfgtuj kr "kp''fki kxcnl'gzr gtkgpegu''cpf "qr r qtwpkkgu''kp''fki kxcnl'o gfkc''cpf "
fki kxcnl'o ctlgvkpi "yj tqwi j "yj g''uweeguuhwnl'ncwpej "qh'yj g''õCfqdg''(ö''dtcpf ''cca r cki p''kp''yj g''WUO=

- cej kgxkpi "utqpi 'Cfqdg@eqo "tgxgpwg''cpf 'kpetgcugf 'Cfqdg@eqo "eqpxgtukqp'tcvgu''kp''P qtyj 'Co gtkec="cpf

- ko r tqxkpi "eqo o wpkecvlqpu''cpf "enctkf{kpi "qwt''utcvgi ke''xkukqp''y kj "qwt''go r nq{ggu''cpf "cej kgxkpi "vcti gvgf "
tgvgpvkqp''qh'lg{ "vcngpv.'kpenkfkpi "uweeguuhwnl'tgvgpvkqp''qh'go r nq{ggu''qh'ces wktgf "dwukpguugu0

Eqpukuvgpv'y kj "yj gug''tguwnvu.''yj g''Gzgewvkxg''Eqo r gpucvlqp''Eqo o kwgg''qqm''yj g''hqnqy kpi "cevlqpu''y kj 'tgur gev'
vq''yj g''kpegpvkxg''eqo r gpucvlqp''qh'qwt''P GQu''hqt''hkuecnl'{ gct''4233<

- fgvgto kpgf "yj cv'dcugf "qp''qwt''utqpi "{ gct/qvgt/{ gct'I CCR'tgxgpwg''cpf "qr gtcvkpi "r tqhkv/'i tqy yj "qh'33 "
cpf '33 .''tgur gevkxgn{.''yj ktg''cppwcnl'cuj "kpegpvkxg''cy ctfu''y gtg''gctpgf "cv'329 "qh'yj gkt''cti gv'cy ctf "
qr r qtwpkv{ =

- fgvgto kpgf "yj cv'dcugf "qp''qwt''utqpi 'I CCR''tgxgpwg''tguwnvu''cpf "qwt''cej kgxgo gpv'qh'yj g'r tg/fgvgto kpgf "
ng{ "utcvgi ke''r gthqto cpec''qdlgevkxgu''tgncvgf "vq''qwt''vtcphqto cvlqp.''yj gkt''r gthqto cpea''uj ctg''cy ctf u''y gtg"
gctpgf "cv'352 "qh'yj gkt''cti gv'cy ctf "qr r qtwpkv{ ="cpf

- vq''f ktgevn{ "vkg''gzgewvkxg''eqo r gpucvlqp''vq''qwt''r gthqto cpea.''ugv''yj g''ci i tgi cvg''cti gv'xcnwg''qh'O t0'
P ctc{ gpøn''cppwcnl'gs wkv{ "cy ctf "vq''eqo r tkug''cr r tqzko cvgn{ "82 "qh'jku''cti gv''VFE''qr r qtwpkv{ .''cpf "yj g"
cxgtci g''ci i tgi cvg''cti gv'xcnwg''qh'yj g''cppwcnl'gs wkv{ "cy ctf u'hqt''qwt''qyj gt''P GQu''cv''cr r tqzko cvgn{ "96 "qh"
yj gkt''cti gv''VFE0

Vj gug''f gekukqpu''y gtg''r tko ctkn{ "dcugf "qp''qwt''P GQøu''uweeguu''kp''cej kgxkpi "cppwcnl'hkpcpekcnl'cpf "utcvgi ke"
qdlgevkxgu''yj cv''hwtyj gt''qwt''nqpi -vgto "dwukpguu''qdlgevkxgu''cpf "etgcvg''uwuvckpcdng''nqpi -vgto "uqjekqnf gt''xcnwg''kp''c''equV'
ghhgevkxg''o cppgt0

Vj gug''f gekukqpu''y gtg''cnuq''eqpukuvgpv'y kj "qwt''qdlgevkxgu''qh'v{ kpi "yj g''qwveqo gu''qh'qwt''kpegpvkxg''eqo r gpucvlqp"
cy ctf u''hqt''qwt''gzgewvkxg''qhhkegtu.''kpenfkpi "qwt''P GQu.''vq''yj g''cej kgxo gpv'qh'qwt''ng{ "utcvgi ke''r gthqto cpea''qdlgevkxgu''
cpf "yj g''tgvwtpu''vq''qwt''uqjckqnf gtu0''Cu''c''r tcevkecnl'o cwgt.''yj ku''o gcpu''yj cv''xkpgu''yj g''cej kgxg''qwt''hkpcpekcnl'cpf "ng{ "
utcvgi ke''r gthqto cpea''qdlgevkxgu''cej "{ gct'cpf "qvgt''yj g''nqpi -vgto .''qwt''gzgewvkxg''qhhkegtu''fq''pqv''tgcnlg''yj g''kpvgpf gf "
xcnwg''htqo "yj ktg''cppwcnl'cpf "nqpi -vgto "kpegpvkxg''eqo r gpucvlqp0''Hwtyj gt.'dgecwug''Cfqdg''eqo o qp''uqjckqnf gttkgu''qwt''
gs wkv{ /dcugf "eqo r gpucvlqp''cy ctf u.''yj g''ko q f fkcvg''xcnwg''qh'yj gug''cy ctf u''ku''y jqn{ "uwdlgev''vq''hnwevwcvkqpu''kp''qwt''uqjem'
r tkegô "yj gtgd{ "uutqpi n{ "cnki pkpi "yj g''kpvgtguvu''qh'qwt''gzgewvkxg''qhhkegtu''y kj "qwt''uqjem qnf gtu0

Response to 2011 Say-on-Pay Vote

Cfqdg''cpf "yj g''Gzgewvkxg''Eqo r gpucvlqp''Eqo o kwgg''xcnwg''yj g''kpr w''qh'qwt''uqjem qnf gtu''qp''qwt''Vqvcnl'
Tgy ctfu''Rtqi tco 0''Y g''tgi wctn{ "eqo o wpkecvg''y kj "qwt''uqjem qnf gtu''vq''dgwgt''wpf gtucpf "yj gkt''qr kpkqpu''qp''qwt''
dwukpguu''utcvgi {''cpf 'qdlgevkxgu.''cu''y gnl'cu''o cwgtu''qh'kpxguqt''kpvgtguv''qt''eqpegtp.''uwej "cu''gzgewvkxg''
eqo r gpucvlqp0''Vj g''Gzgewvkxg''Eqo r gpucvlqp''Eqo o kwgg''ectghwnn{ "eqpukfgtu''yj ku''hggf dcem"cu''r ctv'qh'ku''cppwcnl'
tgxkgy "qh'qwt''Vqvcnl'Tgy ctfu''Rtqi tco "hqt''qwt''gzgewvkxg''qhhkegtu0''Kp''cf f kxlqp.''uqjem qnf gtu''ctg''kpxkvgf "vq''gzr tguu''
yj gkt''xkgy u''vq''yj g''Gzgewvkxg''Eqo r gpucvlqp''Eqo o kwgg''cu''f guetkdgf "wpf gt''yj g'j gcf kpi "õEqo o wpkecvlqp''y kj "yj g''
Dqctfö''kp''yj g''õGngevlqp''qh'F ktgevqtuö''ugevlqp''qh'yj ku''r tqz{ "uvcvo gpv0''Hkpcnn.''yj g''cf xkuqt{ "xqvg''qp''yj g''
eqo r gpucvlqp''qh'qwt''P GQu''eqpvckpgf "kp''Rtqr qucnl'4''qh'yj ku''r tqz{ "uvcvo gpv'r tqxkf gu''uqjem qnf gtu''y kj "cp''
qr r qtwpkv{ "vq''eqo o wpkecvg''yj gkt''xkgy u''qp''qwt''gzgewvkxg''eqo r gpucvlqp''r qnkekgu''cpf "r tcevkegu''wpf gt''qwt''Vqvcnl'
Tgy ctfu''Rtqi tco 0

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Kp"Cr tkn"4233."y g"j grf "qwt"kpkvkcn"cf xkuqt{"xqvg"qp"vj g"eqo r gpucvkqp"qh"qwt"P GQu0"Y j kng"c"o clqtkv{"qh"vj g" xqvgu"ecuv"qp"vj g"r tqr qucn"xqvgf "kp"uwr r qtv"qh"vj g"eqo r gpucvkqp"r ckf "vq"qwt"P GQu"hqt"hkuecn"{gct"4232."cr r tqzko cvgn{" 62'   "qh"vj g"xqvgu"ecuv"xqvgf "ci ckpuv"vj g"r tqr qucn0"Kp"xkgy "qh"vj ku"qwveqo g."cu"y gnn'cu"vj g"hggf dcem"vj cv"y g"i cvj gtgf " vj tqwi j "qwt"gpi ci go gpv"ghhqtu"y kj "o cp{"qh"qwt"uvqemjqnf gtu"r tkqt"vq"qwt"4233"Cppwcn"O ggvkp i "qh"Uvqemjqnf gtu" cdqwv"qwt"gzgewvkxg"eqo r gpucvkqp"r tcevkegu."vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"f ekf gf "vq"tgf guki p"ugxgtcn" uki pkhkecpv"cur gevu"qh"qwt"Vqvcn'Tgy ctf u"Rtqi tco ."kpenwf kpi "cu"kv'r gtvckpu"vq"qwt"gzgewvkxg"qhhkegtu0"Cv'vj g"ko g"qh'vj ku" f ekukqp."vj g"r tkpekr cn'cevkqpu"cpf "f ekukqpu"y kj "tgur gev"vq"qwt"Vqvcn'Tgy ctf u"Rtqi tco "hqt"hkuecn"{gct"4233"j cf " cr tgctgf {"dggp"eqo r ngvgf 0"Ceeqtf kpi n."vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"dgvrq kpgf "vj cv"kv"y cu"kp"vj g"dguv" kpvgtguu"qh"Cf qdg"cpf "ku"uvqemjqnf gtu"vq"hktuv"cr r n{ "vj gug"ej cpi gu"vq"qwt"hkuecn"{gct"4234"Vqvcn"Tgy ctf u"Rtqi tco 0'

F wtkpi "ku"f gnkdgtcvkqpu."vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"pqvgf "vj cv'kpxguuv'eqpegtpu'egpvgtgf " i gpgtcn{ "qp"vj g'hhgevkxgpguu"qh"qwt"ör c{/hqt-r gthqto cpeö"r j knquqr j {."kpenwf kpi "vj cv'o qtg"vj cp"72'   "qh"qwt" gzgewvkxg"qhhkegtu/ø'gs wkv{ "cy ctf u"y gtg"f gnkxgtgf "vj tqwi j "ko g-dcugf "gs wkv{ "xgj kengu"*kpenwf kpi "uvqem"qr vkqpu+0" Eqpugs wgpvn."vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"qqmf "vj g"hqmqy kpi "cevkqpu"vq"tgdcncpeg"vj g"ci gt gv'gs wkv{ "cy ctf " o kz"hqt"qwt"gzgewvkxg"qhhkegtu."kpenwf kpi "vj g"P GQu."hqt"hkuecn"{gct"4234"vq"ïpkpmo qtg"qh"vj gkt"cti gv"VF E"vq"ïpqpi gt-vgto " r gthqto cpeg"cpf "tkum'qwveqo gu<

É'   Grko kpcvgf "vj g"wug"qh"uvqem'qr vkqpu"*hqt"cnn'go r nq{ggu+0

É'   Cf lwuvgf "vj g"gs wkv{ "cy ctf "o kz"vq"kpetgcug"vj g"r tqr qtvkqp"qh"vj g"qxgtcnn'cy ctf "f gnkxgtgf "vj tqwi j " r gthqto cpeg-dcugf "gs wkv{ "xgj kengu0"Ur ekhkecnn."hqt"hkuecn"{gct"4234."j cm'qh"vj g"gs wkv{ "cy ctf u"i tcpvgf " vq"qwt"gzgewvkxg"qhhkegtu"eqpuku'qh"r gthqto cpeg"uj ctgu."y kj "vj g"qvj gt"j cm'eqpukukpi "qh'ko g-dcugf " tguvtkevgf "uvqem'wpku'cy ctf u0

É'   Eqpvkpwgf "vq"r tqxkf g"vj cv'vj g"r gthqto cpeg"uj ctg"cy ctf u"y qwf "dg"gctpgf "dcugf "qp"qwt"cewcn' cej kgxgo gpv'cu"o gcuwtgf "ci ckpuv'o wnlkr ng"r tg-guvcdnkuj gf "uvtcvgi ke"cpf "hipcpekcn'qdlgevkxgu."y kj "c"pgy " tgs wktgo gpv'vj cv'42'   "qh'gcej "r gthqto cpeg"uj ctg"cy ctf "y qwf "dg"gctpgf "dcugf "wr qp"c"tgncvkxg"vqvcn' uvqemjqnf gt"tgwtp'o gcuwtg0

É'   Eqpvkpwgf "vq"ugv'vj g"ci i tgi cvg"cti gv'xcnwg"qh"O t0P ctc{gpøu"cppwcn'gs wkv{ "cy ctf "vq"eqo r tkug" cr r tqzko cvgn{ "": 2'   "qh"j ku"cti gv'VF E"qr r qtwpkv{."cpf "vj g"cxgtci g"ci i tgi cvg"cti gv'xcnwg"qh"vj g"cppwcn' gs wkv{ "cy ctf u"hqt"qwt"qvj gt"P GQu'cv'cr r tqzko cvgn{ "'9: '   "qh"vj gkt"cti gv'VF E0

Y g"dgnkgxg"vj cv'vj ku"kpetgcugf "hqewu'qp"r gthqto cpeg-dcugf "cy ctf u"y knn'f ktgevn{ "o qtkxcvg"qwt"gzgewvkxg" qhhkegtu"vq"f gxqvg"vj gkt"ghhqtu"vq"qwt"nqpi -vgto "uvtcvgi ke"r tkqtkvkgu."gur ekcm"kp"xkgy "qh"Cf qdgøu"qp-i qkpi "dwukpguu" o qf gn'tcpuhqto cvkqp"hqt"qwt"etgcvkxg"dwukpguugu'htqo "r gtr gwcn'nkegpugu"vq"c"uwduetkr vkqp-dcugf "enqwf "qhhgtkpi ."cu"y gn'' cu"qwt"hqewukpi "qwt"kpxguvo gpv'kp"vj g"ctgcu"qh'f ki kvcn'o gf kc"cpf "f ki kvcn'o ctngvkpi 0

Role of Our Executive Compensation Committee, External Compensation Consultants and Management

Executive Compensation Committee

Vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"qxgtuggu'cpf "r tqxkf gu'uvtcvgi ke'f ktgevkqp"vq"o cpci go gpv'tgi ctf kpi " o cp{ "gngo gpu"qh"qwt"Vqvcn'Tgy ctf u"Rtqi tco 0'Kv'tgxkgy u'cpf "cr r tqxgu'vj g"eqo r gpucvkqp"cpf "ugxgtcpeg"dgpghku"qh" Cf qdgøu"gzgewvkxg"qhhkegtu."kpenwf kpi "qwt"P GQu0"Cu'r ctv'qh"ku'tgxkgy ."vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg" tgi wnctn{ "uqnkeku'kpr wv'htqo "ku'kpf gr gpf gpv'gzgewvkxg"eqo r gpucvkqp"eqpuwnvcpv0'Kp"hkuecn"{gct"4233."vj g"Gzgewvkxg" Eqo r gpucvkqp"Eqo o kvgg"o gv'tgi wnctn{ "kp"gzgewvkxg"uguukqp"y kj "ku'kpf gr gpf gpv'eqo r gpucvkqp"eqpuwnvcpv'cpf " y kj qwv'o cpci go gpv'r tgugpv0"Vj g"Ej ckt"qh"vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"cnuq"o gv'ugr ctcvgn{ "y kj "vj g" eqpuwnvcpv."dqvj "y kj "cpf "y kj qwv'o cpci go gpv'r tgugpv0"Vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"j cu'vj g"cwj qtkv{ "vq" qdvckp"kpf gr gpf gpv'cf xkeg"cpf "cuukuvcpeg"htqo "kpvgtpcn'qt"gzvgtpcn'ngi cn'ceeqwpvkpi "cpf "qvj gt'cf xkuqtu0"cv'Cf qdgøu" gzr gpug0"Vj g"Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"cnuq"f kuewuugu'O t0P ctc{gpøu'r gthqto cpeg"y kj "vj g"Dqctf 0"Vj g" Gzgewvkxg"Eqo r gpucvkqp"Eqo o kvgg"go ckpu'uqngn{ "tgur qpukdng"hqt"o cmkpi "vj g"hkpcn'f ekukqpu"qp"eqo r gpucvkqp"hqt" qwt"gzgewvkxg"qhhkegtu."kpenwf kpi "qwt"P GQu0

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Executive Compensation Consultant

Ukpeg"422: ."yj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"j cu"gpi ci gf "Eqo r gpukc."Kpe0"q"cf xkug"kv"qp"gzgewkxg" eqo r gpucvkqp"o cwgtu"f wg"vq"Eqo r gpukcøu"gzr gtvkug"kp"yj"uqhw ctg"kpf wuvt{."ku"npqy ngfi g"qh"qwt"r ggt"i qwr."cpf "ku" i gqi tcr j kecnl"r tqzko kv{."gpcbdrkpi "htgs wgpv"kp/r gtuqp"cwpf cpcg"cv"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"o ggvkpi u0" Eqo r gpukc"r tqxkf gf "yj g"hqmqy kpi "ugtxkegu"qp"dgj crf"qh"yj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"f wtkpi "hkuecrl{gct" 4233<

É   tgxkgy gf "cpf "r tqxkf gf "tgeqo o gpf cvkqpu"qp"yj g"eqo r qukvkqp"qh"qwt"r ggt"i tqwr."cpf "r tqxkf gf "
        eqo r gpucvkqp"f cvc"tgncvkpi "vq"gzgewkxgu"cv"yj g"ugngevgf "eqo r cpkgu"kp"qwt"r ggt"i tqwr=

É   eqpf wevgf "c"eqo r tgj gpukxg"tgxkgy "qh"yj g"vqvcr"eqo r gpucvkqp"cttcpi go gpu"hqt"cnn"qh"qwt"gzgewkxg"
        qhhkegtu=

É   r tqxkf gf "cf xkeg"qp"qwt"gzgewkxg"qhhkegtuø"eqo r gpucvkqp=

É   cuukuvgf "y kj "gzgewkxg"gs wkv{"r tqi tco "f guki p."kpemwf kpi "cpcq{uku"qh"gs wkv{"o kz."ci i tgi cvg"uj ctg"wuci g"
        cpf "cti gv"i tcpv"ngxgnu=

É   tgxkgy gf "kphqto cvkqp"r tqxkf gf "d{"o cpci go gpv"tgi ctf kpi "eqo r gpucvkqp"r ckf "vq"yj g"Dqctf "cpf "r tqxkf gf "
        tgeqo o gpf cvkqpu"vq"yj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"cpf "yj g"Dqctf "tgi ctf kpi "hwwtg"f ktgevqt"r c{"
        uvtwevwtg=

É   r tqxkf gf "o ctmgv"f cvc."cpcq{uku"cpf "i wkf cpeg"qp"yj g"f guki p"qh"qwt"ej cpi g"qh"eqpvtqn"r ncpu=¨

É   wr f cvgf "yj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"qp"go gti kpi "tgpf uñdguv"r tcevkegu"kp"yj g"ctgc"qh"
        gzgewkxg"cpf "dqctf "eqo r gpucvkqp=¨cpf

É   tgxkgy gf "yj g"Eqo r gpucvkqp"F kuewuukqp"cpf "Cpcq{uku"hqt"kpenwukqp"kp"yj g"4233"r tqz{"uvcvgo gpv0

Vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"ku"ucvkuhkgf "y kj "yj g's wcrkhkecvkqpu."r gthqto cpeg"cpf "kpf gr gpf gpeg"
qh"Eqo r gpukc0"Qyj gt"yj cp"r tqxkf kpi "kho kgf "i wkf cpeg"vq"qwt"J wo cp"Tguqwtegu"f gr ctvo gpv"tgi ctf kpi "gs wkv{"
eqo r gpucvkqp"o qf gnu"hqt"Cf qdgøu"pqp/gzgewkxg"go r nq{ggu"*cu"cwj qtk|gf "d{"yj g"Ej ckt"qh"yj g"Gzgewkxg"
Eqo r gpucvkqp"Eqo o kwgg+."Eqo r gpukc"f qgu"pqv"r tqxkf g"cp{"qyj gt"ugtxkegu"vq"Cf qdg0Cf qdg"r c{u"hqt"yj g"equv"hqt"
Eqo r gpukcøu"ugtxkegu0

Management

    Qwt"J wo cp"Tguqwtegu."Hkpcpeg"cpf "Ngi crl"f gr ctvo gpu"y qtm"y kj "qwt"Ej kgh"Gzgewkxg"Qhhkegt"cpf "
Eqo r gpukc"vq"f guki p"cpf "f gxgnqr "pgy "eqo r gpucvkqp"r tqi tco u"cr r rkecdng"vq"qwt"P GQu"cpf "qyj gt"gzgewkxg"qhhkegtu."vq"
tgeqo o gpf "ej cpi gu"vq"gzkuvkpi "eqo r gpucvkqp"r tqi tco u."vq"tgeqo o gpf "hkpcpekcrl"cpf "qyj gt"r gthqto cpeg"cti gu"vq"dg"
cej kgxgf "wpf gt"yj qug"r tqi tco u."vq"r tgr ctg"cpcq{ugu"qh"hkpcpekcrl"f cvc."vq"r tgr ctg"r ggt"i tqwr "eqo r gpucvkqp"eqo r ctkuqpu"
cpf "qyj gt"eqo r gpucvkqp"dtkghkpi "o cvgtkcnu."cpf ."lmko cvgn{."vq"ko r ngo gpv"yj g"f gekukqpu"qh"yj g"Gzgewkxg"Eqo r gpucvkqp"
Eqo o kwgg0"O go dgtu"qh"yj gug"f gr ctvo gpu"cpf "qwt"Ej kgh"Gzgewkxg"Qhhkegt"cnq"o ggv"y kj "Eqo r gpukc"ugr ctcvgn{"
htqo "yj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"vq"eqpxg{"kphqto cvkqp"qp"r tqr quctnl"vj cv"o cpci go gpv"o c{"o cmg"vq"yj g"
Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg."cu"y gnl"cu"vq"cmqy "Eqo r gpukc"vq"eqmgev"kphqto cvkqp"cdqwv"Cf qdg"vq"f gxgnqr "ku"
qy p"r tqr quctnl0

    Kp"cf f kvkqp."qwt"Ej kgh"Gzgewkxg"Qhhkegt"eqpf wevgf "tgxkgy u"qh"yj g"r gthqto cpeg"cpf "eqo r gpucvkqp"qh"yj g"qyj gt"
P GQu."cpf "dcugf "qp"yj gug"tgxkgy u."o cf g"j ku"tgeqo o gpf cvkqpu"hqt"hkuecrl{gct"4233"cti gv"eqo r gpucvkqp"ngxgnu"
*kpenwf kpi "cf lwuvo gpv"vq"dcug"uctrl{"cpf "cti gv"ecuj "cpf "gs wkv{"kpegpvkxg"ngxgnu+"f ktgevn{"vq"yj g"Gzgewkxg"
Eqo r gpucvkqp"Eqo o kwgg0"P q"P GQ"y cu"r tgugpv"qt"r ctvkekr cvgf "kp"yj g"hkpcrl"f gvgto kpcvkqpu"qt"f gnkdgtcvkqpu"qh"yj g"
Gzgewkxg"Eqo r gpucvkqp"Eqo o kwgg"tgi ctf kpi "yj g"co qwpv"qh"cp{"eqo r qpgpv"qh"j ku"qy p"hkuecrl{gct"4233"
eqo r gpucvkqp"r cemci g0

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Comparative Framework

Cf qdg't gi wrctn{'tgxkgy u'tgngxcpv'o ctngv'cpf 'kpf wurt{'r tcevkegu'qp'gzgewkxg'eqo r gpucvkqp0'Y g'f q'uq'vq' dcrncpeg'qwt'pggf 'vq'eqo r gvg'hqt 'vcngpv'y kj 'vj g'pggf 'vq'o ckpvckp'c 'tgcuqpcdng'cpf 'tgur qpukdng'equv'utwevwtg'y j kng' crki pkpi 'qwt'gzgewkxg'qhhkegtuø'kpvgtguvu'y kj 'vj que'qh'qwt'unqenjqrf gtu0

Peer Group

Gcej "{gct.'vq'cuukuv'vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'kp'ku'f gnkdgtcvkqpu'qp'gzgewkxg'eqo r gpucvkqp." vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'tgxkgyu'cpf 'wrf cvgu'qwt'r ggt'i tqwr.'cu'pgeguuct{.'vq'gpuwtg'vj cv'vj g' eqo r ctkuqpu'ctg'o gcpkpi hwn0'Eqo r gpkc.'wukpi 'vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwggø'etkvgtkc''f guetkdgf 'kp'vj g' vcdng'dgnqy 'hqt 'hkuecn{'gct 4233+.'r tqxkf gu'tgeqo o gpf cvkqpu'qp'vj g'eqo r qukvkqp'qh'qwt'õr ggt'i tqwr 0ö''Dcugf 'qp'vj g' hcevqtu'f guetkdgf 'kp'vj g'vcdng'dgnqy 'cpf 'o cpci go gpvu'kpr w.'hqt 'hkuecn{'gct 4233.'Eqo r gpkc 'tgeqo o gpf gf .'cpf 'vj g' Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg''cr r tqxgf .'cf f kpi 'ucnguhqteg0'eqo .'kpe0'vq 'vj g'r ggt 'i tqwr 0

Peer Group

General Description	Criteria Considered	Peer Group List
J ki j /vgej pqnqi {'eqo r cpkgu cv'y kj 'qwt'P GQuø r qukvkqpu'qwr'dg cpcni qwu'kp 'ueqr e'cpf eqo r ngzkv{.'y kj 'qr gratvg kp'uko knct'qr 'tgncvgf dwukpguugu'vq'Cf qdg.''cpf y kj 'y j kej 'Cf qdg'eqo r gvgu hqt 'vcngpv	Eqo r cpkgu'y kj 'tgxgpwgu nguu'y j cp'&32'dknnkqp'cpf 'cv ngcuv'y tgg'qh'vj g'hqnnqy kpi y kj kp'20 7z 'vq '40 2z 'qh Cf qdgøu'eqo r ctcdng'o gvtke *hqt 's wcnkvcvkxg'etkvgtkc>< *k+'i mqdcn'o wnk/hcegvgf uqhwy ctg/kpvgtpgv'eqo r cp{= *kk+'tgxgpwg=''*kkk+'r tqhkv o cti kp='*kx+'o ctmgv ecr kvcnk| cvkqp='cpf *x+'pwo dgt'qh'go r nq{ggu	Cevkxkukqp'Drk|	ctf .''Kpe0 Cwqf gum.''Kpe0 DO E''Uqhwy ctg.''Kpe0 EC.''Kpe0 Ekutkz''U{ uvgo u''Kpe0 gDc{''Kpe0 Gngevtqpke''Ctvu''Kpe0 Kpwkv.''Kpe0 Lwpkr gt''P gwy qtmu.''Kpe0 O cChgg.''Kpe0 P gvCr r .''Kpe0 P XKF KC''Eqtr qtcvkqp ucnguhqteg0eqo .''Kpe0 U{ o cpvge''Eqtr qtcvkqp XO Y ctg.''Kpe0 [cj qq#''Kpe0

Eqo r gpkc''y j gp'r tgr ctgu'c'eqo r gpucvkqp'cpcn{ uku'eqo r kngf 'htqo 'dqvj 'gzgewkxg'eqo r gpucvkqp'uwtxg{ u'cpf ' f cvc'i cj gtgf 'htqo 'r wdnken{'cxckncdng'kphqto cvkqp'hqt 'qwt'r ggt 'i tqwr 'eqo r cpkgu0'Cu'y ku'tgr qtvgf 'eqo r gpucvkqp'f cvc o c{'dg'wr 'vq'y q'hkuecn{'gctu'qnf '*'y j cv.'kv'o c{'tghngev'f gekukqpu'o cf g'd{'r ggt'eqo r cpkgu'46'o qpvj u'dghqtg'vj g' Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'ku'o ckpi 'ku'f gekukqpu+.'Eqo r gpkc'cf lwuvu'vj g'ecuj 'eqo r gpucvkqp'f cvc'vq'dtkpi ' kv'vq'r tguwo gf 'ngxgnu'vj cv'qwt'r ggt'eqo r cpkgu'y knn'dg'cy ctf kpi 'hqt'vj g'eqo kpi ''{ gct0'Hqt'hkuecn{'gct 4233.'Eqo r gpkc' cf lwuvgf 'vj g'ecuj 'eqo r gpucvkqp'f cvc'wukpi 'cp'cppwnk| gf 'hcevqt'qh'5''dcugf 'qp'kpf wurt{'uwtxg{ u'cpf 'o ctmgv' r tqlgevkqpu0'Vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'wugu'vj ku'f cvc'vq'eqo r ctg'vj g'ewttgpv'eqo r gpucvkqp'qh'qwt'P GQu' vq'vj g'r ggt'i tqwr 'cpf 'vq'f gvgto kpg'vj g'tgncvkxg'o ctmgv'xcnwg'hqt'gcej 'P GQ'r qukvkqp.'dcugf 'qp'f kitgev.'s wcnkvcvkxg' eqo r ctkuqpu'qh'r c{'ngxgnu0

Elements of Compensation

Qwt'Vqvcn'T gy ctf u'Rtqi tco 'kpenwf gu'dcug'ucnct{.'cp'cppwcn'ecuj 'kpegpvkxg'qr r qtwpkv{.'gs wkv{'kpegpvkxg' cy ctf u'cpf 'go r nq{gg'dgpghku.''cu'y gn'cu'r qvgpvkcn'dgpghku'kp'eqppgevkqp'y kj 'c'ej cpi g'qh'eqpvtqn0'Y kj kp'vj g'Vqvcn' T gy ctf u'Rtqi tco .'y g'r tgecpi g'qh'r gthqto cpeg/dcugf 'eqo r gpucvkqp.'qt 'õcv'tkumö'r c{.''kpetgcugu'y kj '']qd' tgur qpukdknkv{.''tghngevkpi 'qwt'xkgy 'qh'kpvgtpcn'r c{'gs wkv{'cpf 'vj g'cdknkv{'qh'c i kxgp'go r nq{gg'vq'eqpvtkdwvg'vq'qwt' tguwnu.''cpf 'eqpukuvgpv'y kj 'vj g'r tcevkegu'qh'qwt'r ggt 'i tqwr 0''Cv'vj g'gzgewkxg'qhhkegt 'ngxgn'y g'r nceg'vj g'i tgcvguv' go r j cuku'qp'kpenkpi 'r c{'vq'r gthqto cpeg.'y j ej 'cnuq'tgkphqtegu'vj g'cnki po gpv'qh'vj g'kpvgtguvu'qh'vj ug'kpf kxkf wcnu'y kj ' vj que'qh'qwt'unqenjqrf gtu0'Wpf gt'qwt'Vqvcn'T gy ctf u'Rtqi tco .'y j gp'tguwnu'f q'pqv'o ggv'qwt'gzr gevcvkqpu.'qwt'P GQu' tgegkxg'eqo r gpucvkqp'y j cv'ku'dgnqy 'qwt'vcti gv'ngxgn'cpf 'o c{'dg'dgnqy 'o ctmgv'kp'eqo r ctkuqp'vq'qwt'r ggt 'i tqwr 0'' Uko knctn{.'y j gp'uwr gtkqt'tguwnu'ctg'cej kgxgf .'qwt'P GQu'o c{'tgegkxg'eqo r gpucvkqp'y j cv'ku'cdqxg'qwt'vcti gv'ngxgn'cpf ' cdqxg'o ctngv0

Compensation Objectives

Compensation Element	Description	Objectives		
		Attract/ Retain Key Performers	Reward Short-Term Performance	Reward Long-Term Performance
Base Salary"	Dcug"ucnct{"r tqxkf gu"o ctrgv'eqo r gvkvkxg eqo r gpucvkqp"kp'tgeqi pkvkqp"qh'tqng"cpf tgur qpukdkrkvkgu0	✓		
Cash Incentives"	Ecuj "kpegpvkxgu"ctg"gctpgf "kp"hwnn'qt"kp"r ctv'qpon{"kh *k+"y g"cej kgxg"egtvckp"r tg-guvcdrkuj gf "qpg-{gct eqo r cp{"r gthqto cpeg"vcti gvu."*kk+"y g"tgekr kgpv cej kgxgu"kpf kxkf wcn'r gthqto cpeg"rgxgru"qt qdlgevkxgu."cpf "*kkk+"y g"tgekr kgpv'go ckpu"go r nq{gf y kj "Cf qdg"hqt"vj g"r gthqto cpeg"r gtkqf 0	✓	✓	
Equity Incentives"	Gs wkv{"kpegpvkxgu"ctg"cy ctf gf "wr qp'j ktg"cpf "y gp v'r tecm{"cppwcm{"vj gtgchvgt0Cy ctf u'xguv'qxgt o wnkr rg"{gctu"y kj "cnuq"crki pkpi "go r nq{gg kpvgtguvu"y kj "unqemj qnf gt"kpvgtguvu0	✓	✓	✓
Employee Benefits and Perquisites"	Dgpghkvu'r tqi tco u'hqt"cm'Cf qdg"go r nq{ggu'r tqxkf g r tqvgevkqp'hqt"j gcnj ."y grhctg"cpf "tgvktgo gpv0	✓		
Change of Control Benefits"	Ej cpi g"qh'eqpvtqn'dgpghkvu"kp"vj g"hqto "qh'ugxgtcpeg cpf "ceegrgtcvgf "xguvkpi "r tqxkf g"uqo g"egtvckpv{ "vq gzgewvkxgu"uq"vj cv'vj g{"ecp'tgo ckp'hqewugf "qp dwukpguu"qr gtcvkqpu"cpf "vtcpucevkqpu"vj cv'ctg"kp"vj g dguv'kpvgtguvu"qh'qwt"unqemj qnf gtu0	✓		

Competitive Positioning

Vj g"hkuecn'{ gct"4233"vcti gv'VF E "hqt"O t0P ctc{ gp'y cu'ugv'y kj kp'vj g"72vj "vq "97vj "r gtegpvkng"qh'qwt"r ggt "i tqwr " hqt"vcti gv'r gthqto cpeg. "cpf "vj g"vcti gv'VF E "hqt"gcej "qh'qwt"qvj gt"P GQu"y cu'ugv'pgct"qt'cdqxg"vj g"97vj "r gtegpvkng"qh'qwt" r ggt"i tqwr "hqt"vcti gv'r gthqto cpeg0"Eqo r kvkxg"r c{"r tcevkegu."cu'tgflgevgf "kp'vj g"r ggt"i tqwr "fcvc."y gtg"vj g"kpkkvcn' f gvgto kpcpv'qh'vcti gvgf "eqo r gpucvkqp"rgxgnu."y kj "cf f kvkqpcn'cf lwuvo gpvu'o cf g"dcugf "qp'cp'kpf kxkf wcn'P GQ $u'" ko r qtvcpeg"vq "Cf qdg. "vgpwtg. "eqo r cp{ "cpf "kpf kxkf wcn'r gthqto cpeg. "cpvkekr cvgf "hwwtg"eqpvtkdwkqpu. "kpvgtpcn'r c{ " gs wkv{ "cpf "j kuqtkecn'r c{ "ngxgnu. "cu'y gm'cu'vj g"ngxgn'qh'wpxguvgf "gs wkv{ "cy ctf u'cpf "qr r qtwpkkgu'vj cv'y g"dgrkgxgf "y gtg" pgeguuct{ "vq "gpcdrg"wu'vq "tgvckp'vj g"P GQ"kp'j ki j 'r qvgpvkcn'eqo r gvkpi "qhhgtu'htqo "qvj gt"eqo r cpkgu0"Y g"cnuq" tgxkgy gf "vj g"r qukkqpkpi "qh'vj g"vqvcn'vcti gv'ecuj "cpf "gs wkv{ "go gp gu'qh'eqo r gpucvkqp. "dww'vj gug"kpf kxkf wcn'go gp gu'qh' P GQ"eqo r gpucvkqp"o c{ "xct{ "cdqxg"qt"dgnqy "vj ku'tcpi g"dcugf "qp'vj g"ko r qtvcpeg"qh'vj g"qvj gt"hcevqtu"kp'cp{ "i kxgp'{ gct" y kj "tgur gev'vq "cp{ "i kxgp'P GQ0"Dgecwug"qwt"hkuecn'{ gct"dgi kpu'gctrkgt"kp'cp'o quv'qh'qwt"r ggt"eqo r cpkgu. "qwt"tcpi gu" cwgo r v'vq "hqtgugg"y j cv'vj g"eqo r gvkvkxg"eqo r gpucvkqp'r qukkqpkpi "hqt"gcej "tqng"y km'dg"hqt"vj g"eqo kpi "hkuecn'{ gct0"Kp" tgxkgy kpi "hkuecn'{ gct"4232"gzgewkxg"eqo r gpucvkqp'r cemci gu'chvgt"qwt"r ggt"eqo r cpkgu'j cf "cm'tgr qtvgf "vj kt"hkuecn'{ gct" 4232"gzgewkxg"eqo r gpucvkqp. "vj g"cewcn'cppwcn'vcti gv'eqo r gpucvkqp'hqt"qwt"P GQu"y cu'i gpgtcm{"dgnqy "qwt"f guktgf " tcpi g. "cpf "vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kvgg"cpvkekr cvgf "eqpvkpwgf "wr y ctf 'o qxgo gpv'kp'vj g"r ggt"eqo r cp{"f cvc" dcugf "qp'vj g"j kuqtkecn'vtgpf u'qh'vj g"cewcn'y ctf u'd{ "qwt"r ggt"eqo r cpkgu0"Hqt"hkuecn'{ gct"4233. "vj g"Gzgewkxg" Eqo r gpucvkqp"Eqo o kvgg"cti gvgf "VF Eu"qxgt"vj g"cti gv'tcpi gu'hqt"vj tgg"qh'qwt"P GQu"*O t0I cttgw. "O t0N{ pej "cpf "O t0" Vj qo r uqp+"j cy gxgt. "kp'tgxkgy kpi "vj g"cewcn'cti gv'eqo r gpucvkqp'qh'qwt"r ggt"eqo r cpkgu'hqt"hkuecn'{ gct"4233"chvgt" y g"j cf "cm'tgr qtvgf "vj gkt"hkuecn'{ gct"4233"gzgewkxg"eqo r gpucvkqp. "cm'vcti gv'VF Eu"gzegr v'O t0N{ pej øu'y gtg"cewcm{ " y kj kp'qt"dgnqy "vj gkt"tgur gevkxg"tcpi gu0"Vj g"Gzgewkxg"Eqo r gpucvkqp"Eqo o kvgg"eqpvkpwgf "vq "cti gv'VF E "cdqxg"vj g" tcpi g"hqt"O t0N{ pej "dcugf "qp'j ku'wpks wg. "mg{ "tqng"y kj kp'vj g"eqo r cp{ "cu'qwt"Ej kgh'Vgej pqnqi {"QhÝkegt0

Pay Mix

Kp"ugwkpi "jg"o kz"co qpi "jg"fkhhgtgpv'gngo gpvu"qh"gzgewvkxg"eqo r gpucvkqp."y g"fq"pqv'cti gv'ur gekhke"
cmqecvkqpu."dw'i gpgtcm{"y gki j v'cti gv'VFE"o qtg"j gcxkn{ "qy ctf "r gthqto cpeg/dcugf "eqo r gpucvkqp."dqyj "ecuj "cpf "
gswkv{0"Kp"fgvgtokpkpi "dcug"ucnct{."ecuj "kpegpvkxg"qr r qtwpkv{"cpf "gswkv{"kpegpvkxgu."jg"qvcn'cti gv'ecuj "eqo r gpucvkqp"
qr r qtwpkv{ "*dcug"ucnct{"cpf "ecuj "kpegpvkxg"qr r qtwpkv{+y cu"y gki j vgf "nguu"j cp"jg"qvcn'cti gv'gswkv{"eqo r gpucvkqp"
qr r qtwpkv{."q"kpegtcug"cnki po gpv'y kj "qwt"urqemjqnf gtu"kpvgtguvu0"Vj g"cti gv'eqo r gpucvkqp"o kz"hqt"qwt"Ej kgh"
Gzgewkxg"Qhhkegt"cpf "jg"cxgtci g"eqo r gpucvkqp"o kz"hqt"jg"qyj gt"P GQu"cv'cti gv."y gtg"cr r tqzko cvgn{<

Mr. Narayen's Target Pay Mix[1]

Other NEOs' Average Target Pay Mix[1]

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[1] Vj g"o ej cpkuo "hqt"ecnewncvkpi "jg"cti gv'gswkv{"cy ctf "xcnwgu"ku"f guetkdgf "kp"f gvckn'dgnqy "wpf gt"õGswkv{ "
Kpegpvkxguô Gswkv{ "Eqo r gpucvkqp"O kz.ö

Vj gug"cmqecvkqpu"tghgev'qwt"dgnkgh"jcv'c"ukipkhecpv'r qtvkqp"qh"qwt"P GQuø"eqo r gpucvkqp"uj qwf "dg"
r gthqto cpeg/dcugf "cpf "jgtghqtg"õcv'tkunu"dcugf "qp"eqo r cp{"cpf "kpf kxkf wcn'r gthqto cpeg0"Ukpeg"qwt"ecuj "kpegpvkxg"
qr r qtwpkvkgu"cpf "gswkv{"kpegpvkxg"cy ctf u"jcxg"dqyj "wr ukf g"qr r qtwpkvkgu"cpf "f qy pukf g"tkumu"cpf "qwt"cewcm"
r gthqto cpeg"ecp"f gxkcvg"htqo "jg"cti gv'i qcmu."jg"co qwpv'qh"eqo r gpucvkqp"cewcm{ "gctpgf "v{r kecm{"f khhgtu"htqo "jg"
cti gv'cmqecvkqpu0

Base Salary

Hqt'hkuecrn'{gct'4233.'y j g'Gzgewwkxg'Eqo r gpucvkqp'Eqo o kwgg'tgxkgy gf 'y j g'dcug'ucnctkgu'qh'qwt'PGQu'cpf ." dcugf 'qp'eqo r ctkpi "y j gug'ucnctkgu'vq'y j g'dcug'ucnct{'ngxgm'cv'y j g'eqo r cpkgu'kp'qwt'r ggt'i tqwr ."cu'y gm'cu'eqpukfgtkpi " y j g'tqngu'cpf "tgur qpukdkkvkgu'cpf "r qvgpvkcn'r gthqto cpeg'qh'y j g'kpfkxkfwcn'PGQ'cpf "y gkt'r qukkqpkpi "kp'y j g'tcpi g'hqt" qy gt'gmgo gpu'qh'y gkt'eqo r gpucvkqp."cr r tqxgf 'c'dcug'ucnct{'kpetgcug'hqt'gcej "qh'qwt'PGQu'gzegr v'O t0'Pctc'gp0'Kp" eqpukfgtkpi "y j g'uk g'qh'y j g'dcug'ucnct{'kpetgcug'hqt'O t0'Y cf j y ckr'y j g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'vqqmkpvq" ceeqwpv'y j g'o cvgtkcn'gzr cpukqp'qh'O t0Y cf j y cpku'tqng'kp'hkuecrn'{gct'4232'cpf 'j ku'cpvkekr cvgf 'tqng'kp'hkuecrn'{gct'4233." cpf "y cv'j ku'r tgxkqwu'dcug'ucnct{'cpf 'vqvcn'ctigv'ecuj 'qr r qtwpkv{'y gtg'uki pkhkecpvn{'dgnqy 'y g'cti gtcpi g0

Fiscal Years 2010 and 2011 Base Salaries

Name	2010 Salary ($)	Increase (%)	2011 Salary[1] ($)
Uj cpvcpw'Pctc{gp	; 22.222	ô	; 22.222
O ctm'I cttgu	772.222	6û	797.222
Mgxkp'N{pej	662.222	35û	722.222
O cwj gy "Vj qo r uqp	722.222	7û	747.222
Fcxkf "Y cf j y cpk	597.222	48û	697.222

aaaaaaaaaaaaaaaaaaaaaaaaaaa

*3+" Hkuecrn'{gct'4233'ucnct{ 'kpetgcugu'dgeco g'ghhgevkxg'Hgdtwct{ "3."42330'Cewcrn'dcug'ucnctkgu'ctepgf "f wtkpi 'y j g" hkuecrn'{gct'ctg'uj qy p'dgnqy "kp'y g'õHkuecrn'Ý gct'4233'Gzgewkxg'Dqpwu'Rncp"Vti gv'Ecuj 'Kpegpvkxguö'vcdng0

Cash Incentives

Annual Cash Incentive Plan

Objectives

Wpf gt'qwt'Gzgewkxg'Ecuj "Rgthqto cpeg'Dqpwu'Rncp'*y g'õO cuvgt'Dqpwu'Rncpö+'y j kej "y cu'cr r tqxgf 'd{ 'qwt" uvqemj qnf gtu'cv'qwt'4233'Cppwcn'O ggvkpi "qh'Uvqemj qnf gtu'vq'cnqy 'hqt'y j g'i tcpvkpi "qh'r gthqto cpeg-dcugf " eqo r gpucvkqp'qr r qtwpkkgu'y cv'ctg'f gf wevkdng'd{ 'y j g'eqo r cp{ 'wpf gt'Eqf g'Ugevkqp'384*o +.'co qwu'ctg'r ckf " eqpvkp gpv'wr qp'y g'cej kgxgo gpv'qh'r tg-guvcdnkuj gf 'r gthqto cpeg'i qcnu0'Vj g'qdlgevkxgu'qh'y g'O cuvgt'Dqpwu'Rncp'ctg" vq<

- É' vkg"gzgewkxg'eqo r gpucvkqp'vq'y j g'cej kgxgo gpv'qh'mg{'r gthqto cpeg'i qcnu'uwej "cu'tgxgpwg'i tqy j 'cpf " qr gtcvkpi "r tqhkv=

- É' gpeqwtci g"ceeqwpvcdknkv{ =

- É' vkg"gzgewkxg'eqo r gpucvkqp'vq'y j g'uweeguuhwn'gzgewkxg'qh'nqpi -vgto "uvtcvgi { "cpf "qr gtcvkpi "r ncp'' qdlgevkxgu='cpf

- É' r tqxkf g"c'engctn{'f ghkpgf 'tgy ctf 'vq'PGQu'hqt'cej kgxgo gpv'o ggvkpi "qt'gzeggf kpi 'Cf qdgøu'vcti gv' qdlgevkxgu0

Kp"gctn{ "4233."y j g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'cr r tqxgf 'y j g'Hkuecrn'{ gct'4233'Gzgewkxg'Cppwcn' Kpegpvkxg'Rncp'*y j g'õGzgewkxg'Dqpwu'Rncpö+'y j kej "qr gtcvgu'wpf gt'y j g'vgto u'qh'y j g'O cuvgt'Dqpwu'Rncp.'vq'r tqxkf g' ecuj "eqo r gpucvkqp'qr r qtwpkkgu'vq'qwt'PGQu'dcugf 'qp'y j g'eqo r cp{øu'cej kgxgo gpv'qh'r tg-guvcdnkuj gf 'r gthqto cpeg' i qcnu'cpf 'ugv'hq'sj guj qnf ."cti gv'cpf 'o czko wo 'r gthqto cpeg'ngxgm'hqt'y j gug'i qcnu'cv'y gtg'dcugf 'qp'qwt'Dqctf / cr r tqxgf 'qr gtcvkpi 'r ncp'hqt'hkuecrn'{gct'42330

Target Annual Incentive Opportunity

Vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'ugv'vj g'vcti gv'cppwcn'ecuj 'kpegpvkxg'qr r qtwpkv{ 'hqt 'hkuecn'{ gct '4233" *gzr tguugf 'cu'c'r gtegpvci g'qh'dcug'ucnct{ 'gctpgf 'f wtkpi 'vj g'{ gct+'hqt 'gcej 'P GQ'kp'gctn{ 'hkuecn'{ gct '42330'Kp'ugwkpi 'vj g' vcti gv'ngxgn."vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'eqpukf gtgf 'vj g'r qukkqpkpi 'qh'vj g'hkuecn'{ gct '4233'vcti gv'vqvcn' ecuj 'qr r qtwpkv{ 'ci ckpuv'vj g'r ggt 'i tqwr 'f cvc'r tqxkf gf 'd{ 'Eqo r gpuc'cpf 'kpvgtpcn'r c{ 'gswkv{0'Y kj 'tgi ctf 'vq'r ggt 'r c{ ' r qukkqpkpi .'vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'f kf 'pqv'kpetgcug'vj g'vcti gv'qr r qtwpkvkgu'qh'cp{ 'qh'vj g'P GQu'qvj gt ' vj cp'O t0Y cf j y cpk'cu'uj qy p'kp'vj g'õHkuecn[gct '4233'Gzgewkxg'Dqpwu'Rncp'Vcti gv'Ecuj 'Kpegpvkxguö'vcdng'dgnqy .' dgecwug'vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'dgnkgxgf 'vj cv'vj g'vcti gv'ecuj 'kpegpvkxg'qr r qtwpkvkgu'y gtg' cr r tqr tkcvgn{ 'r ncegf 'y kj kp'vj g'72vj 'vq'97vj 'r gtegpvkngu0'Y kj 'tgi ctf 'vq'kpvgtpcn'r c{ 'gswkv{.'vj g'Gzgewkxg' Eqo r gpucvkqp'Eqo o kwgg'dgnkgxgu'vj cv'vj g'vcti gv'cppwcn'kpegpvkxg'qr r qtwpkv{ 'uj qwf 'o cng'wr 'c'ncti gt 'r qtvkqp'qh' cp'P GQøu'vcti gv'VF E'cpf 'vqvcn'vcti gv'ecuj 'eqo r gpucvkqp'cu'vj g'gzgewkxgøu'ngxgn'qh'tgur qpukdknkv{ 'kpetgcugu0'Kp 'ki j v'qh' O t0Y cf j y cpkøu'kpetgcugu 'tgur qpukdknkvkgu'kp'hkuecn'{ gct '4232'cpf 'cpvkekr cvgf 'tgur qpukdknkvkgu'kp'hkuecn'{ gct '4233."cu' y gnn'cu'vj g'r ggt 'eqo r cp{ 'f cvc.'vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'kpetgcugf 'j ku'vcti gv'cppwcn'kpegpvkxg' qr r qtwpkv{ 'htqo '92' 'vq'97' '*y j kej 'ku'y kj kp'vj g'vcti gv'tcpi g'hqt 'vj g'r ggt 'eqo r cp{ 'f cvc+0'

Performance Measures

Vj g'Gzgewkxg'Eqo r gpucvkqp'Eqo o kwgg'f gvgto kpgf 'vj cv.'hqt 'r wtr qugu'qh'gctpkpi 'cp{ 'cy ctf 'kp'hkuecn'{ gct ' 4233'wpf gt 'vj g'Gzgewkxg'Dqpwu'Rncp'hqt 'hkuecn'{ gct '4233.'y g'o uuv'j cxg'cej kgxgf <

- c'vj tguj qnf 'õI CCR'Tgxgpwgö'vcti gv'hwpf kpi 'ngxgn'*f guetkdgf 'kp'vj g'vcdng'dgnqy +.'dghqtg'qwt 'P GQu'eqwnf ' gctp'cp'cppwcn'kpegpvkxg'cy ctf =ôcpf

- ugr ctcvg'õCf lwuvgf 'Tgxgpwgö'cpf 'õCf lwuvgf 'Qr gtcvkpi 'Rtqhkvö'ngxgnu'*cnuq'f guetkdgf 'kp'vj g'vcdng'dgnqy +' y j kej 'f gvgto kpg'vj g'õEqtr qtcvg'Tguwn'Rgtegpvci g06

Kf 'y g'cej kgxgf 'vj g'I CCR'Tgxgpwg'vj tguj qnf .'gcej 'r ctvkekr cpv'y qwf 'dg'gnki kdng'vq'gctp'c'o czko wo 'dgpghkv' qh'422' 'qh'uwej 'r ctvkekr cpvøu'dqpwu'vcti gv–vj g'Gzgewkxg'Dqpwu'Rncpøu'r tg/cr r tqxgf 'o cvtkz'*cp'gzegr v'htqo 'y j kej 'ku' kpenwf gf 'dgnqy +'tghngevkpi 'qwt 'r gtegpvci g'cej kgxgo gpv'qh'vj g'Cf lwuvgf 'Tgxgpwg'cpf 'Cf lwuvgf 'Qr gtcvkpi 'Rtqhkv'vcti gv' ngxgnu'y qwf 'vj gp'dg'wugf 'vq'f gvgto kpg'vj g'Eqtr qtcvg'Tguwn'Rgtegpvci g'*tcpi kpi 'htqo '2' 'hqt 'cej kgxgo gpv'qh'tguwnu' cv'qt 'dgnqy 'vj g'o kpko wo 'o cvtkz'hwpf kpi 'ngxgnu'vq'422' 'hqt 'cej kgxgo gpv'qh'tguwnu'y gnn'cdqxg'vj g'o cvtkz'vcti gv'ngxgnu.' cu'uj qy p'kp'vj g'gzegtr v'dgnqy +0"Kf 'o kpko wo 'vj tguj qnf 'ngxgnhqt 'I CCR'Tgxgpwg'ku'pqv'cej kgxgf .'qt 'vj g'o kpko wo ' hwpf kpi 'ngxgnu'qh'Cf lwuvgf 'Tgxgpwg'qt 'Cf lwuvgf 'Qr gtcvkpi 'Rtqhkv'y gtg'pqv'cej kgxgf .'j qy gxgt.'qwt 'P GQu'y qwf 'gctp' pq'cppwcn'kpegpvkxg'cy ctf u'wpf gt 'vj g'Gzgewkxg'Dqpwu'Rncp0

Fiscal Year 2011 Executive Bonus Plan Measures

Measure and Required Minimum Threshold Achievement	Measure Definition	Threshold Level ($)	Target ($)	Actual Company Achievement against Target (%)
GAAP Revenue (threshold funding measure) **90%**	Board-approved operating plan GAAP revenue target, excluding the effects of any material acquisitions not incorporated into the operating plan	3.8 billion	4.2 billion	100%
Adjusted Revenue (matrix funding measure) **90%**	GAAP Revenue target adjusted for shippable backlog	3.8 billion	4.2 billion	100%
Adjusted Operating Profit (matrix funding measure) **75%**	Board-approved operating plan non-GAAP operating profit target plus the operating profit associated with shippable backlog, and excluding the effects of any material acquisitions not incorporated into the operating plan and the expenses associated with any annual incentive plan payments (including the Executive Bonus Plan). Adobe's non-GAAP operating profit excludes stock-based and deferred compensation expense, restructuring charges, and amortization of purchased intangibles, technology license arrangements and incomplete technology.	1.2 billion	1.6 billion	102%

To illustrate how the Adjusted Revenue and Adjusted Operating Profit interrelate in determining the Corporate Result Percentage, an excerpt of the Corporate Result Percentage matrix is depicted below.

Executive Bonus Plan Matrix Excerpt

Corporate Result Percentage

	125%	166%	175%	183%	198%	200%
	110%	116%	125%	133%	148%	164%
Adjusted Operating Profit	**100%**	83%	91%	100%	116%	132%
	90%	49%	58%	68%	84%	100%
	80%	16%	26%	36%	52%	68%
	75%	0%	10%	20%	36%	52%
		90%	**95%**	**100%**	**105%**	**110%**

Adjusted Revenue

After determining the Corporate Result Percentage, the amount actually earned by each NEO was determined by multiplying each NEO's target cash incentive opportunity by the Corporate Result Percentage and his Individual Result Percentage, as follows:

Target Cash Incentive ($)	X	Corporate Result (%)	X	Individual Result (%)	=	Actual Cash Incentive Payment ($)
Base salary earned during the year multiplied by applicable target cash incentive percentage		*Determined based on the Corporate Result Percentage matrix illustrated above. The Corporate Result could not exceed 200%.*		*Based on (i) each NEO's achievement of individual goals (approved by the Executive Compensation Committee for the Chief Executive Officer and by the Chief Executive Officer for all other NEOs) tied to the internal operating plan and strategic objectives, and (ii) the individual's contributions toward the achievement of the Corporate Result in excess of 100%. The Individual Result could not exceed 100%.*		

Fiscal Year 2011 Payouts

At the time the corporate and individual goals were set for fiscal year 2011, the Executive Compensation Committee believed that the Executive Bonus Plan goals were achievable, but only with significant effort as the revenue goals reflected a meaningful increase over actual results for fiscal year 2010 and the operating profit goal was set approximately equal to the strong result achieved in fiscal year 2010. For fiscal year 2011, we delivered corporate results at or just above our target goals, and achieved the targeted meaningful increases in our revenue performance over fiscal year 2010, with our total Adjusted Revenue increasing by $364.2 million, or 9%, and our Adjusted Operating Profit growing by $97.1 million, or 6%; in addition, for the first time, we exceeded $1 billion in quarterly revenue in all four quarters of the fiscal year.

As shown in the "Fiscal Year 2011 Executive Bonus Plan Measures" table above, we exceeded our GAAP Revenue threshold level, and we achieved Adjusted Revenue of approximately $4.2 billion (100% of target) and Adjusted Operating Profit of $1.7 billion (102% of target). These results yielded a Corporate Result Percentage of 107%.

The Executive Compensation Committee determined that our NEOs contributed significantly, individually and as a team, to our success and our achievement of the 107% of the Corporate Result Percentage. The Executive Compensation Committee therefore gave the most weight in determining the Individual Result Percentages to their contributions to the Corporate Result Percentage. The Executive Compensation Committee also considered, to a lesser extent, each NEO's performance against that NEO's individual goals, particularly our strong financial results, the NEO's achievement of significant objectives working toward our long-term, transformative strategic plan and our completing multiple acquisitions. Therefore, the Executive Compensation Committee approved the Individual Results shown in the "Fiscal Year 2011 Executive Bonus Plan Target Cash Incentives" table below.

The target annual cash incentive opportunity amounts and actual cash incentive earned under the Executive Bonus Plan for fiscal year 2011 for each NEO were as follows:

Fiscal Year 2011 Executive Bonus Plan Target Cash Incentives

Name	Salary[1] ($)	Target Cash Incentive Percentage[2] (%)	Target Cash Incentive[3] ($)	Corporate Result (%)	Actual Individual Results (%)	Actual Cash Incentive Earned ($)
Shantanu Narayen	896,434	125	1,120,542	107	100	1,198,980
Mark Garrett	568,844	100	568,844	107	100	608,663
Kevin Lynch	488,711	75	366,533	107	100	392,191
Matthew Thompson	519,042	100	519,042	107	100	555,375
David Wadhwani	457,605	75	340,295	107	100	364,116

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[1]   Actual base salary earned during fiscal year 2011 shown.

[2]   Target cash incentive percentage for Mr. Wadhwani was increased from fiscal year 2010 level of 70% effective February 1, 2011, and the cash payment was therefore calculated based on a pro-rated target level. No other cash incentive targets were increased.

[3]   Target cash incentive amount is calculated based on base salary amounts earned during the fiscal year.

Other Cash Incentives

The Executive Compensation Committee has authorized a small supplemental cash bonus pool of $60,000 approved by the Executive Compensation Committee that may be awarded by our Chief Executive Officer to executive officers, including our NEOs but not himself, as special recognition bonuses. Mr. Narayen awarded Mr. Lynch a bonus of $25,000 in recognition of his extended assignment in Hamburg, Germany. No other special recognition bonuses were awarded in fiscal year 2011 from this bonus pool.

In addition, the Executive Compensation Committee retains authority to pay additional discretionary bonuses outside the Executive Bonus Plan if warranted. In fiscal year 2011, the Executive Compensation Committee authorized the reimbursement of certain personal expenses for Mr. Lynch related to his family's accompanying him on his extended assignment in Hamburg, Germany, which totaled $25,166. The Executive Compensation Committee determined that no additional discretionary bonus payments were necessary to meet our compensation objectives for our NEOs.

Equity Incentives

Goals of Equity Compensation

We use equity compensation to motivate and reward strong corporate performance and to retain valued NEOs. We also use equity incentive awards as a means to attract and recruit qualified executives. We believe that equity awards serve to align the interests of our NEOs with those of our stockholders by rewarding them for stock price growth and the achievement of key operational goals. By having a significant percentage of our NEOs' target TDC payable in the form of equity and, thus, subject to higher risk and longer vesting than cash compensation, our NEOs are motivated to take actions that will benefit Adobe and its stockholders in the long term.

Equity Compensation Mix

Each year, the Executive Compensation Committee, with input from management, our Chief Executive Officer, and Compensia, determine the mix of annual equity incentive awards. For fiscal year 2011, the Executive Compensation Committee determined that the previous equity mix of approximately 33% stock options, 33% performance shares and 34% time-based RSUs would continue to appropriately balance and meet our compensation objectives, as described in the table below. The Executive Compensation Committee calculated the target values for equity to achieve this desired mix, based on a price of $28.97 per share, the 30-day average of our stock price during November 2010, the period just prior to the development of the equity compensation award recommendations. This price was used to determine the total number of "option equivalent" shares by (i) multiplying the $28.97 price by

32.4% (the value ratio of one stock option share to an RSU share under Adobe's Black-Scholes option pricing model), then (ii) dividing the desired equity value by this number. The total option equivalent shares were then allocated to the three different types of equity according to our equity mix, and the RSU and performance share allocations were each divided by three, as that approximates the accounting value ratio of a stock option share to an RSU or performance share. Finally, shares in each equity category were rounded to the nearest thousand.

Fiscal Year 2011 Mix of Annual Equity Incentive Awards

Type of Equity/Fiscal Year 2011 Award Value Allocation Percentage	Description	Objectives/Dilutive Effect	Vesting[1]
Stock Options (33%)	Options to purchase Adobe common stock with an exercise price equal to the closing market price of our common stock as reported on NASDAQ on the grant date; value to the NEOs depends on stock price appreciation above the exercise price	Provide strong reward for growth in our stock price, as the entire value of stock options depends on future stock price appreciation; provide a strong incentive for our NEOs to remain employed with us, as they require continuous employment while vesting; and have the highest relative dilutive effect	Vest in equal monthly installments over a period of four years after the grant date, except for new-hire grants, which vest 25% on the first anniversary of the grant date and then in equal monthly installments thereafter for the following three years
Performance Shares (33%)	Stock-settled awards subject to performance- and time-based vesting conditions; one-year performance period determines the total number of shares eligible to be earned, with significant benefits for overachievement and significant consequences for underachievement, including no award being earned; no purchase cost to executive so always have value if earned	Focus NEOs on annual performance goals supporting our three-year strategic plan while also providing a strong long-term performance and retention incentive, as they require continuous employment to vest; provide moderate reward for growth in our stock price; and use fewer shares than stock options, so less dilution	Vest 1/3 upon the later of certification of performance results or the first anniversary of the grant date; the remainder vest in equal annual installments over two additional years (reflecting the three-year strategic plan that the goals support)
RSUs (34%)	Stock-settled awards subject to time-based vesting conditions; no purchase cost to executive so always have value	Provide a strong incentive for our NEOs to remain employed with us, as they require continuous employment while vesting; provide moderate reward for growth in our stock price; and use fewer shares than stock options, so less dilution	Vest in equal annual installments over a period of four years

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[1]   Our equity awards are also subject to certain acceleration provisions as described below under "Severance and Change of Control Compensation" below and "Executive Compensation—Grants of Plan-Based Awards in Fiscal Year 2011—Narrative Summary to Summary Compensation Table and Grants of Plan-Based Awards in Fiscal Year 2011 Table—Effect of Retirement, Death and Disability on Equity Compensation Awards."

Target Value and Award Determination

For fiscal year 2011, the Executive Compensation Committee, with input from Compensia, management and our Chief Executive Officer, determined the target value of the equity compensation opportunity for each of our NEOs based primarily on the desired peer group positioning, internal pay equity and the other factors for determining compensation discussed under "Elements of Compensation" above. With regard to peer pay positioning, the Executive Compensation Committee reviews the value of equity awards in the aggregate, because of the different mix of equity awards granted by our peers, and the aggregated manner in which this data is presented in the peer group surveys. Because Mr. Narayen's target equity opportunity in fiscal year 2011 was targeted within the usual 50th to 75th percentile range, Mr. Narayen's target equity opportunity was significantly lower than his fiscal year 2010 target equity opportunity, when the Executive Compensation Committee had targeted his equity opportunity and TDC above the range to address retention concerns. The Executive Compensation Committee increased the value of the target opportunity for each of our other NEOs. As with cash incentives, the Executive Compensation Committee believes that the target equity incentive compensation opportunity should make up a greater portion of an NEO's potential TDC as the individual's level of responsibility increases.

The following table sets forth the total target value determined by the Executive Compensation Committee, and the resulting number of options, performance shares (target, maximum and earned) and RSUs granted to each of our NEOs in fiscal year 2011.

Equity Awards during Fiscal Year 2011

| Name | Stock Options (#) | Performance Share Program | | | RSUs Award (#) | Total Target Value of Equity Award ($) |
		Target Award (#)	Maximum Award[1] (#)	Actual Achievement[1] (#)		
Shantanu Narayen	272,000	91,000	136,500	118,300	94,000	7,750,000
Mark Garrett	88,000	29,000	43,500	37,700	30,000	2,500,000
Kevin Lynch	141,000	47,000	70,500	61,100	48,000	4,000,000
Matthew Thompson	77,000	26,000	39,000	33,800	27,000	2,200,000
David Wadhwani	77,000	26,000	39,000	33,800	27,000	2,200,000

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[1]   The maximum number was granted (150% of the target award), but that maximum number was reduced to 130%, which was the overall achievement of the other performance goals (the GAAP Revenue funding threshold measure was achieved) that was certified by the Executive Compensation Committee.

2011 Performance Share Program

Our Executive Compensation Committee made grants of performance share awards under our 2011 Performance Share Program (the "2011 Program"), which is subject to the terms of our Adobe Systems Incorporated 2003 Equity Incentive Plan (the "2003 Plan"). We granted each NEO an award for the maximum number of shares (equal to 150% of the target number of shares) that he could earn based on the maximum achievement of the pre-established performance goals (selected from the list of stockholder-approved goals set forth in the 2003 Plan), with the actual award subject to a reduction from the maximum award based on actual performance achievement of additional performance goals as well as time-based vesting over three years (as described in the table above "Fiscal Year 2011 Mix of Annual Equity Incentive Awards"). The threshold, target, and maximum awards for our NEOs are set forth in the "Executive Compensation—Grants of Plan-Based Awards in Fiscal Year 2011" table.

Performance Goals

Under the 2011 Program, the Executive Compensation Committee selected the same type of funding measure (GAAP Revenue) with a different threshold amount (80%) for this program as under the Executive Bonus Plan, as the Executive Compensation Committee believes that this metric is a key driver of stockholder value and a clear, objective measure of the success of the Company in a given year. However, because GAAP Revenue is not the only measure of performance that the Executive Compensation Committee feels should determine compensation, the Executive Compensation Committee selected additional distinct strategic performance measures for the 2011 Program to balance

the purely financial objectives selected under the cash program. Under the 2011 Program, Adobe would have to achieve the GAAP Revenue threshold funding measure of $3.36 billion for any NEO to be eligible to earn any shares under the 2011 Program. If that threshold was met, the actual number of shares to be earned under the 2011 Program would then be calculated based solely on the achievement of the five categories of performance goals set forth in the table below, with each category weighted equally. The 2011 Program did not contain an individual performance measurement component.

Other Performance Goals

Category	Goal	Key Accomplishments
Growth	Maximize organic revenue in our strategic growth segments	• Significant increase in Omniture ACV bookings and retention • Exceeded Day acquisition plan revenue
Innovation	Drive innovation in digital experience for the multiscreen world	• Announced Creative Cloud strategy and vision, including development and launch of touch apps • Executed transformational acquisitions of Demdex, Auditude and EchoSign, and signed agreement to complete Efficient Frontier acquisition • Successfully developed and launched Digital Publishing solution • Implemented major strategy changes for Adobe Flash, Adobe LiveCycle and Adobe Connect products
Brand	Increase awareness of Adobe's leadership in digital experiences	• Increase in brand, media, press and industry analyst metrics • Successfully launched major new U.S. brand campaign
Go-to-Market	Improve customer experience and satisfaction	• Achieved strong Adobe.com revenue with increased conversion rates in North America
Employees	Implement operating plan priorities focused on employee recruiting, development and engagement	• Improved communications and clarified vision of the company's future • Increased executive visibility with employees worldwide • Strong retention of key talent, including employees retained through acquisitions

Results

As noted above, Adobe achieved $4.2 billion in GAAP Revenue, satisfying the 2011 Program GAAP Revenue threshold for fiscal year 2011. We achieved the strategic goals set forth in the table above in the course of a strong, transformative year. In reviewing these results, the Executive Compensation Committee determined that 130% of each target performance share was earned.

For more information on performance shares granted during fiscal year 2011, see the "Executive Compensation—Grants of Plan-Based Awards in Fiscal Year 2011" table and accompanying narrative.

Retirement and Deferred Compensation Plan Benefits

We do not provide our employees, including our NEOs, with a defined benefit pension plan, any supplemental executive retirement plans or retiree health benefits, except as required by local law or custom for employees outside the United States. Our NEOs may participate on the same basis as other U.S. employees in our

Section 401(k) Retirement Savings Plan (the "401(k) Plan"). The 401(k) Plan provides for a matching contribution by Adobe of 50% of the first 6% of the employee's eligible compensation up to a maximum matching cash contribution of $7,350 for the 2011 plan year. We also provide a "true-up" for participants who did not receive their maximum matching contribution during a 401(k) Plan year as a result of meeting their contribution limits early in the year. Adobe makes a matching contribution to help attract and retain employees and to provide an additional incentive for our employees to save for their retirement in a tax-advantaged manner.

We also maintain an unfunded, nonqualified deferred compensation plan (the "Deferred Compensation Plan") for senior management and our Board. The Deferred Compensation Plan allows participants, including our NEOs, the ability to defer receipt of income to a later date, which may be an attractive tax planning opportunity. We offer this Deferred Compensation Plan to remain attractive to current and potential NEOs in a highly competitive market for executive talent. We generally do not contribute to the Deferred Compensation Plan on behalf of the participants; therefore, our cost to maintain the Deferred Compensation Plan is limited to administration expenses, which are minimal. No NEOs participated in or had an accrued balance under the Deferred Compensation Plan in fiscal year 2011.

Perquisites and Additional Benefits and Programs

We provide limited perquisites to our executives, including our NEOs. In considering potential perquisites, the Executive Compensation Committee considers the cost to Adobe as compared to the perceived value to our employees. We offer our executives at the director level and above, including our NEOs, an annual physical paid for by us. We believe that the good health of our executives is important to our business.

In addition, we maintain a limited membership in a Marquis Jet Card Program. Our policy related to this program allows our Chief Executive Officer the use of a private jet for business travel. Other executive officers and employees may accompany our Chief Executive Officer for business purposes only. In addition, our policy allows family members to accompany a participating executive during business travel, if related costs for the family members are paid for by the executive officer. This policy was adopted to allow for efficient travel by the participating executive officers, which we believe is consistent with market practices. No family members accompanied our executive officers on the aircraft during fiscal year 2011.

We also provide the following benefits to our NEOs, on the same terms and conditions as provided to all other eligible employees:

- health, dental and vision insurance;

- life insurance;

- an Employee Stock Purchase Plan;

- medical and dependent care flexible spending account;

- short- and long-term disability, accidental death and dismemberment; and

- patent award program (cash awards made to any employee, including an NEO, who is an inventor of, or a direct manager of an inventor of, an Adobe patent that is filed with the U.S. Patent and Trademark Office, with a further award if the patent is issued).

We believe these benefits are consistent with benefits provided by companies with which we compete for executive-level talent.

Granting Guidelines for Equity Compensation

Adobe maintains written equity grant guidelines setting forth our grant practices and procedures for all equity awards, as described below under "Executive Compensation—Grants of Plan-Based Awards in Fiscal Year 2011— Narrative Summary to Summary Compensation Table and Grants of Plan-Based Awards in Fiscal Year 2011 Table— Granting Guidelines for Equity Compensation."

Ownership Guidelines and Policies

Stock Ownership Guidelines

As part of our overall corporate governance and compensation practices, in 2003, our Board adopted stock ownership guidelines for our executive officers and directors, which the Executive Compensation Committee reviews annually. These guidelines are designed to align our executive officers' interests with our stockholders' long-term interests by promoting long-term share ownership, which reduces the incentive for excessive short-term risk taking. The Executive Compensation Committee reviews quarterly reports of the stock activity of our executive officers and directors. As of December 2, 2011, each of our NEOs was in compliance with the applicable guidelines. The guidelines currently state that the executives in the following positions should hold 25% of the net shares acquired from Adobe for two years unless, following the sale of such shares, the total number of Adobe shares held by that executive equals or exceeds the following amounts:

Position	Shares (#)
Chief Executive Officer	150,000
President, Executive Vice President or Chief Financial Officer	50,000
Senior Vice President	25,000

For purposes of these guidelines, an "acquired share" includes shares of vested restricted stock, RSUs, performance shares, performance units and shares issued upon the exercise of vested options. "Net shares acquired" means acquired shares remaining after deducting acquired shares sold to cover the exercise price and withheld taxes, and excluding shares acquired through our Employee Stock Purchase Plan. Shares that count toward the minimum share ownership include shares owned outright or beneficially owned, shares acquired through the Employee Stock Purchase Plan, vested restricted stock, vested RSUs, performance shares and performance units in our Deferred Compensation Plan, and shares issued from the exercise of vested options.

Our Board may evaluate whether exceptions should be made in the case of any covered person who, due to his or her unique financial circumstances, would incur a hardship by complying with these guidelines. No such exceptions were granted or were in place in fiscal year 2011 and all directors and officers were in compliance with the guidelines during fiscal year 2011.

Hedging Policy

Our policies do not permit any employees, including our NEOs, to "hedge" their ownership by engaging in short sales or trading in any derivatives involving Adobe securities.

Employment Agreements

Each of our NEOs is employed "at will." Except in limited circumstances, such as when an employment agreement that provides for severance is assumed or renegotiated as part of a corporate transaction, we only enter into agreements providing for severance benefits with our U.S. executive officers in relation to a change of control of Adobe or an executive transition plan.

Severance and Change of Control Compensation

Each of our NEOs is, or could be, an eligible participant in our Executive Severance Plan for Prior Participants in the Event of a Change of Control (the "Prior Participant Change of Control Plan"), which provides for severance payments and fully accelerated vesting of outstanding equity awards to our NEOs and other members of senior management upon an involuntary termination of employment upon or following a qualifying change of control. The Prior Participant Change of Control Plan replaces the former executive change of control severance plan (the "Former Plan"), which expired in December 2011, for all employees who were eligible under the Former Plan upon its expiration, on substantially the same terms as the Former Plan. We also adopted a change of control severance plan for members of senior management who were not eligible under the Former Plan upon its expiration, but all of our NEOs were eligible and therefore would be covered by the Prior Participant Change of Control Plan. Our Executive Compensation Committee believes that change of control vesting and severance benefits, if structured appropriately,

serve to minimize the distraction caused by a potential transaction and reduce the risk that an executive officer departs Adobe before an acquisition is consummated. We believe that a pre-existing plan will allow our executive officers to focus on continuing normal business operations and on the success of a potential business combination, rather than on seeking alternative employment. We further believe that the two plans ensure stability and will enable our executive officers to maintain a balanced perspective in making overall business decisions during a potentially uncertain period. Severance payments and benefits under both plans are provided only upon a qualifying termination of employment upon or following a change of control so that an acquirer that wishes to retain our management team during a transition period or over the long term will have an opportunity to do so.

We have also entered into a Retention Agreement with Mr. Narayen (unchanged since December 2010), which provides similar benefits but does not require termination of his employment in order for him to receive the equity acceleration, as described below under "Executive Compensation—Change of Control—Chief Executive Officer Retention Agreement."

The two change of control plans and the individual Retention Agreement with Mr. Narayen do not provide for reimbursements or "gross-ups" of excise tax amounts under Section 4999 of the Code. Rather, under all of these arrangements, benefits would be reduced if doing so would result in a better after-tax economic position for the affected executive. We believe this is an appropriate allocation of the tax cost of these arrangements between Adobe and the executive and is consistent with market practice.

Our change of control arrangements are designed to be competitive with the pay practices of the peer group. Our Executive Compensation Committee periodically reviews the terms and conditions of our change of control arrangements and will make adjustments when and to the extent it deems appropriate. Our Executive Compensation Committee approved the Prior Participant Change of Control Plan effective as of December 13, 2011 upon the automatic expiration of the Former Plan on December 12, 2011. The Prior Participant Change of Control Plan will expire on December 13, 2014.[(1)]

Additional details regarding our Prior Participant Change of Control Plan, the Former Plan, and the individual Retention Agreement with Mr. Narayen, including estimates of amounts payable in specified circumstances as of the last day of fiscal year 2011, are disclosed in the "Executive Compensation—Change of Control—Potential Payments upon Termination and/or a Change of Control" table contained in this proxy statement.

Tax Considerations and Compensation Recovery Policies

Tax Deductibility

Section 162(m) of the Code generally disallows a tax deduction to public corporations for compensation greater than $1 million paid for any fiscal year to the corporation's Chief Executive Officer and the three other most highly compensated executive officers as of the end of any fiscal year, other than the Chief Financial Officer. However, certain types of performance-based compensation are excluded from the $1 million deduction limit if specific requirements are met. The Executive Compensation Committee considers the impact of Section 162(m) when designing our executive compensation program and structured our Executive Bonus Plan, stock plans and performance share programs so that a number of awards would be granted under these plans and programs in a manner that complies with the requirements imposed by Section 162(m). Tax deductibility is not the primary factor used by the Executive Compensation Committee in setting compensation, however, and corporate objectives may not necessarily align with the requirements for full deductibility under Section 162(m). Accordingly, the Executive Compensation Committee has granted and may continue to grant awards, such as time-based RSU awards, under which payments may not be deductible under Section 162(m) when it determines that such non-deductible arrangements are otherwise in the best interests of Adobe and its stockholders.

[(1)]   The Prior Participant Change of Control Plan that was filed as Exhibit 10.1 to our Current Report on Form 8-K filed on December 15, 2011, is incorporated herein by reference.

Compensation Recovery Policies

As a public company subject to Section 304 of the Sarbanes-Oxley Act of 2002, if we are required as the result of misconduct to restate our financial results due to our material noncompliance with any financial reporting requirements under the federal securities laws, our chief executive officer and chief financial officer may be legally required to reimburse us for any bonus or incentive-based or equity-based compensation they receive. In addition, we will comply with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and anticipate that we will adopt a compensation recovery policy once final regulations on the subject have been adopted. Our fiscal year 2012 compensation plans explicitly provide for any such required recovery.

REPORT OF THE EXECUTIVE COMPENSATION COMMITTEE[*]

The Executive Compensation Committee has reviewed and discussed with management the "Compensation Discussion and Analysis" contained in this proxy statement. Based on this review and discussion, the Executive Compensation Committee recommended to our Board that the Compensation Discussion and Analysis be included in our Annual Report on Form 10-K for the fiscal year ended December 2, 2011, and in this proxy statement.

Respectfully submitted,

EXECUTIVE COMPENSATION COMMITTEE

Daniel Rosensweig, Chair
Edward W. Barnholt
Robert Sedgewick

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*   *The material in this report is not "soliciting material," is not deemed "filed" with the SEC and is not to be incorporated by reference into any filing of Adobe under the Securities Act of 1933 or the Securities Exchange Act of 1934, except our Annual Report on Form 10-K for the fiscal year ended December 2, 2011, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.*

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information regarding the compensation for services performed during fiscal years 2011, 2010 and 2009 awarded to, paid to or earned by the NEOs, which include (i) our Chief Executive Officer, (ii) our Chief Financial Officer and (iii) our three other most highly compensated executive officers, as determined by reference to total compensation for fiscal year 2011, who were serving as executive officers at the end of fiscal year 2011.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards[1] ($)	Option Awards[2] ($)	Non-Equity Incentive Plan Compensation[3] ($)	All Other Compensation[4] ($)	Total ($)
Shantanu Narayen	2011	896,434	—	6,295,550	2,403,773	1,198,980	30,373	10,825,110
President and Chief Executive Officer	2010	909,583	—	6,490,400	2,660,286	2,160,259	7,686	12,228,214
	2009	875,000	—	1,895,343	2,254,127	—	7,740	5,032,210
Mark Garrett..................	2011	568,844	—	2,007,770	777,691	608,663	9,180	3,972,148
Executive Vice President and Chief Financial Officer	2010	551,641	—	2,835,280	449,497	1,048,117	7,938	4,892,473
	2009	510,000	—	841,046	1,000,254	—	8,040	2,359,340
Kevin Lynch..................	2011	488,711	25,000[5]	3,232,850	1,246,073	392,191	42,020	5,426,845
Senior Vice President, Chief Technology Officer	2010	443,529	—	2,835,280	449,497	625,209	9,354	4,362,869
	2009	421,000	—	841,046	1,000,254	—	10,290	2,272,590
Matthew Thompson	2011	519,042	—	1,803,590	680,480	555,375	27,992	3,586,479
Senior Vice President, Worldwide Field Operations	2010	499,252	—	2,698,640	394,456	948,578	7,938	4,548,864
	2009	450,500	—	657,690	782,189	—	8,040	1,898,419
David Wadhwani[6]	2011	457,605	—	1,803,590	680,480	364,116	8,312	3,314,103
Senior Vice President, Digital Media Business Unit								

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[1] These amounts do not reflect the actual economic value realized by the NEO. In accordance with SEC rules, this column represents the grant date fair value of performance shares, assuming the probable outcome of related performance conditions at target levels, and RSUs. Pursuant to SEC rules, the amounts shown disregard the impact of estimated forfeitures. For reference, the grant date fair value for the performance share awards, assuming the highest level of achievement had been met, is as follows:

Name	2011 ($)	2010 ($)	2009 ($)
Shantanu Narayen	4,645,095	4,867,800	1,089,822
Mark Garrett..	1,480,305	819,840	483,601
Kevin Lynch...	2,399,115	819,840	483,601
Matthew Thompson	1,327,170	717,360	378,172
David Wadhwani...	1,327,170	*	*

* Not applicable. See footnote 6 below.

No stock awards reflected in this table were forfeited by any of our NEOs. For additional information on the valuation assumptions, see Part II, Item 8 "Financial Statements and Supplementary Data" of our 2011 Annual Report on Form 10-K and the Notes to Consolidated Financial Statements at Note 13, "Stock-based Compensation."

(2)   These amounts do not reflect the actual economic value realized by the NEO. In accordance with SEC rules, this column represents the grant date fair value of stock options, in accordance with applicable accounting guidance related to stock-based compensation. Pursuant to SEC rules, the amounts shown disregard the impact of estimated forfeitures related to service-based vesting conditions. No stock options reflected in this table were forfeited by any of our NEOs. For additional information on the valuation assumptions, see Part II, Item 8 "Financial Statements and Supplementary Data" of our 2011 Annual Report on Form 10-K and the Notes to Consolidated Financial Statements at Note 13, "Stock-based Compensation."

(3)   These amounts consist solely of amounts earned under the Executive Bonus Plan, and equivalent predecessor plans, each of which is a cash bonus plan adopted under our Master Bonus Plan and its predecessor. Amounts earned under the Executive Bonus Plan are payable in the subsequent fiscal year.

(4)   These amounts for fiscal year 2011 include matching contributions under Adobe's 401(k) Plan (including an additional matching contribution made by Adobe early in the applicable fiscal year to eligible participants who did not previously receive the maximum matching contribution during the prior 401(k) Plan year), and life insurance premiums for all NEOs. In addition, for Mr. Narayen, Mr. Garrett, and Mr. Wadhwani, the amounts include the cost of an executive physical; for Mr. Narayen and Mr. Thompson, they include the taxable value of the Platinum Club trip for the NEO and his spouse ($20,360 for Mr. Narayen and $20,054 for Mr. Thompson); and for Mr. Lynch, they include patent awards and $25,166 in compensable reimbursement of certain personal expenses related to his family's accompanying him during Mr. Lynch's extended assignment in Hamburg, Germany.

(5)   Special recognition bonus awarded by our Chief Executive Officer in recognition of Mr. Lynch's extended assignment in Hamburg, Germany.

(6)   Mr. Wadhwani was not a named executive officer in any prior fiscal year.

The following table shows all plan-based awards granted to the NEOs during fiscal year 2011. The equity awards granted in fiscal year 2011 identified in the table below are also reported in "Outstanding Equity Awards at 2011 Fiscal Year End." For additional information regarding incentive plan awards, please refer to the cash incentives and equity incentives sections of our "Compensation Discussion and Analysis."

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1]			Estimated Future Payouts Under Equity Incentive Plan Awards[2]			All Other Stock Awards: Number of Shares of Stock or Units[3] (#)	All Other Option Awards: Number of Securities Underlying Options[4] (#)	Exercise or Base Price of Option Awards ($/Share)	Grant Date Fair Value of Stock and Option Awards[5] ($)
		Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)				
Shantanu Narayen	—	—	1,120,542	2,241,085	—	—	—	—	—	—	—
	1/24/2011	—	—	—	—	91,000	136,500	—	—	—	3,096,730[6]
	1/24/2011	—	—	—	—	—	—	94,000	—	—	3,198,820
	1/24/2011	—	—	—	—	—	—	—	272,000	34.03	2,403,773
Mark Garrett	—	—	568,844	1,137,687	—	—	—	—	—	—	—
	1/24/2011	—	—	—	—	29,000	43,500	—	—	—	986,870[6]
	1/24/2011	—	—	—	—	—	—	30,000	—	—	1,020,900
	1/24/2011	—	—	—	—	—	—	—	88,000	34.03	777,691
Kevin Lynch	—	—	366,533	733,067	—	—	—	—	—	—	—
	1/24/2011	—	—	—	—	47,000	70,500	—	—	—	1,599,410[6]
	1/24/2011	—	—	—	—	—	—	48,000	—	—	1,633,440
	1/24/2011	—	—	—	—	—	—	—	141,000	34.03	1,246,073
Matthew Thompson	—	—	519,042	1,038,083	—	—	—	—	—	—	—
	1/24/2011	—	—	—	—	26,000	39,000	—	—	—	884,780[6]
	1/24/2011	—	—	—	—	—	—	27,000	—	—	918,810
	1/24/2011	—	—	—	—	—	—	—	77,000	34.03	680,480
David Wadhwani	—	—	340,295	680,590	—	—	—	—	—	—	—
	1/24/2011	—	—	—	—	26,000	39,000	—	—	—	884,780[6]
	1/24/2011	—	—	—	—	—	—	27,000	—	—	918,810
	1/24/2011	—	—	—	—	—	—	—	77,000	34.03	680,480

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[1] These columns represent awards granted under our Executive Bonus Plan for performance in fiscal year 2011. These columns show the awards that were possible at the threshold, target and maximum levels of performance. Minimum performance under the Executive Bonus Plan could have resulted in a threshold amount equal to $0. Actual cash incentive awards earned in fiscal year 2011 by the NEOs under the Executive Bonus Plan are shown in the column titled "Non-Equity Incentive Plan Compensation" in the "Summary Compensation Table."

[2] These columns represent awards granted under our 2011 Performance Share Program, which was adopted under our 2003 Plan, for performance in fiscal year 2011. These columns show the awards that were possible at the threshold, target and maximum levels of performance. The Executive Compensation Committee had full discretion not to award shares under the 2011 Performance Share Program regardless of the performance level achieved, and, as a result, the threshold amount could have equaled zero shares. Actual awards earned in fiscal year 2011 by the NEOs under this program are shown in the table "Equity Awards during Fiscal Year 2011" in the "Compensation Discussion and Analysis."

[3] This column represents awards of RSUs granted under our 2003 Plan.

(4)   This column represents awards of stock options granted under our 2003 Plan.

(5)   These amounts do not reflect the actual economic value realized by the NEO. In accordance with SEC rules, this column represents the grant date fair value of each equity award. For additional information on the valuation assumptions, see Part II, Item 8 "Financial Statements and Supplementary Data" of our 2011 Annual Report on Form 10-K and the Notes to Consolidated Financial Statements at Note 13, "Stock-based Compensation."

(6)   The grant date fair value included in this column for awards granted under our 2011 Performance Share Program is based on the target award amount listed in this table, as this amount was estimated to be the probable outcome of the performance conditions associated with these grants determined as of the grant date, excluding the effect of estimated forfeitures. See footnote 1 to the "Summary Compensation Table" for more information regarding the grant date fair value for these awards at the maximum payout levels.

Narrative Summary to Summary Compensation Table and Grants of Plan-Based Awards in Fiscal Year 2011 Table

The material terms of the NEOs' annual compensation, including base salaries, the Executive Bonus Plan (which is a cash plan adopted under our Master Bonus Plan), the performance share program, and the explanations of the amounts of salary, cash incentives and equity values in proportion to total compensation are described under "Compensation Discussion and Analysis" in this proxy statement. Our equity award granting practices are described below and our severance benefits are described under "Change of Control" in this proxy statement. None of our NEOs have entered into a written employment agreement with Adobe.

As discussed in greater detail in "Compensation Discussion and Analysis," the fiscal year 2011 non-equity incentive awards were granted pursuant to the Executive Bonus Plan, with amounts earned based on the achievement of certain financial targets as well as individual performance goals applicable to each respective NEO. Cash incentives were fully vested when earned.

As discussed in greater detail in "Compensation Discussion and Analysis," the fiscal year 2011 performance share awards were granted in the form of stock-settled RSUs subject to the terms of our 2011 Performance Share Program. Awards earned under the 2011 Performance Share Program were determined based on the results achieved during the one-year performance period, as certified by the Executive Compensation Committee. Each NEO was granted an award for the maximum number of shares that he could earn based on the maximum achievement of the pre-established performance goals, with the actual award earned subject to a reduction from the maximum award based on actual achievement of the other performance goals. The first 1/3 of the shares earned vested on the first anniversary of the grant date, and the remaining 2/3 of the shares earned is subject to equal annual time-based vesting over the two years after the first anniversary of the grant date, contingent upon the NEO's continued service to Adobe.

The RSUs granted pursuant to our 2003 Plan vest over four years with 25% vesting on each anniversary of the grant date. There is no purchase price associated with performance share or RSU awards.

The stock options vest in equal monthly installments over four years from the date of grant, subject to continued employment, and the exercise price was the closing market price of our common stock on the grant date.

We did not pay dividends on our common stock during fiscal year 2011.

Granting Guidelines for Equity Compensation

Adobe has adopted written guidelines setting forth our grant practices and procedures for all equity awards. Pursuant to these guidelines:

- the effective grant date for our annual equity awards granted to our employees, including the NEOs, is January 24 of each year, or the first trading day thereafter, unless another date is approved and documented by the Executive Compensation Committee;

- the effective grant date for executive officer new hire stock option awards is the next 15th day of a month following the executive officer's hire date, or, if that is not a trading day, the first trading day thereafter;

- the effective grant date for executive officer new hire RSU and performance share awards is the executive officer's hire date, unless the performance share program for the applicable fiscal year has not yet been adopted (in which case the performance share award and any accompanying RSU award will be granted when the program is adopted); and

- the effective grant date for non-executive officer new hire stock option, performance share and RSU awards is the 15th day of the month following the month of the employee's hire date, or, if that is not a trading day, the first trading day thereafter, unless the performance share program for the applicable fiscal year has not yet been adopted (in which case the performance share award and any accompanying RSU award will be granted when the program is adopted).

Because the grant dates are pre-established, the timing of the release of material nonpublic information does not affect the grant dates for equity awards, and Adobe does not time the release of material nonpublic information based on equity award grant dates.

Our Executive Compensation Committee approves all grants made to our executive officers at an in-person or telephonic meeting on or before the grant date. The Executive Compensation Committee also has the authority to approve non-executive officer stock option, performance share and RSU awards on or before the grant date. Our Board has also delegated to a Management Committee for Employee Equity Awards the authority to approve stock option, performance share and RSU awards to non-executive officer employees in accordance with the granting guidelines described above. Pursuant to its charter, the Executive Compensation Committee has the authority to establish the terms and conditions of our equity awards; therefore, the Executive Compensation Committee may make exceptions to Adobe's granting guidelines.

All stock option awards are granted with an exercise price equal to or greater than (in some instances for awards outside the United States) the fair market value of the underlying stock on the effective grant date or, in accordance with the terms of our approved equity plans, the fair market value of the underlying stock on the last trading day prior to the effective grant date, if an award is granted on a non-trading day.

Effect of Retirement, Death and Disability on Equity Compensation Awards

The terms and conditions of our stock option and RSU awards provide that if a recipient's employment is terminated due to death or disability, the recipient will be given credit for an additional 12 months of service, resulting in vesting for the applicable award accelerating by 12 months. In addition, our U.S. and certain other stock option agreements provide that if a recipient's employment terminates on or after age 65, the individual will be given credit for an additional 12 months of service, resulting in vesting for the applicable award accelerating by 12 months. The terms and conditions of our performance share awards provide that if a recipient's employment is terminated due to death or disability before certification of the performance goals, the recipient will receive a pro-rated target award based on the number of months of service provided during the performance period, for which the vesting will be accelerated by an amount equal to the percentage amount scheduled to vest on the next annual vesting date for each award. If a recipient's employment is terminated due to death or disability after certification of the performance goals, the recipient will receive accelerated vesting of the actual award equal to the percentage amount scheduled to vest on the next annual vesting date for each award.

Outstanding Equity Awards at 2011 Fiscal Year End

The following table sets forth information regarding outstanding equity awards as of December 2, 2011, for each NEO. All vesting is contingent upon continued employment with Adobe. Market values and payout values in this table are calculated based on the closing market price of our common stock as reported on NASDAQ on December 2, 2011, which was $27.11 per share.

Name	Option Awards[1] Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Stock Awards Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested[2] (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Shantanu Narayen	377,742	—	29.12	1/14/2012	—	—	—	—
	200,000	—	32.42	5/24/2012	—	—	—	—
	200,000	—	39.39	2/2/2013	—	—	—	—
	225,000	—	39.69	1/24/2014	—	—	—	—
	256,833	11,167[3]	34.64	1/24/2015	—	—	—	—
	201,000	402,000[4]	34.64	1/24/2015	—	—	—	—
	—	—	—	—	26,660[5]	722,753	—	—
	—	—	—	—	64,000[6]	1,735,040	—	—
	202,086	83,214[7]	19.93	1/26/2016	—	—	—	—
	—	—	—	—	23,774[8]	644,513	—	—
	132,916	157,084[9]	34.16	1/25/2017	—	—	—	—
	—	—	—	—	85,500[10]	2,317,905	—	—
	—	—	—	—	71,250[11]	1,931,588	—	—
	—	—	—	—	—	—	136,500	3,700,515
	—	—	—	—	94,000[12]	2,548,340	—	—
	56,666	215,334[13]	34.03	1/24/2018	—	—	—	—
Mark Garrett	275,000	—	39.25	2/15/2014	—	—	—	—
	115,000	5,000[3]	34.64	1/24/2015	—	—	—	—
	—	—	—	—	12,090[5]	327,760	—	—
	89,673	36,927[7]	19.93	1/26/2016	—	—	—	—
	—	—	—	—	10,550[8]	286,011	—	—
	22,458	26,542[9]	34.16	1/25/2017	—	—	—	—
	—	—	—	—	50,000[14]	1,355,500	—	—
	—	—	—	—	14,400[10]	390,384	—	—
	—	—	—	—	12,750[11]	345,653	—	—
	—	—	—	—	—	—	43,500	1,179,285
	—	—	—	—	30,000[12]	813,300	—	—
	18,332	69,668[13]	34.03	1/24/2018	—	—	—	—

Name	Option Awards[1]				Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested[2] (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Kevin Lynch	13,910	—	24.66	2/24/2015	—	—	—	—
	26,863	—	26.53	9/14/2015	—	—	—	—
	120,750	—	32.10	11/30/2015	—	—	—	—
	90,000	—	38.52	1/3/2013	—	—	—	—
	150,000	—	39.69	1/24/2014	—	—	—	—
	115,000	5,000[3]	34.64	1/24/2015	—	—	—	—
	—	—	—	—	12,090[5]	327,760	—	—
	44,529	36,927[7]	19.93	1/26/2016	—	—	—	—
	—	—	—	—	10,550[8]	286,011	—	—
	22,458	26,542[9]	34.16	1/25/2017	—	—	—	—
	—	—	—	—	50,000[14]	1,355,500	—	—
	—	—	—	—	14,400[10]	390,384	—	—
	—	—	—	—	12,750[11]	345,653	—	—
	—	—	—	—	—	—	70,500	1,911,255
	—	—	—	—	48,000[12]	1,301,280	—	—
	29,374	111,626[13]	34.03	1/24/2018	—	—	—	—
Matthew Thompson	250,000	—	40.05	1/16/2014	—	—	—	—
	90,081	3,919[3]	34.64	1/24/2015	—	—	—	—
	—	—	—	—	9,300[5]	252,123	—	—
	70,124	28,876[7]	19.93	1/26/2016	—	—	—	—
	—	—	—	—	8,250[8]	223,658	—	—
	19,708	23,292[9]	34.16	1/25/2017	—	—	—	—
	—	—	—	—	50,000[14]	1,355,500	—	—
	—	—	—	—	12,600[10]	341,586	—	—
	—	—	—	—	11,250[11]	304,988	—	—
	—	—	—	—	—	—	39,000	1,057,290
	—	—	—	—	27,000[12]	731,970	—	—
	16,040	60,960[13]	34.03	1/24/2018	—	—	—	—

Name	Option Awards[1] Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Stock Awards Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested[2] (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
David Wadhwani	20,699	—	25.41	2/11/2015	—	—	—	—
	35,000	—	30.79	6/22/2013	—	—	—	—
	25,000	—	39.69	1/24/2014	—	—	—	—
	28,750	1,250[3]	34.64	1/24/2015	—	—	—	—
	8,062	938[15]	35.75	4/15/2015	—	—	—	—
	—	—	—	—	3,100[5]	84,041	—	—
	—	—	—	—	930[16]	25,212	—	—
	24,291	13,709[7]	19.93	1/26/2016	—	—	—	—
	—	—	—	—	3,916[8]	106,163	—	—
	—	—	—	—	30,000[17]	813,300	—	—
	13,131	15,519[9]	34.16	1/25/2017			—	—
	—	—	—	—	10,462[12]	283,625	—	—
	—	—	—	—	15,000[18]	406,650	—	—
	—	—	—	—	—	—	39,000	1,057,290
	—	—	—	—	27,000[12]	731,970	—	—
	16,040	60,960[13]	34.03	1/24/2018	—	—	—	—

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[1] All stock option awards were granted pursuant to our 2003 Plan, except certain stock option grants to Mr. Lynch and Mr. Wadhwani. Mr. Lynch's grants for 13,910, 26,863 and 120,750 shares and Mr. Wadhwani's grant for 20,699 were made pursuant to the Macromedia, Inc. 2002 Equity Incentive Plan.

[2] These amounts represent the maximum number of shares that could have been earned under our 2011 Performance Share Program. The performance period ended at the end of fiscal year 2011, and certification was completed on January 24, 2012. The first 1/3 of the performance shares earned vested on January 24, 2012, the first anniversary of the grant date, and the remaining 2/3 of the shares earned is subject to annual time-based vesting over the two years after the first anniversary of the grant date. Shares fully vest on January 24, 2014. See the table "Equity Awards during Fiscal Year 2011" in the "Compensation Discussion and Analysis" for actual achievement amounts.

[3] Four-year vesting in equal monthly installments. Shares fully vested on January 24, 2012.

[4] Four-year vesting with 1/3 vesting on the third anniversary of the grant date and 2/3 vesting on the fourth anniversary of the grant date. Shares fully vested on January 24, 2012.

[5] These amounts represent awards actually earned under our 2008 Performance Share Program. Four-year vesting with 25% vesting in fiscal year 2009 upon certification, and then 25% vesting per year on each anniversary of the grant date. Shares fully vested on January 24, 2012.

[6] RSUs granted pursuant to our 2003 Plan. Five-year vesting with 50% vesting on the fourth anniversary of the grant date and 50% vesting on the fifth anniversary of the grant date. Shares fully vest on January 24, 2013.

[7] Four-year vesting in equal monthly installments. Shares fully vest on January 26, 2013.

[8] RSUs granted pursuant to our 2003 Plan. Four-year vesting with 25% vesting on each anniversary of the grant date. Shares fully vest on January 26, 2013.

(9)   Four-year vesting in equal monthly installments. Shares fully vest on January 25, 2014.

(10)   These amounts represent awards actually earned under our 2010 Performance Share Program. Three-year vesting with 1/3 vesting on the each anniversary of the grant date. Shares fully vest on January 25, 2013.

(11)   RSUs granted pursuant to our 2003 Plan. Four-year vesting with 25% vesting on each anniversary of the grant date. Shares fully vest on January 25, 2014.

(12)   RSUs granted pursuant to our 2003 Plan. Four-year vesting with 25% vesting on each anniversary of the grant date. Shares fully vest on January 24, 2015.

(13)   Four-year vesting in equal monthly installments. Shares fully vest on January 24, 2015.

(14)   RSUs granted pursuant to our 2003 Plan. Four-year vesting with 50% vesting on the second anniversary of the grant date and 25% vesting on the third and fourth anniversaries of the grant date. Shares fully vest on January 25, 2014.

(15)   Four-year vesting in equal monthly installments. Shares fully vest on April 15, 2012.

(16)   These amounts represent awards actually earned under our 2008 Performance Share Program. Four-year vesting with 25% vesting on each anniversary of the grant date. Shares fully vest on April 15, 2012.

(17)   RSUs granted pursuant to our 2003 Plan. Four-year vesting with 50% vesting on the second anniversary of the vesting commencement date and thereafter as to 25% on each of the third and fourth anniversaries of the vesting commencement date. Shares fully vest on December 15, 2013.

(18)   RSUs granted pursuant to our 2003 Plan. Four-year vesting with 25% vesting on each anniversary of the grant date. Shares fully vest on June 22, 2014.

Option Exercises and Stock Vested in Fiscal Year 2011

The following table sets forth information regarding each exercise of stock options and the vesting during fiscal year 2011 of time-based stock-settled RSUs, and performance-based stock-settled RSUs granted under our 2007, 2008, and 2010 Performance Share Programs for each of the NEOs, on an aggregate basis. The value realized on the exercise of option awards is calculated as follows (i) if the exercise involves a sale of some or all of the exercised shares, the difference between the actual price at which the exercised shares were sold and the exercise price of the options, or (ii) in all other cases, the difference between the closing market price of our common stock as reported on NASDAQ on the date of exercise and the exercise price of the options. The value realized on vesting of stock awards is based on the closing market price of our common stock as reported on NASDAQ on the vesting date of the stock-settled RSUs.

| | Option Awards | | Stock Awards | |
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Shantanu Narayen	—	—	117,548	3,962,841
Mark Garrett	—	—	32,565	1,098,353
Kevin Lynch	45,144	634,728	37,148	1,256,075
Matthew Thompson	—	—	27,225	919,640
David Wadhwani	—	—	15,865	517,594

Nonqualified Deferred Compensation

Under the terms of our Deferred Compensation Plan, eligible employees, including each of the NEOs, and directors may elect to defer the receipt of a portion of cash and equity compensation they would otherwise have received when earned. Amounts deferred under the Deferred Compensation Plan are deemed invested in the investment funds selected by the participant from the same fund options as available under the Adobe 401(k) Plan, except that the individually directed brokerage account feature and the Retirement Savings Trust are not available under the Deferred Compensation Plan. Participants can make changes in the allocations of their deferred compensation among these funds in generally the same manner and on generally the same terms as our 401(k) Plan. Deferrals are adjusted for earnings and losses in the deemed investments. We do not contribute to the Deferred Compensation Plan on behalf of our employees, or match the deferrals made by participants, with the exception of situations in which an election to defer under the Deferred Compensation Plan would prevent a participant from receiving the full 401(k) company match as described in the "Compensation Discussion and Analysis—Retirement and Deferred Compensation Plan Benefits" section of this proxy statement. In those situations, we make a contribution to the Deferred Compensation Plan equal to the foregone 401(k) company match. No such contribution was made in fiscal year 2011. As a result, amounts payable under the Deferred Compensation Plan generally are entirely determined by participant contributions and fund elections.

Employee participants in the Deferred Compensation Plan may elect to contribute 1% to 75% of their base salary and 1% to 100% of other specified compensation, including commissions and bonuses. Participants may also contribute 100% per vesting tranche of their RSU and performance share awards. Participants elect the payment of benefits to begin on a specified date at least three years in the future in the form of a lump sum or annual installments of 5, 10 or 15 years. Upon termination of a participant's employment with Adobe, the participant will receive a distribution in the form of a lump sum payment. Each participant shall elect whether to keep his or her account balance in the Deferred Compensation Plan or to receive a lump sum distribution upon a change of control. In addition, if a participant experiences an unforeseeable emergency during the deferral period, the participant may petition to receive a partial or full payout from the Deferred Compensation Plan. All distributions are made in cash, except that deferred RSUs and performance shares are settled in Adobe stock.

No NEOs participated in, or had an accrued balance under, the Deferred Compensation Plan in fiscal year 2011.

<center>**Change of Control**</center>

Each of the NEOs is eligible to receive severance benefits in the event of certain terminations of employment upon or after a change of control of Adobe, pursuant to the terms of our Prior Participant Change of Control Plan applicable to each of our current NEOs or, in the case of our Chief Executive Officer, upon or after a change of control of Adobe, in some cases whether or not his employment is terminated, pursuant to his individual Retention Agreement. Mr. Narayen would need to waive all benefits under his Retention Agreement to receive any benefits under the Prior Participant Change of Control Plan.

On December 12, 2011, the Former Plan expired by its terms; our Executive Compensation Committee approved the Prior Participant Change of Control Plan effective as of December 13, 2011, and our NEOs became eligible participants under this new plan at that time. The material terms of, and payments due under, the Prior Participant Change of Control Plan are similar to the Former Plan. Participants of the Former Plan are eligible to participate in the Prior Participant Change of Control Plan. The Prior Participant Change of Control Plan will expire on December 13, 2014, unless extended by Adobe or unless a change of control occurs prior thereto, in which case the Prior Participant Change of Control Plan will terminate following the later of the date which is at least two years after the occurrence of a change of control or the payment of all severance benefits due under the Prior Participant Change of Control Plan. The Executive Compensation Committee also approved an additional change of control severance plan that would apply to certain employees who were not eligible under the Former Plan upon its expiration, and therefore are not eligible under the Prior Participant Change of Control Plan.

Pursuant to the terms of the Prior Participant Change of Control Plan, the Former Plan, and Mr. Narayen's Retention Agreement, a "change of control" of Adobe is generally defined as one of the following:

- a person or entity becomes the beneficial owner of Adobe securities representing 30% or more of the combined voting power of our then outstanding securities entitled to vote in the election of directors;

- during any period of two consecutive years, a majority of our directors who were nominated by a vote of at least 3/4 of the directors in office at the beginning of the period cease to be directors;

- as a result of a reorganization, merger, consolidation or other corporate transaction involving Adobe, our stockholders immediately prior to the transaction do not retain ownership of more than 50% of the combined voting power of Adobe or resulting entity;

- all or substantially all of our assets are sold, liquidated or distributed; or

- a "change of control" or a "change in the effective control" of Adobe within the meaning of Section 280G of the Code occurs.

Executive Severance Plans

Pursuant to the Prior Participant Change of Control Plan and the Former Plan, if there is a qualifying change of control of Adobe, and within two years following the change of control, Mr. Garrett, Mr. Lynch, Mr. Thompson or Mr. Wadhwani experiences a separation from service as a result of Adobe (or any successor) terminating the executive officer's employment without cause, or as a result of his disability, or if he resigns for good reason, the executive officer would be eligible to receive:

- 24 months of salary and target bonus plus one month of salary and bonus per year of service up to an additional 12 months;

- pro-rata target bonus for the fiscal year of termination;

- COBRA premiums for the eligible executive and covered dependents until the earlier of (i) the last month in which the executive and his covered dependents are eligible for and enrolled in COBRA coverage and (ii) 24 months plus the number of years of service with Adobe (up to a maximum of 12); and

- accelerated vesting of all outstanding equity awards (including, to the extent credited, for performance shares).

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In the event that any amount under the Prior Participant Change of Control Plan or the Former Plan would constitute an excess parachute payment within the meaning of Section 280G of the Code, the amounts payable will not exceed the amount which produces the greatest after-tax benefit to the affected individual. All of the benefits under the Prior Participant Change of Control Plan or the Former Plan are conditioned upon the executive officer signing a release of claims.

Chief Executive Officer Retention Agreement

Effective January 12, 1998, Adobe entered into a Retention Agreement with Mr. Narayen, which was amended twice, the first time effective February 11, 2008, based on his promotion to Chief Executive Officer, and the second on December 17, 2010, in order to clarify the manner of compliance with, or exemption from, Section 409A of the Code, in light of updates to, and interpretations of, applicable tax regulations.

Pursuant to his Retention Agreement, if there is a qualifying change of control of Adobe, and within two years following the change of control Mr. Narayen experiences a separation from service as a result of Adobe (or any successor) terminating his employment without cause, or as a result of his disability, or if he resigns for good reason, Mr. Narayen would be eligible to receive:

- 36 months of salary and target bonus;

- pro-rata target bonus for the fiscal year of termination; and

- COBRA premiums for him and covered dependents until the earlier of (i) the last month in which he and his covered dependents are eligible for and enrolled in COBRA coverage and (ii) 36 months.

Upon a change of control, regardless of whether his employment is terminated, or his death or disability, Mr. Narayen would be eligible to receive accelerated vesting of all outstanding equity awards (including, to the extent credited, for performance shares) and all stock options will become fully exercisable.

In the event that any amount under Mr. Narayen's Retention Agreement would constitute an "excess parachute payment" within the meaning of Section 280G of the Code, the amounts payable will not exceed the amount which produces the greatest after-tax benefit to Mr. Narayen. All benefits provided under the Retention Agreement are conditioned upon his signing a release of claims. The Retention Agreement has no expiration date.

2003 Plan

See "Proposal 2—Summary of the 2003 Plan—Change of Control" for a description of the treatment of awards under the 2003 Plan in the event of a change of control.

Performance Share Programs

Pursuant to our Performance Share Programs, in the event of a change of control prior to the certification date, there will be an automatic crediting to each NEO of a pro-rated (based on time elapsed during the performance period) target award immediately prior to the date of the change of control, but the applicable time-based service vesting requirements will continue to apply. The Prior Participant Change of Control Plan, the Former Plan and Mr. Narayen's Retention Agreement may provide for acceleration of some or all of the awards held by the NEOs, as described above.

Potential Payments upon Termination and/or a Change of Control

The following table sets forth the estimated potential payments and benefits payable to each NEO under the Former Plan (which was in effect on December 2, 2011) in the event of a termination of employment and/or a change of control of Adobe ("COC"), as if such termination or COC event had occurred on December 2, 2011, the last day of fiscal year 2011. The value of the stock awards is based on the closing market price of our common stock as reported on NASDAQ on December 2, 2011, which was $27.11 per share. Each NEO must sign a release of claims to receive any of the benefits below except those for Death/Disability, COC Only (continued employment), or COC Only/Equity Not Assumed or Substituted.

Triggering Event [1]	Target Bonus [2] ($)	Lump Sum Severance [3] ($)	Accelerated Stock Options [4] ($)	Accelerated Performance Awards [5] ($)	Accelerated Restricted Stock Units ($)	Cont. Health Insurance Coverage (present value) [6] ($)	Total [7] ($)
Shantanu Narayen							
Death/Disability[8]	—	—	512,114	2,704,042	2,470,738	—	5,686,894
Voluntary Termination/ Involuntary Termination with Cause	—	—	—	—	—	—	—
Involuntary Termination Without Cause/Resignation for Good Reason	—	—	—	—	—	—	—
Involuntary Termination/ Resignation for Good Reason upon COC[9]	1,125,000	6,075,000	597,469	5,507,668	6,859,508	37,416	20,202,061
COC Only (continued employment)[10]	—	—	597,469	5,507,668	6,859,508	—	12,964,645
COC Only/Equity Not Assumed or Substituted[11]	—	—	597,469	5,507,668	6,859,508	—	12,964,645
Mark Garrett							
Death/Disability[8]	—	—	227,247	785,015	1,139,298	—	2,151,560
Voluntary Termination/ Involuntary Termination with Cause	—	—	—	—	—	—	—
Involuntary Termination Without Cause/Resignation for Good Reason	—	—	—	—	—	—	—
Involuntary Termination/ Resignation for Good Reason upon COC[9]	575,000	2,683,333	265,122	1,504,334	2,800,463	37,416	7,865,668
COC Only (continued employment)[10]	—	—	—	—	—	—	—
COC Only/Equity Not Assumed or Substituted[11]	—	—	265,122	1,504,334	2,800,463	—	4,569,919
Kevin Lynch							
Death/Disability[8]	—	—	227,247	947,675	1,261,293	—	2,436,215
Voluntary Termination/ Involuntary Termination with Cause	—	—	—	—	—	—	—
Involuntary Termination Without Cause/Resignation for Good Reason	—	—	—	—	—	—	—
Involuntary Termination/ Resignation for Good Reason upon COC[9]	375,000	2,625,000[12]	265,122	1,992,314	3,288,443	30198	8,576,077
COC Only (continued employment)[10]	—	—	—	—	—	—	—
COC Only/Equity Not Assumed or Substituted[11]	—	—	265,122	1,992,314	3,288,443	—	5,545,879
Matthew Thompson							
Death/Disability[8]	—	—	177,705	657,869	1,074,234	—	1,909,808
Voluntary Termination/ Involuntary Termination with Cause	—	—	—	—	—	—	—
Involuntary Termination Without Cause/Resignation for Good Reason	—	—	—	—	—	—	—
Involuntary Termination/ Resignation for Good Reason upon COC[9]	525,000	2,450,000	207,323	1,298,569	2,616,115	40173	7,137,180
COC Only (continued employment)[10]	—	—	—	—	—	—	—
COC Only/Equity Not Assumed or Substituted[11]	—	—	207,323	1,298,569	2,616,115	—	4,122,007

Triggering Event [1]	Target Bonus [2] ($)	Lump Sum Severance [3] ($)	Accelerated Stock Options [4] ($)	Accelerated Performance Awards [5] ($)	Accelerated Restricted Stock Units ($)	Cont. Health Insurance Coverage (present value) [6] ($)	Total [7] ($)
David Wadhwani							
Death/Disability[8]	—	—	84,365	344,207	872,827	—	1,301,399
Voluntary Termination/ Involuntary Termination with Cause	—	—	—	—	—	—	—
Involuntary Termination Without Cause/Resignation for Good Reason	—	—	—	—	—	—	—
Involuntary Termination/ Resignation for Good Reason upon COC[9]	356,250	1,732,194[12][13]	98,423	814,113	2,341,762	40682	5,383,424
COC Only (continued employment)[10]	—	—	—	—	—	—	—
COC Only/Equity Not Assumed or Substituted[11]	—	—	98,423	814,113	2,341,762	—	3,254,298

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[1] While Adobe's standard form of stock option agreement under the 2003 Plan provides for the acceleration of 12 months of vesting in the event the person is age 65 or older upon terminating employment with Adobe, the table does not reflect this retirement vesting because none of the NEOs is at least age 65.

[2] This amount represents the fiscal year 2011 target annual cash incentive opportunity under the Executive Bonus Plan calculated according to the terms of the Former Plan, which means it is based on the then-current base salary of the NEO (not the actual amount of salary earned during the fiscal year). The cash incentive opportunity amount is pro-rated for the elapsed time in the current incentive period, assuming that all performance targets have been met; because the incentive period ended on December 2, 2011, the amount reported is 100% of the target annual cash incentive opportunity. Actual fiscal year 2011 bonuses earned by each NEO are reported in the column titled "Non-Equity Incentive Plan Compensation" in the "Summary Compensation Table."

[3] Based on the base salary and target bonus on December 2, 2011.

[4] This amount is calculated by aggregating the sums determined by multiplying, for each award, (i) the number of accelerated stock options times (ii) the difference between the closing price per share ($27.11) of our common stock on December 2, 2011, and the option exercise price per share.

[5] This amount reflects the automatic crediting of pro-rated shares under the 2011 Performance Share Program based on the elapsed time in the performance period; because the performance period ended on December 2, 2011, but was not yet certified, the amount reported is based on 100% of target award amount.

[6] Amounts reported represent the present value of 18 months (the usual legal maximum period) of COBRA payments with an estimated 5% premium increase every 12 months. The present value is calculated by using 120% of the short term applicable federal rate of 0.24%.

[7] In accordance with the terms of the Former Plan and Mr. Narayen's Retention Agreement, all of the benefits in this table are subject to a reduction in the event the amounts payable would constitute an excess parachute payment within the meaning of Section 280G of the Code, to the extent the amounts payable do not exceed the amount which produces the greatest after-tax benefit to the NEOs. Only Mr. Wadhwani's benefits were so reduced. See footnote 13 below.

[8] For an explanation of benefits to be received by our NEOs as a result of death or disability, see "Executive Compensation—Grants of Plan-Based Awards in Fiscal Year 2011—Narrative Summary to Summary Compensation Table and Grants of Plan-Based Awards in Fiscal Year 2011 Table—Effect of Retirement, Death and Disability on Equity Compensation Awards" above.

(9)   For an explanation of benefits received by our NEOs as a result of an involuntary termination or resignation for good reason upon a COC, see "Change of Control" above.

(10)   Assumes that all equity awards were assumed or substituted by the hypothetical acquiring company. No benefits are payable to the NEOs pursuant to the terms of the Former Plan and there is no accelerated vesting pursuant to the terms of the applicable equity award agreements if the NEOs' employment continues after a COC; however, Mr. Narayen's Retention Agreement provides that all outstanding equity awards (to the extent credited, for performance shares) accelerate and are immediately exercisable and vested in full upon a COC, regardless of whether his employment is terminated.

(11)   Assumes that equity awards were not assumed or substituted by the hypothetical acquiring company. Pursuant to the terms of the applicable equity plans generally, any unexercised and/or unvested portions of any outstanding equity awards that are not assumed or substituted by the acquiring company are immediately exercisable and vested in full as of the date immediately prior to the effective date of the COC.

(12)   Mr. Lynch and Mr. Wadhwani both receive credit under the Former Plan for their service time at Macromedia, Inc., which was acquired by Adobe in 2005. Mr. Lynch's service began in July 1996, and Mr. Wadhwani's service began in April 2002.

(13)   Mr. Wadhwani's severance amount exceeded the 280G threshold and therefore triggered a reduction pursuant to the Former Plan. His lump sum severance amount would have been $2,285,938 without this provision.

DIRECTOR COMPENSATION

The following table sets forth certain information with respect to compensation awarded to, paid to or earned by each of Adobe's non-employee directors during fiscal year 2011.

Name	Fees Earned or Paid in Cash[1][2][3] ($)	Stock Awards[4][5][6] ($)	Option Awards[4][7][8] ($)	Total ($)
Charles M. Geschke	110,000	—	191,675	301,675
John E. Warnock	110,000	—	191,675	301,675
Edward W. Barnholt	90,000	235,667	—	325,667
Robert K. Burgess	72,473	235,667	—	308,140
Michael R. Cannon	80,000	235,667	—	315,667
James E. Daley	107,500	—	191,675	299,175
Carol Mills[9]	36,696	—	—	36,696
Daniel Rosensweig	89,032	235,667	—	324,699
Robert Sedgewick	76,881	—	191,675	268,556

[1] Director fees were paid at the end of the quarter for which services were provided.

[2] The following table provides a breakdown of the annual retainers and committee fees earned or paid in cash:

Name	Annual Board Retainers ($)	Audit Committee Fees ($)	Executive Compensation Committee Fees ($)	Nominating and Governance Committee Fees ($)	Total ($)
Dr. Geschke	110,000*	—	—	—	110,000
Dr. Warnock	110,000*	—	—	—	110,000
Mr. Barnholt	60,000	—	15,000	15,000	90,000
Mr. Burgess	60,000	12,473	—	—	72,473
Mr. Cannon	60,000	20,000	—	—	80,000
Mr. Daley	60,000	40,000	—	7,500	107,500
Ms. Mills**	22,582	—	11,291	2,823	36,696
Mr. Rosensweig	60,000	—	24,355	4,677	89,032
Dr. Sedgewick	60,000	7,527	9,354	—	76,881

* Includes $60,000 annual Board member fee and $50,000 annual Board Chair fee.

** Retainers and fees for Ms. Mills were pro-rated based on her retirement from the Board on April 20, 2011.

[3] Mr. Cannon and Mr. Daley each deferred all cash fees pursuant to Adobe's Deferred Compensation Plan. For more information on this plan, see "Deferred Compensation Plan" below.

[4] On April 25, 2011, each non-employee director received a grant of stock options, RSUs or a 50% combination of each (as elected by each director in his or her discretion prior to the end of the previous fiscal year), per the terms of the Board's Non-Employee Director Compensation Policy, as described below.

[5] These amounts do not reflect the actual economic value realized by the director for these awards. In accordance with SEC rules, this column reflects the grant date fair value of 7,092 RSUs for each director electing to receive RSUs, disregarding estimates of forfeitures related to service-based vesting conditions.

(6)   At 2011 fiscal year end, each non-employee director held the following aggregate number of unvested RSUs:

Name	Aggregate Shares Subject to Unvested RSUs (#)
Dr. Geschke	—
Dr. Warnock	—
Mr. Barnholt	7,092
Mr. Burgess	7,092
Mr. Cannon	7,092
Mr. Daley	—
Mr. Rosensweig	7,092
Dr. Sedgewick	—

(7)   These amounts do not reflect the actual economic value realized by the director for these awards. In accordance with SEC rules, this column reflects the grant date fair value of 21,276 stock options with an exercise price of $33.23 in fiscal year 2011 for each director electing to receive stock options, in accordance with applicable accounting guidance related to stock-based compensation, disregarding estimates of forfeitures related to service-based vesting conditions. For the methodology of how this amount is calculated, please see Part II, Item 8 "Financial Statements and Supplementary Data" of our 2011 and 2010 Annual Reports on Form 10-K and the Notes to Consolidated Financial Statements at Note 13, "Stock-based Compensation."

(8)   At 2011 fiscal year end, each non-employee director held stock options, including vested and unvested options, to purchase the following aggregate number of shares of our common stock:

Name	Aggregate Shares Subject to Outstanding Options (#)
Dr. Geschke	178,163
Dr. Warnock	292,218
Mr. Barnholt	131,887
Mr. Burgess	131,887
Mr. Cannon	110,000
Mr. Daley	276,003
Ms. Mills[*]	90,942
Mr. Rosensweig	—
Dr. Sedgewick	212,218

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[*] See footnote 9 below regarding Ms. Mills's exercisable options.

(9)   Ms. Mills retired from our Board on April 20, 2011. In recognition of her service to the Board, all of her outstanding unvested options (6,250 shares from the stock option granted in 2008) were accelerated upon her retirement and all of her vested options remain exercisable for one year after her retirement date.

Compensation Philosophy

The general philosophy of our Board is that compensation for non-employee directors should be a mix of cash and equity-based compensation to reward directors for a year of service in fulfilling their oversight responsibilities. Adobe does not compensate its management director (our Chief Executive Officer) for Board service in addition to his regular employee compensation. Each year, the Executive Compensation Committee evaluates the appropriate level and form of compensation for non-employee directors and recommends changes, if any, to the Board. The Executive Compensation Committee considers advice from Compensia, when appropriate. Our Board reviews the Executive Compensation Committee's recommendations and then determines the amount of director compensation.

Fees Earned or Paid in Cash

In fiscal year 2011, each non-employee director received an annual retainer of $60,000 (and in addition, each Chairman of the Board received a Board Chair fee of $50,000) plus committee fees for each committee on which he or she served, as follows:

Committee	Chair ($)	Members ($)
Audit	40,000	20,000
Executive Compensation	30,000	15,000
Nominating and Governance	15,000	7,500

Our Board retained the same levels of cash compensation for fiscal year 2012.

Equity Awards

Our Board approved a 2011 Non-Employee Director Compensation Policy, effective December 4, 2010, which included equity award grants to non-employee directors as follows:

- an initial grant of RSUs in an amount valued (based on the estimated value on the grant date) at $450,000 that is converted into a number of RSUs based on the average closing market price over the 30 calendar days ending the day prior to the grant date. The award vests 50% each year on the anniversary of the grant date over a two-year period. Directors receiving an initial grant will not be eligible to receive an annual grant until the second annual meeting of stockholders after joining the Board; directors who first join our Board upon being elected at an annual meeting of stockholders will receive the initial award and will also receive an annual award at the next annual meeting; and

- an annual grant of stock options, RSUs or a 50% combination of each (to be elected by each director in his or her discretion in the previous fiscal year), which vests 100% on the day immediately preceding our next annual meeting of stockholders. The annual award is valued at $240,000 (based on the estimated value on the date of grant), and is converted into a number of RSUs based on the average closing market price over the 30 calendar days ending the day prior to the grant date. If the director elects to receive the annual award partially or entirely in the form of stock options, the RSU award amount (either 50% or 100%, depending on the mix the director previously elected) is multiplied by three to determine the number of stock options.

Our Board retained the same equity compensation for fiscal year 2012.

All outstanding stock options granted to non-employee directors before November 28, 2008 vest and are exercisable at a rate of 25% on the day immediately preceding our annual stockholder meeting over a four-year period.

Non-employee directors may only exercise the stock options once they vest. Stock options are generally exercisable until not later than three months after termination of director status (except in the case of termination due to death or disability), but that period is extended for non-employee directors with at least four years of Board service to Adobe, to one year following termination of director status or the expiration date of the stock option, if earlier. If a

non-employee director's service terminates due to death or disability, the director will be given credit for an additional 12 months of service for the vesting of both stock options and RSUs, and stock options will remain exercisable for one year following the termination or until the expiration of the stock option, if earlier.

In the event of a change of control, any unvested portion of a non-employee director option shall become fully vested and exercisable as of immediately prior to the transaction resulting in a change of control, subject to the consummation of the change of control. If the stock option is not assumed or substituted by the acquiring company, it will terminate to the extent it is not exercised on or before the date of such a transaction. Any unvested portion of RSUs will become vested in full immediately prior to the effective date of a change of control.

In light of the retirement of Ms. Mills, who announced on January 14, 2011, that she would not be standing for re-election to the Board at the 2011 Annual Meeting of Stockholders, our Board elected to accelerate all of her outstanding unvested stock options as of her last day of service (6,250 shares from the stock option granted in 2008) in recognition of her service to Adobe.

Deferred Compensation Plan

Our Deferred Compensation Plan allows non-employee directors to defer from 5% up to 100% of their cash compensation, which amounts are deemed invested in the investment funds selected by the director from the same fund options as generally available in Adobe's 401(k) Plan (other than the individual direct brokerage account and Retirement Savings Trust). Participants may also contribute 100% per vesting tranche of their RSU awards. Deferred Compensation Plan participants must elect irrevocably to receive the deferred funds on a specified date at least three years in the future in the form of a lump sum or annual installments over 5, 10 or 15 years. Mr. Cannon and Mr. Daley participated in the Deferred Compensation Plan with respect to 100% of their respective retainers and committee fees for their services in fiscal year 2011. See "Executive Compensation—Nonqualified Deferred Compensation" in this proxy statement for more information regarding our Deferred Compensation Plan.

Expenses

We reimburse our directors for their travel and related expenses in connection with attending Board and committee meetings, as well as costs and expenses incurred in attending director education programs and other Adobe-related seminars and conferences.

Other Benefits

Non-employee directors are offered an opportunity to purchase certain Adobe health, dental, and vision insurance while serving as a Board member. Participating directors pay 100% of their own insurance premiums.

Stock Ownership Guidelines

We have adopted stock ownership guidelines for members of our Board. Under these guidelines, each non-employee director should hold 25% of the net shares acquired from Adobe until the total number of shares held by such non-employee director equals or exceeds 6,000 shares. Once achieved, this 6,000 share guideline should be maintained going forward. An "acquired share" includes shares of vested restricted stock, RSUs, performance shares, performance units and shares issued upon the exercise of vested options. "Net shares acquired" means acquired shares remaining after deducting acquired shares sold to cover the exercise price and withheld for taxes. Shares that count toward the minimum share ownership include shares owned outright or beneficially owned, shares acquired through the Employee Stock Purchase Plan, vested restricted stock, vested RSUs, and shares issued upon the exercise of vested options, as well as vested performance shares or performance units deferred into our Deferred Compensation Plan. As of December 2, 2011, each of our non-employee directors was in compliance with these guidelines.

COMPENSATION COMMITTEE INTERLOCKS
AND INSIDER PARTICIPATION

The members of our Executive Compensation Committee for fiscal year 2011 prior to April 20, 2011, were Ms. Mills and Mr. Barnholt and Mr. Rosensweig. Effective April 20, 2011 and for the remainder of fiscal year 2011, the members of our Executive Compensation Committee were Mr. Barnholt, Mr. Rosensweig and Dr. Sedgewick. There are no members of our Executive Compensation Committee who were officers or employees of Adobe or any of our subsidiaries during fiscal year 2011. No members were formerly officers of Adobe or had any relationship otherwise requiring disclosure hereunder. During fiscal year 2011, no interlocking relationships existed between any of our executive officers or members of our Board or Executive Compensation Committee, on the one hand, and the executive officers or members of the board of directors or compensation committee of any other entity, on the other hand.

TRANSACTIONS WITH RELATED PERSONS

Review, Approval or Ratification of Transactions with Related Persons

Adobe's Code of Business Conduct requires that all employees and directors avoid conflicts of interests that interfere with the performance of their duties or are not in the best interests of Adobe.

In addition, pursuant to its written charter, the Nominating and Governance Committee considers and approves or disapproves any related person transaction as defined under Item 404 of Regulation S-K promulgated by the SEC, after examining each such transaction for potential conflicts of interest and other improprieties. The Nominating and Governance Committee has not adopted any specific written procedures for conducting such reviews and considers each transaction in light of the specific facts and circumstances presented.

Transactions with Related Persons

Since the beginning of fiscal year 2011, there have not been any transactions, nor are there any currently proposed transactions, in which Adobe was or is to be a participant, the amount involved exceeded $120,000, and any related person had or will have a material direct or indirect interest.

HOUSEHOLDING OF PROXY MATERIALS

We have adopted a procedure approved by the SEC known as "householding." This procedure allows multiple stockholders residing at the same address the convenience of receiving a single copy of our Notice, 2011 Annual Report and proxy materials, as applicable, unless we have received contrary instructions from one or more of the stockholders. This allows us to save money by reducing the number of documents we must print and mail, and helps reduce the environmental impact as well.

Householding is available to both registered stockholders and beneficial owners of shares held in street name.

Registered Stockholders

If you are a registered stockholder and have consented to our mailing of proxy materials and other stockholder information to only one account in your household, as identified by you, we will deliver or mail a single copy of our Notice, 2011 Annual Report and proxy materials, as applicable, for all registered stockholders residing at the same address. Your consent will be perpetual unless you revoke it, which you may do at any time by contacting Broadridge Financial Solutions, Inc., either by calling 1-800-542-1061 (toll free), or by writing to Broadridge, Householding Department, 51 Mercedes Way , Edgewood, NY 11717. If you revoke your consent, we will begin sending you individual copies of future mailings of these documents within 30 days after we receive your revocation notice. If you received a householded mailing this year, and you would like to receive additional copies of our Notice, 2011 Annual Report and proxy materials, as applicable, mailed to you, please submit your request to Broadridge who will promptly deliver the requested copies.

Registered stockholders who have not consented to householding will continue to receive copies of our Notice, Annual Reports and proxy materials, as applicable, for each registered stockholder residing at the same address. As a registered stockholder, you may elect to participate in householding and receive only a single copy of

annual reports or proxy statements for all registered stockholders residing at the same address by contacting Broadridge as outlined above.

Street Name Holders

Stockholders who hold their shares through a brokerage may elect to participate in householding or revoke their consent to participate in householding by contacting their respective brokers.

<p align="center">**ANNUAL REPORT**</p>

Accompanying this proxy statement is our Annual Report on Form 10-K for the fiscal year ended December 2, 2011. The 2011 Annual Report contains audited financial statements covering our fiscal years ended December 2, 2011, December 3, 2010 and November 27, 2009. Copies of our Annual Report on Form 10-K for the fiscal year ended December 2, 2011, as filed with the SEC, are available free of charge on our website at www.adobe.com/aboutadobe/invrelations or you can request a copy free of charge by calling 408-536-4700 or sending an email to adobe@kpcorp.com. Please include your contact information with the request.

<p align="center">**IMPORTANT NOTICE REGARDING THE INTERNET AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING TO BE HELD ON APRIL 12, 2012**</p>

This proxy statement and our 2011 Annual Report on Form 10-K for the fiscal year ended December 2, 2011, as filed with the SEC, are available at http://materials.proxyvote.com/00724F.

STOCKHOLDER PROPOSALS TO BE PRESENTED AT NEXT ANNUAL MEETING

Stockholder proposals may be included in our proxy statement for an annual meeting so long as they are provided to us on a timely basis and satisfy the other conditions set forth in SEC regulations under Rule 14a-8 regarding the inclusion of stockholder proposals in company-sponsored proxy materials. For a stockholder proposal to be considered for inclusion in our proxy statement for the annual meeting to be held in 2013, we must receive the proposal at our principal executive offices, addressed to the Corporate Secretary, no later than November 1, 2012. In addition, a stockholder proposal that is not intended for inclusion in our proxy statement under Rule 14a-8 may be brought before the 2013 annual meeting so long as we receive information and notice of the proposal in compliance with the requirements set forth in our Bylaws, addressed to the Corporate Secretary at our principal executive offices, not later than November 1, 2012 nor earlier than October 2, 2012.

Karen Cottle

Karen Cottle
Senior Vice President, General Counsel &
Corporate Secretary

March 1, 2012
San Jose, California

ADOBE SYSTEMS INCORPORATED 2003 EQUITY INCENTIVE PLAN

Amended and Restated as of February 16, 2012

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ADOBE SYSTEMS INCORPORATED
2003 EQUITY INCENTIVE PLAN

1. **ESTABLISHMENT, PURPOSE AND TERM OF PLAN.**

    1.1 **Establishment.** Adobe Systems Incorporated, a Delaware corporation, hereby establishes the Adobe Systems Incorporated 2003 Equity Incentive Plan (as amended and restated, the *"Plan"*) effective as of April 9, 2003, the date of its approval by the stockholders of the Company (the *"Effective Date"*).

    1.2 **Purpose.** The purpose of the Plan is to advance the interests of the Participating Company Group and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Participating Company Group and by motivating such persons to contribute to the growth and profitability of the Participating Company Group. The Plan seeks to achieve this purpose by providing for Awards in the form of Options, Stock Appreciation Rights, Stock Purchase Rights, Stock Bonuses, Restricted Stock Units, Performance Shares and Performance Units.

    1.3 **Term of Plan.** The Plan shall continue in effect until the earlier of its termination by the Board or the date on which all of the shares of Stock available for issuance under the Plan have been issued and all restrictions on such shares under the terms of the Plan and the agreements evidencing Awards granted under the Plan have lapsed. However, all Incentive Stock Options shall be granted, if at all, within ten (10) years from the earlier of the date the Plan is adopted, as amended, by the Board or the date the Plan is duly approved, as amended, by the stockholders of the Company.

2. **DEFINITIONS AND CONSTRUCTION.**

    2.1 **Definitions.** Whenever used herein, the following terms shall have their respective meanings set forth below:

    (a) *"Affiliate"* means (i) an entity, other than a Parent Corporation, that directly, or indirectly through one or more intermediary entities, controls the Company or (ii) an entity, other than a Subsidiary Corporation, that is controlled by the Company directly, or indirectly through one or more intermediary entities. For this purpose, the term "control" (including the term "controlled by") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of the relevant entity, whether through the ownership of voting securities, by contract or otherwise; or shall have such other meaning assigned such term for the purposes of registration on Form S‑8 under the Securities Act.

    (b) *"Award"* means any Option, SAR, Stock Purchase Right, Stock Bonus, Restricted Stock Unit, Performance Share or Performance Unit granted under the Plan.

    (c) *"Award Agreement"* means a written agreement between the Company and a Participant setting forth the terms, conditions and restrictions of the Award granted to the Participant. An Award Agreement may be an "Option Agreement, an "SAR Agreement," a

"Stock Purchase Agreement," a "Stock Bonus Agreement, " a "Restricted Stock Unit Agreement," " a "Performance Share Agreement" or a "Performance Unit Agreement."

(d)   *"Board"* means the Board of Directors of the Company.

(e)   *"Code"* means the Internal Revenue Code of 1986, as amended, and any applicable regulations promulgated thereunder.

(f)   *"Committee"* means the Executive Compensation Committee or other committee of the Board duly appointed to administer the Plan and having such powers as shall be specified by the Board. If no committee of the Board has been appointed to administer the Plan, the Board shall exercise all of the powers of the Committee granted herein, and, in any event, the Board may in its discretion exercise any or all of such powers.

(g)   *"Company"* means Adobe Systems Incorporated, a Delaware corporation, or any successor corporation thereto.

(h)   *"Consultant"* means a person engaged to provide consulting or advisory services (other than as an Employee or a member of the Board) to a Participating Company, provided that the identity of such person, the nature of such services or the entity to which such services are provided would not preclude the Company from offering or selling securities to such person pursuant to the Plan in reliance on (i) registration on a Form S‑8 Registration Statement under the Securities Act, or (ii) Rule 701 of the Securities Act, or (iii) other means of compliance with the securities laws of all relevant jurisdictions.

(i)   *"Director"* means a member of the Board or the board of directors of any other Participating Company.

(j)   *"Disability"* means the permanent and total disability of the Participant, within the meaning of Section 22(e)(3) and 409A(a)(2)(c)(i) of the Code.

(k)   *"Dividend Equivalent"* means a credit, made at the discretion of the Committee or as otherwise provided by the Plan, to the account of a Participant in an amount equal to the cash dividends paid on one share of Stock for each share of Stock represented by an Award held by such Participant.

(l)   *"Employee"* means any person treated as an employee (including an Officer or a member of the Board who is also treated as an employee) in the records of a Participating Company and, with respect to any Incentive Stock Option granted to such person, who is an employee for purposes of Section 422 of the Code; *provided, however,* that neither service as a member of the Board nor payment of a director's fee shall be sufficient to constitute employment for purposes of the Plan.

(m)   *"Exchange Act"* means the Securities Exchange Act of 1934, as amended.

(n)   *"Fair Market Value"* means, as of any date, the value of a share of

Stock or other property as determined by the Committee, in its discretion, or by the Company, in its discretion, if such determination is expressly allocated to the Company herein, subject to the following:

(i)   If, on such date, the Stock is listed on a national or regional securities exchange or market system, the Fair Market Value of a share of Stock shall be the closing price of a share of Stock (or the mean of the closing bid and asked prices of a share of Stock if the Stock is so quoted instead) as quoted on the Nasdaq Global Select Market, The Nasdaq SmallCap Market or such other national or regional securities exchange or market system constituting the primary market for the Stock, as reported in *The Wall Street Journal* or such other source as the Company deems reliable. If the relevant date does not fall on a day on which the Stock has traded on such securities exchange or market system, the date on which the Fair Market Value shall be established shall be the last day on which the Stock was so traded prior to the relevant date, or such other appropriate day as shall be determined by the Committee, in its discretion.

(ii)   If, on such date, the Stock is not listed on a national or regional securities exchange or market system, the Fair Market Value of a share of Stock shall be as determined by the Committee in good faith without regard to any restriction other than a restriction which, by its terms, will never lapse.

(o)   *"Incentive Stock Option"* means an Option intended to be (as set forth in the Award Agreement) and which qualifies as an incentive stock option within the meaning of Section 422(b) of the Code. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option.

(p)   *"Insider"* means an Officer, a member of the Board or any other person whose transactions in Stock are subject to Section 16 of the Exchange Act.

(q)   *"Nonstatutory Stock Option"* means an Option not intended to be (as set forth in the Award Agreement) an incentive stock option within the meaning of Section 422 (b) of the Code.

(r)   *"Officer"* means any person designated by the Board as an officer of the Company.

(s)   *"Option"* means the right to purchase Stock at a stated price for a specified period of time granted to a participant pursuant to Section 6 of the Plan. An Option may be either an Incentive Stock Option or a Nonstatutory Stock Option.

(t)   *"Parent Corporation"* means any present or future "parent corporation" of the Company, as defined in Section 424(e) of the Code.

(u)   *"Participant"* means any eligible person who has been granted one or more Awards.

(v)   *"Participating Company"* means the Company or any Parent Corporation, Subsidiary Corporation or Affiliate.

(w)   *"Participating Company Group"* means, at any point in time, all corporations collectively which are then Participating Companies.

(x)   *"Performance Award"* means an Award of Performance Shares or Performance Units.

(y)   *"Performance Award Formula"* means, for any Performance Award, a formula or table established by the Committee pursuant to Section 9.3 of the Plan which provides the basis for computing the value of a Performance Award at one or more threshold levels of attainment of the applicable Performance Goal(s) measured as of the end of the applicable Performance Period.

(z)   *"Performance Goal"* means a performance goal established by the Committee pursuant to Section 9.3 of the Plan.

(aa)   *"Performance Period"* means a period established by the Committee pursuant to Section 9.3 of the Plan at the end of which one or more Performance Goals are to be measured.

(bb)   *"Performance Share"* means a bookkeeping entry representing a right granted to a Participant pursuant to Section 9 of the Plan to receive a payment equal to the value of a Performance Share based on performance.

(cc)   *"Performance Unit"* means a bookkeeping entry representing a right granted to a Participant pursuant to Section 9 of the Plan to receive a payment equal to the value of a Performance Unit based upon performance.

(dd)   *"Predecessor Plans"* mean, collectively, the Adobe Systems Incorporated 1994 Stock Option Plan and the Adobe Systems Incorporated 1999 Equity Incentive Plan.

(ee)   *"Restricted Stock Unit"* means a bookkeeping entry representing a right granted to a Participant pursuant to Section 8 of the Plan to receive one share of Stock, a cash payment equal to the value of one share of Stock, or a combination thereof, as determined in the sole discretion of the Committee.

(ff)   *"Restriction Period"* means the period established in accordance with Section 8.5 of the Plan during which shares subject to a Stock Award are subject to Vesting Conditions.

(gg)   *"Rule 16b‑3"* means Rule 16b‑3 under the Exchange Act, as amended from time to time, or any successor rule or regulation.

(hh)   *"SAR"* or *"Stock Appreciation Right"* means a bookkeeping entry

representing, for each share of Stock subject to such SAR, a right granted to a Participant pursuant to Section 7 of the Plan to receive payment of an amount equal to the excess, if any, of the Fair Market Value of a share of Stock on the date of exercise of the SAR over the exercise price.

(ii)   *"Section 162(m)"* means Section 162(m) of the Code.

(jj)   *"Securities Act"* means the Securities Act of 1933, as amended.

(kk)   *"Service"* means a Participant's employment or service with the Participating Company Group as an Employee, a Consultant or a Director, whichever such capacity the Participant held on the date of grant of an Award. Unless otherwise determined by the Board, a Participant's Service shall be deemed to have terminated if the Participant ceases to render service to the Participating Company Group in such initial capacity. However, a Participant's Service shall not be deemed to have terminated merely because of a change in the Participating Company for which the Participant renders such Service in such initial capacity, provided that there is no interruption or termination of the Participant's Service. Furthermore, a Participant's Service shall not be deemed to have terminated if the Participant takes any bona fide leave of absence approved by the Company of ninety (90) days or less. In the event of a leave in excess of ninety (90) days, the Participant's Service shall be deemed to terminate on the ninety-first (91st) day of the leave unless the Participant's right to return to Service is guaranteed by statute or contract. Notwithstanding the foregoing, unless otherwise designated by the Company or required by law, a leave of absence shall not be treated as Service for purposes of determining vesting under the Participant's Award Agreement. A Participant's Service shall be deemed to have terminated either upon an actual termination of Service or upon the corporation for which the Participant performs Service ceasing to be a Participating Company. Subject to the foregoing, the Company, in its discretion, shall determine whether the Participant's Service has terminated and the effective date of such termination.

(ll)   *"Stock"* means the common stock of the Company, as adjusted from time to time in accordance with Section 4.2 of the Plan.

(mm)   *"Stock Award"* means an Award of a Stock Bonus, a Stock Purchase Right or a Restricted Stock Unit Award.

(nn)   *"Stock Bonus"* means Stock granted to a Participant pursuant to Section 8 of the Plan.

(oo)   *"Stock Purchase Right"* means a right to purchase Stock granted to a Participant pursuant to Section 8 of the Plan.

(pp)   *"Subsidiary Corporation"* means any present or future "subsidiary corporation" of the Company, as defined in Section 424(f) of the Code.

(qq)   *"Ten Percent Owner"* means a Participant who, at the time an Option is granted to the Participant, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of a Participating Company (other than an Affiliate) within the meaning of Section 422(b)(6) of the Code.

(rr)   *"Vesting Conditions"* mean those conditions established in accordance with Section 8.5 of the Plan prior to the satisfaction of which shares subject to a Stock Award remain subject to forfeiture or a repurchase option in favor of the Company.

2.2   **Construction.** Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

3.   **ADMINISTRATION.**

3.1   **Administration by the Committee.** The Plan shall be administered by the Committee. All questions of interpretation of the Plan or of any Award shall be determined by the Committee, and such determinations shall be final and binding upon all persons having an interest in the Plan or such Award.

3.2   **Authority of Officers.** Any Officer shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, determination or election which is the responsibility of or which is allocated to the Company herein, provided the Officer has apparent authority with respect to such matter, right, obligation, determination or election. To the extent consistent with applicable law (including but not limited to Delaware General Corporation Law Section 157(c)), the Board may, in its discretion, delegate to a committee comprised of one or more Officers (any such committee, an "*Officer Committee*") the authority to designate Employees (other than themselves) to receive one or more Options or rights to acquire shares of Stock and to determine the number of shares of Stock subject to such Options and rights, without further approval of the Board or the Committee. Any such grants will be subject to the terms of the Board resolutions providing for such delegation of authority.

3.3   **Administration with Respect to Insiders.** With respect to participation by Insiders in the Plan, at any time that any class of equity security of the Company is registered pursuant to Section 12 of the Exchange Act, the Plan shall be administered in compliance with the requirements, if any, of Rule 16b‑3.

3.4   **Committee Complying with Section 162(m).** If the Company is a "publicly held corporation" within the meaning of Section 162(m), the Board may establish a Committee of "outside directors" within the meaning of Section 162(m) to approve the grant of any Award which might reasonably be anticipated to result in the payment of employee remuneration that would otherwise exceed the limit on employee remuneration deductible for income tax purposes pursuant to Section 162(m).

3.5   **Powers of the Committee.** In addition to any other powers set forth in the Plan and subject to the provisions of the Plan, the Committee shall have the full and final power and authority, in its discretion:

(a)   to determine the persons to whom, and the time or times at which, Awards shall be granted and the number of shares of Stock or units to be subject to each Award;

(b)   to determine the type of Award granted and to designate Options as Incentive Stock Options or Nonstatutory Stock Options;

(c)   to determine the Fair Market Value of shares of Stock or other property;

(d)   to determine the terms, conditions and restrictions applicable to each Award (which need not be identical) and any shares acquired pursuant thereto, including, without limitation, (i) the exercise or purchase price of shares purchased pursuant to any Award, (ii) the method of payment for shares purchased pursuant to any Award, (iii) the method for satisfaction of any tax withholding obligation arising in connection with Award, including by the withholding or delivery of shares of Stock, (iv) the timing, terms and conditions of the exercisability or vesting of any Award or any shares acquired pursuant thereto, (v) the Performance Award Formula and Performance Goals applicable to any Award and the extent to which such Performance Goals have been attained, (vi) the time of the expiration of any Award, (vii) the effect of the Participant's termination of Service on any of the foregoing, and (viii) all other terms, conditions and restrictions applicable to any Award or shares acquired pursuant thereto not inconsistent with the terms of the Plan;

(e)   to determine whether an Award of SARs, Restricted Stock Units, Performance Shares or Performance Units will be settled in shares of Stock, cash, or in any combination thereof;

(f)   to approve one or more forms of Award Agreement;

(g)   to amend, modify, extend, cancel or renew any Award or to waive any restrictions or conditions applicable to any Award or any shares acquired pursuant thereto;

(h)   to accelerate, continue, extend or defer the exercisability or vesting of any Award or any shares acquired pursuant thereto, including with respect to the period following a Participant's termination of Service;

(i)   to prescribe, amend or rescind rules, guidelines and policies relating to the plan, or to adopt sub-plans or supplements to, or alternative versions of, the Plan, including, without limitation, as the Committee deems necessary or desirable to comply with the laws of or to accommodate the laws, regulations, tax or accounting effectiveness, accounting principles or custom of, foreign jurisdictions whose citizens may be granted Awards; and

(j)   to correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award Agreement and to make all other determinations and take such other actions with respect to the Plan or any Award as the Committee may deem advisable to the extent not inconsistent with the provisions of the Plan or applicable law.

3.6   **Repricing.** Without the affirmative vote of holders of a majority of the shares of Stock cast in person or by proxy at a meeting of the stockholders of the Company at which a quorum representing a majority of all outstanding shares of Stock is present or represented by proxy, the Board shall not approve a program providing for either (a) the cancellation of outstanding Options or SARs and the grant in substitution therefor of new Awards having a lower

exercise or purchase price or (b) the amendment of outstanding Options or SARs to reduce the exercise price thereof. This paragraph shall not be construed to apply to "issuing or assuming a stock option in a transaction to which section 424(a) applies," within the meaning of Section 424 of the Code.

   3.7 **Indemnification.** In addition to such other rights of indemnification as they may have as members of the Board or the Committee or as officers or employees of the Participating Company Group, members of the Board or the Committee and any officers or employees of the Participating Company Group to whom authority to act for the Board, the Committee or the Company is delegated shall be indemnified by the Company against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any right granted hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Company) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct in duties; *provided, however,* that within sixty (60) days after the institution of such action, suit or proceeding, such person shall offer to the Company, in writing, the opportunity at its own expense to handle and defend the same.

   4. **SHARES SUBJECT TO PLAN.**

   4.1 **Maximum Number of Shares Issuable.** Subject to adjustment as provided in Section 4.2, the maximum aggregate number of shares of Stock that may be issued under the Plan shall be two hundred and twenty-nine million six hundred and forty-nine thousand six hundred and twenty (229,649,620). The number of shares of stock available for issuance under the Plan shall be reduced (a) by one share for each share issued pursuant to options or rights granted pursuant to the Predecessor Plans or pursuant to Options or Stock Appreciation Rights, and (b) by one and seventy seven-hundredths (1.77) shares for each share issued pursuant to Awards other than those set forth in the preceding clause (a); *provided, however,* that (A) for Awards granted prior to April 5, 2007, the reduction was one share of Stock for each share of Stock issued pursuant to any Awards, (B) for Awards granted on April 5, 2007 through and including April 9, 2008, the reduction was two and one-tenth (2.1) shares for each share issued pursuant to any Awards other than options or rights granted pursuant to the Predecessor Plans or pursuant to Options or Stock Appreciation Rights, and (C) for Awards granted on April 10, 2008 through and including March 31, 2009, the reduction was two and four-tenths (2.4) shares for each share issued pursuant to any Awards other than options or rights granted pursuant to the Predecessor Plans or pursuant to Options or Stock Appreciation Rights. Such shares shall consist of authorized but unissued or reacquired shares of Stock or any combination thereof. If an outstanding Award for any reason expires or is terminated or canceled without having been exercised or settled in full, or if shares of Stock acquired pursuant to an Award subject to forfeiture or repurchase are forfeited or repurchased by the Company at the Participant's purchase price to effect a forfeiture of unvested shares upon termination of Service, the shares of Stock allocable to the terminated portion of such Award or such forfeited or repurchased shares of Stock shall be added back to the Plan share reserve in an amount corresponding to the reduction in such share reserve previously made in accordance with the rules described above in this Section 4.1 and again be available for issuance

under the Plan. Shares of Stock shall not be deemed to have been issued pursuant to the Plan with respect to any portion of an Award (other than a SAR that may be settled in shares of Stock and/or cash) that is settled in cash. Shares withheld in satisfaction of tax withholding obligations pursuant to Section 13.2 shall not again become available for issuance under the Plan. Upon exercise of a SAR, whether in cash or shares of Stock, the number of shares available for issuance under the Plan shall be reduced by the gross number of shares for which the SAR is exercised. If the exercise price of an Option is paid by "net exercise" (as described in Section 6.3(a)(iv)) or tender to the Company, or attestation to the ownership, of shares of Stock owned by the Participant, the number of shares available for issuance under the Plan shall be reduced by the gross number of shares for which the Option is exercised.

4.2   **Adjustments for Changes in Capital Structure.** In the event of any change in the Stock through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Stock (excepting normal cash dividends) that has a material effect on the Fair Market Value of shares of Stock, appropriate adjustments shall be made in the number and class of shares subject to the Plan, in the ISO Share Limit set forth in Section 5.3(b), the Award limits set forth in Section 5.4 and to any outstanding Awards, and in the exercise or purchase price per share under any outstanding Award. Notwithstanding the foregoing, any fractional share resulting from an adjustment pursuant to this Section 4.2 shall be rounded down to the nearest whole number, and in no event may the exercise or purchase price under any Award be decreased to an amount less than the par value, if any, of the stock subject to such Award. The adjustments determined by the Committee pursuant to this Section 4.2 shall be final, binding and conclusive.

5.   **ELIGIBILITY AND AWARD LIMITATIONS.**

5.1   **Persons Eligible for Awards.** Awards may be granted only to Employees, Directors and Consultants. No Award shall be granted prior to the date on which such person commences Service.

5.2   **Participation.** Except as otherwise provided in Section 3.2 above, Awards are granted solely at the discretion of the Committee. Eligible persons may be granted more than one (1) Award. However, eligibility in accordance with this Section shall not entitle any person to be granted an Award, or, having been granted an Award, to be granted an additional Award.

5.3   **Incentive Stock Option Limitations.**

(a)   ***Persons Eligible.*** An Incentive Stock Option may be granted only to a person who, on the effective date of grant, is an Employee of the Company, a Parent Corporation or a Subsidiary Corporation (each being an *"ISO-Qualifying Corporation"*). Any person who is not an Employee of an ISO-Qualifying Corporation on the effective date of the grant of an Option to such person, but who is otherwise an Employee or a Director of, or Consultant to, the Company or any of its Affiliates, may be granted only a Nonstatutory Stock Option.

(b)   ***ISO Share Limit.*** Subject to adjustment as provided in Section 4.2, in no event shall more than 229,649,620 shares of Stock be available for issuance pursuant to the

exercise of Incentive Stock Options granted under the Plan or the Predecessor Plans (the *"ISO Share Limit"*).

(c)   *Fair Market Value Limitation.* To the extent that options designated as Incentive Stock Options (granted under all stock option plans of the Participating Company Group, including the Plan) become exercisable by a Participant for the first time during any calendar year for stock having a Fair Market Value greater than One Hundred Thousand Dollars ($100,000), the portion of such options which exceeds such amount shall be treated as Nonstatutory Stock Options. For purposes of this Section, options designated as Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of stock shall be determined as of the time the option with respect to such stock is granted. If the Code is amended to provide for a different limitation from that set forth in this Section, such different limitation shall be deemed incorporated herein effective as of the date and with respect to such Options as required or permitted by such amendment to the Code. If an Option is treated as an Incentive Stock Option in part and as a Nonstatutory Stock Option in part by reason of the limitation set forth in this Section, the Participant may designate which portion of such Option the Participant is exercising. In the absence of such designation, the Participant shall be deemed to have exercised the Incentive Stock Option portion of the Option first. Upon exercise, each portion shall be separately identified.

5.4   **Award Limits.**

(a)   *Section 162(m) Award Limits.* The following limits shall apply to the grant of any Award if, at the time of grant, the Company is a "publicly held corporation" within the meaning of Section 162(m).

(i)   **Options and SARs.** Subject to adjustment as provided in Section 4.2, no Employee shall be granted within any fiscal year of the Company one or more Options or Freestanding SARs which in the aggregate are for more than four million (4,000,000) shares of Stock. An Option which is canceled (or a Freestanding SAR as to which the exercise price is reduced to reflect a reduction in the Fair Market Value of the Stock) in the same fiscal year of the Company in which it was granted shall continue to be counted against such limit for such fiscal year.

(ii)   **Stock Awards.** Subject to adjustment as provided in Section 4.2, no Employee shall be granted within any fiscal year of the Company one or more Stock Awards, subject to Vesting Conditions based on the attainment of Performance Goals, for more than two hundred thousand (200,000) shares of Stock.

(iii)   **Performance Awards.** Subject to adjustment as provided in Section 4.2, no Employee shall be granted (A) Performance Shares which could result in such Employee receiving more than two hundred thousand (200,000) shares of Stock for each full fiscal year of the Company contained in the Performance Period for such Award, or (B) Performance Units which could result in such Employee receiving more than two million five hundred thousand dollars ($2,500,000) for each full fiscal year of the Company contained in the Performance Period for such Award. No Participant may be granted more than one Performance Award for the same

Performance Period.

6.   **TERMS AND CONDITIONS OF OPTIONS.**

Options shall be evidenced by Award Agreements specifying the number of shares of Stock covered thereby, in such form as the Committee shall from time to time establish. No Option or purported Option shall be a valid and binding obligation of the Company unless evidenced by a fully executed Award Agreement. Award Agreements evidencing Options may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

6.1   **Exercise Price.** The exercise price for each Option shall be established in the discretion of the Committee; *provided, however,* that (a) the exercise price per share shall be not less than the Fair Market Value of a share of Stock on the effective date of grant of the Option and (b) no Incentive Stock Option granted to a Ten Percent Owner shall have an exercise price per share less than one hundred ten percent (110%) of the Fair Market Value of a share of Stock on the effective date of grant of the Option. Notwithstanding the foregoing, an Option (whether an Incentive Stock Option or a Nonstatutory Stock Option) may be granted with an exercise price lower than the minimum exercise price set forth above if such Option is granted pursuant to an assumption or substitution for another option in a manner qualifying under the provisions of Sections 409A and 424(a) of the Code.

6.2   **Exercisability and Term of Options.** Options shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Committee and set forth in the Award Agreement evidencing such Option; *provided, however,* that (a) no Option shall be exercisable after the expiration of seven (7) years after the effective date of grant of such Option, and (b) no Incentive Stock Option granted to a Ten Percent Owner shall be exercisable after the expiration of five (5) years after the effective date of grant of such Option. Subject to the foregoing, unless otherwise specified by the Committee in the grant of an Option, any Option granted hereunder to an Employee, Consultant or Director shall terminate seven (7) years after the effective date of grant of the Option, unless earlier terminated in accordance with its provisions.

6.3   **Payment of Exercise Price.**

(a)   ***Forms of Consideration Authorized.*** Except as otherwise provided below, payment of the exercise price for the number of shares of Stock being purchased pursuant to any Option shall be made (i) in cash, by check or cash equivalent, (ii) by tender to the Company, or attestation to the ownership, of shares of Stock owned by the Participant having a Fair Market Value not less than the exercise price, (iii) by delivery of a properly executed notice of exercise together with irrevocable instructions to a broker providing for the assignment to the Company of the proceeds of a sale or loan with respect to some or all of the shares being acquired upon the exercise of the Option (including, without limitation, through an exercise complying with the provisions of Regulation T as promulgated from time to time by the Board of Governors of the Federal Reserve System) (a *"Cashless Exercise"*), (iv) by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Stock issued upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided, however,* that the Company shall accept a cash or other payment from the

Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued; *provided further, however,* that shares of Stock will no longer be outstanding under an Option and will not be exercisable thereafter to the extent that (A) shares are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations; or (v) by such other consideration as may be approved by the Committee from time to time to the extent permitted by applicable law, or (v) by any combination thereof. The Committee may at any time or from time to time grant Options which do not permit all of the foregoing forms of consideration to be used in payment of the exercise price or which otherwise restrict one or more forms of consideration.

(b) *Limitations on Forms of Consideration.*

(i) **Tender of Stock.** Notwithstanding the foregoing, an Option may not be exercised by tender to the Company, or attestation to the ownership, of shares of Stock to the extent such tender or attestation would constitute a violation of the provisions of any law, regulation or agreement restricting the redemption of the Company's stock. Unless otherwise provided by the Committee, an Option may not be exercised by tender to the Company, or attestation to the ownership, of shares of Stock unless such shares either have been owned by the Participant for more than six (6) months (or such longer or shorter period as necessary to avoid a charge to earnings for financial accounting purposes) and not used for another Option exercise by attestation during any such period or were not acquired, directly or indirectly, from the Company.

(ii) **Cashless Exercise.** The Company reserves, at any and all times, the right, in the Company's sole and absolute discretion, to establish, decline to approve or terminate any program or procedures for the exercise of Options by means of a Cashless Exercise.

6.4 **Effect of Termination of Service.** An Option shall be exercisable after a Participant's termination of Service to such extent and during such period as determined by the Committee, in its discretion, and set forth in the Award Agreement evidencing such Option or in another written agreement between the Company and the Participant.

6.5 **Transferability of Options.** During the lifetime of the Participant, an Option shall be exercisable only by the Participant or the Participant's guardian or legal representative. No Option shall be assignable or transferable by the Participant, except by will or by the laws of descent and distribution. Notwithstanding the foregoing, to the extent permitted by the Committee, in its discretion, and set forth in the Award Agreement evidencing such Option, an Option shall be assignable or transferable subject to the applicable limitations, if any, described in the General Instructions to Form S‑8 Registration Statement under the Securities Act.

7. **TERMS AND CONDITIONS OF STOCK APPRECIATION RIGHTS.**

SARs shall be evidenced by Award Agreements specifying the number of shares of Stock subject to the Award, in such form as the Committee shall from time to time establish. No SAR or purported SAR shall be a valid and binding obligation of the Company unless evidenced by a fully executed Award Agreement. Award Agreements evidencing SARs may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

7.1   **Types of SARs Authorized.** SARs may be granted in tandem with all or any portion of a related Option (a *"Tandem SAR"*) or may be granted independently of any Option (a *"Freestanding SAR"*). A Tandem SAR may be granted either concurrently with the grant of the related Option or at any time thereafter prior to the complete exercise, termination, expiration or cancellation of such related Option.

7.2   **Exercise Price.** The exercise price for each SAR shall be established in the discretion of the Committee; *provided, however,* that (a) the exercise price per share subject to a Tandem SAR shall be the exercise price per share under the related Option and (b) the exercise price per share subject to a Freestanding SAR shall be not less than the Fair Market Value of a share of Stock on the effective date of grant of the SAR.

7.3   **Exercisability and Term of SARs.**

(a)   *Tandem SARs.* Tandem SARs shall be exercisable only at the time and to the extent, and only to the extent, that the related Option is exercisable, subject to such provisions as the Committee may specify where the Tandem SAR is granted with respect to less than the full number of shares of Stock subject to the related Option. The Committee may, in its discretion, provide in any Award Agreement evidencing a Tandem SAR that such SAR may not be exercised without the advance approval of the Company and, if such approval is not given, then the Option shall nevertheless remain exercisable in accordance with its terms. A Tandem SAR shall terminate and cease to be exercisable no later than the date on which the related Option expires or is terminated or canceled. Upon the exercise of a Tandem SAR with respect to some or all of the shares subject to such SAR, the related Option shall be canceled automatically as to the number of shares with respect to which the Tandem SAR was exercised. Upon the exercise of an Option related to a Tandem SAR as to some or all of the shares subject to such Option, the related Tandem SAR shall be canceled automatically as to the number of shares with respect to which the related Option was exercised.

(b)   *Freestanding SARs.* Freestanding SARs shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Committee and set forth in the Award Agreement evidencing such SAR; *provided, however,* that no Freestanding SAR shall be exercisable after the expiration of eight (8) years after the effective date of grant of such SAR.

7.4   **Exercise of SARs.** Upon the exercise (or deemed exercise pursuant to Section 7.5) of an SAR, the Participant (or the Participant's legal representative or other person who acquired the right to exercise the SAR by reason of the Participant's death) shall be entitled to receive payment of an amount for each share with respect to which the SAR is exercised equal to the excess, if any, of the Fair Market Value of a share of Stock on the date of exercise of the SAR over the exercise price. Payment of such amount shall be made in cash, shares of Stock, or any combination thereof as determined by the Committee. Unless otherwise provided in the Award Agreement evidencing such SAR, payment shall be made in a lump sum as soon as practicable following the date of exercise of the SAR. The Award Agreement evidencing any SAR may provide for deferred payment in a lump sum or in installments. When payment is to be made in shares of Stock, the number of shares to be issued shall be determined on the basis of the Fair Market Value of a share of Stock on the date of exercise of the SAR. For purposes of Section 7, an SAR shall be deemed exercised on the date on which the Company receives notice of exercise

from the Participant.

7.5 **Deemed Exercise of SARs.** If, on the date on which an SAR would otherwise terminate or expire, the SAR by its terms remains exercisable immediately prior to such termination or expiration and, if so exercised, would result in a payment to the holder of such SAR, then any portion of such SAR which has not previously been exercised shall automatically be deemed to be exercised as of such date with respect to such portion.

7.6 **Effect of Termination of Service.** An SAR shall be exercisable after a Participant's termination of Service to such extent and during such period as determined by the Committee, in its discretion, and set forth in the Award Agreement evidencing such SAR or in another written agreement between the Company and the Participant.

7.7 **Nontransferability of SARs.** SARs may not be assigned or transferred in any manner except by will or the laws of descent and distribution, and, during the lifetime of the Participant, shall be exercisable only by the Participant or the Participant's guardian or legal representative.

8. <u>**TERMS AND CONDITIONS OF STOCK AWARDS.**</u>

Stock Awards shall be evidenced by Award Agreements specifying whether the Award is a Stock Bonus, a Stock Purchase Right or a Restricted Stock Unit, and the number of shares of Stock subject to the Award, in such form as the Committee shall from time to time establish. No Stock Award or purported Stock Award shall be a valid and binding obligation of the Company unless evidenced by a fully executed Award Agreement. Award Agreements evidencing Stock Awards may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

8.1 **Types of Stock Awards Authorized.** Stock Awards may be in the form of a Stock Bonus, a Stock Purchase Right or a Restricted Stock Unit. Stock Awards may be granted upon such conditions as the Committee shall determine, including, without limitation, service to a Participating Company or upon the attainment of one or more Performance Goals described in Section 9.4. If either the grant of a Stock Award or the lapsing of the Restriction Period is to be contingent upon the attainment of one or more Performance Goals, the Committee shall follow procedures substantially equivalent to those set forth in Sections 9.3 through 9.5(a).

8.2 **Purchase Price.** The purchase price for shares of Stock issuable under each Stock Purchase Right shall be established by the Committee in its discretion. No monetary payment (other than applicable tax withholding) shall be required as a condition of receiving shares of Stock pursuant to a Stock Bonus, the consideration for which shall be services actually rendered to a Participating Company or for its benefit. Notwithstanding the foregoing, the Participant shall furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock subject to such Stock Award.

8.3 **Purchase Period.** A Stock Purchase Right shall be exercisable within a period established by the Committee, which shall in no event exceed thirty (30) days from the effective date of the grant of the Stock Purchase Right; *provided, however,* that no Stock Purchase

Right granted to an Employee, a Consultant or a Director may become exercisable prior to the date on which such person commences Service.

8.4 **Payment of Purchase Price.** Stock Bonuses shall be issued in consideration for past services actually rendered to a Participating Company or for its benefit. At the time of grant of Restricted Stock Units, the Committee will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Stock acquired pursuant to Restricted Stock Units. Except as otherwise provided below, payment of the purchase price for the number of shares of Stock being purchased pursuant to any Stock Purchase Right or delivered pursuant to a Restricted Stock Unit shall be made (i) in cash, by check, or cash equivalent, (ii) by such other consideration as may be approved by the Committee from time to time to the extent permitted by applicable law, or (iii) by any combination thereof, in each case consistent with any requirements under applicable law regarding payment in respect of the "par value" of the Stock. The Committee may at any time or from time to time grant Stock Purchase Rights or Restricted Stock Units which do not permit all of the foregoing forms of consideration to be used in payment of the purchase price or which otherwise restrict one or more forms of consideration.

8.5 **Vesting; Restrictions on Transfer; Deferral.** Shares issued pursuant to any Stock Award may or may not be made subject to vesting conditioned upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 9.4 (the *"Vesting Conditions"*), as shall be established by the Committee and set forth in the Award Agreement evidencing such Award. During any period (the *"Restriction Period"*) in which shares acquired pursuant to a Stock Award remain subject to Vesting Conditions, such shares may not be sold, exchanged, transferred, pledged, assigned or otherwise disposed of other than pursuant to a Change of Control as provided in Section 11, or as provided in Section 8.8. Upon request by the Company, each Participant shall execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock hereunder and shall promptly present to the Company any and all certificates representing shares of Stock acquired hereunder for the placement on such certificates of appropriate legends evidencing any such transfer restrictions. Restricted Stock Units may be subject to such conditions that may delay the delivery of the shares of Stock (or their cash equivalent) subject to Restricted Stock Units after the vesting of such Award.

8.6 **Voting Rights; Dividends and Distributions.** Except as provided in this Section, Section 8.5 and any Award Agreement, during the Restriction Period applicable to shares subject to a Stock Bonus or Restricted Stock Purchase Right, the Participant shall have all of the rights of a stockholder of the Company holding shares of Stock, including the right to vote such shares and to receive all dividends and other distributions paid with respect to such shares. With respect to Restricted Stock Units, the Committee may, in its sole discretion, provide that dividend equivalents shall not be paid or provide either for the current payment of dividend equivalents or for the accumulation and payment of dividend equivalents to the extent that the Restricted Stock Units become nonforfeitable. In the event of a dividend or distribution paid in shares of Stock or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.2, then any and all new, substituted or additional securities or other property (other than normal cash dividends) to which the Participant is entitled by reason of the Participant's Stock Award shall be immediately subject to the same Vesting Conditions and, if applicable, deferral elections as the shares subject to the Stock Award with respect to which such dividends or distributions were paid or adjustments were made.

8.7　**Effect of Termination of Service.**　Unless otherwise provided by the Committee in the grant of a Stock Award and set forth in the Award Agreement or in another written agreement between the Company and the Participant, if a Participant's Service terminates for any reason, whether voluntary or involuntary (including the Participant's death or disability), then (i) the Company shall have the option to repurchase for the purchase price paid by the Participant any shares acquired by the Participant pursuant to a Stock Purchase Right which remain subject to Vesting Conditions as of the date of the Participant's termination of Service, (ii) the Participant shall forfeit to the Company any shares acquired by the Participant pursuant to a Stock Bonus which remain subject to Vesting Conditions as of the date of the Participant's termination of Service and (iii) the Participant shall forfeit all rights in any portion of a Restricted Stock Unit award that has not vested as of the date of the Participant's termination of Service.　The Company shall have the right to assign at any time any repurchase right it may have, whether or not such right is then exercisable, to one or more persons as may be selected by the Company.

8.8　**Nontransferability of Stock Award Rights.**　Rights to acquire shares of Stock pursuant to a Stock Award may not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance or garnishment by creditors of the Participant or the Participant's beneficiary, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, shall be exercisable only by the Participant or the Participant's guardian or legal representative.

9.　**TERMS AND CONDITIONS OF PERFORMANCE AWARDS.**

Performance Awards shall be evidenced by Award Agreements in such form as the Committee shall from time to time establish.　No Performance Award or purported Performance Award shall be a valid and binding obligation of the Company unless evidenced by a fully executed Award Agreement.　Award Agreements evidencing Performance Awards may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions:

9.1　**Types of Performance Awards Authorized.**　Performance Awards may be in the form of either Performance Shares or Performance Units.　Each Award Agreement evidencing a Performance Award shall specify the number of Performance Shares or Performance Units subject thereto, the Performance Award Formula, the Performance Goal(s) and Performance Period applicable to the Award, and the other terms, conditions and restrictions of the Award.

9.2　**Initial Value of Performance Shares and Performance Units.**　Unless otherwise provided by the Committee (or, as applicable for awards not granted in a manner intending to comply with Section 162(m), a duly authorized Officer Committee in accordance with applicable law) in granting a Performance Award, each Performance Share shall have an initial value equal to the Fair Market Value of one (1) share of Stock, subject to adjustment as provided in Section 4.2, on the effective date of grant of the Performance Share, and each Performance Unit shall have an initial value of one hundred dollars ($100).　The final value payable to the Participant in settlement of a Performance Award determined on the basis of the applicable Performance Award Formula will depend on the extent to which Performance Goals established by the Committee are attained within the applicable Performance Period established by the Committee.

9.3 **Establishment of Performance Period, Performance Goals and Performance Award Formula.** In granting each Performance Award, the Committee shall establish in writing the applicable Performance Period, Performance Award Formula and one or more Performance Goals which, when measured at the end of the Performance Period, shall determine on the basis of the Performance Award Formula the final value of the Performance Award to be paid to the Participant. Unless otherwise permitted in compliance with the requirements under Section 162(m) with respect to "performance-based compensation," the Committee shall establish the Performance Goal(s) and Performance Award Formula applicable to each Performance Award no later than the earlier of (a) the date ninety (90) days after the commencement of the applicable Performance Period or (b) the date on which 25% of the Performance Period has elapsed, and, in any event, at a time when the outcome of the Performance Goals remains substantially uncertain. Once established, the Performance Goals and Performance Award Formula shall not be changed during the Performance Period. The Company shall notify each Participant granted a Performance Award of the terms of such Award, including the Performance Period, Performance Goal(s) and Performance Award Formula.

9.4 **Measurement of Performance Goals.** Performance Goals shall be established by the Committee on the basis of targets to be attained with respect to one or more measures of business or financial performance (each, a *"Performance Measure"*), subject to the following:

(a) ***Permitted Performance Measures.*** Performance Measures may be one or more of the following, as determined by the Committee:

(i) growth in revenue or product revenue;

(ii) growth in the market price of the Stock;

(iii) operating margin;

(iv) margin, including gross margin;

(v) operating income;

(vi) operating income after taxes;

(vii) operating profit or net operating profit;

(viii) pre-tax profit;

(ix) earnings before interest, taxes and depreciation;

(x) earnings before interest, taxes, depreciation and amortization;

(xi) income, before or after taxes (including net income);

(xii) total return on shares of Stock or total stockholder return;

(xiii)   earnings, including but not limited to earnings per share and net earnings;

(xiv)   return on stockholder equity or average stockholders' equity;

(xv)   return on net assets;

(xvi)   return on assets, investment or capital employed;

(xvii) expenses;

(xviii) cost reduction goals;

(xix)   return on capital;

(xx)   economic value added;

(xxi)   market share;

(xxii) operating cash flow;

(xxiii) cash flow, as indicated by book earnings before interest, taxes, depreciation and amortization;

(xxiv) cash flow per share;

(xxv)   improvement in or attainment of working capital levels;

(xxvi) debt reduction;

(xxvii) debt levels;

(xxviii) capital expenditures;

(xxix) sales or revenue targets, including product or product family targets;

(xxx)   billings;

(xxxi) workforce diversity;

(xxxii) customer satisfaction;

(xxxiii) implementation or completion of projects or processes;

(xxxiv) improvement in or attainment of working capital levels;

(xxxv) stockholders' equity; and

(xxxvi) other measures of performance selected by the Committee to the extent consistent with Section 162(m).

(b) ***Structure of Performance Measures and Performance Goals.*** Performance Measures and Performance Goals may differ from Participant to Participant and from Performance Award to Performance Award. Performance Goals may, as the Committee specifies, either include or exclude the effect of payment of Performance Awards under this Plan and any other performance plans of the Company. In establishing a Performance Goal, the Committee may provide that performance shall be appropriately adjusted as follows:

(i) to include or exclude restructuring and/or other nonrecurring charges;

(ii) to include or exclude exchange rate effects, as applicable, for non-U.S. dollar denominated Performance Goals;

(iii) to include or exclude the effects of changes to generally accepted accounting principles required by the Financial Accounting Standards Board;

(iv) to include or exclude the effects of any statutory adjustments to corporate tax rates;

(v) to include or exclude the effects of any "extraordinary items" as determined under generally accepted accounting principles;

(vi) to include or exclude the effect of payment of bonuses under any cash bonus plan of the Company;

(vii) to include or exclude the effect of stock based compensation and/or deferred compensation;

(viii) to include or exclude any other unusual, non-recurring gain or loss or other extraordinary item;

(ix) to respond to, or in anticipation of, any unusual or extraordinary corporate item, transaction, event or development;

(x) to respond to, or in anticipation of, changes in applicable laws, regulations, accounting principles, or business conditions; to include or exclude the effects of divestitures, acquisitions or joint ventures;

(xi) to include or exclude the effects of discontinued operations that do not qualify as a segment of a business unit under generally accepted accounting principles;

(xii) to assume that any business divested by the Company

achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture;

(xiii)   to include or exclude the effect of any change in the outstanding shares of Stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common shareholders other than regular cash dividends;

(xiv)   to reflect a corporate transaction, such as a merger, consolidation, separation (including a spinoff or other distribution of stock or property by a corporation), or reorganization (whether or not such reorganization comes within the definition of such term in Section 368 of the Code);

(xv)   to reflect any partial or complete corporate liquidation;

(xvi)   to reflect shippable backlog; and

(xvii)   to include or exclude the amortization of purchased intangibles, technology license arrangements and incomplete technology.

(c)   ***Performance Goals.*** Performance Goals may include a minimum, maximum, target level and intermediate levels of performance, with the final value of a Performance Award determined under the applicable Performance Award Formula by the level attained during the applicable Performance Period. A Performance Goal may be stated as an absolute value or as a value determined relative to a standard selected by the Committee.

9.5   **Settlement of Performance Awards.**

(a)   ***Determination of Final Value.*** As soon as practicable following the completion of the Performance Period applicable to a Performance Award, the Committee shall certify in writing the extent to which the applicable Performance Goals have been attained and the resulting final value of the Award earned by the Participant and to be paid upon its settlement in accordance with the applicable Performance Award Formula.

(b)   ***Discretionary Adjustment of Award Formula.*** In its discretion, the Committee may, either at the time it grants a Performance Award or at any time thereafter, provide for the positive or negative adjustment of the Performance Award Formula applicable to a Performance Award granted to any Participant who is not a "covered employee" within the meaning of Section 162(m) (a *"Covered Employee"*) to reflect such Participant's individual performance in his or her position with the Company or such other factors as the Committee may determine. If permitted under a Covered Employee's Award Agreement, the Committee shall have the discretion, on the basis of such criteria as may be established by the Committee, to reduce some or all of the value of the Performance Award that would otherwise be paid to the Covered Employee upon its settlement notwithstanding the attainment of any Performance Goal and the resulting value of the Performance Award determined in accordance with the Performance Award Formula. No such reduction may result in an increase in the amount payable upon settlement of another Participant's Performance Award.

(c)   ***Effect of Leaves of Absence.*** Unless otherwise required by law, payment of the final value, if any, of a Performance Award held by a Participant who has taken in excess of thirty (30) days of leaves of absence during a Performance Period shall be prorated on the basis of the number of days of the Participant's Service during the Performance Period during which the Participant was not on a leave of absence.

(d)   ***Notice to Participants.*** As soon as practicable following the Committee's determination and certification in accordance with Sections 9.5(a) and (b), the Company shall notify each Participant of the determination of the Committee.

(e)   ***Payment in Settlement of Performance Awards.*** As soon as practicable following the Committee's determination and certification in accordance with Sections 9.5(a) and (b), payment shall be made to each eligible Participant (or such Participant's legal representative or other person who acquired the right to receive such payment by reason of the Participant's death) of the final value of the Participant's Performance Award. Payment of such amount shall be made in cash, shares of Stock, or a combination thereof as determined by the Committee. Unless otherwise provided in the Award Agreement evidencing a Performance Award, payment shall be made in a lump sum. An Award Agreement may provide for deferred payment in a lump sum or in installments at the election of the Participant or otherwise. If any payment is to be made on a deferred basis, the Committee may, but shall not be obligated to, provide for the payment during the deferral period of Dividend Equivalents or interest.

(f)   ***Provisions Applicable to Payment in Shares.*** If payment is to be made in shares of Stock, the number of such shares shall be determined by dividing the final value of the Performance Award by the value of a share of Stock determined by the method specified in the Award Agreement. Such methods may include, without limitation, the closing market price on a specified date (such as the settlement date) or an average of market prices over a series of trading days. Shares of Stock issued in payment of any Performance Award may be fully vested and freely transferable shares or may be shares of Stock subject to Vesting Conditions as provided in Section 8.5. Any shares subject to Vesting Conditions shall be evidenced by an appropriate Award Agreement and shall be subject to the provisions of Sections 8.5 through 8.8 above.

9.6   **Dividend Equivalents.** In its discretion, the Committee may provide in the Award Agreement evidencing any Performance Share Award that the Participant shall be entitled to receive Dividend Equivalents with respect to the payment of cash dividends on Stock having a record date prior to the date on which the Performance Shares are settled or forfeited. Dividend Equivalents may be paid currently or may be accumulated and paid to the extent that Performance Shares become nonforfeitable, as determined by the Committee. Settlement of Dividend Equivalents may be made in cash, shares of Stock, or a combination thereof as determined by the Committee, and may be paid on the same basis as settlement of the related Performance Share as provided in Section 9.5. Dividend Equivalents shall not be paid with respect to Performance Units.

9.7   **Effect of Termination of Service.** The effect of a Participant's termination of Service on the Participant's Performance Award shall be as determined by the Committee, in its discretion, and set forth in the Award Agreement evidencing such Performance Award or in another written agreement between the Company and the Participant.

9.8   **Nontransferability of Performance Awards.** Prior to settlement in accordance with the provisions of the Plan, no Performance Award may be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except by will or by the laws of descent and distribution. All rights with respect to a Performance Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

10.   **STANDARD FORMS OF AWARD AGREEMENT.**

10.1   **Award Agreements.** Each Award shall comply with and be subject to the terms and conditions set forth in the appropriate form of Award Agreement approved by the Committee and as amended from time to time. Any Award Agreement may consist of an appropriate form of Notice of Grant and a form of Agreement incorporated therein by reference, or such other form or forms as the Committee may approve from time to time.

10.2   **Authority to Vary Terms.** The Committee shall have the authority from time to time to vary the terms of any standard form of Award Agreement either in connection with the grant or amendment of an individual Award or in connection with the authorization of a new standard form or forms; *provided, however,* that the terms and conditions of any such new, revised or amended standard form or forms of Award Agreement are not inconsistent with the terms of the Plan.

10.3   **Clawback/Recovery.** All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In addition, the Committee may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Committee determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the occurrence of Cause.

11.   **CHANGE OF CONTROL.**

11.1   **Awards Granted Prior to January 24, 2008.** The following provisions shall control for Awards granted prior to January 24, 2008:

(a) Except as otherwise provided in a Participant's Award Agreement:

(i)   An *"Ownership Change Event"* shall be deemed to have occurred if any of the following occurs with respect to the Company: (i) the direct or indirect sale or exchange by the stockholders of the Company of all or substantially all of the voting stock of the Company; (ii) a merger or consolidation in which the Company is a party; (iii) the sale, exchange, or transfer of all or substantially all of the assets of the Company (other than a sale, exchange or transfer to one or more subsidiaries of the Company); or (iv) a liquidation or dissolution of the Company.

(ii)   A *"Change in Control"* shall mean an Ownership Change Event or series of related Ownership Change Events (collectively, a *"Transaction"*) in which the stockholders of the Company immediately before the Transaction do not retain immediately after the Transaction, direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding voting securities of the Company or, in the case of an Ownership Change Event described in Section 11.1(a)(iii), the entity to which the assets of the Company were transferred.

(b) **Effect of Change in Control on Options, SARs and Restricted Stock Units.** In the event of a Change in Control, the surviving, continuing, successor, or purchasing entity or parent thereof, as the case may be (the *"Acquiror"*), may, without the consent of any Participant, either assume the Company's rights and obligations under outstanding Options, SARs and Restricted Stock Units or substitute for outstanding Options, SARs and Restricted Stock Units substantially equivalent equity awards for the Acquiror's stock. In the event the Acquiror elects not to assume or substitute for outstanding Options, SARs or Restricted Stock Units in connection with a Change in Control, the Committee shall provide that any unexercised and/or unvested portions of such outstanding Awards shall be immediately exercisable and vested in full as of the date thirty (30) days prior to the date of the Change in Control. The exercise and/or vesting of any Option, SAR or Restricted Stock Unit that was permissible solely by reason of this paragraph 10.2 shall be conditioned upon the consummation of the Change in Control. Any Options, SARs or Restricted Stock Units which are not assumed or replaced by the Acquiror in connection with the Change in Control nor exercised as of the time of consummation of the Change in Control shall terminate and cease to be outstanding effective as of the time of consummation of the Change in Control.

(c) **Effect of Change in Control on Stock Awards.** The Committee may, in its discretion, provide in any Award Agreement evidencing a Stock Award that, in the event of a Change in Control, the lapsing of the Restriction Period applicable to the shares subject to the Stock Award held by a Participant whose Service has not terminated prior to such date shall be accelerated effective as of the date of the Change in Control to such extent as specified in such Award Agreement. Any acceleration of the lapsing of the Restriction Period that was permissible solely by reason of this Section 11.1(c) and the provisions of such Award Agreement shall be conditioned upon the consummation of the Change in Control.

(d) **Effect of Change in Control on Performance Awards.** The Committee may, in its discretion, provide in any Award Agreement evidencing a Performance Award that, in the event of a Change in Control, the Performance Award held by a Participant whose Service has not terminated prior to such date shall become payable effective as of the date of the Change in Control to such extent as specified in such Award Agreement.

11.2   **Awards Granted On or After January 24, 2008.** The following provisions shall control for Awards granted on or after January 24, 2008:

(a) Except as otherwise provided in a Participant's Award Agreement, *"Change of Control"* shall mean a change of control of the Company of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act, whether or not the Company is then subject to such reporting requirement; *provided, however*, that anything in this Plan to the contrary notwithstanding, a

Change of Control shall be deemed to have occurred if:

(i)   any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity or person, or any syndicate or group deemed to be a person under Section 14(d)(2) of the Exchange Act, is or becomes the "beneficial owner" (as defined in Rule 13d-3 of the General Rules and Regulations under the Exchange Act), directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company's then outstanding securities entitled to vote in the election of directors of the Company;

(ii)   during any period of two (2) consecutive years, individuals who at the beginning of such period constituted the Board and any new directors, whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least three-fourths (3/4ths) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved (the "***Incumbent Directors***"), cease for any reason to constitute a majority thereof;

(iii)   there occurs a reorganization, merger, consolidation or other corporate transaction involving the Company (a "***Transaction***"), in each case with respect to which the stockholders of the Company immediately prior to such Transaction do not, immediately after the Transaction, own securities representing more than 50% of the combined voting power of the Company, a parent of the Company or other corporation resulting from such Transaction (counting, for this purpose, only those securities held by the Company's stockholders immediately after the Transaction that were received in exchange for, or represent their continuing ownership of, securities of the Company held by them immediately prior to the Transaction);

(iv)   all or substantially all of the assets of the Company are sold, liquidated or distributed; or

(v)   there is a "Change of Control" or a "change in the effective control" of the Company within the meaning of Section 280G of the Code and the regulations promulgated thereunder.

(b) The Committee or the Board may, in its discretion, provide in any Award Agreement, severance plan or other individual agreement, that, in the event of a Change of Control of the Company, the Award held by a Participant shall become vested, exercisable and/or payable to such extent as specified in such document.

(c) In the event of a Change of Control, the surviving, continuing, successor, or purchasing entity or parent thereof, as the case may be (the *"Acquiror"*), may, without the consent of any Participant, either assume the Company's rights and obligations under outstanding Awards or substitute for outstanding Awards substantially equivalent equity awards for the Acquiror's stock. In the event the Acquiror elects not to assume or substitute for outstanding Awards in connection with a Change of Control, any unexercised and/or unvested portions of such outstanding Awards shall become immediately exercisable and vested in full as of immediately prior to the effective date of the Change of Control. The exercise and/or vesting of any Award that was permissible solely by reason of this paragraph 11.2 shall be conditioned upon the consummation of the Change in Control. Any Awards which are not assumed or replaced by the

Acquiror in connection with the Change of Control nor exercised as of the time of consummation of the Change of Control shall terminate and cease to be outstanding effective as of the time of consummation of the Change of Control.

12.   **COMPLIANCE WITH SECURITIES LAW.**

12.1   The grant of Awards and the issuance of shares of Stock pursuant to any Award shall be subject to compliance with all applicable requirements of federal, state and foreign law with respect to such securities and the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, no Award may be exercised or shares issued pursuant to an Award unless (i) a registration statement under the Securities Act shall at the time of such exercise or issuance be in effect with respect to the shares issuable pursuant to the Award or (ii) in the opinion of legal counsel to the Company, the shares issuable pursuant to the Award may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares hereunder shall relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority shall not have been obtained. As a condition to issuance of any Stock, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

12.2   If the exercise of an Award, or the purchase or delivery of shares of Stock subject to an Award, following the termination of the Participant's Service would be prohibited at any time during the applicable post-termination period solely because the issuance of shares of Stock would violate the registration requirements under the Securities Act, then the Award shall terminate on the earlier of (i) the expiration of a period of three (3) months after the termination of the Participant's Service during which the exercise of the Award would not be in violation of such registration requirements, or (ii) the expiration of the term of the Award as set forth in the Award Agreement.

13.   **TAX WITHHOLDING.**

13.1   **Tax Withholding in General.** Unless prohibited by applicable law, the Company shall have the right to deduct from any and all payments made under the Plan, or to require the Participant, through payroll withholding, cash payment or otherwise, including by means of a Cashless Exercise of an Option, to make adequate provision for, the federal, state, local and foreign taxes, if any, required by law to be withheld by the Participating Company Group with respect to an Award or the shares acquired pursuant thereto. The Company shall have no obligation to deliver shares of Stock, to release shares of Stock from an escrow established pursuant to an Award Agreement, or to make any payment in cash under the Plan until the Participating Company Group's tax withholding obligations have been satisfied by the Participant.

13.2   **Withholding in Shares.** Unless prohibited by applicable law, the Company shall have the right, but not the obligation, to deduct from the shares of Stock issuable to a Participant upon the exercise or settlement of an Award, or to accept from the Participant the tender of, a number of whole shares of Stock having a Fair Market Value, as determined by the

Company, equal to all or any part of the tax withholding obligations of the Participating Company Group. The Fair Market Value of any shares of Stock withheld or tendered to satisfy any such tax withholding obligations shall not exceed the amount determined by the applicable minimum statutory withholding rates.

14.   **TERMINATION OR AMENDMENT OF PLAN.**

The Committee may terminate or amend the Plan at any time. However, without the approval of the Company's stockholders, there shall be (a) no increase in the maximum aggregate number of shares of Stock that may be issued under the Plan (except by operation of the provisions of Section 4.2), (b) no change in the class of persons eligible to receive Incentive Stock Options, and (c) no other amendment of the Plan that would require approval of the Company's stockholders under any applicable law, regulation or rule. No termination or amendment of the Plan shall affect any then outstanding Award unless expressly provided by the Committee. In any event, no termination or amendment of the Plan may adversely affect any then outstanding Award without the consent of the Participant, unless such termination or amendment is necessary to comply with any applicable law, regulation or rule.

15.   **MISCELLANEOUS PROVISIONS.**

15.1   **Repurchase Rights.** Shares issued under the Plan may be subject to one or more repurchase options, or other conditions and restrictions as determined by the Committee in its discretion at the time the Award is granted. The Company shall have the right to assign at any time any repurchase right it may have, whether or not such right is then exercisable, to one or more persons as may be selected by the Company. Upon request by the Company, each Participant shall execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock hereunder and shall promptly present to the Company any and all certificates representing shares of Stock acquired hereunder for the placement on such certificates of appropriate legends evidencing any such transfer restrictions.

15.2   **Provision of Information.** Each Participant shall be given access to information concerning the Company equivalent to that information generally made available to the Company's common stockholders.

15.3   **Rights as Employee, Consultant or Director.** No person, even though eligible pursuant to Section 5, shall have a right to be selected as a Participant, or, having been so selected, to be selected again as a Participant. Nothing in the Plan or any Award granted under the Plan shall confer on any Participant a right to remain an Employee, a Consultant or a Director, or interfere with or limit in any way any right of a Participating Company to terminate the Participant's Service at any time. To the extent that an Employee of a Participating Company other than the Company receives an Award under the Plan, that Award can in no event be understood or interpreted to mean that the Company is the Employee's employer or that the Employee has an employment relationship with the Company.

15.4   **Rights as a Stockholder.** A Participant shall have no rights as a stockholder with respect to any shares covered by an Award until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights

for which the record date is prior to the date such shares are issued, except as provided in Section 4.2 or another provision of the Plan.

15.5 **Fractional Shares.** The Company shall not be required to issue fractional shares upon the exercise or settlement of any Award.

15.6 **Beneficiary Benefits.** Subject to local laws and procedures, the Company may request appropriate written documentation from a trustee or other legal representative, court, or similar legal body, regarding any benefit under the Plan to which the Participant is entitled in the event of such Participant's death before such representative shall be entitled to act on behalf of the Participant and before a beneficiary receives any or all of such benefit.

15.7 **Unfunded Obligation.** Participants shall have the status of general unsecured creditors of the Company. Any amounts payable to Participants pursuant to the Plan shall be unfunded and unsecured obligations for all purposes, including, without limitation, Title I of the Employee Retirement Income Security Act of 1974. No Participating Company shall be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Participant account shall not create or constitute a trust or fiduciary relationship between the Committee, the Officer Committee or any Participating Company and a Participant, or otherwise create any vested or beneficial interest in any Participant or the Participant's creditors in any assets of any Participating Company. The Participants shall have no claim against any Participating Company for any changes in the value of any assets which may be invested or reinvested by the Company with respect to the Plan.

15.8 **Section 409A.** It is intended that all of the benefits and payments provided under this Plan satisfy, to the greatest extent possible, the exemptions from the application of Code Section 409A (together, with any state law of similar effect, "Section 409A") provided under Treasury Regulations Sections 1.409A 1(b)(4), 1.409A 1(b)(5), 1.409A-1(b)(6) and 1.409A 1(b)(9), and this Plan will be construed to the greatest extent possible as consistent with those provisions. To the extent not so exempt, this Plan and the payments and benefits to be provided hereunder are intended to, and will be construed and implemented so as to, comply in all respects with the applicable provisions of Section 409A. For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulation Section 1.409A 2(b)(2)(iii)), any right to receive any installment payments under this Plan shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment.

To the extent that the Committee determines that any Award granted under the Plan is, or may reasonably be, subject to Section 409A, the Award Agreement evidencing such Award shall incorporate the terms and conditions necessary to avoid the consequences described in Section 409A(a)(1) of the Code (or any similar provision). Such terms and conditions shall include, without limitation, the following provision (or comparable provision of similar effect): "To the extent that (i) one or more of the payments or benefits received or to be received by a Participant upon "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h) without regard to alternative definitions thereunder) pursuant to this Plan would

constitute deferred compensation subject to the requirements of Section 409A, and (ii) the Participant is a "specified employee" within the meaning of Section 409A at the time of separation from service, then to the extent delayed commencement of any portion of such payments or benefits is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) and the related adverse taxation under Section 409A, such payments and benefits shall not be provided to the Participant prior to the earliest of (i) the expiration of the six-month period measured from the date of separation from service, (ii) the date of the Participant's death or (iii) such earlier date as permitted under Section 409A without the imposition of adverse taxation on the Participant. Upon the first business day following the expiration of such applicable Section 409A(a)(2)(B)(i) period, all payments and benefits deferred pursuant to this paragraph shall be paid in a lump sum to the Participant, and any remaining payments and benefits due shall be paid as otherwise provided herein." If an Award Agreement is silent as to such provision, the foregoing provision is hereby incorporated by reference directly into such Award Agreement.

In addition, and notwithstanding any provision of the Plan to the contrary, in the event that the Committee determines that any Award is, or may reasonably be, subject to Section 409A and related Department of Treasury guidance (including such Department of Treasury guidance issued from time to time) or contains any ambiguity as to the application of Section 409A, the Committee may, without the Participant's consent, adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Committee determines are necessary or appropriate to (A) exempt (or clarify the exemption of) the Award from Section 409A, (B) preserve the intended tax treatment of the benefits provided with respect to the Award, and/or (C) comply with the requirements of Section 409A and related Department of Treasury guidance.

Notwithstanding anything to the contrary contained herein, neither the Company nor any of its Affiliates shall be responsible for, or required to reimburse or otherwise make any Participant whole for, any tax or penalty imposed on, or losses incurred by, any Participant that arises in connection with the potential or actual application of Section 409A to any Award granted hereunder.

Adobe

345 PARK AVENUE
SAN JOSE, CA 95110-2704

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

M41634-P20045   KEEP THIS PORTION FOR YOUR RECORDS

- -

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

ADOBE SYSTEMS INCORPORATED

Vote on Directors

The Board of Directors recommends a vote FOR all nominees.

1. Election of the five (5) Directors proposed in the accompanying Proxy Statement to serve for a one-year term.

	For	Against	Abstain			For	Against	Abstain
1a. Edward W. Barnholt	☐	☐	☐					
1b. Michael R. Cannon	☐	☐	☐	3.	Ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending on November 30, 2012.	☐	☐	☐
1c. James E. Daley	☐	☐	☐					
1d. Charles M. Geschke	☐	☐	☐					
1e. Shantanu Narayen	☐	☐	☐	4.	Approve, on an advisory basis, the compensation of the named executive officers.	☐	☐	☐

Vote on Proposals

The Board of Directors recommends a vote FOR Proposals 2, 3 and 4:

2. Approval of the amendment of the 2003 Equity Incentive Plan to increase the available share reserve by 12.39 million shares, increase the maximum number of shares that may be granted as incentive stock options, and approve new performance metrics as described in the accompanying Proxy Statement.   ☐ ☐ ☐

Sign exactly as your name(s) appear(s) on the stock certificate. If shares of stock stand of record in the names of two or more persons, or in the name of husband and wife, whether as joint tenants or otherwise, both or all of such persons should sign the proxy card. If shares of stock are held of record by a corporation, the proxy card should be executed by the President or Vice President and the Secretary or Assistant Secretary. Executors or administrators or other fiduciaries who execute the proxy card for a deceased stockholder should give their full title. Please date the proxy card.

Signature [PLEASE SIGN WITHIN BOX]	Date	Signature (Joint Owners)	Date

Important Notice Regarding the Internet Availability of Proxy Materials for the Annual Meeting:
The Notice and Proxy Statement and Annual Report on Form 10-K are available at www.proxyvote.com.

ADOBE SYSTEMS INCORPORATED

PROXY FOR ANNUAL MEETING OF STOCKHOLDERS

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF THE COMPANY

The undersigned hereby appoints John E. Warnock and Shantanu Narayen, and each of them, with full power of substitution, to represent the undersigned and to vote all of the shares of stock in Adobe Systems Incorporated (the "Company") which the undersigned is entitled to vote at the Annual Meeting of Stockholders of the Company, to be held at the Company's headquarters, 321 Park Avenue, East Tower, San Jose, California 95110-2704 on Thursday, April 12, 2012 at 9:00 a.m. local time and at any adjournment or postponement thereof: (1) as hereinafter specified upon the proposals listed on the reverse side and as more particularly described in the Company's Proxy Statement, receipt of which is hereby acknowledged, and (2) in their discretion upon such other matters as may properly come before the meeting.

The shares represented hereby shall be voted as specified. If no specification is made, such shares shall be voted FOR the election of the nominees listed on the reverse side for the Board of Directors and FOR Proposals 2, 3 and 4. Whether or not you are able to attend the meeting, you are urged to sign and mail the proxy card in the return envelope so that the stock may be represented at the meeting.

IF YOU ELECT TO VOTE BY MAIL, PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY CARD

PROMPTLY

USING THE ENCLOSED ENVELOPE

(CONTINUED AND TO BE SIGNED ON REVERSE SIDE)