UNISYS CORP
Form PRE 14A
March 15, 2019
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

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

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

Unisys Corporation

(Name of registrant as specified in its charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

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

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

Table of Contents

Unisys Corporation

801 Lakeview Drive, Suite 100

Blue Bell, PA 19422

March [ ], 2019

Dear Fellow Stockholder:

It is my pleasure to invite you to the Unisys 2019 Annual Meeting of Stockholders. This year s meeting will be held on Friday, May 10, 2019, at the Courtyard Philadelphia Downtown, which is located at 21 North Juniper Street in Philadelphia, Pennsylvania. The meeting will begin at 8:00 a.m., local time.

Unisys entered 2018 with momentum, including strong Services backlog growth as of year-end 2017. We are excited that this momentum and continued execution against our strategy has resulted in the first full year of revenue growth for the company since 2003 and for Services since 2006. We also achieved or exceeded guidance on all metrics for the third-consecutive year. In addition to growing revenue, our non-GAAP operating profit margin and adjusted EBITDA margin also both expanded, and we saw a reduction of our unfunded pension liability. We remain focused on continuing execution against our strategy of targeting industries where we have deep expertise and leverageable IP and related solutions, while also using security to differentiate our offerings in 2019.

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

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

Sincerely,

Peter A. Altabef

President and Chief Executive Officer

Table of Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

May 10, 2019

Unisys Corporation will hold its 2019 Annual Meeting of Stockholders at the Courtyard Philadelphia Downtown, 21 North Juniper Street, Philadelphia, Pennsylvania, on Friday, May 10, 2019, at 8:00 a.m., local time, to:

1. approve an amendment to the Company s Bylaws to permit the Company s Board of Directors to extend the mandatory retirement age for directors from 72 years old to 74 years old under certain circumstances;

2. elect eleven directors;

3. ratify the selection of the Company s independent registered public accounting firm for 2019;

4. hold an advisory vote to approve executive compensation;

5. approve the Unisys Corporation 2019 Long-Term Incentive and Equity Compensation Plan; and

6. transact any other business properly brought before the meeting.

Only record holders of Unisys common stock at the close of business on March 11, 2019 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 [ ], 2019

Important Notice Regarding the Availability of Proxy Materials for the Stockholder

Meeting to be Held on May 10, 2019:

The Company s proxy statement and annual report are available at

www.proxyvote.com

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

TABLE OF CONTENTS

PROXY STATEMENT	1
Internet Availability of Proxy Materials; Multiple Sets of Proxy Materials	1
Voting Procedures and Revocability of Proxies	2
Required Vote	3
BYLAWS AMENDMENT TO PROVIDE FLEXIBILITY TO BOARD TO INCREASE DIRECTOR MANDATORY RETIREMENT AGE TO AGE 74 UNDER CERTAIN CIRCUMSTANCES	3
ELECTION OF DIRECTORS	5
Summary	5
Information Regarding Nominees	8
Board Meetings; Attendance at Annual Meetings	15
Independence of Directors	15
Committees	15
Director Nomination Process	18
Communications with Directors	19
Board Leadership Structure	19
Risk Oversight	20
Compensation of Directors	20
Code of Ethics and Business Conduct	22
Corporate Governance Guidelines	22
Related Party Transactions	24
Audit and Finance Committee Report	25
Independent Registered Public Accounting Firm Fees and Services	26
RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	26
ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION	26
2019 LONG-TERM INCENTIVE AND EQUITY COMPENSATION PLAN	27
EQUITY COMPENSATION PLAN INFORMATION	40
SECURITY OWNERSHIP BY CERTAIN BENEFICIAL OWNERS AND MANAGEMENT	41
EXECUTIVE COMPENSATION	43
Compensation Discussion and Analysis	43
Compensation Committee Report	62
Summary Compensation Table	63
Grants of Plan-Based Awards	64
Outstanding Equity Awards at Fiscal Year-End	65
Option Exercises and Stock Vested	68
Pension Benefits	68
Defined Contribution Plans	70

Non-Qualified Deferred Compensation	71
Potential Payments upon Termination or Change in Control	71
CEO Pay Ratio	75
GENERAL MATTERS	75
Section 16(a) Beneficial Ownership Reporting Compliance	75
Policy on Confidential Voting	75
Stockholder Proposals and Nominations	76
Householding of Proxy Materials	76
Forward-Looking Statements	76
Other Matters	77
APPENDIX A	78

Table of Contents

UNISYS CORPORATION

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

May 10, 2019

The Board of Directors of Unisys Corporation (the Board of Directors or the Board) solicits your proxy for use at the 2019 Annual Meeting of Stockholders to be held on May 10, 2019 and at any adjournments or postponements thereof. At the annual meeting, stockholders will be asked to (1) approve an amendment to the Company s Bylaws to permit the Company s Board of Directors to extend the mandatory retirement age for directors from 72 years old to 74 years old under certain circumstances, (2) elect directors, (3) ratify the selection of the Company s independent registered public accounting firm, (4) approve, on an advisory basis, the compensation of the Company s named executive officers, (5) approve a new long-term incentive and equity compensation plan, and (6) transact any other business properly brought before the meeting.

The record date for the annual meeting is March 11, 2019. 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, 51,762,063 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 2018, are being made available to stockholders on or about March [ ], 2019.

Internet Availability of Proxy Materials; Multiple Sets of Proxy Materials

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

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

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

Table of Contents

Voting Procedures and Revocability of Proxies

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

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

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

If you are a stockholder of record and you properly complete, sign and return your proxy, and do not revoke it, the proxy holders will vote your shares in accordance with your instructions. If your signed and returned proxy gives no instructions, the proxy holders will vote your shares (1) FOR the proposal to amend the Company s Bylaws to permit the Company s Board of Directors to extend the mandatory retirement age for directors from 72 years old to 74 years old under certain circumstances, (2) FOR the election of directors, (3) FOR the ratification of the selection of independent registered public accounting firm, (4) FOR the approval, on an advisory basis, of the compensation of the Company s named executive officers, (5) FOR the approval of the Unisys Corporation 2019 Long-Term Incentive and Equity Compensation Plan, and (6) 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 amendment to the Company s Bylaws to permit the Company s Board of Directors to extend the mandatory retirement age for directors from 72 years old to 74 years old under certain circumstances, 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 March 11, 2019. The trustee will vote those shares in accordance with your instructions if it receives your completed proxy by May 7, 2019. 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.

Table of Contents

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.

Amendment to Bylaws (Item 1). The affirmative vote of not less than 80% of the outstanding shares of common stock entitled to vote is required to approve the proposal to amend the Company s Bylaws to permit the Company s Board of Directors to extend the mandatory retirement age for directors from 72 years old to 74 years old under certain circumstances. Abstentions and broker non-votes will have the same effect as a vote Against the proposal.

Election of Directors (Item 2). Directors will be elected by the vote of a majority of the votes cast at the meeting. This means that a nominee will be elected if the number of votes cast FOR his or her election exceeds 50% of the total number of votes cast with respect to that nominee s election. Votes cast with respect to the election of directors do not include abstentions and broker non-votes.

Independent Registered Public Accounting Firm (Item 3). The proposal to ratify the selection of the Company s independent registered public accounting firm will be approved if it receives the affirmative vote of a majority of shares present, in person or by proxy, and entitled to vote on the matter. Abstentions will have the same effect as a vote Against the proposal. There will be no broker non-votes for the proposal to ratify the selection of the Company s independent registered public accounting firm since brokers will be entitled to vote on this routine proposal.

Advisory Vote to Approve Executive Compensation (Item 4). The advisory resolution to approve executive compensation will be approved if it receives the affirmative vote of a majority of shares present, in person or by proxy, and entitled to vote on the matter. Abstentions will have the same effect as a vote Against the proposal. Broker non-votes will not be included in the vote totals and therefore will have no effect on the advisory vote on executive compensation.

The advisory vote to approve executive compensation (Item 4) 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.

2019 Long-Term Incentive and Equity Compensation Plan (Item 5). The proposal to approve a new long-term incentive and equity compensation plan will be approved if it receives the affirmative vote of a majority of shares present, in person or by proxy, and entitled to vote on the matter. Abstentions will have the same effect as a vote Against the proposal. Broker non-votes will not be included in the vote totals and therefore will have no effect on the vote on the proposal.

BYLAWS AMENDMENT TO PROVIDE FLEXIBILITY TO BOARD TO INCREASE DIRECTOR MANDATORY RETIREMENT AGE TO AGE 74 UNDER CERTAIN CIRCUMSTANCES

(Item 1)

The Board of Directors has adopted, declared advisable and is submitting for stockholder approval an amendment to the Company s Bylaws to permit the Company s Board of Directors to extend the mandatory retirement age for directors from 72 years old to 74 years old under certain circumstances. The adoption of this amendment requires approval of not less than 80% of the outstanding shares of common stock entitled to vote.

3

[Table of Contents](#)

The final sentence of Article II, Section 5 of the Company s Bylaws currently reads as follows:

No person shall be elected a director of the Corporation after having attained the age of seventy-two years.

This Bylaw provision was adopted and approved by the Board and holders of more than 80% of the outstanding shares of the Company s common stock entitled to vote in 2015 when the mandatory retirement age was increased from 70 years old to 72 years old with 91.4% of the Company s outstanding shares voting in favor of the amendment. Since that time, the Board has continued to monitor trends regarding mandatory retirement ages for directors and has noted that the trend toward an older retirement age has continued in recent years. According to the 2018 Spencer Stuart U.S. Board Index, among S&P 500 boards with a mandatory retirement age, more than half set the retirement age above 73 years old, with 43.5% setting it at 75 or older, an increase from 42% in 2017 and just 11% in 2007. The Spencer Stuart Index also found that among Information Technology companies in the S&P 500 the mean retirement age is 73 years old and the median is 75 years old.

The Board believes that there are circumstances when service by a director beyond age 72 may be in the best interests of the Company and its stockholders. In particular, the Company could lose the benefit it derives from having directors who are valuable members of the Board of Directors with deep knowledge of the Company s history and operations or who have a unique skill set or expertise. The Board also continues to believe that a mandatory retirement age for directors is appropriate and that in many instances, the appropriate mandatory retirement age is 72 years old. In order to increase the Board s flexibility to retain highly valued directors who have reached age 72, the Board believes that it should have the flexibility to permit directors to stand for reelection upon the request of the Nominating and Corporate Governance Committee and with the approval of at least two-thirds of the directors then in office (excluding the director in question) at up to two annual stockholders meetings after having attained age 72. With this increased flexibility, the Board and Nominating and Corporate Governance Committee can assess the engagement level and value brought to the Corporation of directors who have reached age 72 or age 73 to ensure that the Board and the Corporation do not lose the benefits brought by highly engaged, highly valuable Board members with a skill set that may be difficult to replace. Even with this increased flexibility, once a director has reached age 74, that director will not be able to stand for reelection.

If the proposed amendment is approved by stockholders, the final sentence of Article II, Section 5 of the Company s Bylaws will be amended to read as follows:

No person shall stand for election as a director of the Corporation after having attained the age of seventy-two years; provided that, upon the request of the Nominating and Corporate Governance Committee and with the approval of at least two-thirds of the directors then in office (excluding such director) a director may stand for reelection at up to two annual stockholders meetings after having reached such age. Notwithstanding the foregoing, in no event shall a person stand for election as a director of the Corporation after having attained the age of seventy-four years.

If approved by the stockholders, this amendment to the Company s Bylaws will become effective immediately upon approval, and the Board of Directors will also make conforming changes to its corporate governance guidelines regarding the retirement age for directors.

Table of Contents

The Board of Directors recommends a vote FOR the proposal to amend the Company s Bylaws to permit the Company s Board of Directors to extend the mandatory retirement age for directors from 72 years old to 74 years old under certain circumstances.

ELECTION OF DIRECTORS

(Item 2)

Summary

The Board currently consists of eleven members, each of whose term expires at the annual meeting. Each of the eleven directors has been nominated for reelection for a term expiring at the 2020 annual meeting. Each of the nominees has agreed to serve as a director if elected, and the Company believes that each nominee will be available to serve. However, the proxy holders have discretionary authority to cast votes for the election of a substitute should any nominee not be available to serve as a director.

Table of Contents

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

AGE

TENURE

DIVERSITY

INDEPENDENCE

Table of Contents

BACKGROUND AND EXPERIENCE

Key

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

Table of Contents

Information Regarding Nominees

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

The Board of Directors recommends a vote FOR all nominees.

PETER A. ALTABEF	**Professional Experience:**
Age: 59 **Director Since: 2015** **Unisys Chairman,** **President and CEO**	Mr. Altabef has served as Chairman of the Board of Unisys Corporation since April 2018 and as President and Chief Executive Officer of Unisys since January 2015. Prior to joining Unisys, Mr. Altabef was the President and Chief Executive Officer, and a member of the Board of Directors, of MICROS Systems, Inc. from 2013 until 2014, when MICROS Systems, Inc. was acquired by Oracle Corporation. He previously served as President and Chief Executive Officer of Perot Systems Corporation from 2004 until 2009, when Perot Systems was acquired by Dell, Inc. Thereafter, Mr. Altabef served as President of Dell Services (a unit of Dell Inc.) until his departure in 2011. Mr. Altabef also serves on the President s National Security Telecommunications Advisory Committee, the boards of directors of NiSource Inc. and Petrus Trust Company, LTA., the board of the East West Institute, and the board of advisors of Merit Energy Company, LLC. He previously served as Senior Advisor to 2M Companies, Inc. in 2012, and served as a director of Belo Corporation from 2011 through 2013.
	Attributes, Skills and Qualifications:
	Mr. Altabef has more than 25 years of senior leadership experience in the information technology industry. Having led both Perot Systems Corporation and MICROS Systems, Inc., Mr. Altabef 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 Chairman, President and Chief Executive Officer of the Company.

Table of Contents

JARED L. COHON	**Professional Experience:**
Age: 71 **Director Since: 2013** **Compensation Committee** **Nominating and Corporate Governance Committee**	Dr. Cohon is President Emeritus and University Professor of Civil and Environmental Engineering and Engineering and Public Policy at Carnegie Mellon University. He served as President of Carnegie Mellon from 1997 until 2013. During this period, he led the university s global expansion while enhancing programs in information technology, diversity, international education, economic development and other areas. Prior to joining Carnegie Mellon, Dr. Cohon served as Dean of the School of Forestry and Environmental Studies at Yale University. Before that, he was an associate dean of engineering and vice provost for research at Johns Hopkins University. Dr. Cohon currently serves as a director of Ingersoll-Rand, plc. From 1999 to 2008, he served as a director of Trane, Inc. (formerly American Standard Companies, Inc.) and from 2010 to 2016, he served as director of Lexmark International, Inc.
	Attributes, Skills and Qualifications:
Independent	Dr. Cohon brings to the Board both the management expertise and the unique perspective on technological matters gained from serving as the president of a global research university known for its leadership in technology programs. This, combined with his distinguished academic career, his international experience and the experience he has gained from serving as a director of multiple publicly traded companies make him a valued contributor to our Board.
NATHANIEL A. DAVIS	**Professional Experience:**
Age: 65 **Director Since: 2011** **Lead Director**	Mr. Davis is the Chairman of the Board and Chief Executive Officer of K12 Inc., a provider of proprietary curricula and on-line education programs for students in kindergarten through high school. He has been a member of the Board of Directors of K12 since 2009, has been its Chairman of the Board since 2012 and was named its Chief Executive Officer in February 2018, a position he previously held from 2014 to 2016. He has served as K12 s Executive Chairman since 2013. Mr. Davis worked as Managing Director of the RANND Advisory Group, a business consulting group that advises software, technology, media and venture capital firms, before assuming the role of Executive Chairman of K12 in 2013. From 2007 to 2008, he was President and Chief Executive Officer of XM Satellite Radio, a provider of direct satellite radio broadcasts in the U.S., and from 2006 to 2007, was its President and Chief Operating Officer. He also was a member of the XM Satellite Radio Board of Directors from 1999 until 2008. From 2000 to 2003, he was President and Chief Operating Officer

Nominating and Corporate Governance Committee	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.
Independent	

Table of Contents

Attributes, Skills and Qualifications:

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

MATTHEW J. DESCH

Age: 61

Director Since: 2019

Independent

Professional Experience:

Mr. Desch has served as Chief Executive Officer and a director of Iridium Communications Inc., a global mobile, voice and data satellite communications company, since 2009. He previously served as Chief Executive Officer of Iridium s predecessor, Iridium Holdings LLC, beginning in 2006. Prior to joining Iridium, Mr. Desch served as Chief Executive Officer of Telcordia Technologies, Inc., a telecommunications software services provider that is now part of Ericsson. Previously, he spent 13 years at Nortel Networks Corporation, including as president of the company s global wireless networks business, and as President of Global Carriers. Mr. Desch serves on the President s National Security Telecommunications Advisory Committee.

Attributes, Skills and Qualifications:

Mr. Desch s deep understanding of critical infrastructure from his 35 years in the telecommunications industry brings Unisys a unique and valuable perspective regarding the security challenges faced around the globe. In addition, his expertise with the Internet of Things (IoT) will help Unisys drive its Safe Cities initiative, which focuses on supporting governments around the world in protecting the security of IOT-enabled devices.

DENISE K. FLETCHER

Professional Experience:

Ms. Fletcher is a former Executive Vice President, Finance of Vulcan Inc., an investment and project company, a position she held from 2005 to 2008. From 2004 to

2005, she served as Chief Financial Officer of DaVita, Inc., a provider of dialysis services in the United States. From 2000 to 2003, she was Executive Vice President and Chief Financial Officer of MasterCard International, an international payment solutions company. Before joining MasterCard, she served as Chief Financial Officer of Bowne Inc., a global document management and information services provider. Ms. Fletcher is a director of Inovalon, Inc., a publicly-traded technology company, and a member of the Group Governance Council of Mazars Group, an international organization that specializes in audit, accounting, tax, legal, and advisory services. She is also a director of Enterra Holdings, Ltd., which through its subsidiary, Golder Associates, provides global ground engineering and environmental services. During 2004 and 2005, she served as a director of Sempra Energy and of Orbitz, Inc.

Age: 70

Director Since: 2001

Audit and Finance Committee, Chair

Compensation Committee

Independent

Attributes, Skills and Qualifications:

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

PHILIPPE GERMOND

Age: 62

Director Since: 2016

Nominating and Corporate Governance Committee, Chair

Independent

Professional Experience:

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

Attributes, Skills and Qualifications:

As a successful leader in sales, operations and governance, Mr. Germond brings broad executive experience in a number of industries. His experience implementing transformation projects and making companies more digital and customer-oriented is helpful to Unisys as we continue our transformation and bring enhanced value to our clients. In addition, Mr. Germond s vast global experience is particularly useful for

Unisys, a company with about half of its revenue from international operations and approximately 30% of its revenue from Europe.

Table of Contents

LISA A. HOOK

Age: 60

Director Since: 2019

Independent

Professional Experience:

Ms. Hook served as President and Chief Executive Officer of Neustar Inc., a global information services provider, from 2010 to July 2018 and as President and Chief Operating Officer from 2008 to 2010. She joined the Neustar Board in 2010 and continues to serve the company in that capacity. Ms. Hook was President and Chief Executive Officer of Sunrocket, Inc., a voice over IP service provider, from 2006 to 2007 and held several executive-level posts at America Online, Inc. from 2001 to 2004. Previously, she was a partner at Brera Capital Partners, a global private equity investment firm; was Managing Director of Alpine Capital Group, LLC., an investment banking firm; held several executive positions at Time Warner, Inc., a diversified media company; was legal advisor to the Chairman of the Federal Communications Commission; and was a senior attorney at Viacom International, Inc., a diversified media company. Ms. Hook also serves on the Board of Directors of Philip Morris International, an international tobacco company, and Worldplay Inc., a global payment processing firm. Ms. Hook was a senior independent director of RELX PLC and RELX NV, providers of information solutions, from 2006 to 2016. Previously she served as a director of Covad Communications, Time Warner Telecom, Inc. and National Geographic Ventures. Ms. Hook has served on the National Security Telecommunications Advisory Committee since 2012.

Attributes, Skills and Qualifications:

Ms. Hook brings to Unisys more than three decades of management experience in media, entertainment and informations businesses. In addition, her experience in leading Neustar and expertise in the field of analytics will help guide Unisys and contribute to the Company s ongoing initiative to embed leading, real-time analytics in its solutions.

Table of Contents

DEBORAH LEE JAMES

Age: 60

Director Since: 2017

Compensation Committee

Nominating and Corporate Governance Committee

Independent

Professional Experience:

Ms. James served as the U.S. Secretary of the Air Force from 2013 to January 2017. In this role, she was responsible for the affairs of the Department of the Air Force. Prior to serving as Secretary of the Air Force, from 2002 to 2013, Ms. James held a variety of increasingly senior positions as Science Applications International Corporation (SAIC), including Senior Vice President and Director of Homeland Security and President of SAIC s Technical and Engineering Sector. Previously, she was Executive Vice President and Chief Operating Officer at Business Executives for National Security from 2000 to 2001 and Vice President of International Operations and Marketing at United Technologies from 1998 to 2000. Ms. James has also served as the Assistant Secretary of Defense for Reserve Affairs, Assistant to the Secretary for Legislative Affairs and as a professional staff member on the House Armed Services Committee. Ms. James is currently a director of Textron Inc. and serves on the Board of Trustees of Noblis, Inc.

Attributes, Skills and Qualifications:

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

PAUL E. MARTIN

Age: 61

Director Since: 2017

Professional Experience:

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

Attributes, Skills and Qualifications:

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

Table of Contents

REGINA PAOLILLO	**Professional Experience:**
Age: 60 **Director Since: 2018** **Audit and Finance Committee** **Independent**	Ms. Paolillo has served as Executive Vice President, Chief Financial & Administrative Officer of TTEC Holdings, Inc. (formerly known as TeleTech Holdings, Inc.), a global customer experience company that designs, builds and operates omnichannel customer experiences on behalf of leading brands across the world, since 2011. Between 2009 and 2011, Ms. Paolillo was the Chief Financial Officer and Executive Vice President for Enterprise Services at TriZetto Group, Inc. While at General Atlantic from 2007 to 2008, she supported the investment teams and portfolio companies in the areas of financial, operations and human capital. Prior to General Atlantic, Ms. Paolillo served as Executive Vice President of the Revenue Cycle and Mortgage Services Division at Genpact, following its acquisition of Creditek. Prior to this acquisition, Ms. Paolillo was Creditek s Chief Financial Officer and Chief Operating Officer before becoming the company s Chief Executive Officer from 2003 to 2005. She has also held finance, operations and executive leadership positions at Gartner, Inc., Productivity, Inc., Citibank and Bristol-Myers Squibb. Ms. Paolillo began her career as an auditor at Price Waterhouse. Ms. Paolillo serves as director and head of the audit committee of Welltok, Inc., an enterprise software as a service company in the consumer health market.
	Attributes, Skills and Qualifications:
	As a certified public accountant and experienced financial and operational leader with a variety of technology and services companies, Ms. Paolillo brings a broad understanding of the strategic priorities of technology and services organizations, coupled with deep knowledge of financial and accounting matters and financial reporting as well as experience in investments and acquisitions.

Table of Contents

LEE D. ROBERTS	**Professional Experience:**
Age: 66 **Director Since: 2011**	Mr. Roberts is Chief Executive Officer and President of BlueWater Consulting, LLC. Prior to that, he was general manager and vice president for document, content and business process management at IBM Corporation. Mr. Roberts was with FileNET Corporation from 1997 until its acquisition by IBM in 2006, serving as its Chairman and Chief Executive Officer from 2000 to 2006, its President and Chief Executive Officer from 1998 to 2000, and President and Chief Operating Officer from 1997 to 1998. Prior to FileNET, Mr. Roberts spent twenty years at IBM, where he held numerous senior management, sales and marketing roles. He is a director of Inovalon, Inc. and QAD Inc.
Compensation Committee, Chair **Audit and Finance Committee**	**Attributes, Skills and Qualifications:**
Independent	Mr. Roberts brings a deep understanding of the IT industry, technology trends and customer requirements to the Board. In addition, his extensive executive experience in our industry enables him to provide important strategic counsel to the Board.

Board Meetings; Attendance at Annual Meetings

The Board of Directors held eight meetings in 2018. During 2018, all directors attended at least 75% of the total number of meetings of the Board and standing committees on which they served (held during the period when the director served).

It is the Company s policy that all directors should attend the annual meeting of stockholders. All of the Company s current directors who were directors at the time of the 2018 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 2018.

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.

Table of Contents

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

Director	Audit and Finance Committee	Compensation Committee	Nominating and Corporate Governance Committee
Peter A. Altabef			
Jared L. Cohon		X	X
Nathaniel A. Davis			X
Matthew J. Desch(1)			
Denise K. Fletcher	Chair	X	
Philippe Germond			Chair
Lisa A. Hook(1)			
Deborah Lee James		X	X
Paul E. Martin	X		
Regina Paolillo	X		
Lee D. Roberts	X	Chair	

(1) Mr. Desch was elected to the Board of Directors as of January 1, 2019 and Ms. Hook was elected as of of February 15, 2019. Neither has been appointed to a standing committee.

AUDIT AND FINANCE COMMITTEE

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

Number of Meetings: 9

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

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

Table of Contents

COMPENSATION COMMITTEE

Members: Dr. Cohon, Ms. Fletcher, Ms. James and Mr. Roberts (chair)

Number of Meetings: 6

Independence and Qualifications: The Board has determined that each of Dr. Cohon, Ms. Fletcher, Ms. James and Mr. Roberts qualifies as independent under the listing standards of the NYSE.

Purpose: The Compensation Committee (1) oversees the compensation of the Company s elected executive officer and other executives who report directly to the Chief Executive Officer, (2) oversees the compensation-related policies and programs involving the Company s executive management and the level of benefits of officers and key employees and (3) reviews the senior executive succession plan and the senior executive leadership development process as presented by the Chief Executive Officer. The committee regularly reviews and approves the Company s executive compensation strategy and principles to ensure that they are aligned with the Company s business strategy and objectives and with stockholder interests. Under its charter, the Compensation Committee annually reviews and approves goals and objectives relevant to the compensation of the Chief Executive Officer, evaluates the performance of the Chief Executive Officer in light of those goals and objectives and makes recommendations to the independent members of the Board concerning the compensation level of the Chief Executive Officer. The committee also annually reviews and approves compensation levels of the other elected officers. In this regard, the committee solicits input from the Company s Chief Executive Officer regarding the compensation of those executives who report directly to him. The Compensation Committee also reviews and recommends to the Board the adoption of director compensation programs. The Company s guidelines regarding the compensation of directors are described more fully in paragraph 11 of Corporate Governance Guidelines below. Under its charter, the Compensation Committee also annually reviews management s assessment of risk as it relates to the Company s compensation arrangements. As is discussed more fully below in Compensation Discussion and Analysis , the Compensation Committee regularly receives reports and recommendations from management and from the committee s outside compensation consultant to assist it in carrying out its responsibilities. In 2018, the Compensation Committee engaged Pearl Meyer & Partners (Pearl Meyer) as its outside compensation consultant. During 2018, Pearl Meyer and its affiliates did not provide any additional services to the Company or its affiliates, and the work of Pearl Meyer has not raised any conflict of interest. Under its charter, the committee also may consult with legal, accounting or other advisors, as appropriate, and may form and delegate authority to subcommittees when appropriate.

Table of Contents

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Members: Dr. Cohon, Mr. Davis, Mr. Germond (chair) and Ms. James

Number of Meetings: 5

Independence and Qualifications: The Board has determined that each of Dr. Cohon, Mr. Davis, Mr. Germond and Ms. James qualifies as independent under the listing standards of the NYSE.

Purpose: The Nominating and Corporate Governance Committee identifies and reviews candidates and recommends to the Board of Directors nominees for membership on the Board of Directors. The director nomination process and the factors considered by the committee when reviewing candidates are described below in Director Nomination Process. It also oversees the Company s corporate governance. As a part of this responsibility, the Nominating and Corporate Governance Committee oversees the evaluation of the Board of Directors, including reviewing annually with the Board the independence of outside directors and annually facilitating the Board s self-assessment of its performance.

Director Nomination Process

As part of the nomination process, the Nominating and Corporate Governance Committee is responsible for determining the appropriate skills and characteristics required of new Board members in the context of the current make-up of the Board and for identifying qualified candidates for Board membership. In so doing, the Nominating and Corporate Governance Committee considers, with input from the Board, those factors it deems appropriate, such as independence, experience, expertise, strength of character, mature judgment, leadership ability, technical skills, diversity, age and the extent to which the individual would fill a present need on the Board. The aim is to assemble a Board that is strong in its collective knowledge and that consists of individuals who bring a variety of complementary attributes and who, taken together, have the appropriate skills and experience to oversee the Company s business. Since the last annual meeting, the Nominating and Corporate Governance Committee recommended, and the Board elected, two new directors Mr. Desch in January 2019 and Ms. Hook in February 2019. As part of the selection process, the Board considered Mr. Desch s extensive experience in government and in travel and transportation and took into account Ms. Hook s experience in leading Neustar and her expertise in the field of analytics.

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

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

Corporation, 801 Lakeview Drive, Suite 100, Blue Bell, Pennsylvania 19422.

Table of Contents

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

Communications with Directors

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

Board Leadership Structure

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

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

As the Chairman at the time prepared to retire from the Board last year, the Board conducted an in-depth review of its leadership structure and considered the individuals best-suited to lead the Board as the Company implements and executes its business strategy. As a part of this review, the Nominating and Corporate Governance Committee hired a third-party firm to conduct interviews of each director to assess the skill set and qualifications that each director believed was important for the Chairman to possess and to discuss with each director who would most effectively lead the Board. In making its recommendation to the Board, the Nominating and Corporate Governance Committee also reviewed recommended best practices for corporate governance.

As a result of this process, based on the recommendation of the Nominating and Corporate Governance Committee, the Board determined that combining the positions of Chairman and CEO and electing Mr. Altabef to serve as the Chairman and Mr. Davis to serve as independent lead director upon the former Chairman s retirement best positions the Board and management to implement the Company s strategy and deliver value to the Company s stockholders going forward. The Board believes that adopting this leadership structure provides independent board leadership and oversight while benefiting the Company by having Mr. Altabef also serve as Chairman following his transition as incoming

CEO, during which he demonstrated the strong leadership and vision necessary to drive the Company s strategies and achieve its objectives.

Risk Oversight

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

Compensation of Directors

During 2018, the Company s non-employee directors received an annual retainer of $60,000. Effective January 1, 2019, the amount of this annual retainer will be increased to $85,000. During 2018 and continuing in 2019, the independent lead director received and will continue to receive an additional $50,000 annual retainer. During 2018, the chair of the Audit and Finance Committee received a $26,000 annual retainer, which amount will be increased to $30,000 during 2019. During 2018, the chair of the Compensation Committee received a $19,000 annual retainer, which will be increased to $20,000 beginning March 1, 2019. The chair of the Nominating and Corporate Governance Committee received a $16,250 annual retainer during 2018 and will receive the same amount during 2019. During 2018 and continuing in 2019, each other member of the Audit and Finance Committee received and will receive a $12,000 annual retainer and each other member of the Compensation Committee and the Nominating and Corporate Governance Committee received and will receive a $7,500 annual retainer. On February 12, 2018, each non-employee director on that date received an annual grant of 14,635 restricted stock units having a value of $150,009 based on the fair market value of Unisys common stock on that date that vested immediately. On April 26, 2018, Ms. Paolillo received an annual grant of 12,223 restricted stock units having a value of $137,509 based on the fair market value of

Table of Contents

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

The annual retainers described above are paid in monthly installments in cash. However, directors may defer until termination of service, or until a specified date, all or a portion of their cash fees under the Company s deferred compensation plan for directors. Under this plan, any deferred cash amounts, and earnings or losses thereon (calculated by reference to investment options available under the Unisys Savings Plan and selected by the director), are recorded in a memorandum account maintained for each director. Formerly, directors could choose, on an annual basis, to receive their fees in the form of common stock equivalent units under the Unisys Corporation Director Stock Unit Plan. The value of each stock unit at any point in time is equal to the value of one share of Unisys common stock. Stock units are recorded in a memorandum account maintained for each director. A director s stock unit account is payable in Unisys common stock, either upon termination of service or on a date specified by the director, at the director s option. Directors do not have the right to vote with respect to any stock units. This plan was terminated in 2004 and no shares (other than shares subject to outstanding awards previously received) are available for future issuance under this plan. The right to receive future payments of deferred cash accounts is an unsecured claim against the Company s general assets. Directors who are employees of the Company do not receive any cash, stock units, stock options or restricted stock units for their services as directors. The following table provides a summary of the 2018 compensation of current non-employee directors who served during 2018.

Name	Fees Earned or Paid in Cash (1) ($)	Stock Awards (2) (3) ($)	Option Awards (4) ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings	All Other Compensation ($)	Total ($)
Jared L. Cohon	75,000	150,009					225,009
Nathaniel A. Davis Lead Director	104,550	150,009					254,559
Denise K. Fletcher Chair, Audit and Finance Committee	91,000	150,009					241,009
Philippe Germond Chair, Nominating and Corporate Governance Committee	73,333	150,009					223,342
Deborah Lee James	72,500	150,009					222,509
Paul E. Martin	72,000	150,009					222,009
Regina Paolillo	53,000	137,509					190,509
Lee D. Roberts	91,000	150,009					241,009

Chair, Compensation Committee

(1) Amounts shown are the annual board retainer and annual retainer fees for chairs of committees, committee membership and lead director. 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 14 to the Company s 2018 financial statements included in the Annual Report on Form 10-K for the year ended December 31, 2018. Amounts shown are in respect of the 14,635 restricted stock units granted to directors other than Ms. Paolillo on February 12, 2018 and in respect of the 12,223 restricted stock units granted to Ms. Paolillo on April 26, 2018. Includes awards that have been deferred under the deferred compensation plan for directors.

(3) At December 31, 2018, Ms. Fletcher had outstanding 1,314.8 stock units in respect of directors fees and no other director had any such stock units.

(4) At December 31, 2018, none of the directors had outstanding stock options.

Under the Company s stock ownership guidelines, directors are expected to own Unisys stock or stock units having a value equal to five times their annual retainer within five years after the director s date of election to the Board. Directors serving as of January 1, 2019 will have until January 1, 2024 to be compliant with the increase in the expected ownership levels resulting from the increase in the annual retainer that became effective in 2019. The number of shares owned by each director is set forth in the stock ownership table on page 42.

Code of Ethics and Business Conduct

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

Corporate Governance Guidelines

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

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

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

22

organization, and Unisys contributions to that organization are less than one percent of its annual charitable receipts.

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

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

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

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

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

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

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

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

11. It is appropriate for the Company s staff to report once a year to the Compensation Committee on the status of Board compensation in relation to other large U.S. companies. Changes in Board compensation, if any, should come at the

Table of Contents

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

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

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

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

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

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

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

Related Party Transactions

The Company is required to disclose any transactions since the beginning of 2018 (or any currently proposed transaction) in which the Company was a participant, the amount involved exceeds $120,000 and a director or executive officer, any immediate family member of a director or executive officer or any person or group beneficially owning more than 5% of

Table of Contents

the Company s common stock had a direct or indirect material interest. The Company does not have any such transactions to report.

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

Audit and Finance Committee Report

In performing its oversight responsibilities as defined in its charter, the Audit and Finance Committee has reviewed and discussed the audited financial statements and reporting process for 2018, including internal controls over financial reporting, with management and with KPMG LLP, the Company s independent registered public accounting firm. The committee has also discussed with KPMG LLP the matters required to be discussed by the Public Company Accounting Oversight Board (the PCAOB) Auditing Standard No. 1301, Communications with Audit Committees. In addition, the committee has received from KPMG LLP the written disclosures and the letter required by applicable requirements of the PCAOB regarding KPMG LLP s communications with the committee concerning independence and has discussed with KPMG LLP their independence. The committee has also considered the compatibility of audit-related services, tax services and other non-audit services with KPMG LLP s independence.

Based on the reviews and discussions referred to above, the committee recommended to the Board of Directors that the audited financial statements be included in the Annual Report on Form 10-K for the year ended December 31, 2018 for filing with the SEC.

Audit and Finance Committee

Denise K. Fletcher (Chair)

Paul E. Martin

Regina Paolillo

Lee D. Roberts

Table of Contents

Independent Registered Public Accounting Firm Fees and Services

KPMG LLP was the Company s independent registered public accounting firm for the years ended December 31, 2018 and 2017. KPMG LLP has billed the Company the following fees for professional services rendered in respect of 2018 and 2017 (in millions of dollars):

	2018	2017
Audit Fees	8.0	$ 8.9
Audit-Related Fees	1.0	1.7
Tax Fees	0.2	0.2
All Other Fees		

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

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

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC

ACCOUNTING FIRM

(Item 3)

The Audit and Finance Committee has engaged the firm of KPMG LLP as the independent registered public accounting firm to audit the Company s financial statements for the year ending December 31, 2019. KPMG LLP has been the Company s independent registered public accounting firm since 2008. The Company expects that representatives of KPMG LLP will be present at the annual meeting and will have the opportunity to make a statement if they desire to do so and to respond to appropriate questions asked by stockholders. The Board of Directors considers KPMG LLP to be well qualified to serve as the independent registered public accounting firm for Unisys and recommends a vote for the proposal to ratify their selection.

The Board of Directors recommends a vote FOR the proposal to ratify the selection of KPMG LLP as the Company s independent registered public accounting firm for 2019.

ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

(Item 4)

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

As described in detail in Compensation Discussion and Analysis beginning on page 43, the Company s executive compensation program is designed to attract, motivate and retain the executives who lead the Company s business, to reward them for achieving financial and strategic company goals and to align their interests with the interests of stockholders. The Company believes that the compensation of its named executive officers is reasonable, competitive and strongly focused on pay for performance principles, with a significant portion of target compensation at risk and performance based. The Company emphasizes compensation opportunities that appropriately reward executives for delivering financial results that meet or exceed pre-established goals, and executive compensation varies depending upon the achievement of those goals. Through stock ownership requirements and equity incentives, the Company also aligns the interests of its executive officers with those of stockholders and the long-term interests of the Company. The Company believes that the policies and procedures articulated in Compensation Discussion and Analysis are effective in achieving the Company s goals and that the executive compensation reported in this proxy statement was appropriate and aligned with 2018 results. Please read the Compensation Discussion and Analysis below, as well as the compensation tables and narrative that follow it, for additional details about the Company s executive compensation programs and compensation of the named executive officers in 2018.

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

RESOLVED, that the stockholders of Unisys Corporation approve, on an advisory basis, the compensation of the Company s named executive officers set forth in the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables and narrative in the Proxy Statement for the Company s 2019 Annual Meeting of Stockholders.

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

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

2019 LONG-TERM INCENTIVE AND EQUITY COMPENSATION PLAN

(Item 5)

General

On February 8, 2019, the Board of Directors unanimously adopted, subject to stockholders approval at the annual meeting, the Unisys Corporation 2019 Long-Term Incentive and Equity Compensation Plan (the 2019 Equity Plan). The 2019 Equity Plan will become effective on the date it is approved by stockholders (the Plan Effective Date). A copy of the 2019 Equity Plan is attached to this proxy statement as Appendix A.

Table of Contents

We currently maintain the 2016 Long-Term Incentive and Equity Compensation Plan (the 2016 Plan), which was approved by our stockholders at the 2016 Annual Meeting of Stockholders. Additionally, there are awards currently outstanding under the 2003 Long-Term Incentive and Equity Compensation Plan (the 2003 Plan) and the 2010 Long-Term Incentive and Equity Compensation Plan (the 2010 Plan), plans under which we may no longer grant awards (the 2003 Plan, 2010 Plan and 2016 Plan are collectively, the Prior Plans). To the extent that outstanding awards under the 2003 Plan or the 2010 Plan terminate, expire, or are cancelled, forfeited, exchanged, or surrendered without having been exercised, vested or paid, the shares subject to those awards currently become available for issuance or transfer under the 2016 Plan. As of the record date, 51,762,063 shares of our common stock were outstanding and the shares remaining available for issuance under all of the Company s equity plans, including the 2016 Plan that are not subject to currently outstanding awards, and shares subject to currently outstanding awards (including shares reserved for above target performance) under all such plans (some of which may become available under the 2016 Plan) were as follows (shares in thousands rounded to the nearest thousand):

	2003 Plan	2010 Plan	2016 Plan	DSU Plan*	Total
Shares Available			1,601		1,601
Full Value Shares Outstanding (including shares reserved for above target performance)	86	14	3,328	2.4	3,430
Options/SARs outstanding	177	377			554
Total	263	391	4,929	2.4	5,585

* Unisys Corporation Director Stock Unit Plan

	Total (all plans as of record date)
Weighted average exercise price of all outstanding options/SARs	23.49
Weighted average remaining term of all outstanding options/SARs	2.09

Upon stockholder approval, the 2019 Equity Plan will replace the 2016 Plan and no further awards will be granted under the 2016 Plan. If the 2019 Equity Plan is not approved by stockholders, then the 2019 Equity Plan will not become effective and the 2016 Equity Plan will continue in full force and effect.

If the 2019 Equity Plan is approved by stockholders, then (i) shares with respect to grants outstanding under the Prior Plans immediately prior to the Plan Effective Date that, on or after such date, terminate, expire, or are canceled, forfeited, exchanged, or surrendered without having been exercised, vested or paid under the applicable Prior Plan may be issued or transferred under the 2019 Equity Plan and (ii) shares remaining available for issuance under the 2016 Plan immediately prior to the Plan Effective Date that are not subject to outstanding awards under any Prior Plan may also be issued or transferred under the 2019 Equity Plan. The terms and conditions of outstanding awards under the Prior Plans will not be affected by the approval of the 2019 Equity Plan, and the Prior Plans will remain in effect with respect to such awards.

Table of Contents

In addition to the shares that remain available for issuance under the 2016 Plan, we are requesting an additional 3,500,000 shares for issuance under the 2019 Equity Plan. This number was determined based on an analysis of various factors, including historical burn rate, potential dilution, industry plan cost standards, and anticipated equity compensation needs. In 2018, the 2016 Plan s average burn rate was 5.69%. We have estimated that the potential dilution to current stockholders that could result from the future issuance of shares available under the 2019 Equity Plan, in addition to shares subject to awards outstanding under the Prior Plans, would be approximately 14.93%, calculated as follows:

$$\frac{\text{New Shares Requested + Shares Available + Shares Subject to Outstanding Awards}}{\text{New Shares Requested + Shares Available + Shares Subject to Outstanding Awards + Total Common Stock Outstanding}}$$

Based on these factors and our current grant practices, the shares requested for use under the 2019 Equity Plan are expected to meet our equity grant needs for approximately 3 to 5 years. The shares reserved may, however, last for a greater or fewer number of years depending on currently unknown factors, such as the number of grant recipients, future grant practices, and our stock price.

The Board of Directors recommends a vote FOR the approval of the 2019 Equity Plan.

Why Stockholders Should Approve The 2019 Equity Plan

Additional shares are needed. If stockholders do not approve the 2019 Equity Plan, the Company expects that the current equity program will have an insufficient amount of shares to grant prior to the 2020 Annual Meeting in light of our compensation structure and strategy. If we cannot grant equity awards, we will be placed at a competitive disadvantage, making it difficult to attract, retain, and develop the talent of our employees, officers and non-employee directors.

Equity awards are an important component of the Company s compensation program. The 2019 Equity Plan will enable us to attract, retain and develop the talent of employees, officers, and non-employee directors.

Equity incentives align the interests of our executives with those of our stockholders. Our philosophy is to provide a significant portion of executive compensation in the form of equity awards that are at-risk and performance-based. Equity awards are designed to provide key leaders with a stake in the long-term success of the Company as well as align executive and stockholder interests.

The 2019 Equity Plan provides flexibility. We will be able to continue to adapt the compensation of key individuals to accommodate changes in best practices, law, accounting principles, and corporate objectives if the 2019 Equity Plan is approved.

Approval of the 2019 Equity Plan establishes limits on non-employee directors incentive and equity compensation. The Prior Plans do not place a limit on the amount of equity incentive or cash compensation that may be granted to our non-employee directors. In order to align non-employee director compensation with stockholder interests, conform with emerging corporate governance best practices and establish transparent, fixed parameters within which director compensation can be set, the 2019 Equity Plan limits the aggregate value of equity awards or other

Table of Contents

awards granted thereunder and any other cash compensation paid to any individual non-employee director as compensation for services as a director to $600,000 for any calendar year. The value of the historical aggregate compensation paid to our non-employee directors is below this threshold, but this limit provides the Board of Directors with flexibility to allow for reasonable increases in annual compensation over time, provide additional compensation where additional, unanticipated services are required from directors and attract and retain outstanding director candidates who have the requisite experience and background necessary to exercise oversight of a complex global organization like the Company.

Key Plan Features

The 2019 Equity Plan is intended to reinforce the alignment between employees and non-employee directors interests and stockholders interests, and purposefully excludes features that could misalign those interests. Accordingly, the 2019 Equity Plan:

Does not permit liberal share counting in any circumstance

Prohibits the payment of dividends or dividend equivalent rights on unvested equity awards

Limits grants to any individual employee in a calendar year

Limits non-employee directors aggregate cash and equity compensation in a calendar year