

UNISYS CORP
Form DEF 14A
March 18, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under Rule 14a-12

Unisys Corporation

(Name of registrant as specified in its charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

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

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

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(3) Filing Party:

(4) Date Filed:

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Unisys Corporation

801 Lakeview Drive, Suite 100

Blue Bell, PA 19422

March 18, 2016

Dear Fellow Stockholder:

It is my pleasure to invite you to the Unisys 2016 Annual Meeting of Stockholders. This year's meeting will be held on Thursday, April 28, 2016, at the Philadelphia Marriott Downtown, which is located at 1201 Market Street in Philadelphia, Pennsylvania. The meeting will begin at 8:00 a.m.

During 2015, we took steps to refocus our strategy, enhance our software and integrated solutions, realign our organization and address our cost base. These efforts included the implementation of a vertical go-to-market orientation, focusing our efforts within our Services segment toward higher-value and higher-margin offerings, taking steps to better leverage Unisys intellectual property and software, enhancing our leadership team, and building a security group to drive our Unisys Stealth solution and expand our presence in the managed security and consulting spaces. At the same time, we took significant steps to reduce our cost base. In 2016, we plan to continue to strengthen our go-to-market capabilities and work to deliver increased profitability and cash flow as we lay a foundation for renewed growth.

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

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

Sincerely,

Peter A. Altabef

President and Chief Executive Officer

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

April 28, 2016

Unisys Corporation will hold its 2016 Annual Meeting of Stockholders at the Philadelphia Marriott Downtown, 1201 Market Street, Philadelphia, Pennsylvania, on Thursday, April 28, 2016, at 8:00 a.m., local time, to:

1. elect nine directors;
2. ratify the selection of the Company's independent registered public accounting firm for 2016;
3. hold an advisory vote to approve executive compensation;
4. approve the Unisys Corporation 2016 Long-Term Incentive and Equity Compensation Plan; and
5. transact any other business properly brought before the meeting.

Only record holders of Unisys common stock at the close of business on February 29, 2016 will be entitled to vote at the annual meeting.

By Order of the Board of Directors,

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

Blue Bell, Pennsylvania
March 18, 2016

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on April 28, 2016:

The Company's proxy statement and annual report are available at

www.proxyvote.com

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

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UNISYS CORPORATION

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

April 28, 2016

The Board of Directors of Unisys Corporation solicits your proxy for use at the 2016 Annual Meeting of Stockholders to be held on April 28, 2016 and at any adjournments or postponements thereof. At the annual meeting, stockholders will be asked to (1) elect directors, (2) ratify the selection of the Company's independent registered public accounting firm, (3) approve, on an advisory basis, the compensation of the Company's named executive officers, (4) approve a new long-term incentive and equity compensation plan, and (5) transact any other business properly brought before the meeting.

The record date for the annual meeting is February 29, 2016. Only holders of record of Unisys common stock as of the close of business on the record date are entitled to vote at the meeting. On the record date, 50,053,973 shares of common stock were outstanding. The presence, in person or by proxy, of a majority of those shares will constitute a quorum at the meeting.

This proxy statement, the proxy/voting instruction card and the annual report of Unisys, including the financial statements for 2015, are being sent or given to stockholders on or about March 18, 2016.

Internet Availability of Proxy Materials; Multiple Sets of Proxy Materials

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

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

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

Voting Procedures and Revocability of Proxies

Your vote is important. Shares may be voted at the annual meeting only if you are present in person or represented by proxy. You can vote by proxy over the Internet by following the instructions provided in the Notice, or, if you request printed copies of the

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proxy materials by mail, you can also vote by submitting a proxy by mail or by telephone by following the instructions provided on the proxy/voting instruction card. If you have previously elected to receive proxy materials over the Internet, you should have already received email instructions on how to vote electronically.

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

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

If you are a stockholder of record and you properly complete, sign and return your proxy, and do not revoke it, the proxy holders will vote your shares in accordance with your instructions. If your signed and returned proxy gives no instructions, the proxy holders will vote your shares (1) FOR the election of directors, (2) FOR the ratification of the selection of independent registered public accounting firm, (3) FOR the approval, on an advisory basis, of the compensation of the Company's named executive officers, (4) FOR the approval of the Unisys Corporation 2016 Long-Term Incentive and Equity Compensation Plan, and (5) in their discretion on any other matters that properly come before the annual meeting.

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

If you are a participant in the Unisys Savings Plan, the proxy/voting instruction card will serve as voting instructions to the plan trustee for shares of Unisys common stock credited to your account as of February 29, 2016. The trustee will vote those shares in accordance with your instructions if it receives your completed proxy by April 25, 2016. If the proxy is not timely received, or if you give no instructions on a matter to be voted upon, the trustee will vote the shares credited to your account in the same proportion as it votes those shares for which it received timely instructions from other participants.

Required Vote

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

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

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Independent Registered Public Accounting Firm (Item 2); Advisory Vote to Approve Executive Compensation (Item 3); 2016 Long-Term Incentive and Equity Compensation Plan (Item 4). The proposal to ratify the selection of the Company's independent registered public accounting firm, the advisory resolution to approve executive compensation, and the proposal to approve a new long-term incentive and equity compensation plan will each be approved if it receives the affirmative vote of a majority of shares present, in person or by proxy, and entitled to vote on the matter. Abstentions will be included in the vote totals for these matters and therefore will have the same effect as a negative vote. Broker non-votes will not be included in the vote totals and therefore will have no effect on the advisory vote on executive compensation or the proposal to approve a new long-term incentive and equity compensation plan. There will be no broker non-votes for the proposal to ratify the selection of the Company's independent registered public accounting firm, since brokers will be entitled to vote on this routine proposal.

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

ELECTION OF DIRECTORS

(Item 1)

The Board of Directors currently consists of nine members, each of whose term expires at the annual meeting. Each of the nine directors has been nominated for reelection for a term expiring at the 2017 annual meeting. Each of the nominees has agreed to serve as a director if elected, and Unisys believes that each nominee will be available to serve. However, the proxy holders have discretionary authority to cast votes for the election of a substitute should any nominee not be available to serve as a director.

The Board of Directors recommends a vote FOR all nominees.

Information Regarding Nominees

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

PETER A. ALTABEF

Mr. Altabef, 56, is President and Chief Executive Officer of Unisys and a member of the Board of Directors. Prior to joining Unisys in January 2015, Mr. Altabef was the President and Chief Executive Officer, and a member of the Board of Directors, of MICROS Systems, Inc. from 2013 until 2014, when MICROS Systems, Inc. was acquired by Oracle Corporation. He previously served as President and Chief Executive Officer of Perot Systems Corporation from 2004 until 2009, when Perot Systems was acquired by Dell, Inc. Thereafter, Mr. Altabef served as President of Dell Services (a unit of Dell Inc.) until his departure in 2011. Mr. Altabef also serves on the Board of Advisors of Merit Energy Company, LLC and the Advisory Board of Petrus Trust Company, L.T.A. He previously served as Senior Advisor to 2M Companies, Inc. in 2012, and served as a director of Belo Corporation from 2011 through 2013. Mr. Altabef has served as a director of Unisys since January 2015.

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Mr. Altabef has more than 20 years of senior leadership experience in the information technology industry and, having led both Perot Systems Corporation and MICROS Systems, Inc., has a proven ability to drive revenue growth and achieve strong financial performance. As a result, Mr. Altabef has the leadership skills and experience to serve as a director and as the President and Chief Executive Officer of the Company.

JARED L. COHON

Dr. Cohon, 68, is President Emeritus and University Professor of Civil and Environmental Engineering and Engineering and Public Policy at Carnegie Mellon University. He served as President of Carnegie Mellon from 1997 until June 2013. During this period, he led the university's global expansion while enhancing programs in information technology, diversity, international education, economic development and other areas. Prior to joining Carnegie Mellon, Dr. Cohon served as Dean of the School of Forestry and Environmental Studies at Yale University. Before that, he was an associate dean of engineering and vice provost for research at Johns Hopkins University. Dr. Cohon currently serves as a director of Lexmark International, Inc. and of Ingersoll-Rand, plc. From 1999 to 2008, he served as a director of Trane, Inc. (formerly American Standard Companies, Inc.). He has served as a director of Unisys since 2013 and is a member of the Compensation Committee.

Dr. Cohon brings to the Board both the management expertise and the unique perspective on technological matters gained from serving as the president of a global research university known for its leadership in technology programs. This, combined with his distinguished academic career, his international experience and the experience he has gained from serving as a director of multiple publicly traded companies make him a valued contributor to our Board.

ALISON DAVIS

Ms. Davis, 54, is former Managing Partner of Belvedere Capital Partners, Inc., a private equity firm serving the financial services sector, a position she held from 2003 to December 2010. Prior to joining Belvedere, she served as Chief Financial Officer and Head of Strategy and Corporate Development for Barclays Global Investors from 2000 to 2003 and as a senior partner at A.T. Kearney, Inc. from 1993 to 2000. Ms. Davis began her career as a consultant at McKinsey & Company. Ms. Davis is currently a director of the Royal Bank of Scotland Group plc., Diamond Foods, Inc., Fiserv Corporation and Ooma Inc. She also served as a director of First Data Corporation from 2002 to 2007, as a director of LECG Corporation from 2007 to 2011 and as a director of City National Bank from 2010 to 2011. Ms. Davis has served as a director of Unisys since 2011 and is a member of the Compensation Committee.

With her experience in global financial services and her roles as a senior executive and as a consultant, Ms. Davis brings valuable expertise in corporate strategy and financial management to our Board. In addition,

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Ms. Davis' years at Belvedere and Barclays, as well as her service as a director of Fiserv, City National Bank and Royal Bank of Scotland, have given her a deep understanding of the financial services market, a market that Unisys serves.

NATHANIEL A. DAVIS

Mr. Davis, 62, is Chief Executive Officer and Chairman of the Board of K12 Inc., a provider of proprietary curricula and on-line education programs for students in kindergarten through high school. Mr. Davis worked as Managing Director of the RANND Advisory Group, a business consulting group that advises software, technology, media and venture capital firms before assuming the role of Chairman of K12 in 2013. From 2007 to 2008 he was President and Chief Executive Officer of XM Satellite Radio, a provider of direct satellite radio broadcasts in the U.S., and from 2006 to 2007, was its President and Chief Operating Officer. He also was a member of the XM Satellite Radio Board of Directors from 1999 until 2008. From 2000 to 2003, he was President and Chief Operating Officer and a member of the Board of Directors of XO Communications (formerly Nextlink Communications). He has also held senior management roles at Nextel Communications and MCI Communications. He began his career at AT&T. Mr. Davis also serves as a trustee of the RLJ Lodging Trust. Mr. Davis served as a director of Charter Communications, Inc. from 2005 to 2008 and as a director of EarthLink, Inc. in 2011. Mr. Davis has served as a director of Unisys since 2011 and is a member of the Nominating and Corporate Governance Committee.

Mr. Davis brings managerial and operational expertise to our Board. This expertise, as well as his extensive experience in the communications industry, brings a valuable perspective to our Board as Unisys continues its work to strengthen its competitive and financial profile in a changing IT industry.

DENISE K. FLETCHER

Ms. Fletcher, 67, is a former Executive Vice President, Finance of Vulcan Inc., an investment and project company, a position she held from 2005 to 2008. From 2004 to 2005, she served as Chief Financial Officer of DaVita, Inc., a provider of dialysis services in the United States. From 2000 to 2003, she was Executive Vice President and Chief Financial Officer of MasterCard International, an international payment solutions company. Before joining MasterCard, she served as Chief Financial Officer of Bowne Inc., a global document management and information services provider. Ms. Fletcher is a director of Inovalon, Inc., a publicly-traded technology company, and a member of the Group Governance Council of Mazars Group, an international organization that specializes in audit, accounting, tax, legal and advisory services. During 2004 and 2005 she served as a director of Sempra Energy and of Orbitz, Inc. She has served as a director of Unisys since 2001 and is chair of the Nominating and Corporate Governance Committee and a member of the Audit and Finance Committee.

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As an experienced financial and operational leader with companies in a variety of industries, Ms. Fletcher brings a broad understanding of the strategic priorities of diverse industries, coupled with knowledge of financial and tax matters and financial reporting and experience in investments and acquisitions. In addition, Ms. Fletcher's years at MasterCard and Bowne have given her an understanding of the financial and other aspects of doing business globally, which is particularly important for a company like Unisys, which receives more than half of its revenue from international operations.

PHILIPPE GERMOND

Mr. Germond, 59, is Chairman of the Management Board (the equivalent of chief executive officer) of Europcar Groupe S.A., a publicly traded European car rental operator with a presence in more than 140 countries and the leading operator in Europe, a position he has held since 2014. Before joining Europcar Groupe, Mr. Germond served as Chairman and Chief Executive Officer of Paris Mutuel Urbain from 2009 to 2014, Chairman and Chief Executive Officer of Atos Origin from 2007 to 2008, a member of the Management Board of Atos Worldline from 2006 to 2008, President and Chief Operating Officer of Alcatel from 2003 to 2005 and Chairman and CEO of SFR (Societe Francaise du Radiotelephone - Cegetel) from 1995 to 2002. Prior to that, Mr. Germond began his career at Hewlett-Packard, where he served for 15 years in various marketing and sales roles of increasing responsibility, ultimately serving in Europe as the Managing Director of the Microcomputer Group and a member of the Management Board. Mr. Germond is currently Chairman of the Supervisory Board of Qosmos, a French software company. He has served as a director of Unisys since February 2016.

As a successful leader in sales, operations and governance, Mr. Germond brings broad executive experience in a number of industries. His experience implementing transformation projects and making companies more digital and customer-oriented will be helpful to Unisys as we continue our transformation and bring enhanced value to our clients. In addition, Mr. Germond's vast global experience will be particularly useful for Unisys, a company with about half of its revenue from international operations and approximately 30% of its revenue from Europe.

LESLIE F. KENNE

Ms. Kenne, 68, is a retired Lieutenant General of the United States Air Force. Prior to retiring from the Air Force in 2003 as Deputy Chief of Staff, Warfighting Integration, Pentagon, she had a 32-year military career including technical training, command experience and responsibility for large aircraft test, evaluation and acquisition programs. She is currently an independent consultant for various defense companies and/or agencies. Ms. Kenne served as a director of EDO Corporation from 2004 to 2007 and is currently a director of Harris Corporation and Oshkosh Corporation. She has served as a director of Unisys since 2006 and is a member of the Compensation Committee and the Nominating and Corporate Governance Committee.

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As a retired Air Force Lieutenant General, Ms. Kenne brings a unique perspective to our Board. In addition to her successful record of leadership and military service, she has first-hand experience on large government projects and on the government procurement process, experience that is valuable given the Company's public sector business. Through her consultancy work, she also has knowledge of the security market, a market that Unisys serves.

LEE D. ROBERTS

Mr. Roberts, 63, is Chief Executive Officer and President of BlueWater Consulting, LLC. Prior to that, he was general manager and vice president for document, content and business process management at IBM Corporation. Mr. Roberts was with FileNET Corporation from 1997 until its acquisition by IBM in 2006, serving as its Chairman and Chief Executive Officer from 2000 to 2006, its president and Chief Executive Officer from 1998 to 2000, and President and Chief Operating Officer from 1997 to 1998. Prior to FileNET, Mr. Roberts spent twenty years at IBM, where he held numerous senior management, sales and marketing roles. He is a director of Inovalon, Inc. and QAD Inc.. Mr. Roberts has served as a director of Unisys since 2011 and is chair of the Compensation Committee and a member of the Audit and Finance Committee.

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

PAUL E. WEAVER

Mr. Weaver, 70, has over 30 years of experience in providing accounting, audit and business advisory advice and services. He was with PricewaterhouseCoopers from 1972 to 2006, serving as the firm's Vice Chairman from 1994 to 1999 and as Chairman of its Global Technology and Infocomm practice from 1999 to 2006. Mr. Weaver is currently a director of AMN Healthcare, Inc. and WellCare Health Plans, Inc. He also served as a director of Gateway, Inc. from 2006 to 2007 and as a director of Idearc Media from 2006 to 2009. Mr. Weaver has served as a director of Unisys since 2010 and is Chairman of the Board and chair of the Audit and Finance Committee.

Mr. Weaver's experience in leadership and governance roles within PricewaterhouseCoopers, his position as head of the firm's global technology practice and his years of experience providing audit and advisory services to a number of the world's largest multinational companies make him particularly suited to be Chairman of Unisys and chair of the Audit and Finance Committee. In addition, his service on other boards and committees, including as chairman of the audit committees of AMN Healthcare and WellCare Health Plans, and as a member of the compensation committee of WellCare, gives him valuable knowledge and perspective.

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Board Meetings; Attendance at Annual Meetings

The Board of Directors held eight meetings in 2015. During 2015, all directors attended at least 75% of the total number of meetings of the Board of Directors and standing committees on which they served (held during the period when the director served).

It is the Company's policy that all directors should attend the annual meeting of stockholders. All of the Company's current directors who were directors at the time of the 2015 annual meeting attended that meeting.

Independence of Directors

All of the Company's directors and nominees for director other than Mr. Altabef meet the independence requirements prescribed by the NYSE and, in the case of members of the Audit and Finance Committee, also meet the audit committee independence requirements prescribed by the SEC. In assessing whether a director or nominee has a material relationship with Unisys (either directly or as a partner, stockholder or officer of an organization that has a relationship with Unisys), the Board uses the criteria outlined below in paragraph 2 of Corporate Governance Guidelines. All non-employee directors met these criteria in 2015.

Committees

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

Audit and Finance Committee

The Audit and Finance Committee assists the Board in its oversight of (1) the integrity of the Company's financial statements and its financial reporting and disclosure practices, (2) the soundness of its systems of internal financial and accounting controls, (3) the independence and qualifications of its independent registered public accounting firm, (4) the performance of its internal auditors and independent registered public accounting firm, (5) the Company's compliance with legal and regulatory requirements and the soundness of its ethical and environmental compliance programs, (6) the Company's risk assessment and risk management policies, (7) the Company's financial affairs, including its capital structure, financial arrangements, capital spending and acquisition and disposition plans and (8) the management and investment of funds in the pension, savings and welfare benefit plans sponsored by the Company. In 2015, the Audit and Finance Committee held nine meetings. Its members are Ms. Fletcher, Mr. Roberts and Mr. Weaver (chair). The Board has determined that each of Ms. Fletcher, Mr. Roberts and Mr. Weaver is an audit committee financial expert as defined by the SEC.

Compensation Committee

The Compensation Committee oversees the compensation of the Company's executives, the compensation-related policies and programs involving the Company's executive management and the level of benefits of officers and key employees. In this capacity, the committee regularly reviews and approves the Company's executive compensation strategy and principles to ensure that they are aligned with the Company's

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business strategy and objectives and with stockholder interests. Under its charter, the Compensation Committee annually reviews and approves goals and objectives relevant to the compensation of the Chief Executive Officer, evaluates the performance of the Chief Executive Officer in light of those goals and objectives and makes recommendations to the independent members of the Board concerning the compensation level of the Chief Executive Officer. The committee also annually reviews and approves compensation levels of the other elected officers. In this regard, the committee solicits input from the Company's Chief Executive Officer regarding the compensation of those executives who report directly to him. The Compensation Committee also reviews and recommends to the Board the adoption of director compensation programs. The Company's guidelines regarding the compensation of directors are described more fully in paragraph 11 of "Corporate Governance Guidelines" below. Under its charter, the Compensation Committee also annually reviews management's assessment of risk as it relates to the Company's compensation arrangements. As is discussed more fully below in "Compensation Discussion and Analysis", the Compensation Committee regularly receives reports and recommendations from management and from the committee's outside compensation consultant to assist it in carrying out its responsibilities. In 2015, the outside compensation consultant engaged by the Compensation Committee was Pearl Meyer & Partners ("Pearl Meyer"). During 2015, Pearl Meyer and its affiliates did not provide any additional services to the Company or its affiliates, and the work of Pearl Meyer has not raised any conflict of interest. Under its charter, the committee also may consult with legal, accounting or other advisors, as appropriate, and may form and delegate authority to subcommittees when appropriate. The Compensation Committee held five meetings in 2015. Its members are Dr. Cohon, Ms. Davis, Ms. Kenne and Mr. Roberts (chair).

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee identifies and reviews candidates and recommends to the Board of Directors nominees for membership on the Board of Directors. It also oversees the Company's corporate governance. The Nominating and Corporate Governance Committee held five meetings in 2015. Its members are Mr. Davis, Ms. Fletcher (chair) and Ms. Kenne.

Director Nomination Process

As part of the nomination process, the Nominating and Corporate Governance Committee is responsible for determining the appropriate skills and characteristics required of new Board members in the context of the current make-up of the Board and for identifying qualified candidates for Board membership. In so doing, the Nominating and Corporate Governance Committee considers, with input from the Board, those factors it deems appropriate, such as independence, experience, expertise, strength of character, mature judgment, leadership ability, technical skills, diversity, age and the extent to which the individual would fill a present need on the Board. The aim is to assemble a Board that is strong in its collective knowledge and that consists of individuals who bring a variety of complementary attributes and who, taken together, have the appropriate skills and experience to oversee the Company's business. In February 2016, the Nominating and Corporate Governance Committee recommended, and the Board elected, one new director, Mr. Germond. As part of the selection process, the Board considered his broad executive experience in a number of industries, his experience implementing transformation projects, and his experience conducting business internationally.

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

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

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

Communications with Directors

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

Board Leadership Structure

As set forth in paragraph 4 of Corporate Governance Guidelines below, the Board believes that it should have the flexibility to make the selection of Chairman of the Board and Chief Executive Officer in the way that it believes best to provide appropriate leadership for the Company at any given point in time. Therefore, the Board does not have a policy, one way or the other, on whether the same person should serve as both the Chief Executive Officer and Chairman of the Board or, if the roles are separate, whether the Chairman should be selected from the non-employee directors or should be an employee. Over the last several years, the Company has had each of the following leadership structures, reflecting its circumstances at the time: separate Chairman and Chief Executive Officer, with the Chairman being a member of the Company's management (2005); combined Chairman and Chief Executive Officer (2008 to 2014); and separate non-employee Chairman and Chief Executive Officer (2006 to 2008 and 2015). Pursuant to the Company's governance guidelines, whenever the Chairman is an employee of the Company, the Board elects a lead director from its independent directors.

Risk Oversight

In its oversight role, the Board of Directors annually reviews the Company's strategic and operating plans, which address, among other things, the risks and opportunities facing the Company. The Board also has overall responsibility for executive officer succession

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

Risk Assessment of Compensation Policies and Practices

The Company has conducted an internal risk assessment of its employee compensation policies and practices, including those relating to its employees who are not executive officers. In performing its assessment, the Company inventoried its compensation plans, with particular emphasis on incentive compensation plans, and assessed the risks, including financial and operational risks, of those plans. This assessment included an evaluation of the plans' structure and philosophy, design characteristics and performance measurement features, including (a) compensation mix, (b) performance metrics and the relationship between those metrics and the Company's business strategy and the creation of long-term stockholder value, (c) whether caps and thresholds exist, (d) length of performance and vesting periods and (e) the existence of risk mitigating factors such as stock ownership guidelines. As a result of this review, both management and the Compensation Committee concluded that our compensation policies and practices are not reasonably likely to have a material adverse effect on the Company.

Compensation of Directors

In 2015, the Company's non-employee directors received an annual retainer for regularly scheduled meetings of \$60,000 and a meeting fee of \$1,500 per meeting for attendance at certain additional Board and committee meetings. In addition, Mr. Weaver received a \$100,000 annual retainer for serving as Chairman of the Board and a \$20,000 annual retainer for serving as the chair of the Audit and Finance Committee; Mr. Roberts received a \$10,000 annual retainer for serving as the chair of the Compensation Committee; and Ms. Fletcher received a \$5,000 annual retainer for serving as the chair of the Nominating and Corporate Governance Committee. In February 2015, the Board approved an annual grant to each non-employee director of restricted stock units having a value of \$150,000 (based on the fair

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market value of Unisys common stock on the date of grant). Accordingly, on February 5, 2015, each non-employee director received an annual grant of 6,667 restricted stock units that vested 100% on that date. Directors may defer receipt of these restricted stock units until termination of service, or until a specified date, under the Company's deferred compensation plan for directors.

In February 2016, the Board eliminated the meeting fee of \$1,500 per meeting for attendance at certain additional Board and committee meetings, increased the annual committee chair retainers and added annual committee member retainers. Currently, the chair of the Audit and Finance Committee receives a \$26,000 annual retainer, the chair of the Compensation Committee receives a \$19,000 annual retainer and the chair of the Nominating and Corporate Governance Committee receives a \$16,250 annual retainer. In addition, each other member of the Audit and Finance Committee receives a \$12,000 annual retainer, each other member of the Compensation Committee receives a \$7,500 annual retainer and each other member of the Nominating and Corporate Governance Committee receives a \$7,500 annual retainer. Prior to adopting these changes, the Board considered an assessment of our non-employee director compensation provided by Pearl Meyer, which took into account the director compensation and practices of the peer group companies used as a frame of reference in assessing our executive compensation. The new fee amounts are aligned with the median amounts provided by our peer group companies.

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The annual retainers described above are paid in monthly installments in cash. However, directors may choose, on an annual basis, to receive these fees in the form of common stock equivalent units. The value of each stock unit at any point in time is equal to the value of one share of Unisys common stock. Stock units are recorded in a memorandum account maintained for each director. A director's stock unit account is payable in Unisys common stock, either upon termination of service or on a date specified by the director, at the director's option. Directors do not have the right to vote with respect to any stock units. Directors also may defer until termination of service, or until a specified date, all or a portion of their cash fees under the Company's deferred compensation plan for directors. Under this plan, any deferred cash amounts, and earnings or losses thereon (calculated by reference to investment options available under the Unisys Savings Plan and selected by the director), are recorded in a memorandum account maintained for each director. The right to receive future payments of deferred cash accounts is an unsecured claim against the Company's general assets. Directors who are employees of the Company do not receive any cash, stock units, stock options or restricted stock units for their services as directors. The following table provides a summary of the 2015 compensation of current non-employee directors.

Name	Fees Earned or Paid		Option Awards (4)	Non-Equity Incentive Plan Compensation	Change in Pension Value and Non-Qualified Deferred Compensation Earnings	All Other Compensation	Total
	in Cash (1)	Stock Awards (2)(3)					
	(\$)	(\$)	(\$)	(\$)		(\$)	(\$)
Jared L. Cohon	64,500	150,007					214,507
Alison Davis	69,000	150,007					219,007
Nathaniel A. Davis	64,500	150,007					214,507
Denise K. Fletcher	75,500	150,007					225,507
Chair, Nominating and Corporate Governance Committee							
Leslie F. Kenne	64,500	150,007					214,507
Lee D. Roberts	80,500	150,007					230,507
Chair, Compensation Committee							
Paul E. Weaver	189,000	150,007					339,007
Chairman of the Board; Chair, Audit and Finance Committee							

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

(2) Amounts shown are the aggregate grant date fair value of awards computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. For a discussion of the assumptions made in such valuation, see note 16 to the Company's 2015 financial statements. Amounts shown are in respect of the 6,667 restricted stock units granted to directors on February 5, 2015. Includes awards that have been deferred under the deferred compensation plan for directors.