

UNISYS CORP
Form PRE 14A
March 03, 2017

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,
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Definitive
Proxy
Statement

Definitive
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14a-12

Unisys Corporation

(Name of registrant as specified in its charter)

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No fee required.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

Unisys Corporation

801 Lakeview Drive, Suite 100

Blue Bell, PA 19422

March 1, 2017

Dear Fellow Stockholder:

It is my pleasure to invite you to the Unisys 2017 Annual Meeting of Stockholders. This year's meeting will be held on Wednesday, April 26, 2017, at the JW Marriott, which is located at 160 Central Park South in New York, New York. The meeting will begin at 8:00 a.m., local time.

Unisys entered 2016 intensely focused on executing against the strategic plan we had developed the year before. We achieved significant progress against our plan, and as a result delivered strong results for the year that reflect ongoing progress in our strategic transition of the business. We began the year by providing financial guidance for revenue, non-GAAP operating profit margin and adjusted free cash flow for the first time in more than a decade. I am pleased to report that as of the end of the year, we met our guidance for both revenue and non-GAAP operating profit margin, and exceeded it on adjusted free cash flow. We also continued to execute against our vertical go-to-market strategy (and saw revenue growth for the year on a constant-currency basis within our key focus industries), launched new tailored, software-led solutions, and continued to innovate and see improved sales trends with respect to Unisys Stealth®. We enhanced the efficiency of the business, in both our Services and Technology delivery teams, resulting in higher gross margins, and also reduced our sales, general and administrative (SG&A) costs as a percentage of revenue. Additionally, we reduced capex needs by continuing our transition to a more asset-lite model, which also contributed to significantly improved cash flow.

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

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

Sincerely,

Peter A. Altabef

President and Chief Executive Officer

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

April 26, 2017

Unisys Corporation will hold its 2017 Annual Meeting of Stockholders at the JW Marriott, 160 Central Park South, New York, New York, on Wednesday, April 26, 2017, 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 2017;
3. approve an amendment to the Company's Restated Certificate of Incorporation to increase the number of authorized shares of the Company's common stock from 100,000,000 to 150,000,000;
4. hold an advisory vote to approve executive compensation;
5. hold an advisory vote on the frequency of holding an advisory vote on executive compensation; and
6. transact any other business properly brought before the meeting.

Only record holders of Unisys common stock at the close of business on February 27, 2017 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 2, 2017

Important Notice Regarding the Availability of Proxy Materials for the Stockholder

Meeting to be Held on April 26, 2017:

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 26, 2017

The Board of Directors of Unisys Corporation solicits your proxy for use at the 2017 Annual Meeting of Stockholders to be held on April 26, 2017 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 an amendment to the Company's Restated Certificate of Incorporation to increase the number of authorized shares of the Company's common stock from 100,000,000 to 150,000,000; (4) approve, on an advisory basis, the compensation of the Company's named executive officers, (5) vote, on an advisory basis, on the frequency with which the Company should hold an advisory vote on executive compensation and (6) transact any other business properly brought before the meeting.

The record date for the annual meeting is February 27, 2017. 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, 50,397,101 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 2016, are being made available to stockholders on or about March 1, 2017.

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 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.

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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

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selection of independent registered public accounting firm, (3) FOR the proposal to amend the Company's Restated Certificate of Incorporation to increase the number of authorized shares of common stock, (4) FOR the approval, on an advisory basis, of the compensation of the Company's named executive officers, (5) FOR the approval, on an advisory basis, of an advisory vote on executive compensation EVERY YEAR 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 election of directors, the advisory resolution regarding the compensation of the Company's named executive officers and the vote regarding the frequency of advisory votes on executive compensation 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 and the proposal to amend the Company's Restated Certificate of Incorporation are 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 27, 2017. The trustee will vote those shares in accordance with your instructions if it receives your completed proxy by April 23, 2017. 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.

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

Amendment to Restated Certificate of Incorporation (Item 3). The proposal to amend the Company's Restated Certificate of Incorporation to increase the number of authorized shares of the Company's common stock will require the affirmative vote of a majority of the outstanding shares of common stock entitled to vote. Any shares not voted by abstention or otherwise will have the same effect as a vote "Against" the proposal. There will be no broker non-votes for the proposal to amend the Company's Restated Certificate of Incorporation 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. Any shares not voted by abstention or otherwise will have the same effect as a vote "Against" the proposal. Broker non-votes will not be included in the vote totals and therefore will have no effect

on the advisory vote on executive compensation.

Advisory Vote on Frequency of Advisory Vote on Executive Compensation (Item 5). Stockholders will have the option of selecting a frequency of every year, every two years or every three years for the advisory vote on executive compensation. The Company will consider the alternative receiving the greatest number of votes as the frequency the stockholders approve. Abstentions and broker non-votes will therefore have no effect on the vote.

The advisory votes to approve executive compensation (Item 4) and on the frequency of the advisory vote on executive compensation (Item 5) are not binding on the Company. However, the Company will review and consider the results of these advisory votes when making future executive compensation decisions and when making determinations as to when the Company will again submit the advisory vote on executive compensation to stockholders for approval.

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ELECTION OF DIRECTORS

(Item 1)

Summary

The Board of Directors of Unisys Corporation (the “Board of Directors” or the “Board”) currently consists of ten members, each of whose term expires at the annual meeting. Ms. Leslie Kenne will retire from the Board at the annual meeting. Each of the remaining nine directors has been nominated for reelection for a term expiring at the 2018 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.

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.

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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