TELETECH HOLDINGS INC
Form DEF 14A
April 13, 2017
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

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

x Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under §240.14a-12

TeleTech Holdings, Inc.
(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):

x No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) 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:

o Fee paid previously with preliminary materials.

o 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:

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April 13, 2017

Dear Stockholders:

It is my pleasure to invite you to join us at the Annual Meeting of Stockholders of TeleTech Holdings, Inc., to be held at 9197 South Peoria Street, Englewood, Colorado. The meeting will take place on Wednesday, May 24, 2017, at 1:00 p.m., Mountain Daylight Time. At the meeting, we will report on TeleTech s results for fiscal year and comment on our expectations for the upcoming year. We hope you are able to attend.

Details regarding admission to the meeting and the business to be conducted at the meeting are provided in the Notice of the Annual Stockholders Meeting and the accompanying Proxy Statement. Together with the Proxy Statement, we are making available a copy of our 2016 Annual Report to Stockholders. We encourage you to read our Annual Report, which includes our audited financial statements and provides detailed information about our business.

We elected to provide access to our proxy materials via the internet under the U.S. Securities and Exchange Commission s internet notice and access rules. In our business, we are focused on improving the engagement between our clients and their customers. Our aspirations are no different about our stockholders. We believe that by making our proxy materials available via the internet, we enhance our stockholders experience in accessing our information and understanding our business and the way in which TeleTech is governed and managed to maximize our stockholder, client and employee value. By providing the proxy materials via the internet, we also reduce the environmental impact of our Annual Meeting. For additional information about the Annual Meeting, please see the *Important Information About the Proxy Materials and Voting Your Shares* section of this Proxy Statement.

PLEASE VOTE

Your vote is important. Whether or not you plan to attend the Annual Meeting, we encourage you to read these materials carefully and promptly vote your shares. There are several ways you can vote: via the internet, by telephone, by mailing the enclosed proxy, or by attending our Annual Stockholders Meeting in person. Please vote as soon as possible to ensure that your vote is recorded promptly. If you hold shares in a brokerage account, your broker will not be able to vote your shares on most matters unless you provide your voting instructions.

On behalf of the Board of Directors and all TeleTech employees, thank you for your continued support of, and confidence in, TeleTech and our business.

Very truly yours,

KENNETH D. TUCHMAN

Chairman and Chief Executive Officer

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Notice of 2017 Annual Meeting of Stockholders

Wednesday, May 24, 2017

1:00 p.m. Mountain Daylight Time

TeleTech Global Headquarters

9197 South Peoria Street

Englewood, Colorado 80112

ITEMS OF BUSINESS:

At the meeting, our stockholders will be asked to:

- Elect seven directors named in the Proxy Statement, for a term of one year;

- Ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2017;

- Approve, on an advisory basis, our executive compensation;

- Approve an advisory vote on frequency of say-on-pay votes; and

- Transact such other business, including stockholder proposals, as may properly come before the meeting.

The meeting will also include a report on our financial results for fiscal year 2016, our operations, and our business outlook for 2017.

RECORD DATE:

Only stockholders of record at the close of business on March 31, 2017, will be entitled to receive notice of, and to vote at, the 2017 Annual Stockholders Meeting.

By Order of the Board of Directors

Margaret B. McLean
Senior Vice President, Corporate Secretary and General Counsel

Englewood, Colorado
April 13, 2017

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on May 24, 2017: this Notice of Annual Meeting and Proxy Statement and the 2016 Annual Report are available at teletech.com.

REVIEW YOUR PROXY STATEMENT AND VOTE IN ONE OF FOUR WAYS:			
	VIA INTERNET		BY MAIL
	Visit the website listed on your proxy card.		Sign, date and return your proxy card in the enclosed envelope.
	BY TELEPHONE		IN PERSON
	Call the telephone number on your proxy card.		Attend the Annual Meeting and vote in person.
ELECTION TO RECEIVE ELECTRONIC DELIVERY OF FUTURE ANNUAL MEETING MATERIALS.			

You can expedite delivery and avoid costly mailings by confirming in advance your preference for electronic delivery.

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9197 South Peoria Street
Englewood, Colorado 80112

PROXY STATEMENT
ANNUAL MEETING OF STOCKHOLDERS

PROXY STATEMENT EXECUTIVE SUMMARY

This summary highlights only selected information contained in this Proxy Statement. We encourage you to read the entire Proxy Statement and TeleTech 2016 Annual Report before voting your shares.

MATTERS TO BE VOTED ON AT 2017 ANNUAL MEETING

Proposal	Board Recommendation	For more detail, see page:
1. Election of directors	FOR each Nominee	35
2. Ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2017	FOR	39
3. Advisory vote on executive compensation	FOR	40
4. Advisory vote on frequency of say-on-pay votes	FOR	41

OUR COMPANY

- Our Company was founded in 1982 and from early days was a pioneer in the customer engagement management industry. Today, we deliver integrated customer consulting, technology, growth, and care solutions on a global scale.

- Our portfolio of products and services allows us to design and deliver superior customer experience and engagement across numerous communication channels for clients in the automotive, communications and media, financial services, government, healthcare, technology, transportation, and retail industries.

- Our solutions are supported by approximately 48,000 employees delivering services in 23 countries from 82 delivery centers on six continents.

- Our services are value-oriented, outcome-based, and delivered from our four business segments: Customer Management Services (CMS), Customer Growth Services (CGS), Customer Technology Services (CTS) and Customer Strategy Services (CSS).

- TeleTech is committed to the highest ethical, environmental and safety standards everywhere we do business, and, through our TeleTech Community Foundation, TeleTech invests in education and development in communities where we live and work.

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2016 PERFORMANCE HIGHLIGHTS

In 2016, we had the following performance highlights:

- Our revenue was $1.275 billion, a decrease of 0.9 percent over the year ago period. On a non-GAAP constant currency basis[1], our 2016 revenue grew 0.7 percent to $1.295 billion over the prior year.

- Income from operations was $52.8 million or 4.1 percent of revenue, a 41.5 percent decrease year over year. Income from operations on a non-GAAP constant currency basis[1] was $83.3 million, or 6.4 percent of adjusted revenue compared to 7.8 percent in the prior year.

- Our net cash provided by operating activities decreased to $107.9 million compared to $133.8 million in the prior year.

- We booked $422 million in new business, a 10.2 percent decrease over the prior year. The bookings mix was diversified across business verticals with approximately 85 percent from existing clients, 53 percent from our emerging businesses, and 20 percent outside of the United States.

- Our diluted earnings per share was $0.71 compared to $1.26 in the prior year, and $1.32 compared to $1.48 on a non-GAAP basis[1].

- We raised the semi-annual cash dividend to $0.20 per share from $0.18 per share last year, totaling $18.3 million of cash dividends paid in 2016.

- We repurchased 2.7 million shares for a total cost of $74.7 million.

1 TeleTech computes company performance metrics on a constant currency basis in order to compare year-over-year operating performance. To establish a constant currency comparison, actual reported metrics are translated utilizing each underlying exchange rate in effect at the end of the prior year resulting in year-over-year operating performance excluding the impact from currency fluctuations. Additionally, the Company adjusts for non-operating items including, but not limited to, asset impairment and restructuring charges, deconsolidation of subsidiaries, changes in acquisition earn-outs and changes in tax valuation allowances and return to provision adjustments. The same methodology is utilized for other adjusted and non-GAAP constant currency metrics reported in this Proxy Statement. Please review a copy of the 2016 Annual Report and 2016 full year earnings press release for a reconciliation of these non-GAAP adjustments.

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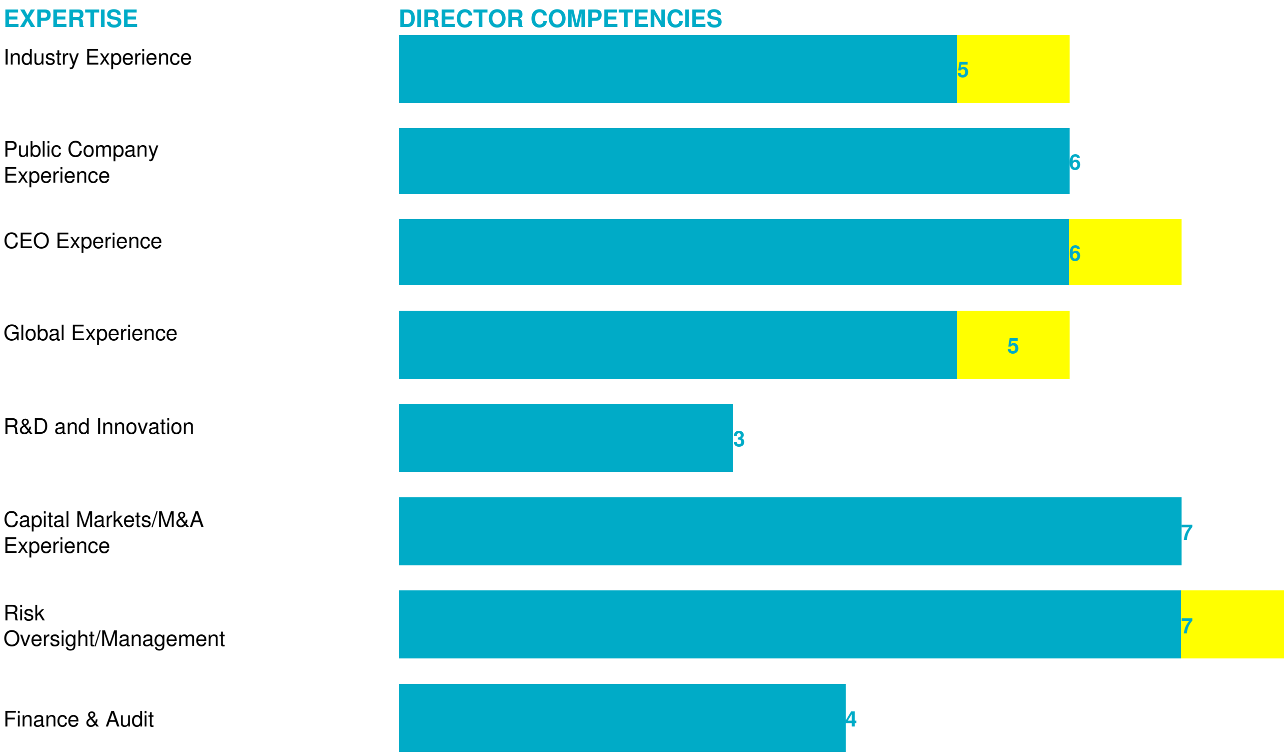
CORPORATE GOVERNANCE HIGHLIGHTS

Our Board follows sound governance practices.

Independence	• In 2016, six out of seven Board members were independent directors. • All Board committees, except a special purpose Executive Committee, are comprised exclusively of independent directors. • In 2017, six out of seven Board of Directors nominees are independent directors.
Executive Sessions	• The independent directors regularly meet in executive sessions without management. • The independent directors regularly meet with independent auditor, internal audit, and legal executives in executive sessions without management.
Board Oversight of Risk Management	• Our Board understands, oversees and regularly reviews risks inherent to TeleTech s business. • Specifically, the Audit Committee reviews our overall enterprise risk management policies and practices, is actively involved in the oversight of our Enterprise Risk Management program, and reviews risks inherent in our internal controls over our financial reporting; while the Compensation Committee evaluates the risks associated with TeleTech s management and employee compensation plans and the structure of our employee incentives. • In 2016, the Board was particularly focused on risks associated with Strategy Execution, Information Security, Acquisition Integration, Business Continuity Planning, and Internal Controls over Financial Reporting.
Stock Ownership Requirements	• Our Chief Executive Officer and Chief Financial Officer must, within five years of attaining their positions, hold common stock valued at 3x their base salary. • Members of our executive leadership team at the executive vice president level must, within five years of appointment, hold common stock valued at 2.5x their base salary; while executives at the senior vice president level must hold 1.5x their base salary. • Our Board members must, within five years of joining our Board, hold common stock valued at 3x their annual cash retainer fees.
Board Practices	• Our Board annually reviews its overall effectiveness and the effectiveness of its committees. • Nomination priorities are adjusted annually to ensure that our Board, as a whole, continues to reflect the appropriate mix of skills and experience necessary to support TeleTech s strategy. • Our Board committees have access to independent advisors at their sole discretion.
Accountability	• All directors stand for election annually. • Our Chairman of the Board and Chief Executive Officer is the controlling stockholder of TeleTech. He controls 68.7 percent of our common stock.

DIRECTOR EXPERIENCE

The Board and our Nominating and Governance Committee believe that diversity in experience and perspectives is important for achieving sound decisions and driving stockholder value. The following chart reflects the experience of our Board in 2016:



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2017 BOARD NOMINEES

Director	Age	Director Since	Independent	Qualifications
Kenneth D. Tuchman	57	1994		• Global executive and entrepreneur • Customer experience innovator • TeleTech founder
Steven J. Anenen	64	2016	ü	• Global CEO experience • Public company director experience • Automotive industry experience • Technology industry experience
Tracy L. Bahl	55	2013	ü	• Private equity executive • Healthcare industry experience • Chief executive of a multi-billion-dollar subsidiary of a public company
Gregory A. Conley	62	2012	ü	• Global CEO experience • Technology industry experience • Public company audit committee experience
Robert N. Frerichs	65	2012	ü	• Public company director experience • Public audit experience • Consulting services industry experience
Marc L. Holtzman	57	2014	ü	• International board experience • Public company director experience • Financial sector experience

Ekta Singh-Bushell	45	-	ü	• Public audit experience • Global advisory experience • Financial sector and digital economy experience

2016 EXECUTIVE COMPENSATION HIGHLIGHTS

- Our executive compensation program is designed to reward financial results and effective strategic leadership, which we believe are key to building sustainable value for our stockholders.

- Our executive compensation program utilizes a mix of base salary, and short- and long-term incentives, to attract and retain highly qualified executives and maintain a strong relationship between executive pay and company performance.

- Our executive compensation program places significant weight on ethical and responsible conduct in pursuit of TeleTech s strategic goals.

- Our executive compensation programs place a meaningful portion of compensation at risk by aligning cash incentive payments to performance and by granting equity that vests over four- and five-year periods to ensure that the actual compensation realized by executives aligns with stockholder value over the long term.

- Our executive officers are subject to stock holding requirements that further align their interests with our stockholders.

- We ensure that our rewards are affordable by aligning them to the Company s annual business plan.

- Our stockholders have indicated strong support for our executive compensation program with 98.62 percent voting in favor of the program at our 2016 Annual Meeting of Stockholders.

The following table reflects the compensation decisions made by the Compensation Committee for TeleTech s Named Executive Officers (NEOs) who continue to serve as TeleTech s executive officers as of the date of this Proxy Statement.

Named Executive Officers	Percentile

	Actual Total Direct (TDC) Compensation 1	Market TDC at 25th	Market TDC at 50th	Market TDC at 75th	
Kenneth D. Tuchman	$ 1 2	$4,313,000	$4,939,000	$5,845,000	<25th
Martin F. DeGhetto	$1,399,980	$1,552,000	$1,731,000	$2,009,000	<25th
Judi A. Hand	$1,374,980	$ 951,000	$1,228,000	$1,659,000	60th
Robert N. Jimenez	$ 800,900	$1,552,000	$1,731,000	$2,009,000	<25th
Regina M. Paolillo	$ 400,000	$2,046,000	$2,545,000	$3,076,000	<25th

1 Actual TDC represents base salary earned in 2016, FMV equity grant awarded in 2016 and, if applicable, bonus earned for 2016 performance.

2 As previously disclosed, at Mr. Tuchman s request, the Compensation Committee approved Mr. Tuchman s base salary to be $1 per year.

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GENERAL INFORMATION

This proxy statement (Proxy Statement) is issued in connection with the solicitation of proxies by the Board of Directors of TeleTech Holdings, Inc. (TeleTech or the Company) for use at the 2017 Annual Meeting of Stockholders (the Annual Meeting) to be held on May 24, 2017 at 1:00 p.m. Mountain Daylight Time, at 9197 South Peoria Street, Englewood, Colorado 80112 and at any adjournment or postponement thereof.

On or about April 13, 2017, we will begin distributing to each stockholder entitled to vote at the Annual Meeting either (1) this Proxy Statement, a proxy card or voting instruction form, and our 2016 Annual Report to Stockholders, which we collectively refer to as the proxy materials, or (2) an email or notice of internet availability of proxy materials, in each case with instructions on how to access electronic copies of our proxy materials.

This Proxy Statement contains important information regarding the Annual Meeting, the proposals on which you are being asked to vote, information about our voting procedures, and information you may find useful in determining how to vote.

IMPORTANT INFORMATION ABOUT THE PROXY MATERIALS AND VOTING YOUR SHARES

Why am I receiving these proxy materials?

The Company is soliciting your proxy in connection with the Annual Meeting. As a stockholder, you are invited to attend the Annual Meeting and are requested to vote on the items of business discussed in this Proxy Statement.

Why did I receive a Notice of Internet Availability of proxy materials?

Under the rules of the U.S. Securities and Exchange Commission, we are using the internet as the primary means of furnishing proxy materials to our stockholders. Most of our stockholders will not receive printed copies of the proxy materials unless they request them. Accordingly, if you received a Notice of Internet Availability of Proxy Materials (the Notice of Internet Availability) by mail, you will not receive a printed copy of the proxy materials, unless you request one as instructed in that notice. Instead, the Notice of Internet Availability will instruct you on how you may access and review the proxy materials on the internet, free of charge. This approach to distribution of proxy materials reduces the environmental impact of our Annual Meeting, expedites stockholders receipt of the proxy materials, and lowers our costs. The Notice of Internet Availability also includes instructions allowing stockholders to request to receive future proxy materials in printed form by mail or electronically by email.

How can I vote my shares?

If you are a stockholder of record, you may vote by internet, by telephone or by mail at any time prior to the meeting, or you may vote in person at the meeting, as follows:

- **Vote by Internet** at www.proxyvote.com. Use the internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Daylight Time on May 23, 2017. Have your proxy card or Notice of Internet Availability in hand when you access the website and follow the instructions to obtain your records and to create an electronic voting instruction form.

- **Vote by Phone**. Use any touch-tone telephone to call 1-800-690-6903 to transmit your voting instructions up until 11:59 p.m. Eastern Daylight Time on May 23, 2017. Have your proxy card in hand when you call and then follow the instructions. If you received a Notice of Internet Availability, you may request a proxy card by following the instructions in the notice.

- **Vote by Mail**. If you received or requested a printed copy of the proxy materials by mail, you may vote by proxy by filling out the proxy card and returning it in the postage-paid envelope we have provided or returning it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. If you received a Notice of Internet Availability, you may request a proxy card by following the instructions in the notice.

- **Vote at the Meeting**. You may vote your shares at the meeting. You will be admitted to the meeting only if you have a ticket. See *How can I attend the Annual Meeting?* in this Proxy Statement for instructions on obtaining a ticket.

If your shares are held in an account at a brokerage firm, bank or similar organization, you will receive voting instructions from the organization holding your account and you must follow those instructions to vote your shares.

Additional Procedures. Votes cast by proxy prior to the Annual Meeting will be tabulated by an automatic system administered by Broadridge Financial Solutions, Inc. Votes cast by proxy or in person at the Annual Meeting will be counted by the persons we appoint to act as election inspectors for the Annual Meeting. With regard to the election of directors, votes may be cast in favor or withheld; votes that are withheld will be excluded entirely from the tabulation of votes and will have no effect. Cumulative voting is not permitted in the election of directors. Consequently, you are entitled to one vote for each share of our common stock held in your name for as many persons as there are directors to be elected, and for whose election you have the right to vote.

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With respect to the other proposals submitted for stockholder approval (other than the election of directors), you may vote for or against the proposal, or you may abstain. Abstentions will have the same effect as a negative vote on the ratification of the appointment of our independent registered public accounting firm for 2017 but will have no effect on the advisory vote on executive compensation.

If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute broker non-votes. Generally, brokerage firms have the authority to vote your shares without your voting instructions on certain routine matters, such as Proposal 2, but not on other non-routine items, such as Proposals 1,3 and 4. In tabulating the voting result for any particular proposal, shares that constitute broker non-votes are not considered votes cast on that proposal. Thus, broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained.

For your information, voting via the internet is the least expensive to us, followed by telephone voting, with voting by mail being the most expensive. Also, you may help to save us the expense of a second mailing if you vote promptly.

What are the matters to be voted on at the Annual Meeting?

The items of business scheduled to be voted on at the Annual Meeting are:

- **Proposal 1**: The election of seven directors (see page 35);
- **Proposal 2**: The ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2017 (see page 39);
- **Proposal 3**: The approval, on an advisory basis, of the compensation for our executive officers (see page 40);
- **Proposal 4:** The approval on an advisory vote on frequency of say-on-pay votes (see page 41).

We will also consider other business that properly comes before the Annual Meeting.

What are my voting choices?

For the election of directors (Proposal 1), you may vote FOR , AGAINST , or ABSTAIN with respect to each nominee. For Proposals 2 and 3, you may vote FOR or AGAINST or you may ABSTAIN from voting. Proposal 4 (Frequency on Say-on-Pay) where you are invited to select whether stockholders can provide an advisory vote on executive compensation every 3 Years , 2 Years , or 1 Year .

How does the Board recommend that I vote?

Our Board recommends that you vote your shares:

- FOR each of the nominees to our Board;
- FOR the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2017;
- FOR the proposal to approve, on an advisory basis, the compensation for our Named Executive Officers; and
- FOR the proposal to approve an advisory vote on frequency of say-on-pay votes every three years

Kenneth D. Tuchman, our Chairman and Chief Executive Officer and the beneficial owner of 68.7 percent of the issued and outstanding shares of common stock as of the record date (68.7 percent of the shares entitled to vote, excluding stock options) has indicated that he intends to vote:

- FOR each of the nominees to our Board;
- FOR the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2017;
- FOR the proposal to approve, on an advisory basis, the compensation for our Named Executive Officers; and
- FOR the proposal to approve an advisory vote on frequency of say-on-pay votes every three years.

How will my shares be voted by proxy?

Valid proxies provided to the Company by telephone, over the internet or by mailed proxy card will be voted at the Annual Meeting as directed by you unless revoked in accordance with the instructions. If you properly execute and submit your proxy, but do not indicate how you want your shares voted, the persons named as your proxies will vote your shares in accordance with the recommendations of our Board of Directors. These recommendations are:

- FOR each of the nominees to our Board;
- FOR the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2017;
- FOR the proposal to approve, on an advisory basis, the compensation for our Named Executive Officers; and
- FOR the proposal to approve an advisory vote on frequency of say-on-pay votes every three years.

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How can I revoke my proxy or change my vote?

You may revoke your proxy or change your vote at any time prior to the taking of the vote at the Annual Meeting. If you are the stockholder of record, you may change your vote by:

- Voting again through the internet or by telephone, or by completing, signing, dating and returning a new proxy card with a later date, all of which automatically revoke the earlier proxy so long as completed prior to the applicable deadline for each method;

- Providing a written notice of revocation to our Corporate Secretary at TeleTech Holdings, Inc., 9197 South Peoria Street, Englewood, Colorado 80112 prior to your shares being voted; or

- Attending the Annual Meeting and voting in person. Your attendance at the meeting alone will not cause your previously granted proxy to be revoked unless you specifically so request before the taking of the vote.

For shares you hold beneficially in street name, you may change your vote by submitting new voting instructions to your broker, bank, trustee or nominee following the instructions they provided, or, if you have obtained a legal proxy from your broker, bank, trustee or nominee giving you the right to vote your shares, by attending the Annual Meeting and voting in person.

Will shares I hold in my brokerage account be voted if I do not provide timely voting instructions?

If your shares are held through a brokerage firm, they will be voted as you instruct on the voting instruction card provided by your broker. If you sign and return your card without giving specific instructions, your shares will be voted in accordance with the recommendations of our Board of Directors.

If you do not provide timely instructions as to how your brokerage shares are to be voted, your broker will have the authority to vote them only on the ratification of our independent registered public accounting firm. Your broker will be prohibited from voting your shares on the election of directors, and the advisory approval of our executive compensation and frequency with which stockholders are invited to vote on executive compensation. These broker non-votes will be counted only for the purpose of determining whether a quorum is present at the meeting and not as votes cast.

Will shares that I own as a stockholder of record be voted if I do not return my proxy card in a timely manner?

Shares that you own as a stockholder of record will be voted as you instruct on your proxy card. If you sign and return your proxy card without giving specific instructions, they will be voted in accordance with the recommendations of our Board of Directors. If you do not return your proxy card in a timely manner, your shares will not be voted unless you or your proxy holder attends the Annual Meeting and vote in person.

What is required to conduct the business of the Annual Meeting?

In order to conduct business at the Annual Meeting, a quorum of a majority of the outstanding shares of common stock entitled to vote as of the record date must be present in person or represented by proxy. Both abstentions and broker non-votes are counted for the purpose of determining the presence of a quorum.

How many votes are required to approve each proposal?

Directors are elected by a plurality of the votes cast. This means that the seven individuals nominated for election to the Board who receive the most FOR votes (among votes properly cast in person, electronically, telephonically or by proxy) will be elected.

The affirmative vote of the holders of a majority of the outstanding shares of Common Stock present in person or represented by proxy at the meeting and entitled to vote is required to approve the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm.

The vote on executive compensation and frequency with which stockholders are invited to vote on executive compensation is advisory and non-binding, but we will consider stockholders to have approved the compensation of our Named Executive Officers if the number of votes cast FOR the proposal exceeds the number of votes cast AGAINST the proposal.

How are votes counted?

Abstentions will be treated as shares that are present and entitled to vote and will consequently have the effect of a vote AGAINST the particular matter, except in the case of the vote on executive compensation and frequency with which stockholders are invited to vote on executive compensation for which an abstention will have no effect. Votes withheld from a director nominee will have no effect on the election of the director from whom votes are withheld. If a broker indicates on the proxy card that it does not have discretionary authority to vote certain shares on a particular matter, it is referred to as a broker non-vote. Broker non-votes will be treated as shares that are present and entitled to vote for purposes of determining the presence of a quorum, but will not be considered as voted for the purpose of determining the approval of the particular matter.

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If I own or hold shares in a brokerage account, can my broker vote my shares for me?

The vote on election of directors, the executive compensation, and frequency with which stockholders are invited to vote on executive compensation are matters on which brokers do not have discretionary authority to vote. Thus, if your shares are held in a brokerage account and you do not provide instructions as to how your shares are to be voted on these proposals, your broker or other nominee will not be able to vote your shares on these matters. Accordingly, we urge you to provide instructions to your broker or nominee so that your votes may be counted. You should vote your shares by following the instructions provided on the voting instruction card that you receive from your broker.

If I share an address with another stockholder, how will we receive our proxy materials?

For stockholders of record, we have adopted a procedure called householding, which the U.S. Securities and Exchange Commission has approved. Under this procedure, we are delivering a single copy of the Notice of Internet Availability and, if applicable, this Proxy Statement and the 2016 Annual Report to multiple stockholders who share the same address unless we have received contrary instructions from one or more of the stockholders. This procedure reduces our printing and mailing costs and the impact of printing and mailing these materials on the environment. Stockholders who participate in householding will continue to be able to access and receive separate proxy cards. Upon written or verbal request, we will deliver promptly a separate copy of the Notice of Internet Availability and, if applicable, this Proxy Statement and the 2016 Annual Report to any stockholder at a shared address to which we delivered a single copy of any of these documents. To receive a separate copy of the Notice of Internet Availability and, if applicable, this Proxy Statement or the 2016 Annual Report, or to request delivery of a single copy of these materials if multiple copies are currently being delivered, stockholders may contact us at TeleTech Holdings, Inc., 9197 South Peoria Street, Englewood, Colorado 80112, Attention: Investor Relations, or by calling 1.800.TELETECH (1.800.835.3832). Outside of the U.S., please dial +1.303.397.8100.

Stockholders who hold shares in street name (as described above) may contact their brokerage firm, bank, broker- dealer or other similar organization to request information about householding.

How can I attend the Annual Meeting?

If you plan to attend the Annual Meeting, please mark the appropriate box on the proxy card and return the proxy card promptly. The admission ticket for the meeting will be forwarded to you. If you are a stockholder of record and arrive at the Annual Meeting without an admission ticket, we will have to verify your share ownership before you are admitted to the meeting. If you are a beneficial owner, you will only be admitted upon presentation of evidence of your beneficial holdings, such as a bank or brokerage firm account statement.

How can I see the list of stockholders entitled to vote?

A complete list of stockholders entitled to vote at the Annual Meeting will be available for examination by any stockholder, for any purpose germane to the meeting, at the Annual Meeting and at our principal office located at 9197 South Peoria Street, Englewood, Colorado 80112 during normal business hours for a period of at least 10 days prior to the Annual Meeting.

What happens if additional items of business are presented at the Annual Meeting?

We are not aware of any item that may be voted on at the Annual Meeting that is not described in this Proxy Statement. However, the holders of the proxies that we are soliciting will have the discretion to vote them in accordance with their best judgment on any additional matters that may be voted on, including matters incidental to the conduct of the Annual meeting.

Is my vote confidential?

Stockholders may elect that their identity and individual vote be held confidential by marking the appropriate box on their proxy card or ballot. Confidentiality will not apply to the extent that voting disclosure is required by law or is necessary or appropriate to assert or defend any claim relating to voting. Confidentiality also will not apply with respect to any matter for which votes are solicited in opposition to the director nominees or voting recommendations of our Board of Directors, unless the persons engaging in the opposing solicitation provide stockholders with voting confidentiality comparable to that which we provide.

Where can I find the voting results?

We expect to announce preliminary voting results at the Annual Meeting and to publish final results in a Current Report on Form 8-K that we will file with the U.S. Securities and Exchange Commission within four business days following the meeting. The report will be available on our website at teletech.com under the Investors and SEC Filings tabs.

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How may I obtain financial and other information about TeleTech?

Additional financial and other information about the Company is included in our Annual Report on Form 10-K, which we file with the U.S. Securities and Exchange Commission, and which is available on our website at teletech.com under the Investors and SEC Filings tabs. We will also furnish a copy of our 2016 Annual Report (excluding exhibits, except those that are specifically requested) without charge to any stockholder who so requests by contacting our Investor Relations department at TeleTech Holdings, Inc., 9197 South Peoria Street, Englewood, Colorado, 80112, Attention: Investor Relations, by calling 1.800.TELETECH (1.800.835.3832). Outside of the U.S., please dial +1.303.397.8100, or by emailing investor.relations@teletech.com.

You can also obtain, without charge, a copy of our bylaws, codes of conduct and Board committee charters by contacting the Investor Relations department or you can view these materials on the internet by accessing our website at teletech.com and clicking on the Investors tab, then clicking on the Corporate Governance tab.

Who will conduct and pay for the cost of this proxy solicitation?

We will bear all costs of soliciting proxies, including reimbursement of banks, brokerage firms, custodians, nominees and fiduciaries for reasonable expenses they incur. Proxies may be solicited personally, by mail, by telephone, or via internet; by our directors, officers or other regular employees without remuneration other than regular compensation. We will request brokers and other fiduciaries to forward proxy materials to the beneficial owners of shares of common stock that are held of record by such brokers and fiduciaries and will reimburse such persons for their reasonable out-of-pocket expenses.

CORPORATE GOVERNANCE

TeleTech is committed to best practices in corporate governance. The Company is governed by our Board of Directors. The role of the Board includes:

- Oversight of the Company s management;
- Appointment of the Chief Executive Officer;
- Goal setting for and overseeing performance of the Company s executive management team;

- Management succession planning;
- Oversight of effective corporate governance, including selecting and recommending for stockholders approval nominees for the Board of Directors;
- Assessment of Board performance;
- Board succession planning;
- Forming and staffing Board committees;
- Review and oversight of the development and implementation of the Company s annual strategic, financial, and operations plans and budgets;
- Assessment and monitoring of Company s risk and risk management practices;
- Review and approval of significant corporate actions;
- Monitoring of processes designed to assure TeleTech s integrity and transparency to its stakeholders, including financial reporting, compliance with legal and regulatory obligations, maintenance of confidential channels to report concerns about violations of laws and policies, and protection against reprisals for those who report such violations;
- Oversight of the relationship between the Company and its stockholders; and
- Support for the Company s commitment to its corporate responsibility and sustainable business.

Board Leadership Structure

Our Board is led by TeleTech s founder, Mr. Kenneth D. Tuchman, who serves as the Chairman of the Board. Mr. Tuchman is also TeleTech s Chief Executive Officer. The Board retains the flexibility to determine from time to time whether the position of the Chief Executive Officer and the Chairman of the Board should be combined or separated, whether an independent director should serve as Chairman of the Board, and whether to appoint a lead independent director to serve as a liaison between independent directors and the Chairman.

At present, the Board believes that the Company is best served by having Mr. Tuchman serve as both the Chairman of the Board and Chief Executive Officer of TeleTech. The Board s view is based on the facts that Mr. Tuchman beneficially owns 68.7 percent of the outstanding equity in the Company, has a unique insight into the Company s customer engagement solutions strategy as an industry innovator and the Company founder, and is intimately involved in the day-to-day strategic direction of the Company.

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Since the size of the Company s Board is relatively small and each independent director has unrestricted access to Mr. Tuchman and the Company s management, the independent members of the Board do not currently perceive the need for an appointment of a lead independent director. Our Board also believes that appointing a lead independent director may serve to create a potential conflict among the directors and interfere with the current collaborative environment in the boardroom that permits the Board to leverage the knowledge and experience of each Board member to drive strategic initiatives necessary to support the Company s transformation from a business process outsourcing service provider to an integrated customer consulting, technology, growth and care services company.

With the exception of Mr. Tuchman, all of our other directors are independent.

The Board is aware of the potential conflicts that may arise in having Mr. Tuchman, the Company s largest and controlling stockholder, serve as the Chairman of the Board, but believes that there are adequate governance safeguards in place to mitigate against such risks. Such safeguards include, but are not limited to,

- The Board and Board committees hold executive sessions comprised entirely of the independent directors.
- During 2016, six of seven directors were independent on our Board.
- Our Compensation Committee, comprised entirely of independent directors, makes all executive management compensation determinations based on the individual manager s performance and input from independent compensation consultants.
- Our Compensation Committee retains an independent compensation consultant when it deems it appropriate.
- Board members have unrestricted access to independent consultants including legal counsel.
- Our Board members and executives have a shareholding guideline consistent with industry best practices.
- Our Board and its committees perform an annual self-assessment and act on the findings.
- Our Board published Corporate Governance Guidelines to communicate to the stockholders and other stakeholders how the Company is governed.

Although we qualify as a controlled company under the listing rules of the NASDAQ Stock Market, the Company elects not to avail itself of governance exceptions available to controlled companies under these rules. Specifically, a majority of our Board of Directors is independent and our Board s committees, including our Nominating and Governance Committee and our Compensation Committee are comprised solely of independent directors, even though the Company is exempt from these corporate governance requirements as a controlled company.

Lastly, our Board has in the past demonstrated the independence necessary to address potential conflicts of interest through the use of special ad hoc committees to address specific matters when they arise or requesting that the Chairman abstain from deliberations and voting on certain decisions that may represent a conflict with his controlling stockholdings in the Company.

Board Participation in 2016

- Nine Board meetings held in 2016
- Each director attended at least 72 percent of all Board and relevant committee meetings
- Seven directors attended our Annual Meeting of Stockholders in 2016

Board Risk Oversight

While our executive officers are responsible for day-to-day management of TeleTech risk, our Board oversees and monitors our enterprise risk management (ERM) practices in the course of its ongoing review of the Company s strategy, business plans, risk management and risk transfer programs. The Board recognizes that certain risk taking is essential for any company to stay competitive. It is the view of the Board, however, that the risk taking must be reasoned and measured, and must be evaluated and mitigated appropriately. To this end, the Board as a whole and through its Audit Committee actively participates in the oversight of the Company s ERM program.

In 2016, the Board s ERM oversight primarily focused on, but was not limited to, the following areas: (i) the oversight of the Company s strategy and long-term growth plans; (ii) the oversight of acquisition integration; (iii) the oversight of the Company s business continuity planning; (iv) the oversight of the Company s information security preparedness; and (v) the oversight of the Company s internal controls over its financial reporting. The responsibility for managing each of these high priority risks, as identified by the ERM process, was assigned to one or more members of the executive management team. The Board has delegated the oversight of certain categories of risk management to designated Board committees, which report to the Board on matters related to the specific areas of risk they oversee.

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Board/Committee	Primary Areas of Risk Oversight
Full Board	Enterprise risk management structure; strategic risk associated with TeleTech s business plan; major litigation; significant capital transactions, including M&A, technology investment and divestitures; capital structure risks; and CEO and management succession planning.
Audit Committee	Risks of financial reporting and disclosure; major financial exposure risks; significant IT risks, including information security risks; ethics and compliance risks, including regulatory and legal; currency exposure risks; liquidity risks; business continuity planning; and related-party transactions risks.
Compensation Committee	Executive recruiting, retention, and succession planning; compensation policies and practices, including incentive compensation; and health and welfare benefits programs. Assessment of the risks associated with compensation policies and practices applicable to TeleTech s employees to determine if such policies and practices are reasonably likely to have a material adverse effect on TeleTech.
Nominating and Governance Committee	Corporate governance risks; effectiveness of Board s and its committees performance; Board succession, Board candidate nomination and succession planning; conflicts of interest; and director independence.

The Board and its committees periodically request and receive comprehensive reports from key Company functions, including finance, treasury, tax, legal, information security, and IT; and have the opportunity to assess risk exposures of the business in these specific functional areas. The Audit Committee, with assistance and input from management, conducts an annual enterprise-wide risk assessment and adopts the Company s annual internal audit plan, designed to test business processes that may represent special risk exposures to the Company. The Audit Committee quarterly reviews the results of completed internal audits and actively monitors the progress of recommended remedial and mitigation plans. In addition to the Company s ERM and internal audit processes, the Board and the Audit Committee monitor and oversee the Company s periodic assessment of the effectiveness of its internal controls over financial reporting.

To ensure that the Company s compensation practices and policies do not have a material adverse effect on the Company and its business, the Compensation Committee annually reviews TeleTech s executive compensation programs for inherent risks and alignment with the Company s objectives. The Committee receives periodic reports from the Company s human capital and legal departments on steps that TeleTech takes to anticipate and mitigate any potential risks in long and short term incentive and performance-based compensation programs. The Compensation Committee believes that executive compensation should be contingent on performance relative to targets and business plans. It expects TeleTech senior executives to achieve these targets in a manner consistent with TeleTech s values, ethical standards and policies. The Board engages in periodic discussions with management on how to maximize executives performance through compensation incentives without creating unreasonable risks to the business. For additional information on TeleTech compensation programs risks, please review section titled *Executive Compensation Compensation Discussion and Analysis,* in these proxy materials.

Communications With Our Board

The Board established a process for stockholders and other interested parties to communicate with the Board or any directors by requesting that all communication be sent to the following address:

Board of Directors

c/o Corporate Secretary

TeleTech Holdings, Inc.

9197 South Peoria Street

Englewood, Colorado 80112

Board Committees

The following table outlines the composition of each of our Board committees during 2016:

Director	Audit Committee	Compensation Committee	Nominating and Governance Committee	Executive Committee
Kenneth D. Tuchman				ü
Steven J. Anenen	ü		ü	
Tracy L. Bahl		Chair	ü	ü
Gregory A. Conley	Chair	ü		
Robert N. Frerichs	ü	ü	Chair	
Shrikant Mehta				ü
Marc L. Holtzman				

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Audit Committee

The Audit Committee operates under the Audit Committee charter adopted by our Board and available at teletech.com/investors/corporate-governance/ (Corporate Governance under the Investors tab on our public website teletech.com). It is responsible for, among other things:

- Assisting the Board in its oversight of the integrity of TeleTech s financial statements;
- Overseeing the adequacy of internal controls and the financial reporting and disclosure processes;
- Selecting, evaluating, and appointing the independent registered public accounting firm, including assessing the public accounting firm s independence and qualifications;
- Reviewing and approving all non-audit services performed by the independent registered public accounting firm;
- Overseeing the activities and progresses of the TeleTech internal audit department;
- Overseeing TeleTech s ethics program and its confidential hotline process, including reviewing the establishment of and compliance of executives with the Company s employee code of conduct, *Ethics Code: How TeleTech Does Business*, and the Company s Code of Conduct for Senior Executive and Financial Officers;
- Overseeing investigations into any matters within the Audit Committee s scope of responsibility;
- Overseeing the enterprise risk management programs; and
- Reviewing and approving all related-party transactions.

In 2016, the members of the Audit Committee included Gregory A. Conley (Chair), Robert N. Frerichs, and Steven J. Anenen. Throughout 2016, each Committee member was independent within the meaning of the NASDAQ Stock Market Rules and Rule 10A-3(b)(l) under the U.S. Securities Exchange Act of 1934.

Our Board determined that Mr. Conley qualifies as an audit committee financial expert within the meaning of the U.S. Securities and Exchange Commission rules. Mr. Conley s relevant experience includes his experience as a chief executive officer and director of several public and private companies.

The Audit Committee oversees TeleTech s internal disclosure processes, including TeleTech s anonymous and confidential channels available to employees to report concerns about financial reporting. The Committee established procedures for, and oversees receipt and treatment of, confidential (including anonymous) submissions by TeleTech employees of concerns about the Company s accounting, internal control and auditing practices. These processes are established to assure accurate and complete financial reporting and to identify timely any potential issues that could impact TeleTech s accounting, financial reporting and effectiveness of its internal controls. The Audit Committee reviews and assesses the matters raised through these reporting channels and monitors management s response to these reports, engaging when warranted.

The Audit Committee evaluates the independence, qualifications and performance of TeleTech s internal audit function and annually approves the Company s internal audit plan. The Committee also discusses with management TeleTech s risk assessment and management practices, the Company s major financial, operational and regulatory risk exposures and the steps management has taken to monitor and mitigate such exposures to be within the Company s risk tolerance levels.

During 2016, the Audit Committee held four regularly scheduled meetings and four special meetings, and did not approve any matters through unanimous written consent.

The Audit Committee reviews and assesses the adequacy of its charter, and revises it as appropriate, on an annual basis.

Compensation Committee

The Compensation Committee operates under the Compensation Committee charter adopted by our Board and available at teletech.com/investors/corporate-governance/ (Corporate Governance under the Investors tab on our public website teletech.com). It is responsible for, among other things:

- Reviewing performance goals and approving the annual salary, incentives and all other compensation for each executive officer, including any employment arrangements and change of control agreements with such officers;

- Reviewing and approving compensation programs for independent Board members;

- Reviewing and approving material employee benefit plans (and changes thereto);

- Reviewing and evaluating risks associated with our compensation programs; and

- Adopting and administering various equity-based incentive plans.

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In 2016, the members of the Compensation Committee included Tracy L. Bahl (Chair), Gregory A. Conley, and Robert N. Frerichs. Throughout 2016, each member of the Committee was independent, as defined under the NASDAQ Stock Market Rules, a non-employee director, as defined under U.S. Securities and Exchange Commission Rule 16b-3, and an outside director, as defined under section 162(m) of the Internal Revenue Code of 1986, as amended.

During 2016, the Compensation Committee held four regularly scheduled meetings and one special meeting, and approved two matters through unanimous written consent. The Compensation Committee reviews and assesses the adequacy of its charter, and revises it as appropriate, on an annual basis.

Nominating and Governance Committee

The Nominating and Governance Committee operates under the Nominating and Governance Committee charter adopted by our Board and available at teletech.com/investors/corporate-governance/ (Corporate Governance under the Investors tab on our public website teletech.com). It is responsible for, among other things:

- Identifying and recommending to our Board qualified candidates to stand for election to the Board (or be appointed pending the election at the Annual Stockholders Meeting); and

- Overseeing TeleTech s corporate governance, including the evaluation of the Board and its committees performance and processes, and assignment and rotation of Board members to various committees.

During 2016, the members of the Nominating and Governance Committee included Robert N. Frerichs (Chair), Tracy L. Bahl, and Steven J. Anenen each of whom satisfies the independence requirements for nominating committee members pursuant to the NASDAQ Stock Market Rules.

During 2016, the Nominating and Governance Committee held four regularly scheduled meetings, no special meetings, and approved no matters through unanimous written consent. The Nominating and Governance Committee reviews and assesses the adequacy of its charter, and revises it as appropriate, on an annual basis.

Executive Committee

The Board s Executive Committee is a special standing committee of the Board appointed to take certain action, under a delegation of authority resolution from the Board, between regularly scheduled Board meetings that are otherwise reserved to the Board. All actions taken by the Executive Committee are reported to and reviewed by the full Board at the Board meeting immediately following the action taken. The Executive Committee is authorized to consider and approve, among other things:

- Mergers, acquisitions, and divestiture transactions at a level in excess of management s authority but below a certain specific authority limit designated by the Board, provided that such transactions are not inconsistent with TeleTech s overall strategy as approved by the Board;

- Capital expenditure transactions at a level in excess of management s authority but below a certain specific authority limit designated by the Board, provided that such transactions are consistent with the annual business plan approved by the Board; and

- Funding for the share repurchase program at a level in excess of management s authority but below a certain specific limit designated by the Board.

During 2016, the members of the Executive Committee included Kenneth D. Tuchman (Chair), Shrikant Mehta, and Tracy L. Bahl.

Mr. Mehta indicated his intent to retire from our Board after the conclusion of the Annual Stockholders Meeting. The Board intends to fill his vacancy on the Executive Committee during its May 2017 meeting.

The Executive Committee did meet during 2016.

Ethics Code for Senior Executive and Financial Officers

We have adopted an Ethics Code for Senior Executive and Financial Officers. It applies to all of our senior executives and financial officers, including our Chief Executive Officer, Chief Financial Officer, Executive Vice Presidents leading each of our business segments, General Counsel, Treasurer, Vice President of Finance, and Global Controller, financial directors and controllers of each of our business segments and any person performing similar functions. The Ethics Code for Senior Executive and Financial Officers is available on our website at teletech.com/investors/corporate-governance/ (Corporate Governance under the Investors tab on our public website teletech.com) and we intend to disclose any waiver of, or amendments to, the Ethics Code for Senior Executive and Financial Officers on our website. You may also obtain a copy of the document without charge by writing to:

TeleTech Holdings, Inc.

9197 South Peoria Street

Englewood, Colorado 80112

Attention: Corporate Secretary

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In addition to our Ethics Code for Senior Executive and Financial Officers, TeleTech also has a code of business conduct (*Ethics Code: How TeleTech Does Business)*. This document mandates rules of ethical business conduct for all TeleTech employees, members of our Board of Directors, and members of our supply chain, including our executives and financial officers. We maintain a confidential web-based and telephone hotline, where employees can seek guidance or report concerns about violations of laws, our policies, or either of the ethics codes, including any concerns about financial reporting, misconduct, or fraud.

Director Compensation Overview

During 2016, the independent directors compensation was set as follows:

- An annual retainer of $75,000;
- Additional annual retainer fees for Board committee service as follows:

Chair of Audit Committee	$ 27,000
Members of Audit Committee	$ 13,500
Chair of Compensation Committee	$ 20,000
Members of Compensation Committee	$ 10,000
Chair of Nominating and Governance Committee	$ 15,000
Members of Nominating and Governance Committee	$ 5,000

- An annual grant of $100,000 of restricted stock units in TeleTech stock, based on the fair market value of our common stock on the grant date; and
- Non-employee directors who join the Board also receive an initial fair market value-grant in the amount of $100,000, based on the fair market value of our common stock on the grant date. The initial restricted stock unit grant vests on the earlier of the first anniversary of the grant date or the date of the succeeding year s Annual Meeting of Stockholders, or any change-in-control event (as defined in the relevant restricted stock unit agreement).

The employee directors do not receive additional compensation for their Board service.

The following table summarizes the actual compensation earned by independent directors during 2016:

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) 1,2,3,4	Total ($)
Steven J. Anenen	$ 56,228	$ 199,967	$ 256,195
Tracy L. Bahl	$ 100,000	$ 99,983	$ 199,983
Gregory A. Conley	$ 112,000	$ 99,983	$ 211,983
Robert N. Frerichs	$ 107,480	$ 99,983	$ 207,463
Marc L. Holtzman	$ 80,409	$ 99,983	$ 180,392
Shrikant Mehta	$ 81,011	$ 99,983	$ 180,994

1 Reflects the aggregate dollar amounts recognized for stock awards for financial statement reporting purposes in accordance with the guidance in Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation Stock Compensation (FASB ASC Topic 718).

For information regarding assumptions used to compute grant date fair market value with respect to the stock awards, see Note 20 to our financial statements in our Annual Report on Form 10-K for the year ended December 31, 2016.

2 As of December 31, 2016, Mr. Anenen held 7,442 unvested restricted stock unit awards of which 3,721 are associated with a welcome equity grant.

3 As of December 31, 2016, independent directors Messrs. Bahl, Conley, Frerichs, Holtzman and Mehta all held 3,721 unvested restricted stock unit awards.

4 As of December 31, 2016, Mr. Mehta held 15,000 of outstanding options.

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AUDIT COMMITTEE REPORT

The TeleTech Audit Committee of the Board (the Audit Committee) is comprised entirely of independent directors who meet the independence requirements of the U.S. Securities and Exchange Commission and NASDAQ Stock Market s Listing Rules. The Audit Committee operates pursuant to a charter that is reviewed annually and updated to comply with the relevant regulatory requirements. The Audit Committee charter is available in the Investor Relations section of our website at teletech.com/sites/default/files/audit_committee_charter.pdf.

In performing its functions, the Audit Committee acts in an oversight capacity: the Audit Committee is responsible for overseeing TeleTech s financial reporting process and internal control structure on behalf of the Company s Board of Directors, while management is responsible for the preparation, presentation, and integrity of the financial statements, and the effectiveness of TeleTech s internal control over financial reporting. TeleTech s independent auditor, PricewaterhouseCoopers LLC (PwC), is responsible for auditing TeleTech s financial statements and providing an opinion on the conformity of TeleTech s consolidated financial statements with generally accepted accounting principles and on the effectiveness of TeleTech s internal control over financial reporting.

As part of its oversight function, the Audit Committee reviews TeleTech s quarterly and annual reports on Form 10-Q and Form 10-K prior to their filing with the U.S. Securities and Exchange Commission, and has detailed discussions with management about the quality and reasonableness of significant accounting judgments and estimates, and the clarity of disclosures in the financial statements. In addressing the quality of management s accounting judgments, the Audit Committee asks for management s representations and reviews certifications prepared by TeleTech s Chief Executive Officer and the Chief Financial Officer that the unaudited quarterly and audited annual consolidated financial statements of the company fairly present, in all material respects, the financial condition, results of operations and cash flows of TeleTech.

As part of TeleTech s enterprise risk management program, the Audit Committee also periodically reviews the status of TeleTech s key risks and risk mitigation activities, including its cyber security risks and steps that management takes to protect TeleTech s systems and information against possible cyberattacks; business continuity and disaster recovery planning; TeleTech s emergency preparedness and mitigation and recovery planning; risks associated with geographic concentration of some of TeleTech s operating and enterprise services facilities as well as TeleTech s overall global footprint; and risks arising from the complexities of global regulatory compliance framework that affects TeleTech business. In 2016, in addition to its regular risk management activities, the Audit Committee focused on TeleTech cybersecurity preparedness, reviewed the Company s cybersecurity upgrade plan for the year and, throughout the year, reviewed the Company s progress against the plan. The Audit Committee also receives periodic status reports on the effectiveness of the company s treasury function, including its foreign exchange exposure management, tax planning practices, and acquisition integration activities.

In 2016, the Audit Committee held eight meetings. The Audit Committee s agenda is set by the Audit Committee s chairperson in consultation with TeleTech s Chief Financial Officer. During 2016, at each of its regularly scheduled meetings, the Audit Committee met with the senior members of TeleTech s financial management team, and, when appropriate, had separate private sessions with TeleTech s Chief Financial Officer, General Counsel, head of internal audit, and PwC to discuss financial management, legal, accounting, auditing, and internal control issues. Periodically during the year, the Audit Committee also reviewed with senior management and the independent auditor the overall adequacy and effectiveness of the company s legal, regulatory, and ethical compliance programs, including the Company s code of business conduct (*Ethics Code: How TeleTech Does Business*), the Ethics Code for Senior Executive and Senior Financial Officers, and the trends for the Company s confidential hotline activity.

As part of its oversight responsibilities, the Audit Committee also oversees TeleTech s annual audit by its independent auditor, PwC, including PwC s audit approach and audit plan and whether the provision of minor non-audit services is appropriate given the auditor s independence.

Each year, the Audit Committee evaluates the performance of PwC and its senior engagement team as TeleTech s independent auditor, and determines whether to re-engage them for the coming year. In doing so, the Audit Committee considers the quality and efficiency of the services provided by the auditor, the auditor s global capabilities, the auditor s technical expertise, their tenure as TeleTech s independent auditor, knowledge of the Company s global operations and industry, and the quality of the auditor s interactions with the Audit Committee of the Board. Based on this evaluation, the Audit Committee decided to engage PwC as TeleTech s independent auditor for the year ended December 31, 2016. This appointment was ratified by TeleTech stockholders at the 2016 Annual Stockholders Meeting.

Starting in 2016, PwC audit team was led by a new engagement partner after the previous engagement partner transitioned to a different assignment by PwC. Therefore, in 2016, in addition to reviewing PwC s performance overall, the Audit Committee also assessed PwC s new engagement team, and considered its suitability for TeleTech s independent audit needs. As a result of this review, the Audit Committee has worked with PwC to make sure that the PwC audit team, supported by PwC s partners with experience related to TeleTech s operations in key countries where TeleTech does business and other PwC subject matter experts, has the appropriate level of professional expertise to oversee the conduct of the TeleTech annual independent audit.

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In 2016, the Audit Committee also oversaw management s remediation activities for material weakness in internal controls over financial reporting, and was satisfied with progress made to date. Management enhanced controls, introduced reporting analytics, and invested in training of accounting personnel to address Account Reconciliation and Journal Entries material weaknesses. Based on these improvements, management and PwC completed testing of the controls and have both deemed that the controls are adequately designed and operated effectively for a sufficient period of time, and thus these two material weaknesses have been remediated as of December 31, 2016.

The Audit Committee also considered the fees charged by PwC for the audit services, and determined them to be reasonable and adequate to ensure a comprehensive audit.

The Audit Committee reviewed and discussed with management TeleTech s audited annual consolidated financial statements. Based on this review, the discussions referenced above about the quality and reasonableness of management s significant accounting judgments, and in reliance on the reports and opinions of the independent auditor, the Audit Committee unanimously recommended to the TeleTech Board of Directors that the audited consolidated financial statements be included in the company s Annual Report on Form 10-K for the year ended December 31, 2016.

The Audit Committee also discussed with the independent auditor those matters required to be discussed under the rules adopted by the Public Company Accounting Oversight Board (the PCAOB).

The Audit Committee received written disclosures from the independent auditor required by applicable PCAOB requirements regarding the independent auditor s communication with the Audit Committee concerning their independence.

Although the Audit Committee has the sole authority to appoint the independent auditor, the Audit Committee will continue its long-standing practice of recommending that the Board ask the stockholders, at their annual meeting, to ratify the appointment of the independent auditor (see Proposal 2 beginning on page 39).

Audit Committee
Gregory A. Conley,Chair
Robert N. Frerichs
Steven J. Anenen

STOCK OWNERSHIP OF DIRECTORS, MANAGEMENT AND CERTAIN BENEFICIAL OWNERS

The table below sets forth information, as of March 31, 2017, concerning the beneficial ownership of the following persons and entities:

- Each person or entity known to us to beneficially own more than five percent of our outstanding common stock;

- Each of our directors and nominees for our Board;

- Each of our executive officers, including our Named Executive Officers; and

- All of our current directors and executive officers as a group.

We have determined beneficial ownership in accordance with U.S. SECURITIES AND EXCHANGE COMMISSION rules. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the table below have sole voting and/or investment power with respect to all shares of common stock that they beneficially own, subject to applicable community property laws.

Applicable percentage ownership is based on 45,768,986 shares of common stock outstanding at March 31, 2017. In computing the number of shares of common stock beneficially owned by a person or entity and the percentage ownership of that person or entity in accordance with U.S. Securities and Exchange Commission rules, we deemed outstanding shares of common stock: (1) subject to stock options held by that person that are currently exercisable or exercisable within 60 days of March 31, 2017; and (2) issuable upon the vesting of Restricted Stock Units (RSUs) within 60 days of March 31, 2017. Also in accordance with U.S. Securities and Exchange Commission rules, we did not deem outstanding these two categories of shares of common stock for the purpose of computing the percentage ownership of any other person or entity.

The information provided in the table is based solely on our records, and information filed with the U.S. Securities and Exchange Commission with respect to the owners of our shares of common stock, except where otherwise noted. Unless otherwise indicated, the address of each beneficial owner listed in the table is c/o TeleTech Holdings, Inc., 9197 South Peoria Street, Englewood, Colorado 80112.

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Stock Ownership of Directors, Management, and Certain Beneficial Owners

	Shares Beneficially Owned			
Name of the Beneficial Owner	**Common Stock**	**Options Vested and Options and RSUs Vesting Within 60 Days of 3/31/2017**	**Total Beneficial Ownership as of 3/31/2017**	**Percent of Class**
5% Stockholders				
Kenneth D. Tuchman	31,464,707	-	31,464,7071	68.7%
Executive Officers and Directors				
Kenneth D. Tuchman	31,464,707	-	31,464,7071	68.7%
Steven J. Anenen	-	7,442	7,442 2	*
Tracy L. Bahl	9,827	3,721	13,5483	*
Gregory A. Conley	5,667	3,721	9,3883	*
Martin F. DeGhetto	75,978	2,987	78,9654	*
Robert N. Frerichs	15,042	3,721	18,7633	*
Judi A. Hand	170,563	-	170,563	*
Marc L. Holtzman	10,461	3,721	14,1825	*
Robert N. Jimenez	-	14,920	14,9206	*
Shrikant Mehta	61,509	18,721	80,2307	*
Margaret B. McLean	13,170	-	13,170	*
Regina M. Paolillo	145,382	2,987	148,3694	*
Steven C. Pollema	4,978	-	4,978	*
Ekta Singh-Bushell	-	-	-	*
All directors, director nominees and executive officers as a group (14 persons)	31,977,284	61,941	32,039,225	70.0%

*Less than 1 percent.

1 Includes 31,454,707 shares subject to sole voting and investment power, and 10,000 shares with shared voting and investment power. The shares with sole voting and investment power consist of: (i) 6,687,901 shares held by Mr. Tuchman; (ii) 14,766,806 shares held by a limited liability partnership controlled by Mr. Tuchman; and (iii) 10,000,000 shares held by a revocable trust controlled by Mr. Tuchman. The shares with shared voting and investment power consist of 10,000 shares owned by Mr. Tuchman s spouse. Mr. Tuchman is the beneficial owner of 68.7 percent of the shares of common stock entitled to vote at the meeting.

2 Includes 7,442 RSUs scheduled to vest within 60 days after March 31, 2017.

3 Includes 3,721 RSUs scheduled to vest within 60 days after March 31, 2017.

4 Includes 2,987 RSUs scheduled to vest within 60 days after March 31, 2017.

5 Includes 7,161 shares held by Mr. Holtzman directly, 3,300 shares held for Mr. Holtzman s minor children and 3,721 shares scheduled to vest within 60 days after March 31, 2017.

6 Includes 14,920 RSUs scheduled to vest within 60 days after March 31, 2017.

7 Includes 15,000 options exercisable within 60 days after March 31, 2017 and 3,721 RSUs scheduled to vest within 60 days after March 31, 2017.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers and holders of more than 10 percent of our common stock to file with the U.S. Securities and Exchange Commission reports regarding their ownership and changes in ownership of our equity securities. Based on our review of the Forms 3, 4 and 5 filed, we believe that except as stated below all our directors, executive officers and 10 percent stockholders filed all Section 16(a) reports on a timely basis during 2016. Mr. Robert Jimenez filed his Form 4 disclosure with respect to this performance based equity grant approximately 10 days late in June 2016 in connection with the equity grant made in May 2016.

RELATED-PARTY TRANSACTIONS

In accordance with our written Related Party Transaction Policy, the Audit Committee of the Board is responsible for reviewing and approving transactions required to be disclosed as a related party transaction under applicable law, including U.S. Securities and Exchange Commission rules (generally, transactions involving amounts in excess of $120,000 in which a related person has a direct or indirect material interest). TeleTech management monitors all related-party transactions and reports on their status to the Audit Committee quarterly. TeleTech executive officers and directors complete a questionnaire during the first quarter of each fiscal year, in which they provide information about the terms of all their related-party transactions (as defined in Item 404(a) of Regulation S-K) that occurred during the prior year and that are expected to occur during the current year. In reviewing related-party transactions, the Audit Committee considers whether these transactions are executed at arms-length by reviewing all relevant facts and circumstances, including among others, the commercial reasonableness of the terms, the actual and perceived benefit to the Company, opportunity costs of alternate transactions, the materiality and character of the related party s interest, the actual and apparent conflict of interests, the impact on a director s independence (if the related party is a director, an immediate family member of a director, or an entity controlled by a director) and the terms on which a similar transaction can be secured from unrelated third parties.

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During 2016, TeleTech has undertaken the following related-party transactions subject to disclosure:

The Company entered into an agreement under which Avion, LLC (Avion) and Airmax LLC (Airmax) provide certain aviation flight services as requested by the Company. Such services include the use of an aircraft and flight crew. Kenneth D. Tuchman, Chairman and Chief Executive Officer of the Company, has a direct 100 percent beneficial ownership interest in Avion and Airmax. During 2016, 2015 and 2014, the Company expensed $1.0 million, $1.7 million and $1.0 million, respectively, to Avion and Airmax for services provided to the Company. There was $80 thousand outstanding to Avion and Airmax as of December 31, 2016.

During 2014, the Company entered into a vendor contract with Convercent Inc. (Convercent) to provide learning management and web and telephony based global helpline solutions. This contract was renewed, after an arms-length market pricing review, in the fourth quarter of 2016. The majority owner of Convercent is a company which is owned and controlled by Kenneth D. Tuchman, Chairman and Chief Executive Officer of the Company. During 2016, 2015 and 2014, the Company paid $100 thousand, $100 thousand, and $20 thousand, respectively, to Convercent and is expecting to spend another $60 thousand with Convercent during 2017.

During 2015, the Company entered into a contract to purchase software from CaféX, which is a company that TeleTech holds a 17.0 percent equity investment in. During the second quarter of 2015 and the fourth quarter of 2016, the Company purchased $0.4 and $0.25 million, respectively, of software from CaféX.

EXECUTIVES AND EXECUTIVE COMPENSATION

TeleTech Executive Team

The following persons are our executive officers:

Martin F. DeGhetto, 58, serves as TeleTech s Executive Vice President, Customer Management Services and Customer Growth Services Chief Operating Officer, TeleTech s largest business segment. Mr. DeGhetto joined TeleTech as Executive Vice President of Operations in 2010 and assumed the responsibilities for TeleTech s information technology in 2012. Between 2008 and 2010, Mr. DeGhetto was an executive vice president and chief operations officer commercial division at Connextions, Inc., a privately-held technology and business services company for healthcare industry. Prior to Connextions, Mr. DeGhetto spent almost a decade at Convergys Corporation (NYSE:CVG), a customer management company, where he held various positions of increasing responsibility culminating in his role as a senior vice president, North American/European operations which he held between 2003 and 2008. Prior to Convergys, Mr. DeGhetto was an executive with American Express Company and AT&T/American Transtech. Mr. DeGhetto holds a B.S. Professional Management degree from NOVA Southeastern University.

Judi A. Hand, 55, serves as TeleTech s Executive Vice President, Chief Revenue Officer. She joined TeleTech in 2007 as President and General Manager for Direct Alliance Corporation, a TeleTech wholly owned subsidiary, and between 2011 and 2013 served as TeleTech s Chief Sales Officer. Between 2003 and 2007, Ms. Hand was a senior executive with AT&T (NYSE:ATT), culminating her career there as a senior vice president for enterprise sales. Prior to AT&T, Ms. Hand worked at Qwest, a public global communications company and several of its subsidiaries in sales and marketing roles of increasing responsibility. Ms. Hand is a member of the board of directors of Manitoba Telecom Services, Inc., a Canada corporation. Ms. Hand holds an MBA from Stanford University and a B.S. in Communications degree from University of Nebraska.

Regina M. Paolillo, 58, serves as Executive Vice President, Chief Administrative and Financial Officer. Ms. Paolillo joined TeleTech in 2011. Between 2009 and 2011, Ms. Paolillo was an executive vice president for enterprise services and chief financial officer at Trizetto Group, Inc., a privately held business and professional services company serving the healthcare industry. Between 2007 and 2008, Ms. Paolillo served as a senior vice president, operations group for General Atlantic, a leading global growth equity firm with U.S. $17 billion in capital. Between 2005 and 2007, Ms. Paolillo served as an executive vice president for revenue cycle and mortgage services at Creditek, a Genpact subsidiary, (NYSE:G) a global business process and technology management company. Prior to the Company s acquisition by Genpact, between 2003 and 2005 and 2002 and 2003, Ms. Paolillo was Creditek s chief executive officer and chief financial officer respectively. Prior to Creditek, Ms. Paolillo served as the chief financial officer and executive vice president for corporate services at Gartner, Inc., (NYSE:IT) an information technology research and advisory company. Ms. Paolillo holds a B.S. in Accounting degree from New Haven University.

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Margaret B. McLean, 53, serves as Senior Vice President, General Counsel and Chief Risk Officer. She joined TeleTech in 2013. Between 1998 and 2013, Ms. McLean was a senior executive at CH2M, a global engineering and program management company, serving as the Company s Chief Legal Officer starting in 2007. Ms. McLean was a corporate finance and M&A partner at the law firm of Holme Roberts and Owen (now Bryan Cave), working in its Denver, London, and Moscow offices. Ms. McLean started her career in IT at Hewlett Packard (NYSE:HPQ) and led the application systems department for Science Applications Int l (NYSE:SAIC). She holds a JD from the University of Michigan, an MBA from the University of Colorado, and a B.S. in Management Information Systems and Computer Science from University of Arizona.

Robert N. Jimenez, 45, serves as TeleTech s Executive Vice President, Customer Strategic Services. From 2012 to 2015 Mr. Jimenez was the global vice president, customer services at Genpact (NYSE:G). Between 2011 and 2012, Mr. Jimenez served as managing partner, CIO Advisory of Tatum Consulting; and between 2009 and 2011 Mr. Jimenez served as the North American customer experience partner for EMC Consulting. From 2004 to 2009, Mr. Jimenez was vice president, FS consulting leader of Capgemini Consulting; and from 1999 to 2004 Mr. Jimenez was an associate partner, financial services at IBM Global Business Services. He holds a B.A. in Economics and International Relations from Brown University.

Steven C. Pollema, 57, serves as the executive in charge of our Customer Technology Services business segment. Mr. Pollema joined TeleTech in 2011 as part of eLoyalty acquisition, where he worked since 2001 and held various senior executive roles including the Chief Financial Officer and SVP, Global Delivery and Operations. Prior to eLoyalty, Mr. Pollema was the President of MarchFirst (fka Whittman-Hart). Mr. Pollema began his professional career at Accenture within the Financial Services/Technology practice. Mr. Pollema holds an MBA in Management Information Systems and a B.S. in Finance from the University of Iowa.

Information regarding **Kenneth D. Tuchman**, Chairman and CEO is provided in this section under the heading *2017 Director Nominees.*

Compensation Discussion and Analysis

In this section, we discuss our compensation philosophy and describe the 2016 compensation program for our Chief Executive Officer, Chief Financial Officer, and three additional highest compensated members of our executive leadership team, whom we refer to as our Named Executive Officers (NEOs). We describe compensation earned by each of our Named Executive Officers and explain how our Compensation Committee of the Board determined this compensation, including its rationale for specific 2016 compensation decisions.

2016 TeleTech Performance Highlights

In 2016, we had the following performance highlights:

- Our revenue was $1.275 billion, a decrease of 0.9 percent over the year ago period. On a non-GAAP constant currency basis[1], our 2016 revenue grew 0.7 percent to $1.295 billion over the prior year.

- Income from operations was $52.8 million or 4.1 percent of revenue, a 41.5 percent decrease year over year. Income from operations on a non-GAAP constant currency basis[1] was $83.3 million, or 6.4 percent of adjusted revenue compared to 7.8 percent in the prior year.

- Our net cash provided by operating activities decreased to $107.9 million compared to $133.8 million in the prior year.

- We booked $422 million in new business, a 10.2 percent decrease over the prior year. The bookings mix was diversified across business verticals with approximately 85 percent from existing clients, 53 percent from our emerging businesses, and 20 percent outside of the United States.

- Our diluted earnings per share was $0.71 compared to $1.26 in the prior year, and $1.32 compared to $1.48 on a non-GAAP basis[1].

- We raised the semi-annual cash dividend to $0.20 per share from $0.18 per share last year, totaling $18.3 million of cash dividends paid in 2016.

- We repurchased 2.7 million shares for a total cost of $74.7 million.

1 TeleTech computes company performance metrics on a constant currency basis in order to compare year-over-year operating performance. To establish a constant currency comparison, actual reported metrics are translated utilizing each underlying exchange rate in effect at the end of the prior year resulting in year-over-year operating performance excluding the impact from currency fluctuations. Additionally, the Company adjusts for non-operating items including, but not limited to, asset impairment and restructuring charges, deconsolidation of subsidiaries, changes in acquisition earn-outs and changes in tax valuation allowances and return to provision adjustments. The same methodology is utilized for other adjusted and non-GAAP constant currency metrics reported in this Proxy Statement. Please review a copy of the 2016 Annual Report and 2016 full year earnings press release for a reconciliation of these non-GAAP adjustments.

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2016 Named Executive Officers

- **Kenneth D. Tuchman,** Chairman of the Board and Chief Executive Officer
- **Martin F. DeGhetto,** Executive Vice President, Customer Management Services, and Customer Growth Services Chief Operating Officer
- **Judi A. Hand,** Executive Vice President, Chief Revenue Officer
- **Robert N. Jimenez,** Executive Vice President, Customer Strategic Services
- **Regina M. Paolillo,** Executive Vice President, Chief Administrative and Financial Officer

2016 Executive Compensation Summary

Our executive compensation program is designed to reward financial results and effective strategic leadership, which we believe are key elements in building sustainable value for stockholders. Our compensation program s performance metrics align the interests of our stockholders and senior executives by correlating the timing and amount of actual pay to the Company s short- and long-term performance goals. Our compensation program encourages ethical and responsible conduct in pursuit of these goals and the alignment of our leaders with TeleTech s vision, mission and values.

We carefully benchmark our compensation decisions against a relevant group of peer companies all of which are our potential competitors for the caliber of executive talent required to manage a global and complex business like TeleTech.

Our executive compensation program includes three principle elements:

Compensation Element	Purpose
• **Base Salary**	• Provides competitive fixed dollar compensation aligned to the median of our peer group.
• **Annual Performance-Based Cash Incentive Awards**	• Provides *at risk* annual variable cash consideration that aligns executive compensation to the Company and individual achievements of short-term (annual) performance objectives, as established by the Board of Directors. This short-term variable cash compensation element is targeted at the 75th percentile of our peer group.
• **Annual Equity Grants**	• Provides *at risk* long-term variable compensation opportunity. Awarded annually, this incentive compensation is based on the individual s performance and the Company s performance in the year granted, but links directly to the Company s performance over time as equity vests. This long-term variable compensation element is targeted at the 75th percentile of our peer group.

In 2016, we paid the following to our Named Executive Officers:

Named Executive Officers	Actual Total Direct (TDC) Compensation [1]	Market TDC at 25th	Market TDC at 50th	Market TDC at 75th	Percentile
Kenneth D. Tuchman	$ 1 2	$4,313,000	$4,939,000	$5,845,000	<25th
Martin F. DeGhetto	$1,399,980	$1,552,000	$1,731,000	$2,009,000	<25th
Judi A. Hand	$1,374,980	$ 951,000	$1,228,000	$1,659,000	60th
Robert N. Jimenez	$ 800,900	$1,552,000	$1,731,000	$2,009,000	<25th
Regina M. Paolillo	$ 400,000	$2,046,000	$2,545,000	$3,076,000	<25th

1 Actual TDC represents base salary earned in 2016, FMV equity grant awarded in 2016 and, if applicable, bonus earned for 2016 performance.

2 As previously disclosed, at Mr. Tuchman s request, the Compensation Committee approved Mr. Tuchman s base salary to be $1 per year.

The mix of base and variable, *at risk* , compensation for 2016 was as follows. As no cash bonus was earned for 2016 performance, the at risk actual pay only reflects equity awards.

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CONSIDERATION OF LAST YEAR S SAY-ON-PAY VOTE

At our 2016 Annual Meeting of Stockholders, 98.62 percent of the votes cast in our stockholder advisory vote (our say-on-pay vote) approved the compensation of our Named Executive Officers. In light of this stockholder support, the Compensation Committee made no significant changes to the overall design of our compensation programs during 2016. They did, however, make a modification to the distribution of the funded incentive pool; allocating more dollars based on segment performance, further aligning bonuses to personal performance. The Compensation Committee will continue to consider the outcome of the Company s say-on-pay votes when making future compensation decisions for our Named Executive Officers.

The Compensation Committee considered, and will continue to consider, refinements and supplements to the current executive compensation structure to stay current on compensation market trends and to make sure that TeleTech s executive compensation aligns the interest of the executive leadership team with the interests of the Company s stockholders.

EXECUTIVE LEADERSHIP TEAM COMPENSATION APPROACH AND STRUCTURE

Our Approach to Executive Leadership Compensation

We structure our executive compensation to attract and retain executive talent who can maximize our performance results. Our compensation program is designed to motivate our executive leadership team to remain focused on delivering superior performance that creates long-term investor value. Our executive compensation program also places significant weight on how our leaders align their conduct with TeleTech s vision, mission and values, as they achieve their personal goals and the Company s performance goals.

Our Compensation Practices Include:

Pay for Performance. We encourage a results-oriented culture through pay-for-performance compensation, and annually review executive compensation against Company performance and its annual goals.

Competitive Compensation Targets. We target executive base compensation at the median of our peer group, and the *at risk* variable compensation opportunities at 75th percentile of compensation offered by our competitors.

Rigorous Performance Metrics. The Compensation Committee annually reviews and re-sets executive performance targets to assure that they appropriately reflect the goals of the business and are challenging, but achievable.

Stockholder Alignment. Through our compensation practices, we align the interests of our Named Executive Officers and our stockholders to maximize long-term performance goals of the Company.

Affordability of Rewards. We ensure that our rewards are affordable by aligning them to the Company s results of operation as they compare to our annual business plan.

Significant *at risk* Component. We structure our compensation programs with a significant portion of variable *at risk* component to ensure that the actual compensation realized by Named Executive Officers directly and demonstrably links to individual and companywide performance.

Share Ownership Guidelines. Our Chief Executive Officer and Chief Financial Officer are expected to hold TeleTech equity in the amount of at least 3 times their base compensation; while other members of the executive leadership team, including all NEOs, are expected to hold equity equal to 2.5 times their base compensation.

Restrictive Covenants. Members of our executive leadership team are subject to market appropriate restrictive covenants, effective on separation from TeleTech. These restrictive covenants include non-competition, client and employee non-solicitation, and non-disclosure obligations.

Individual Accountability. Our compensation program is designed to ensure that our Named Executive Officers remain focused on individual operational and financial goals to build the foundation for our long-term success.

Review of Compensation Peer Group. Our Compensation Committee reviews our compensation peer group annually and adjusts, when necessary, to make sure that it remains relevant and appropriate as a comparison for our executive compensation program.

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Executive Leadership Team Compensation Structure

To achieve its overarching objectives, our executive compensation program consists of the following three principle elements:

Compensation Element	Characteristics	Purpose	Philosophy
Base salary	Fixed annual compensation that provides a competitive level of base compensation.	Compensate senior executives for their level of experience and responsibility.	We believe base salary should be competitive, and we target it at the 50th percentile of our peer group.
Annual performance-based cash incentive awards	Variable annual cash compensation opportunity funded based on objective Company performance targets (operating income) and paid based on subjective measures of individual performance.	Motivate and reward senior executive for performance against short-term Company goals.	We believe in providing appropriate incentive to drive the Company s short-term financial and operational objectives. This incentive opportunity is targeted at the 75th percentile of our peer group.
Equity awards	Variable equity compensation granted annually, usually, in the form of restricted stock units (RSUs) or stock options. While the awards are based on the individual performance and the Company s performance in the year granted, the incentive links directly to the Company s performance over time as equity vests.	Motivate and retain senior executives during the multi-year vesting period and focus them on longer term performance objectives by aligning their interests with those of our stockholders through the vesting period.	We believe that equity grants that vest over multiple years encourage the executive management team to focus on the long-term stock value appreciation. The incentive provides a market competitive equity grant targeted at 75th percentile of our peer group.

In addition to these primary components of compensation, our senior executives are also eligible to participate in our general health and welfare programs, 401(k) plan, life insurance program and other employee benefit programs. Although to be competitive, we pay as perquisites all or a portion of certain Named Executive Officers healthcare premiums, we believe that perquisites should be limited in scope and value, and, historically, they have not constituted a significant portion of executive compensation.

OVERSIGHT OF OUR EXECUTIVE COMPENSATION PROGRAM

Role of the Compensation Committee

Our Compensation Committee determines all compensation for members of our executive leadership team, including our Named Executive Officers, on an annual basis. In doing so, the Compensation Committee:

- Evaluates the compensation received during the year by each executive, and considers the Company s performance, the individual performance of each executive and his/her skills, experience and
- Considers the executive s role in developing and maintaining key client relationships.

responsibilities to determine if any change in the executive s compensation is appropriate.

- Reviews with the Chief Executive Officer the performance of the other Named Executive Officers.

- Reviews peer group data and the advice of the compensation consultant as a measure of the competitive market for executive talent in our industry.

- Considers the executive s contribution to the Company s overall operating effectiveness, strategic success, and profitability, and considers the quality of the executive s decision-making.

- Considers the Company s financial results for the year and how the executive contributed to these results, but does not adhere to strict formulas to determine the mix of base salary, equity grants, and cash incentives.

- Evaluates the level of responsibility, scope, and complexity of such executive s position relative to other Company executives.

- Determines the composition and amount of compensation for each Named Executive Officer and uses its subjective judgment in determining the amount of each compensation element in order to retain and motivate current executives.

- Assesses the executive s leadership growth and management development over the past year.

The Compensation Committee utilizes these subjective factors because it believes they are critical to increasing stockholder value. These factors are not quantified or weighted for importance; and the Compensation Committee s use of these factors is tied directly to the individual role and the responsibilities of each executive officer. For example, greater weight may be given to the role of developing and maintaining key client relationships for the Executive Vice President, Chief Revenue Officer due to her responsibilities for overseeing sales operations, while greater weight will be given to contribution to our overall operating effectiveness, strategic success and profitability, and completion of strategic projects, among other factors, for the Chief Financial Officer, given her responsibilities relating to our financial performance and growth.

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Funding for performance-based cash incentives and our equity grants are based on objective Company performance targets set at the beginning of each year. As a result, there is uncertainty with respect to the achievement of these funding targets at the time they are set. The Compensation Committee has the authority to modify the funding for these variable incentives, in its sole discretion, when material changes in the business warrant it.

Our ability to achieve the funding target is heavily dependent not only on factors within our control, but also on current economic conditions, foreign exchange rate movements, weather events, and other performance variables outside of our control. In measuring our performance against pre-determined performance targets, the Compensation Committee may make (and over the years has made) adjustments to these targets for items outside of the executive leadership team s control.

In addition to its discretion with respect to the performance-based cash incentives and equity grants, the Compensation Committee may from time to time determine that funding should be provided outside of the objective Company performance criteria to fund discretionary bonuses and equity awards to retain or to reward executive officers for their exceptional efforts (measured on an individual, subjective basis) during those years in which our actual performance resulted in a lower than anticipated level of funding for the variable incentives. Although the Compensation Committee has this discretion, it utilizes it infrequently to maintain the integrity of the Company s compensation structure and philosophy.

Because they include material subjective components, our performance-based cash incentives do not meet the requirements for exempt performance-based compensation under Section 162(m) of the Internal Revenue Code. In the future, the Compensation Committee will continue to consider whether to make awards that satisfy the qualified performance-based compensation requirements of Section 162(m) in order to maximize tax deductibility of executive compensation, while balancing the interests of our stockholders and the most appropriate methods and approaches for the design and delivery of compensation to our Named Executive Officers.

How We Use Compensation Consultants

From time to time, and as needed, the Compensation Committee retains services of compensation consultants, law firms, and other professionals to act as independent advisors to the Compensation Committee. In selecting its consultants, the Compensation Committee takes measures to assure that no member of our Board or any Named Executive Officer has any affiliations with such consultants. The Compensation Committee requires that all off its consultants provide it with annual certification of their independence.

In 2016, the Compensation Committee utilized the services of Compensia, Inc., an executive compensation consulting firm (*Compensia*). The Committee did not use services of other advisors in 2016, but they were available to the Committee as directed by the Committee chair.

Compensia

At least every other year, *Compensia* provides the Compensation Committee with independent compensation advice on various aspects of executive compensation, including:

- A periodic review of our compensation practices, trends and philosophy;
- A competitive assessment of our executive compensation levels and pay-for-performance linkage;
- An analysis of peer group companies that compete with us and that follow similar compensation models, along with benchmark compensation and benefits data for the peer group;
- A review of our equity award and cash incentive programs; and
- Assistance in developing recommendations for compensation for our executive officers, including our Named Executive Officers.

When asked to provide advice to the Compensation Committee, *Compensia* takes its direction solely from, and provides reports to, the Compensation Committee, or members of our in-house human capital department at the direction and on behalf of the Compensation Committee. All costs of *Compensia* s services are paid by the Company at the direction of the Compensation Committee chair. Although *Compensia* provides recommendations on the structure of our compensation programs, *Compensia* does not determine the amount or form of compensation for any of our Named Executive Officers. From time to time, *Compensia* also provides advice to the Company.

In those years when *Compensia* is not utilized by the Compensation Committee of our Board, similar compensation analysis is performed by members of our in-house human capital department who have special expertise in executive compensation.

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How We Use Peer Group, Survey and Benchmark Data

Each year, the Compensation Committee reviews the competitiveness of our compensation program. For 2016, the Compensation Committee, with the assistance of our human capital department, identified a peer group of companies for 2016. The peer group for 2016 included:

- Acxiom Corporation
- Convergys Corporation
- CSG Systems
- DST Systems
- Fair Isaac
- FTI Consulting, Inc.
- Genpact Ltd.
- Sykes Enterprises Incorporated
- Syntel

The Compensation Committee selected this peer group because the companies in the group are in the same or similar industries, compete with us for executive talent, follow similar compensation models and are of a similar size. The Compensation Committee reviews the compensation practices of this peer group to effectively design compensation arrangements to attract new executives in our highly competitive, rapidly changing markets and to confirm proper levels of compensation for our Named Executive Officers.

This peer group data for executive officers performing the same or similar roles is one factor the Compensation Committee uses in establishing Named Executive Officer base salaries (which, in 2016, the Compensation Committee targeted at the 50th percentile of the peer group), and performance-based cash incentive and equity grants (which, in 2016, the Compensation Committee targeted at the 75th percentile of the peer group), and in otherwise determining the overall mix of equity grants, cash incentives, and base salaries for executive compensation. The Compensation Committee does not adhere to strict formulas, benchmarking in its review of this peer group data to determine the mix of our executive s compensation elements. The peer group data is instructive but it is neither binding nor a dispositive factor in how the Compensation Committee s makes its compensation decisions for the Company.

CEO COMPENSATION

Mr. Tuchman, our Chief Executive Officer, beneficially owns 68.7 percent of the Company. His interest in the Company s performance, therefore, is very closely and personally aligned with that of our other stockholders. Mr. Tuchman believes that compensation for his services should be in the form of a return on his investment in the Company. At Mr. Tuchman s request, the Compensation Committee approved Mr. Tuchman s base salary to be $1 for 2016. Mr. Tuchman s salary has remained at this level since 2012. Prior to the Committee s determination of any incentive awards for 2016, Mr. Tuchman advised the Compensation Committee that he did not desire to receive any cash incentives or equity grants.

2016 BASE SALARY COMPENSATION FOR NAMED EXECUTIVE OFFICERS

The Compensation Committee analyzed benchmarks for competitive base salaries using the peer group as described above, targeting the 50th percentile overall as the guide for the executive leadership team s base salaries. Based on these benchmarks, in 2016, the Compensation Committee approved a base salary increase for Judi Hand from $350,000 to $400,000. The Committee determined that the base salaries for other Named Executive Officers were in line with targets, with the exception of Mr. Tuchman s base salary which has been set at $1 based on Mr. Tuchman s request. Base salaries for our Named Executive Officers during 2015, 2016 and as of this filing for 2017 have been as follows:

Executive	Base Salary			Considerations for Base Salary Determination
	2017	2016	2015	
Kenneth D. Tuchman	$ 1	$ 1	$ 1	As requested by Mr. Tuchman
Martin F. DeGhetto	$400,000	$400,000	$400,000	Based on the role, the scope of responsibilities, and market benchmarks
Judi A. Hand	$400,000	$400,000	$350,000	Based on the role and business segment that Ms. Hand oversees and performance
Robert N. Jimenez	$400,000	$400,000	-	Based on market benchmarks and the business segment that Mr. Jimenez oversees
Regina M. Paolillo	$400,000	$400,000	$375,000	Based on complexity of the role and market benchmarks

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2016 PERFORMANCE-BASED CASH INCENTIVE AWARD

Performance-Based Cash Incentives Funding Criteria

The Compensation Committee of the Board resets the variable cash incentive award funding targets at the beginning of each year. In 2016, the Compensation Committee selected operating income in setting our variable incentive funding targets because this target is consistent with the Company s long-term growth objectives and aligns the interests of management with the interests of our stockholders. As part of its compensation philosophy, the Compensation Committee sets reasonable stretch targets that are difficult to achieve, but which it believes are achievable.

With respect to cash incentives paid in 2016 for 2015 performance, the Compensation Committee approved the award of $0.87 million to the then Named Executive Officers, based on their performance against 2015 revenue and operating income targets, as adjusted. Achievement at the 100 percent of annual revenue and operating income targets in 2015 would have resulted in the funding of the cash incentives for Named Executive Officers at $3.1 million. The failure to achieve minimum annual revenue and operating income targets in 2015 would have resulted in zero funding of the cash incentives in 2016.

The only adjustment that the Compensation Committee made to the 2015 results of operation for purposes of determining 2015 cash incentive awards was due to foreign exchange fluctuations, which was not reasonably capable of being hedged. The Compensation Committee determined that such adjustments were appropriate because these events were outside of direct control of the Company and the management team.

The adjusted 2015 revenue and operating income results measured against the targets were as follows:

Performance-Based Cash Incentive Funding Metrics	2015 Target	2015 Performance	Adjusted 2015 Performance	Total 2016 Performance-Based Cash Award Funding for 2015 Performance
Annual Revenue	$1.325 billion	$ 1.29 billion	$1.351 billion	
Operating Income	$111 million	$90.2 million	$117.6 million	$12.76 million

With respect to cash incentives to be paid in 2017 for 2016 performance, the Compensation Committee did not approve funding of the bonus plan based on performance against the 2016 operating income targets, as adjusted. Achievement at the 100 percent of operating income targets in 2016 would have resulted in the funding of the cash incentives for Named Executive Officers at $3.15 million. The failure to achieve minimum annual operating income targets in 2016 resulted in zero funding of the cash incentives in 2017.

For purposes of determining the achievement against 2016 targets, the Compensation Committee considered an adjustment related to foreign exchange fluctuations, which are not reasonably capable of being hedged, as well as an adjustment of $36.4 million related to restructuring charges and asset impairments.

The adjusted 2016 operating income results measured against the targets were as follows:

Performance-Based Cash Incentive Funding Metrics	2016 Target	2016 Performance	Adjusted 2016 Performance	Total 2017 Performance-Based Cash Award Funding for 2016 Performance
Operating Income	$114.3 million	$52.8 million	$83.3 million	$0

Individual Performance Targets and Awards for Performance-Based Cash Incentives

If and when any cash incentives are available, based on the overall performance of the Company, how the funds are allocated to each Named Executive Officer is determined by the Compensation Committee, at its discretion, based on the recommendation of the Chief Executive Officer, and based on the Compensation Committee s view of the executive s contribution to the execution of the Company s strategic priorities as set forth below:

Strategic Priorities

- Deliver profitable top-line growth
- Continuously innovate customer experience
- Drive market adoption of emerging solutions
- Execute strategic and accretive acquisitions
- Enhance the TeleTech client and employee experiences

Performance Objectives

- New business signed and revenue growth
- Improved Operating Income and free cash flow
- Client satisfaction and retention
- Employee satisfaction and retention
- Overhead efficiency

There is no formulaic tie between the Company s financial results and the amount of the cash incentives payable to individual executives under the variable cash incentive plan, once the minimum target levels of financial performance necessary to fund the plan, as determined by the Compensation Committee, are achieved by the Company.

Our cash incentives do not provide for the adjustment or recovery of amounts paid to a Named Executive Officer if the results in a previous year are subsequently restated or adjusted in a manner that would have originally resulted in a smaller award. We will continue to monitor regulatory updates related to clawbacks and align our policy accordingly.

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Cash Incentives Paid in 2016

In 2016, the Compensation Committee awarded cash incentives to the Named Executive Officers for 2015 performance as follows:

Named Executive Officer	Target Cash Incentives % Base Salary	Cash Incentives Paid in 2016 for 2015 Performance	Basis for Cash Incentive Award
	Target	Actual	
Kenneth D. Tuchman	0% 1		N/A
Martin F. DeGhetto	200%	$221,500	Based on Mr. DeGhetto s contribution to TeleTech s overall performance in 2015.
Judi A. Hand	200%	$325,000	Based on Ms. Hand s contribution to TeleTech performance in 2015, including significant revenue growth in the Customer Growth Services segment in 2015.
Robert N. Jimenez	200%	$128,000	Based on Mr. Jimenez s contribution to TeleTech s overall performance in 2015. In addition, Mr. Jimenez s bonus target was pro-rated due to his partial year tenure.
Regina M. Paolillo	200%	$221,500	Based on Ms. Paolillo s significant contribution to strategy execution and overhead efficiencies.

1 As noted elsewhere in these Proxy materials, Mr. Tuchman has elected to forego participation in the Company s discretionary cash incentive awards program.

Cash Incentives Paid in 2017 With Respect to 2016 Performance

The Compensation Committee did not award cash incentives to the Named Executive Officers due to 2016 financial performance.

Named Executive Officer	Target Cash Incentives % Base Salary	Cash Incentives Paid in 2017 for 2016 Performance	Basis for Cash Incentive Award
	Target	Actual	
Kenneth D. Tuchman	0% 1		N/A
Martin F. DeGhetto	200%	$0	N/A

Judi A. Hand	200%	$0	N/A
Robert N. Jimenez	200%	$0	N/A
Regina M. Paolillo	200%	$0	N/A

1 As noted elsewhere in these Proxy materials, Mr. Tuchman has elected to forego participation in the Company s discretionary cash incentive awards program.

2016 Equity Grants

In 2016, the Compensation Committee considered whether equity awards were warranted in light of the Company s performance, peer company benchmarks and each individual Named Executive Officer s performance. Based on this review, the Compensation Committee determined to make restricted stock unit (RSU) grants to our Named Executive Officers. The primary characteristics of the RSUs being granted were:

- Annual RSU grants vest in four-year increments with 25 percent of the award vesting on each of the award anniversary dates.
- Executive officer must remain employed by the Company through the vesting date for each portion of the grant to vest.
- The awards are structured to have a strong retention value and align executives interests to stockholders interest over a longer term.
- RSUs provide a long-term incentive to balance shorter-term incentives provided by cash awards and base salaries.
- Vesting of RSUs may be affected by a change of control, as discussed below under *Executive Compensation Tables - Potential Payments upon Termination or Change in Control* .

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In 2016, the Compensation Committee made the following RSU grants to Mr. DeGhetto, Ms. Hand, and Mr. Jimenez. With the exception of Mr. Jimenez s grant, these grants vest in four equal installments on each anniversary date of the grant through 2020, subject to continued employment with the Company.

Mr. Jimenez s grant issued in 2016 is a result of a performance-based opportunity aligned to significant operating income growth targets in our Customer Strategic Services segment. Once these performance-based grants are earned, the award is subject to a one-year cliff vest.

Named Executive Officer	FMV 2016 RSU Grant	2016 RSU Grant	Considerations for 2016 Determination
Kenneth D. Tuchman	$0	0 Shares	Mr. Tuchman requested that the Compensation Committee provide no equity grant for him in 2016.
Martin F. DeGhetto	$ 999,980	34,794 Shares	Mr. DeGhetto s equity grant made in 2016, for 2015 performance, was based on his overall contribution to Company performance.
Judi A. Hand	$ 999,980	34,794 Shares	Ms. Hand s equity grant made in 2016, for 2015 performance, was based on her contribution to overall Company results as well as the significant revenue growth in the Customer Growth Services segment.
Robert N. Jimenez	$ 400,900	14,920 Shares	Mr. Jimenez s equity grant made in 2016, for 2015 performance was based on the achievement of Customer Strategic Services operating income related to his performance-based grant opportunity.
Regina M. Paolillo	$0	0 Shares	Ms. Paolillo was not awarded an equity grant in 2016.

2017 Equity Grants

In March of 2017, the Compensation Committee approved the following RSU grants; these grants vest in four equal installments on each anniversary date of the grant through 2021, subject to continued employment with the Company.

The primary characteristics of the RSUs being granted were:

Named Executive Officer	FMV 2017 RSU Grant	2017 RSU Grant	Considerations for 2017 Determination

Kenneth D. Tuchman	$0	0 Shares	Mr. Tuchman requested that the Compensation Committee provide no equity grant for him in 2017.
Martin F. DeGhetto	$1,000,000	34,364 Shares	Mr. DeGhetto s equity grant made in 2017 is based on contribution and execution in-line with the Company restructure.
Judi A. Hand	$1,000,000	34,364 Shares	Ms. Hand s equity grant made in 2017 is based on contribution and execution in-line with the Company restructure.
Robert N. Jimenez	$ 65,750	2,184 Shares	Mr. Jimenez s equity grant made in 2017, for 2016 performance was based on the achievement of pull through operating income related to his performance-based grant opportunity.
Regina M. Paolillo	$1,000,000	34,364 Shares	Ms. Paolillo s equity grant made in 2017 is based on contribution and execution in-line with the Company restructure.

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Employment Agreements

From time to time, we have entered into employment agreements with senior executive officers, including all five of our Named Executive Officers: Messrs. Tuchman, DeGhetto and Jimenez and Mses. Paolillo, and Hand. As a matter of policy, the Company does not enter into employment agreements, except in circumstance when required to do so by law or in special circumstances when management believes that such agreements are necessary to attract an executive or retain an executive in light of market conditions. The Compensation Committee reviews, but is not required to approve, employment agreements with senior executive officers, except our Chief Executive Officer and Chief Financial Officer. The primary compensation terms of our employment agreements with those Named Executive Officers who have the agreements are summarized below.

Tuchman Agreement

- TeleTech entered into an employment agreement with Mr. Tuchman in 2001.
- Base Salary and Incentives. Pursuant to the terms of the agreement, Mr. Tuchman is entitled to base salary, annual cash and equity incentives. But beginning in 2012, Mr. Tuchman requested that the Compensation Committee limit his base compensation to $1, and awarded him no annual cash or equity incentives.
- Benefits. Mr. Tuchman and members of his family are entitled to participate in all TeleTech employee benefits at the Company s expense.
- Life Insurance. The Company agreed to provide Mr. Tuchman with $4,000,000 term life insurance policy, premiums fully paid by the company. The policy is owned by Mr. Tuchman and may continue post termination of employment, subject to Mr. Tuchman paying all the premiums.
- Severance. Subject to customary releases, Mr. Tuchman is entitled to severance in the amount of 24 months of base pay, if he is terminated without cause or terminates his employment for good reason .
- Change in Control Provisions. The employment agreement provides for change in control provisions that result in accelerated vesting of all unvested equity awarded to Mr. Tuchman, subject to certain conditions that have been superseded by change in control provisions of specific equity grant documents

Paolillo Agreement

- TeleTech entered into an employment agreement with Ms. Paolillo in 2011.
- Base Salary. Entitled to receive base salary of at least $400,000 amended from time to time at the Company s discretion.
- Annual Cash Incentives. Guaranteed cash bonus during 2012, with the right to participate in the annual incentive plan starting in 2013 (for 2012 performance) and every year thereafter, with a target of 100% of base salary and an opportunity to a higher bonus as determined by the Compensation Committee based on the Company s performance and the executive s performance. The agreement provides no cap on the bonus potential but states that the amount payable may be zero. In 2014, the Compensation Committee approved a 200% target for all members of TeleTech s senior executive team, including Ms. Paolillo.
- Equity Grants. The agreement provides for a time-based RSU grant in the amount of 100,000 shares vesting over four years with the first tranche vesting on the second anniversary of the grant (in 2013) and remainder vesting in 2014 and 2015 on the grant anniversary dates. The agreement also provides for a performance-based RSU grant in the amount of 100,000 units that vests based on targeted revenue and operating margin by the end of 2014. (The metrics with respect to this grant were not achieved and the grant was forfeited). Also, the agreement provides for the grant of 150,000 stock options vesting over a four-year period based on performance metrics tied to TeleTech s stock price (The metrics for this grant have not been met to date).

DeGhetto Agreement

- TeleTech entered into an employment agreement with Mr. DeGhetto in 2016, to replace his prior employment arrangement at will.
- Base Salary. Entitled to receive a base salary of at least $400,000 amended from time to time at the discretion of the CEO to reflect his role in the business and contribution of the role to the Company.
- Annual Cash Incentives. Eligible to participate in the Company s annual variable incentive plan up to 200% of Base Salary. The opportunity is tied to the annual targets and goals of the business as set by the CEO and the Company s Board of Directors. Mr. DeGhetto s annual award, if any, will be based on a combination of metrics tied to the overall results of the business and his individual performance.
- Equity Grants. Eligible to participate in the Company s annual equity grant opportunity of up to 200% Base Salary. The actual amount of the annual equity grant to be awarded is discretionary and not guaranteed, and is based on TeleTech s performance overall, the performance of the business unit for which Mr. DeGhetto is responsible, and his individual performance against targets set by the Company s Board of Directors annually.
- Benefits. Mr. DeGhetto is entitled to participate in all customary benefits. In

(see, *Executive Compensation Tables - Potential Payments upon Termination or Change in Control section of the Proxy Statement).*

- Non-Disparagement. The agreement provides that on separation of affiliation, whatever the reason, TeleTech will refrain from any comments regarding Mr. Tuchman and his affiliation with TeleTech. A breach of this provision provides for a $200,000 liquidated damages payment.

- Benefits. Employee is entitled to participate in all customary benefits; provided however that the Company will pay for $4,000,000 of life insurance for the duration of Ms. Paolillo s employment with the company.

- Severance. Subject to customary releases, Ms. Paolillo is entitled to severance in the amount of 12 months of base pay if she is terminated without cause.

addition, Mr. DeGhetto is also eligible to participate in the Company s annual executive physical program and the Company will pay premiums on his $4,000,000 life insurance policy.

- Severance. Subject to customary releases, Mr. DeGhetto is entitled to severance in the amount of 12 months of Base Salary if he is terminated without cause.

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Hand Agreement

- TeleTech entered into an employment agreement with Ms. Hand in 2016, to replace her prior employment arrangement at will.

- Base Salary. Entitled to receive a base salary of at least $400,000 amended from time to time at the discretion of the CEO to reflect her role in the business and contribution of the role to the Company.

- Annual Cash Incentives. Eligible to participate in the Company s annual variable incentive plan up to 200% of Base Salary. The opportunity is tied to the annual targets and goals of the business as set by the CEO and the Company s Board of Directors. Ms. Hand s annual award, if any, will be based on a combination of metrics tied to the overall results of the business and her individual performance.

- Equity Grants. Eligible to participate in the Company s annual equity grant opportunity of up to 200% Base Salary. The actual amount of the annual equity grant to be awarded is discretionary and not guaranteed, and is based on TeleTech s performance overall, the performance of the business function for which Ms. Hand is responsible, and Ms. Hand s individual performance against targets set by the Company s Board of Directors annually.

- Benefits. Ms. Hand is entitled to participate in all customary benefits. In addition, Ms. Hand is also eligible to participate in the Company s annual executive physical program and the Company will pay premiums on her $4,000,000 life insurance policy.

- Severance. Subject to customary releases, Ms. Hand is entitled to severance in the amount of 12 months of Base Salary, if she is terminated with