UNISYS CORP
Form DEF 14A
March 17, 2017
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

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

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

Unisys Corporation

(Name of registrant as specified in its charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

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

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

(4) Proposed maximum aggregate value of transaction:

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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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Unisys Corporation

801 Lakeview Drive, Suite 100

Blue Bell, PA 19422

March 17, 2017

Dear Fellow Stockholder:

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

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

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

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

Sincerely,

Peter A. Altabef

President and Chief Executive Officer

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

April 26, 2017

Unisys Corporation will hold its 2017 Annual Meeting of Stockholders at the JW Marriott Essex House New York, 160 Central Park South, New York, New York, on Wednesday, April 26, 2017, at 8:00 a.m., local time, to:

1. elect nine directors;
2. ratify the selection of the Company s independent registered public accounting firm for 2017;
3. approve an amendment to the Company s Restated Certificate of Incorporation to increase the number of authorized shares of the Company s common stock from 100,000,000 to 150,000,000;
4. hold an advisory vote to approve executive compensation;
5. hold an advisory vote on the frequency of holding an advisory vote on executive compensation; and
6. transact any other business properly brought before the meeting.

Only record holders of Unisys common stock at the close of business on February 27, 2017 will be entitled to vote at the annual meeting.

By Order of the Board of Directors,

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

Blue Bell, Pennsylvania
March 17, 2017

Important Notice Regarding the Availability of Proxy Materials for the Stockholder

Meeting to be Held on April 26, 2017:

The Company s proxy statement and annual report are available at

www.proxyvote.com

Your vote is important. Whether or not you plan to attend the annual meeting, please promptly submit your proxy or voting instructions by Internet, telephone, or mail. For specific instructions on how to vote your shares, please refer to the instructions found on the Notice of Internet

Availability of Proxy Materials you received in the mail or, if you received a paper copy of the proxy materials, the enclosed proxy/voting instruction card.

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UNISYS CORPORATION

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

April 26, 2017

The Board of Directors of Unisys Corporation solicits your proxy for use at the 2017 Annual Meeting of Stockholders to be held on April 26, 2017 and at any adjournments or postponements thereof. At the annual meeting, stockholders will be asked to (1) elect directors, (2) ratify the selection of the Company s independent registered public accounting firm, (3) approve an amendment to the Company s Restated Certificate of Incorporation to increase the number of authorized shares of the Company s common stock from 100,000,000 to 150,000,000; (4) approve, on an advisory basis, the compensation of the Company s named executive officers, (5) vote, on an advisory basis, on the frequency with which the Company should hold an advisory vote on executive compensation and (6) transact any other business properly brought before the meeting.

The record date for the annual meeting is February 27, 2017. Only holders of record of Unisys common stock as of the close of business on the record date are entitled to vote at the meeting. On the record date, 50,397,101 shares of common stock were outstanding. The presence, in person or by proxy, of a majority of those shares will constitute a quorum at the meeting.

This proxy statement, the proxy/voting instruction card and the annual report of Unisys, including the financial statements for 2016, are being made available to stockholders on or about March 17, 2017.

Internet Availability of Proxy Materials; Multiple Sets of Proxy Materials

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

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

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

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Voting Procedures and Revocability of Proxies

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

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

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

If you are a stockholder of record and you properly complete, sign and return your proxy, and do not revoke it, the proxy holders will vote your shares in accordance with your instructions. If your signed and returned proxy gives no instructions, the proxy holders will vote your shares (1) FOR the election of directors, (2) FOR the ratification of the selection of independent registered public accounting firm, (3) FOR the proposal to amend the Company s Restated Certificate of Incorporation to increase the number of authorized shares of common stock, (4) FOR the approval, on an advisory basis, of the compensation of the Company s named executive officers, (5) for the approval, on an advisory basis, of an advisory vote on executive compensation EVERY YEAR and (6) in their discretion on any other matters that properly come before the annual meeting.

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

If you are a participant in the Unisys Savings Plan, the proxy/voting instruction card will serve as voting instructions to the plan trustee for shares of Unisys common stock credited to your account as of February 27, 2017. The trustee will vote those shares in accordance with your instructions if it receives your completed proxy by April 23, 2017. If the proxy is not timely received, or if you give no instructions on a matter to be voted upon, the trustee will vote the shares credited to your account in the same proportion as it votes those shares for which it received timely instructions from other participants.

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Required Vote

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

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

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

Amendment to Restated Certificate of Incorporation (Item 3). The proposal to amend the Company s Restated Certificate of Incorporation to increase the number of authorized shares of the Company s common stock will require the affirmative vote of a majority of the outstanding shares of common stock entitled to vote. Any shares not voted by abstention or otherwise will have the same effect as a vote Against the proposal. There will be no broker non-votes for the proposal to amend the Company s Restated Certificate of Incorporation since brokers will be entitled to vote on this routine proposal.

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

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

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

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ELECTION OF DIRECTORS

(Item 1)

Summary

The Board of Directors of Unisys Corporation (the Board of Directors or the Board) currently consists of ten members, each of whose term expires at the annual meeting. Ms. Leslie Kenne will retire from the Board at the annual meeting. Each of the remaining nine directors has been nominated for reelection for a term expiring at the 2018 annual meeting. Each of the nominees has agreed to serve as a director if elected, and the Company believes that each nominee will be available to serve. However, the proxy holders have discretionary authority to cast votes for the election of a substitute should any nominee not be available to serve as a director.

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

AGE

TENURE

DIVERSITY

INDEPENDENCE

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BACKGROUND AND EXPERIENCE

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

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Information Regarding Nominees

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

The Board of Directors recommends a vote FOR all nominees

PETER A. ALTABEF	Professional Experience:
Age: 57 Director Since: 2015	Mr. Altabef is President and Chief Executive Officer of Unisys and a member of the Board of Directors. Prior to joining Unisys in 2015, Mr. Altabef was the President and Chief Executive Officer, and a member of the Board of Directors, of MICROS Systems, Inc. from 2013 until 2014, when MICROS Systems, Inc. was acquired by Oracle Corporation. He previously served as President and Chief Executive Officer of Perot Systems Corporation from 2004 until 2009, when Perot Systems was acquired by Dell, Inc. Thereafter, Mr. Altabef served as President of Dell Services (a unit of Dell Inc.) until his departure in 2011. Mr. Altabef also serves on the President s National Security Telecommunications Advisory Committee, the Board of Directors of NiSource Inc., the Board of the East West Institute, the Board of Advisors of Merit Energy Company, LLC and the Advisory Board of Petrus Trust Company, L.T.A. He previously served as Senior Advisor to 2M Companies, Inc. in 2012, and served as a director of Belo Corporation from 2011 through 2013.
Unisys President and CEO	Attributes, Skills and Qualifications:
	Mr. Altabef has more than 20 years of senior leadership experience in the information technology industry and, having led both Perot Systems Corporation and MICROS Systems, Inc., has a proven ability to drive revenue growth and achieve strong financial performance. As a result, Mr. Altabef has the leadership skills and experience to serve as a director and as the President and Chief Executive Officer of the Company.

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JARED L. COHON Age: 69 Director Since: 2013 Compensation Committee Independent	Professional Experience: Dr. Cohon is President Emeritus and University Professor of Civil and Environmental Engineering and Engineering and Public Policy at Carnegie Mellon University. He served as President of Carnegie Mellon from 1997 until 2013. During this period, he led the university s global expansion while enhancing programs in information technology, diversity, international education, economic development and other areas. Prior to joining Carnegie Mellon, Dr. Cohon served as Dean of the School of Forestry and Environmental Studies at Yale University. Before that, he was an associate dean of engineering and vice provost for research at Johns Hopkins University. Dr. Cohon currently serves as a director of Ingersoll-Rand, plc. From 1999 to 2008, he served as a director of Trane, Inc. (formerly American Standard Companies, Inc.) and from 2010 to 2016, he served as director of Lexmark International, Inc. Attributes, Skills and Qualifications: Dr. Cohon brings to the Board both the management expertise and the unique perspective on technological matters gained from serving as the president of a global research university known for its leadership in technology programs. This, combined with his distinguished academic career, his international experience and the experience he has gained from serving as a director of multiple publicly traded companies make him a valued contributor to our Board.
ALISON DAVIS Age: 55 Director Since: 2011 Audit and Finance Committee Compensation Committee Independent	Professional Experience: Ms. Davis is former Managing Partner of Belvedere Capital Partners, Inc., a private equity firm serving the financial services sector, a position she held from 2003 to 2010. Prior to joining Belvedere, she served as Chief Financial Officer and Head of Strategy and Corporate Development for Barclays Global Investors from 2000 to 2003 and as a senior partner at A.T. Kearney, Inc. from 1993 to 2000. Ms. Davis began her career as a consultant at McKinsey & Company. Ms. Davis is currently a director of the Royal Bank of Scotland Group plc., Fiserv Corporation and Ooma Inc. She also served as a director of First Data Corporation from 2002 to 2007, as a director of LECG Corporation from 2007 to 2011, and as a director of City National Bank from 2010 to 2011. Attributes, Skills and Qualifications: With her experience in global financial services and her roles as a senior executive and as a consultant, Ms. Davis brings valuable expertise in corporate strategy and financial management to our Board. In addition, Ms. Davis years at Belvedere and Barclays, as well as her service as a director of Fiserv, City National Bank and Royal Bank of Scotland, have given her a deep understanding of the financial services market, a market that Unisys serves.

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NATHANIEL A. DAVIS

Age: 63

Director Since: 2011

Nominating and Corporate Governance Committee

Independent

Professional Experience:

Mr. Davis is Chairman of the Board of K12 Inc., a provider of proprietary curricula and on-line education programs for students in kindergarten through high school. He served as Chief Executive Officer of K12 from 2014 to 2016. Mr. Davis worked as Managing Director of the RANND Advisory Group, a business consulting group that advises software, technology, media and venture capital firms before assuming the role of Chairman of K12 in 2013. From 2007 to 2008, he was President and Chief Executive Officer of XM Satellite Radio, a provider of direct satellite radio broadcasts in the U.S., and from 2006 to 2007, was its President and Chief Operating Officer. He also was a member of the XM Satellite Radio Board of Directors from 1999 until 2008. From 2000 to 2003, he was President and Chief Operating Officer and a member of the Board of Directors of XO Communications (formerly Nextlink Communications). He has also held senior management roles at Nextel Communications and MCI Communications. He began his career at AT&T. Mr. Davis also serves as a trustee of the RLJ Lodging Trust. Mr. Davis served as a director of Charter Communications, Inc. from 2005 to 2008 and as a director of EarthLink, Inc. in 2011.

Attributes, Skills and Qualifications:

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

DENISE K. FLETCHER

Age: 68

Director Since: 2001

Nominating and Corporate Governance Committee, *Chair*

Audit and Finance Committee

Independent

Professional Experience:

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

Attributes, Skills and Qualifications:

As an experienced financial and operational leader with companies in a variety of industries, Ms. Fletcher brings a broad understanding of the strategic priorities of diverse industries, 8

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

PHILIPPE GERMOND

Age: 60

Director Since: 2016

Nominating and Corporate Governance Committee

Independent

Professional Experience:

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

Attributes, Skills and Qualifications:

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

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PAUL E. MARTIN

Age: 58

Director Since: 2017

Independent

Professional Experience:

Mr. Martin is Corporate Vice President, Chief Information Officer of Baxter International, Inc., a position he has held since 2011. From 1999 to 2011, Mr. Martin was at Rexam Plc, serving as Global Chief Information Officer from 2004 to 2011 and as Division CIO from 1999 to 2004. Previously, Mr. Martin held management roles at CIT Group Capital Financing, Burlington Northern Santa Fe Corporation, and Frito-Lay, Inc. Mr. Martin has served as a director of Unisys since February 2017.

Attributes, Skills and Qualifications:

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

LEE D. ROBERTS

Age: 64

Director Since: 2011

Compensation Committee, *Chair*

Audit and Finance Committee

Independent

Professional Experience:

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

Attributes, Skills and Qualifications:

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

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PAUL E. WEAVER

Age: 71

Director Since: 2010

Chairman of the Board

Audit and Finance Committee, *Chair*

Independent

Professional Experience:

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

Attributes, Skills and Qualifications:

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

Board Meetings; Attendance at Annual Meetings

The Board of Directors held eight meetings in 2016. During 2016, all directors attended at least 75% of the total number of meetings of the Board of Directors and standing committees on which they served (held during the period when the director served).

It is the Company s policy that all directors should attend the annual meeting of stockholders. All of the Company s current directors who were directors at the time of the 2016 annual meeting attended that meeting.

Independence of Directors

All of the Company s directors and nominees for director other than Mr. Altabef meet the independence requirements prescribed by the NYSE and, in the case of members of the Audit and Finance Committee, also meet the audit committee independence requirements prescribed by the SEC. In assessing whether a director or nominee has a material relationship with Unisys (either directly or as a partner, stockholder or officer of an organization that has a relationship with Unisys), the Board uses the criteria outlined below in paragraph 2 of Corporate Governance Guidelines . All non-employee directors met these criteria in 2016.

Committees

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

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

Director	Audit and Finance Committee	Compensation Committee	Nominating and Corporate Governance Committee
Peter A. Altabef			
Jared L. Cohon		X	
Alison Davis	X	X	
Nathaniel A. Davis			X
Denise K. Fletcher	X		Chair
Philippe Germond			X
Leslie F. Kenne		X	X
Paul E. Martin(1)			
Lee D. Roberts	X	Chair	
Paul E. Weaver	Chair		

(1) Mr. Martin was elected to the Board of Directors on February 9, 2017 and has not yet been appointed to a standing committee.

AUDIT AND FINANCE COMMITTEE

Members: Ms. Davis, Ms. Fletcher, Mr. Roberts and Mr. Weaver (chair)

Number of Meetings: 9

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

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

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COMPENSATION COMMITTEE

Members: Dr. Cohon, Ms. Davis, Ms. Kenne and Mr. Roberts (chair)

Number of Meetings: 6

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

Purpose: The Compensation Committee (1) oversees the compensation of the Company s elected executive officer and other executives who report directly to the Chief Executive Officer, (2) oversees the compensation-related policies and programs involving the Company s executive management and the level of benefits of officers and key employees and (3) reviews the senior executive succession plan and the senior executive leadership development process as presented by the Chief Executive Officer. The committee regularly reviews and approves the Company s executive compensation strategy and principles to ensure that they are aligned with the Company s business strategy and objectives and with stockholder interests. Under its charter, the Compensation Committee annually reviews and approves goals and objectives relevant to the compensation of the Chief Executive Officer, evaluates the performance of the Chief Executive Officer in light of those goals and objectives and makes recommendations to the independent members of the Board concerning the compensation level of the Chief Executive Officer. The committee also annually reviews and approves compensation levels of the other elected officers. In this regard, the committee solicits input from the Company s Chief Executive Officer regarding the compensation of those executives who report directly to him. The Compensation Committee also reviews and recommends to the Board the adoption of director compensation programs. The Company s guidelines regarding the compensation of directors are described more fully in paragraph 11 of Corporate Governance Guidelines below. Under its charter, the Compensation Committee also annually reviews management s assessment of risk as it relates to the Company s compensation arrangements. As is discussed more fully below in Compensation Discussion and Analysis , the Compensation Committee regularly receives reports and recommendations from management and from the committee s outside compensation consultant to assist it in carrying out its responsibilities. In 2016, the Compensation Committee engaged Pearl Meyer & Partners (Pearl Meyer) as its outside compensation consultant. During 2016, Pearl Meyer and its affiliates did not provide any additional services to the Company or its affiliates, and the work of Pearl Meyer has not raised any conflict of interest. Under its charter, the committee also may consult with legal, accounting or other advisors, as appropriate, and may form and delegate authority to subcommittees when appropriate.

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NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Members: Mr. Davis, Ms. Fletcher (chair), Mr. Germond and Ms. Kenne

Number of Meetings: 4

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

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

Director Nomination Process

As part of the nomination process, the Nominating and Corporate Governance Committee is responsible for determining the appropriate skills and characteristics required of new Board members in the context of the current make-up of the Board and for identifying qualified candidates for Board membership. In so doing, the Nominating and Corporate Governance Committee considers, with input from the Board, those factors it deems appropriate, such as independence, experience, expertise, strength of character, mature judgment, leadership ability, technical skills, diversity, age and the extent to which the individual would fill a present need on the Board. The aim is to assemble a Board that is strong in its collective knowledge and that consists of individuals who bring a variety of complementary attributes and who, taken together, have the appropriate skills and experience to oversee the Company s business. In February 2017, the Nominating and Corporate Governance Committee recommended, and the Board elected, one new director, Mr. Martin. As part of the selection process, the Board considered his extensive executive management experience across the entire IT industry, his international experience and his deep life sciences and healthcare expertise.

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

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

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

Communications with Directors

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

Board Leadership Structure

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

Risk Oversight

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

Compensation of Directors

The Company s non-employee directors receive an annual retainer of $60,000. Mr. Weaver receives an additional $100,000 annual retainer for serving as Chairman of the Board. In February 2016, the Board eliminated the meeting fee of $1,500 per meeting for attendance at certain additional Board and committee meetings, increased the annual committee chair retainers and added annual committee member retainers. Currently, the chair of the Audit and Finance Committee receives a $26,000 annual retainer, the chair of the Compensation Committee receives a $19,000 annual retainer and the chair of the Nominating and Corporate Governance Committee receives a $16,250 annual retainer. Each other member of the Audit and Finance Committee receives a $12,000 annual retainer and each other member of the Compensation Committee and the Nominating and Corporate Governance Committee receives a $7,500 annual retainer. Prior to adopting these changes, the Board considered an assessment of our non-employee director compensation provided by Pearl Meyer, which took into account the director compensation and practices of the peer group companies used as a frame of reference in assessing our executive compensation. The new fee amounts were aligned with the median amounts provided by our peer group companies at the time of assessment. On February 11, 2016, each non-employee director at the time of the Board meeting on that date received an annual grant of 15,000 restricted stock units having a value of $150,000 based on the fair market value of Unisys common stock on that date that vested immediately. On April 28, 2016, Mr. Germond received an annual grant of 18,964 restricted stock units having a value of $150,005 based on the fair market value of Unisys common stock on that date that vested immediately. Directors may defer receipt of these restricted stock units until termination of service, or until a specified date, under the Company s deferred compensation plan for directors.

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

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units, stock options or restricted stock units for their services as directors. The following table provides a summary of the 2016 compensation of current non-employee directors.

Name	Fees Earned or Paid in Cash (1) ($)	Stock Awards (2) (3) ($)	Option Awards (4) ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings	All Other Compensation ($)	Total ($)
Jared L. Cohon	67,750	150,000					217,750
Alison Davis	75,750	150,000					225,750
Nathaniel A. Davis	67,750	150,000					217,750
Denise K. Fletcher Chair, Nominating and Corporate Governance Committee	87,375	150,000					237,375
Philippe Germond	55,000	150,005					205,005
Leslie F. Kenne	75,500	150,000					225,500
Lee D. Roberts Chair, Compensation Committee	89,000	150,000					239,000
Paul E. Weaver Chairman of the Board; Chair, Audit and Finance Committee	186,500	150,000					336,500

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

(2) Amounts shown are the aggregate grant date fair value of awards computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. For a discussion of the assumptions made in such valuation, see note 16 to the Company s 2016 financial statements included in the Annual Report on Form 10-K for the year ended December 31, 2016. Amounts shown are in respect of the 15,000 restricted stock units granted to directors other than Mr. Germond on February 11, 2016 and in respect of the 18,964 restricted stock units granted to Mr. Germond on April 28, 2016. Includes awards that have been deferred under the deferred compensation plan for directors.

(3) At December 31, 2016, directors had outstanding stock units in respect of directors fees as follows: Dr. Cohon 0; Ms. Davis 0; Mr. Davis 0; Ms. Fletcher 1314.8; Mr. Germond 0; Ms. Kenne 0; Mr. Roberts 0; Mr. Weaver 0.

(4) At December 31, 2016, none of the directors had outstanding stock options.

Under the Company s stock ownership guidelines, directors are expected to own Unisys stock or stock units having a value equal to five times their annual retainer within five years after the director s date of election to the Board. The number of shares owned by each director is set forth in the stock ownership table on page 28.

Code of Ethics and Business Conduct

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

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Corporate Governance Guidelines

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

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

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

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

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

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

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

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

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

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

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

11. It is appropriate for the Company s staff to report once a year to the Compensation Committee on the status of Board compensation in relation to other large U.S. companies. Changes in Board compensation, if any, should come at the suggestion of the Compensation Committee, but with full discussion and concurrence by the Board. Particular attention will be paid to structuring Board compensation in a manner aligned with stockholder interests. In this regard, a meaningful portion of a director s compensation should be provided and held in stock options and/or stock units. Directors should not, except in rare circumstances approved by the Board, draw any consulting, legal or other fees from the Company. In no event shall any member of the Audit and Finance Committee receive any compensation from the Company other than directors fees.

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

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

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

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

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

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

Related Party Transactions

The Company is required to disclose any transactions since the beginning of 2016 (or any currently proposed transaction) in which the Company was a participant, the amount involved exceeds $120,000 and a director or executive officer, any immediate family member of a director or executive officer or any person or group beneficially owning more than 5% of the Company s common stock had a direct or indirect material interest. The Company does not have any such transactions to report.

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

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Audit and Finance Committee Report

In performing its oversight responsibilities as defined in its charter, the Audit and Finance Committee has reviewed and discussed the audited financial statements and reporting process for 2016, including internal controls over financial reporting, with management and with KPMG LLP, the Company s independent registered public accounting firm. The committee has also discussed with KPMG LLP the matters required to be discussed by the Public Company Accounting Oversight Board (the PCAOB) Auditing Standard No. 1301, Communications with Audit Committees. In addition, the committee has received from KPMG LLP the written disclosures and the letter required by applicable requirements of the PCAOB regarding KPMG LLP s communications with the committee concerning independence and has discussed with KPMG LLP their independence. The committee has also considered the compatibility of audit-related services, tax services and other non-audit services with KPMG LLP s independence.

Based on the reviews and discussions referred to above, the committee recommended to the Board of Directors that the audited financial statements be included in the Annual Report on Form 10-K for the year ended December 31, 2016 for filing with the SEC.

Audit and Finance Committee

Alison Davis

Denise K. Fletcher

Lee D. Roberts

Paul E. Weaver (Chair)

Independent Registered Public Accounting Firm Fees and Services

KPMG LLP was the Company s independent registered public accounting firm for the years ended December 31, 2016 and 2015. KPMG LLP has billed the Company the following fees for professional services rendered in respect of 2016 and 2015 (in millions of dollars):

	2016	2015
Audit Fees	$8.8	$9.2
Audit-Related Fees	2.3	1.8
Tax Fees	0.1	0.2
All Other Fees		

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

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

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RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC

ACCOUNTING FIRM

(Item 2)

The Audit and Finance Committee has engaged the firm of KPMG LLP as the independent registered public accounting firm to audit the Company s financial statements for the year ending December 31, 2017. KPMG LLP has been the Company s independent registered public accounting firm since 2008. The Company expects that representatives of KPMG LLP will be present at the annual meeting and will have the opportunity to make a statement if they desire to do so and to respond to appropriate questions asked by stockholders. The Board of Directors considers KPMG LLP to be well qualified to serve as the independent registered public accounting firm for Unisys and recommends a vote for the proposal to ratify their selection.

The Board of Directors recommends a vote FOR the proposal to ratify the selection of KPMG LLP as the Company s independent registered public accounting firm for 2017.

AMENDMENT TO RESTATED CERTIFICATE OF INCORPORATION

(Item 3)

The Company s Board of Directors has approved, declared advisable and in the best interests of the Company and its stockholders and is submitting for stockholder approval an amendment to the Company s Restated Certificate of Incorporation to increase the number of authorized shares of the Company s common stock from 100,000,000 to 150,000,000.

During 2016, the Company issued $213.5 million of 5.50% Convertible Senior Notes due in 2021. In connection with this issuance, the Company reserved up to 27,415,305 shares of common stock for issuance upon the conversion of these notes. On February 28, 2017, there were 50,397,101 shares of the Company s common stock outstanding. In addition, 7,828,639 shares of common stock were reserved for issuance in connection with the Company s various employee benefit and compensation plans. This leaves 14,358,955 shares of common stock, or less than 15% of the number of shares of common stock currently authorized, available for future use.

The Company s Restated Certificate of Incorporation also authorizes the issuance of 40,000,000 shares of preferred stock. Currently, there are no shares of preferred stock outstanding. The proposed amendment does not increase the number of shares of preferred stock that the Company is authorized to issue.

Form of the Amendment

If stockholders approve this proposal, the Company s Restated Certificate of Incorporation will be amended to increase the number of shares of common stock the Company is authorized to issue from 100,000,000 to 150,000,000. The par value of the common stock will remain at $.01 per share. The amendment would amend the first sentence of Article IV, Section 1 of the Company s Restated Certificate of Incorporation to read in its entirety as follows:

Section 1. The total number of shares of all classes of stock which the Corporation shall have authority to issue is 190,000,000 shares, divided into two classes consisting of 150,000,000 shares of Common Stock, par value $.01 per share (Common Stock), and 40,000,000 shares of Preferred Stock, par value $1 per share (Preferred Stock).

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The remaining text of Article IV, Section 1 of the Company s Restated Certificate of Incorporation will remain unchanged.

Purpose of the Amendment

The Board is recommending this increase in authorized shares of common stock primarily to give the Company appropriate flexibility to issue shares for future corporate needs. The shares may be issued by the Board in its discretion, subject to any further stockholder action required in the case of any particular issuance by applicable law, regulatory agency, or under the rules of the NYSE. Although there is no present agreement to issue any shares, the newly authorized shares of common stock would be issuable for any proper corporate purpose, including future acquisitions, investment opportunities, capital raising transactions of equity or convertible debt securities, stock splits, stock dividends, issuance under current or future equity compensation plans, employee stock plans and savings plans or for other corporate purposes. There are no immediate plans, arrangements, commitments or understandings with respect to issuance of any of the additional shares of common stock that would be authorized by the proposed amendment. However, the Board believes that these additional shares will provide the Company with needed ability to issue shares in the future to take advantage of market conditions or favorable opportunities without the potential expense or delay incident to obtaining stockholder approval for a particular issuance.

Rights of Additional Authorized Shares

The additional authorized shares of common stock, if and when issued, would be part of the existing class of common stock and would have the same rights and privileges as the shares of common stock currently outstanding. The Company s stockholders do not have preemptive rights with respect to its common stock. Accordingly, should the Board of Directors elect to issue additional shares of common stock, existing stockholders would not have any preferential rights to purchase the shares.

Potential Adverse Effects of the Amendment

Future issuances of common stock or securities convertible into common stock could have a dilutive effect on the earnings per share, book value per share, voting power and percentage interest of holdings of current stockholders. In addition, the availability of additional shares of common stock for issuance could, under certain circumstances, discourage or make more difficult efforts to obtain control of the Company. The Board is not aware of any attempt, or contemplated attempt, to acquire control of the Company. This proposal is not being presented with the intent that it be used to prevent or discourage any takeover attempts, but nothing would prevent the Board from taking any appropriate actions not inconsistent with its fiduciary duties.

Effectiveness of the Amendment and Vote Required

If the proposed amendment is adopted, it will become effective upon the filing of a certificate of amendment to the Company s Restated Certificate of Incorporation with the Secretary of State of the State of Delaware, which the Company anticipates doing as soon as practicable following approval of this proposal. The adoption of this amendment requires the approval of a majority of the outstanding shares of common stock entitled to vote.

The Board of Directors recommends a vote FOR the proposal to amend the Company s Restated Certificate of Incorporation to increase the number of authorized shares of the Company s common stock.

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ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

(Item 4)

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

As described in detail in Compensation Discussion and Analysis beginning on page 29, the Company s executive compensation program is designed to attract, motivate and retain the executives who lead the Company s business, to reward them for achieving financial and strategic company goals and to align their interests with the interests of stockholders. The Company believes that the compensation of its named executive officers is reasonable, competitive and strongly focused on pay for performance principles, with a significant portion of target compensation at risk and performance based. The Company emphasizes compensation opportunities that appropriately reward executives for delivering financial results that meet or exceed pre-established goals, and executive compensation varies depending upon the achievement of those goals. Through stock ownership requirements and equity incentives, the Company also aligns the interests of its executive officers with those of stockholders and the long-term interests of the Company. The Company believes that the policies and procedures articulated in Compensation Discussion and Analysis are effective in achieving the Company s goals and that the executive compensation reported in this proxy statement was appropriate and aligned with 2016 results. Please read the Compensation Discussion and Analysis below, as well as the compensation tables and narrative that follow it, for additional details about the Company s executive compensation programs and compensation of the named executive officers in 2016.

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

RESOLVED, that the stockholders of Unisys Corporation approve, on an advisory basis, the compensation of the Company s named executive officers set forth in the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables and narrative in the Proxy Statement for the Company s 2017 Annual Meeting of Stockholders.

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

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

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ADVISORY VOTE ON THE FREQUENCY OF AN ADVISORY VOTE ON EXECUTIVE COMPENSATION

(Item 5)

In accordance with Section 14A of the Exchange Act, the Company is asking stockholders to vote on whether they would prefer future advisory votes on executive compensation to occur every year, every two years or every three years. After careful consideration of the frequency alternatives, the Board of Directors believes that conducting an advisory vote on executive compensation every year is appropriate for the Company and its stockholders at this time. The Company has conducted an advisory vote on executive compensation on an annual basis since 2011.

You may cast your vote on your preferred voting frequency by choosing one of the following options one year, two years, three years or abstain on the proxy card when you vote in response to the resolution set forth below:

RESOLVED, that the option of once every one year, two years, or three years that receives the highest number of votes cast on this resolution will be determined to be the preferred frequency with which the Company is to hold a stockholder vote to approve, on an advisory basis, the compensation of the Company s named executive officers set forth in the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables and narrative in the Proxy Statement for the Company s 2017 Annual Meeting of Stockholders.

Stockholders are not voting to approve or disapprove the Board s recommendation.

The Board and the Compensation Committee will review and consider the vote when making future determinations as to the frequency of the advisory say-on-pay vote. However, because this advisory vote on frequency is non-binding, the Company may decide that it is in its and its stockholders best interests to hold an advisory vote on executive compensation more or less frequently than the option selected by stockholders.

The Board of Directors recommends that you vote for the option of every ONE YEAR as to the frequency of the advisory vote on the compensation of the Company s named executive officers.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of December 31, 2016 with respect to compensation plans under which Unisys common stock is authorized for issuance.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	2.099 million(1)	$ 25.41	
	1.454 million(2)	$ 0	3.808 million(3)
Equity compensation plans not approved by security holders(4)	0.002 million(5)	$ 0	0
Total	3.555 million		3.808 million

(1) Represents stock options.

(2) Represents restricted stock units. Assumes that unearned performance-based restricted stock units will vest at target.

(3) Shares issuable under the Unisys Corporation 2016 Long-Term Incentive and Equity Compensation Plan (the 2016 Plan). Assumes that outstanding unearned performance-based restricted stock units will vest at the maximum amount.

(4) Represents the Unisys Corporation Director Stock Unit Plan (the Stock Unit Plan). Under the Stock Unit Plan, directors received a portion of their annual retainers and attendance fees in common stock equivalent units. The Stock Unit Plan was terminated in 2004, and stock units are now granted to directors under the 2016 Plan, which was approved by stockholders. No shares (other than shares subject to outstanding awards previously made) are available for future issuance under the Stock Unit Plan.

(5) Represents stock units granted under the Stock Unit Plan.

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SECURITY OWNERSHIP BY CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Shown below is information with respect to persons or groups that beneficially owned more than 5% of Unisys common stock as of February 28, 2017. This information is derived from Schedules 13G filed by such persons or groups.

Name and Address of Beneficial Owner	Number of Shares Of Common Stock	Percent of Class
BlackRock, Inc. 55 East 52nd Street New York, NY 10055	4,315,305(1)	8.6
Fairpointe Capital LLC 1 N. Franklin Street, Suite 3300 Chicago, IL 60606	5,752,957(2)	11.5
FMR LLC Abigail P. Johnson 245 Summer Street Boston, MA 02210	7,512,498(3)	14.999
JPMorgan Chase & Co. 270 Park Avenue New York,, NY 10017	3,500,161(4)	6.9
Royce & Associates, LP 745 Fifth Avenue New York, NY 10151	2,660,101(5)	5.31
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	5,286,996(6)	10.55

(1) Sole dispositive power has been reported for all shares. Sole voting power has been reported for 4,121,998 shares.

(2) Sole dispositive power has been reported for 5,582,557 shares, and shared dispositive power has been reported for 170,400 shares. Sole voting power has been reported for 5,504,627 shares.

(3) Sole dispositive power has been reported for all shares. Sole voting power has been reported for 215,028 shares.

(4) Sole dispositive power has been reported for 3,473,395 shares and shared dispositive power has been reported for 166 shares. Sole voting power has been reported for 3,052,475 shares.

(5) Sole dispositive and sole voting power have been reported for all shares.

(6) Sole dispositive power has been reported for 5,195,469 shares, and shared dispositive power has been reported for 91,527 shares. Sole voting power has been reported for 87,293 shares. Shared voting power has been reported for 6,902 shares.

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Shown below are the number of shares of Unisys common stock (or stock units) beneficially owned as of February 27, 2017 by all directors, each of the executive officers named on page 39, and all directors and current officers of Unisys as a group.

Beneficial Owner	Number of Shares of Common Stock (1)(2)	Additional Shares of Common Stock Deemed Beneficially Owned (1)(3)	Percent of Class
Peter A. Altabef	106,822	93,334	*
Jared L. Cohon	40,016	0	*
Alison Davis	55,032	0	*
Nathaniel A. Davis	14,293	0	*
Denise K. Fletcher	72,338	0	*
Philippe Germond	24,404	0	*
Janet B. Haugen	44,746	77,137	*
Eric Hutto	11,756	4,046	*
Leslie F. Kenne	70,943	0	*
Paul E. Martin	0	0	*
Jeffrey E. Renzi	31,622	56,501	*
Lee D. Roberts	43,380	0	*
Inder M. Singh	0	0	*
Andrew J. Stafford	0	0	*
Paul E. Weaver	63,855	0	*
All directors and current officers as a group	613,523	293,002	1.4

* Less than 1%

(1) Includes shares reported by directors and officers as held directly or in the names of spouses, children or trusts as to which beneficial ownership may have been disclaimed. Amounts shown for Ms. Haugen are as of October 31, 2016, her last day of employment with the Company.

(2) Includes:

(a) Shares held under the Unisys Savings Plan, a qualified plan under Sections 401(a) and 401(k) of the Internal Revenue Code, as follows: Ms. Haugen, 1,459.8; current officers as a group, 3,348.5. With respect to such shares, plan participants have authority to direct voting.

(b) Stock units, as described on page 16, for directors as follows: Ms. Fletcher, 1,314.8. They may not be voted.

(c) Stock units deferred under the 2005 Deferred Compensation Plan for Directors as follows: Dr. Cohon, 40,016; Ms. Davis, 44,393; Ms. Fletcher, 51,191; and Ms. Kenne, 55,069. Deferred stock units are distributed in shares of common stock upon the earlier of termination of service or on any date at least two years after the stock units are awarded, as previously elected by the director. They may not be voted.

(3) Shares shown are shares subject to options exercisable within 60 days following February 27, 2017.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Summary

Our Business

Unisys is a global information technology company in the midst of a strategic transition. In 2016, the Company made substantial progress towards our objectives of improving profitability and free cash flow, strengthening our go-to-market approach, and delivering on our revenue guidance. To improve visibility, we provided financial guidance for the first time in over a decade to track our progress on key financial metrics and delivered on these commitments. In addition, we are exiting 2016 with an estimated $205 million in annualized cost savings through our cost reduction plan (compared to an initial plan of $200 million). The Company s business context and performance are summarized below.

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Unisys is committed to enhancing peoples lives through digital security. We work with many of the world s largest companies and government organizations to solve their most pressing IT and business challenges through high-value services, software and solutions. Over 90 of the Fortune 500 Global companies utilize Unisys systems to improve productivity and customer satisfaction. We offer:

Broad, global reach	Deep industry expertise in selected markets	Leading-edge solutions
	Government:	Cloud and infrastructure services
	More than 300 government agencies worldwide use Unisys solutions	Application services
	Unisys systems screen 98% of all inbound vehicular traffic at northern and southern U.S. border crossings	Security and analytics solutions
	37 U.K. police forces use Unisys cloud-based HOLMES solution to manage criminal investigations	End user services
144 years of products and services	Financial Services:	Business Process Outsourcing
80+ countries	More than $1 trillion is cleared every day by a clearinghouse powered by Unisys	Software Applications:
>1,500 clients	More than 125 banks worldwide use Unisys retail banking delivery platform	Ø Digital Investigator Ø LineSight Ø AirCore
	Unisys solutions protect more than 5 million internet banking customers in Singapore, Hong Kong and Malaysia from banking fraud	Ø LMS Ø InfoImage Ø VantagePoint
	Commercial:	High-end server technology
	18 of the top 25 global airlines rely on Unisys solutions	

20% of global passenger boardings are processed through Unisys solutions

Unisys supports 1.4 million life science incidents and service requests per year through its global service desk offerings

We operate in two business segments Services and Technology. In our Services segment, we provide services to help clients improve their competitiveness, security, and cost efficiency. In 2016, approximately 85% of our revenue was attributable to the Services segment. In our Technology segment, we design and develop software, servers, and related products to help clients reduce costs, improve flexibility, and improve the efficiency of their data center environments. Compared to our Services segment, the Technology segment can see more variability in its results from quarter to quarter, but is also more profitable.

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The Company is undergoing a transformation to improve its capability to respond to changing client expectations:

Industry Changes	Client-Focused Company Strategic Objectives
Consultative selling approach: Rather than relying only on the RFP process, clients are seeking a partnership with their provider which involves working with them over time to understand their needs and develop more tailored solutions	Investing in developing the consultative selling skillset needed to address changing client demands with the objective of improving revenue over time
Domain Expertise: Clients expect solutions targeted to their specific industry; companies are focusing on domain expertise within targeted verticals to provide value-added services based on experience within certain targeted verticals, which over time has improved profitability for those companies compared to providing broader but less differentiated offerings	Implementing a vertical go-to-market strategy focused on key industries where the company has deep expertise and organizing the business internally to support that approach
	¡ Intended to improve revenue and profitability over time by moving from low margin/commoditized offerings in non-core areas to premium services

Our Performance

After joining the Company on January 1, 2015, our President and Chief Executive Officer, Peter A. Altabef, introduced a plan to refocus our strategy by deepening our software and integrated solutions, realigning our organization, and addressing our cost base. This work began in 2015 and continued in 2016. We established goals of increasing profitability and cash flow while stabilizing revenue and building a foundation for revenue improvement.

Highlights of our 2016 performance include:

- Delivered on guidance for revenue and non-GAAP operating profit margin
- Exceeded our guidance for adjusted free cash flow and were free cash flow positive for the year
- Achieved total shareholder return of 35% for 2016, exceeding the median for our industry and the Russell 3000
- Successfully executed against the vertical go-to-market strategy developed in 2015 including build-out of the leadership team in targeted sectors and industries
- Launched several new offerings aligned with our security focus and vertical go-to-market strategy

Increased revenue for targeted industries 2.6% on a constant currency basis; 42% of revenue is from focused industries

Increased Total Contract Value (TCV) by 13% compared to 2015; TCV (estimated total contractual revenue related to signed contracts including option years and without regard for cancellation) is a key leading indicator of future revenue; new business TCV (new customers or scope expansions) increased 17% compared to 2015

Executed on our cost-reduction plan with $205 million of annualized savings compared to our goal of $200 million exiting 2016

Continued our transition to a more asset-lite business model, thereby reducing capital expenditure needs

Managed our capital structure, including through raising a convertible debt offering and repaying early $115 million of our Senior Notes due in 2017

In order to improve the transparency of our financial reporting and enhance visibility on our performance, in January 2016 we provided annual financial guidance to track our progress on our strategic objectives. Our revenue guidance reflected negative impacts from currency (over half of our revenue is from sales outside the United States) as well as lower anticipated revenue in both the Technology and Services segments. This was expected as part of our planned strategic transition, including migration from broader, more commoditized offerings to premium solutions customized for targeted industry verticals.

As summarized below, we achieved full year guidance on revenue and non-GAAP operating profit margin and exceeded guidance on adjusted free cash flow. We achieved $205 million of annualized run-rate savings exiting 2016, compared to our goal of $200 million. Non-GAAP operating profit and adjusted free cash flow exclude the impact of defined benefit pension expense and cost reduction charges.

The Company s results and the overall business environment, including the Company s cost reduction program, were considered when determining compensation paid for 2016, as discussed below. Please see *Management s Discussion and Analysis of Financial Condition and Results of Operations* in the Company s Annual Report on Form 10-K for a more detailed description of the Company s financial results.

Overview of Our Compensation Programs

This section describes 2016 compensation and benefit programs for the executive officers listed in the Summary Compensation Table on page 59 and referred to as Named Officers .

Highlights of our compensation program include:

Strong emphasis on performance-based pay with the majority of target compensation (85% in the case of Mr. Altabef and 69% on average for the other Current Named Officers) at-risk.

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- No base salary increases for most Named Officers
- No changes in short-term incentive opportunity for most Named Officers
- Realized and realizable pay that aligns with our performance
- Rigorous and progressively challenging performance goals
- Increase in the proportion of performance-based long-term incentives
- Programs designed to engage and motivate a new leadership team for execution relative to the turnaround strategy

Additional detail on each compensation element is provided starting on page 48.

Changes from 2015	2016 Design
Base Salary	
Salary changes limited to Named Officers with recent increases in responsibility	Reflects level of responsibility and complexity of the position compared to the market and other executives within the Company, individual performance, and other factors
Short-Term Incentives	
No change from 2015 design No change in incentive opportunity except for changes in responsibility	Annual cash incentives under the Executive Variable Compensation (EVC) Plan Targeted award amounts set as a percentage of salary for each Named Officer No award paid if pre-set non-GAAP pretax profit level not met Metrics: 40% g non-GAAP pretax profit

35% g revenue

25% g adjusted free cash flow

No funding on a metric if performance below threshold; payout capped at 200% of target

Goals aligned with Company s operating plan and financial guidance

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Long-Term Incentives	Consists of performance-based LTI (67% of target LTI value) and time-based restricted stock units (RSUs) (33% of target LTI value)
Increased performance-based weighting from 45% to 67% of LTI target value	Performance-based LTI earned per achievement of pre-established non-GAAP operating profit goals
Delivering a portion of performance-based LTI through performance cash in order to provide a strong focus on operating profit attainment and limit potential share dilution	1/3 of target shares or cash award linked to each of specific 2016, 2017, and 2018 performance objectives
	Rewards consistent profitability over time while addressing the uncertainty given the current business context
Eliminated stock options	
	No payout for performance below threshold; maximum payout capped at 200% of target
	Vesting or settlement per achievement of specific performance objectives for each year of each tranche on 1st, 2nd, and 3rd anniversary of grant
	Goals set at the time of grant and represent progressively stronger performance standards for each year
	Goals aligned with Company s operating plan and financial guidance

Base salaries and target short-term cash incentive awards for 2016 were generally at or competitive with (i.e. within 15%) the market median. In consideration of the Compensation Committee s desire to achieve an appropriate balance between the goals of its long-term incentive program, its compensation expense and dilution to its stockholders, the grant date value of LTI awards to the Named Officers, as shown in the Summary Compensation Table on page 59, in the aggregate, was below the median compared to the market reference data. Therefore, total target compensation for 2016 is at or below median for the Named Officers.

Pay-Performance Alignment

The chart below shows 2016 target and realized compensation for Mr. Altabef. Target total direct compensation represents Mr. Altabef s 2016 target pay opportunity. Realized compensation shows Mr. Altabef s salary, actual EVC payout, and the value of Mr. Altabef s Time-Based RSUs and Performance-Based RSUs which vested in 2016. Based on the Unisys common stock price at vesting, realized long-term incentives were approximately $372,200, significantly less than the fair value of Mr. Altabef s long-term incentives at the time of grant, which was approximately $4.3 million. The chart shows that while Mr. Altabef s target total direct compensation is approximately $6.5 million, his realized pay is approximately $2.9 million.

Below we show alignment of realizable pay and total shareholder return (TSR) for Unisys compared to the 2016 Peer Group (defined under Market References below). Realizable pay incorporates realized pay plus the value of unvested equity and unearned long-term performance cash attributable to awards made in the past 3 years (2014 through 2016 for Unisys, and generally 2013 through 2015 for the 2016 Peer Group given the timing of compensation disclosures) assuming target performance and stock price as of December 31. Differences in realized, realizable and Summary Compensation Table reported pay reflect

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timing of incentive payouts (long-term incentives vest over multiple years), changes in stock price since the time of grant, and the degree to which actual payouts of EVC and Performance-Based RSUs that actually vested align with the target amounts.

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For the Company, realizable pay is evaluated for 2014 through 2016 and the Chief Executive Officer comparison uses Mr. Altabef s pay for 2015 and 2016 and the pay of our former Chief Executive Officer, J. Edward Coleman, for 2014. For the 2016 Peer Group, realizable pay is based on the last three years disclosed in the most recent proxy. TSR, which encompasses stock price appreciation and assumes dividends (where applicable) are reinvested, is calculated for January 1, 2014 through December 31, 2016.

CEO Pay for Performance

Although total shareholder return trails our peers, this analysis shows realizable pay aligns with our total shareholder return performance over the last three years. We believe this is a comprehensive depiction of pay-performance alignment for the following reasons:

- It takes into account stock price movement after the grant date (as opposed to grant date fair value reported in the Summary Compensation Table)

- For performance-based equity such as our Performance-Based RSUs, the number of shares or units actually vesting is used for time periods where the performance period has been completed.

- For multi-year cash vehicles such as our Long-Term Performance Cash, it includes target value where the performance period has not yet been completed. Only Long-Term cash earned in 2016 is shown in the Summary Compensation Table.

- It excludes Other Compensation reported in the Summary Compensation Table which includes items that are not part of total direct compensation. For the Company, Other Compensation is typically a small portion (i.e. 1-3%) of Summary Compensation Table pay for executives with the Company for the entire year. However, items related to executive turnover such as severance payments and vacation payouts to former

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executives and relocation payments are reported as Other Compensation; these items can be significant and can skew pay levels.

The analysis is based on the 2016 Peer Group, which the Company considers most relevant.

Shareholder Feedback

The Compensation Committee, with input from its independent compensation consultant, regularly evaluates its compensation programs and considers the results of its most recent stockholder advisory vote on executive compensation (say-on-pay) as well as feedback received directly from shareholders through our ongoing engagement. The Company proactively contacted many of our major shareholders in the spring of 2016 prior to the annual meeting to discuss our say-on-pay vote and the proposal to approve the 2016 Plan. During these calls, senior executives of the Company provided information regarding our executive compensation programs, responded to questions, and discussed investor feedback. Over 70% of our top 30 shareholders were contacted, representing over half of the shares outstanding. This process resulted in valuable insight regarding shareholder views. Feedback received directly from shareholders, as well as from proxy advisory firms, is summarized below.

At the April 2016 annual meeting, we received say-on-pay support of approximately 82%. While this indicates support for our programs, our say-on-pay approval has historically been higher (averaging approximately 94% from 2013 to 2015) and we are carefully considering the valuable feedback received during this process. The Company has undertaken a comprehensive approach to maintaining and improving say-on-pay support which includes:

Re-vamping our proxy to improve transparency and presentation

Increasing our dialogue and engagement with shareholders regarding executive compensation

Continuing to incorporate shareholder feedback in developing the design and goal-setting process for 2017

What We Heard	What We Have Done or Are Doing
2015 performance goals were set below the prior year s goals and payout opportunity was not lowered	Explained to stockholders our goal-setting process and the rigor of the 2015 metrics in the context of the Company s transformation. In 2016, we added disclosure regarding our goal-setting process. Non-GAAP pre-tax profit and adjusted free cash flow goals in EVC and the non-GAAP operating profit used to determine LTI payouts increased incrementally from 2015. The 2016 revenue target for EVC reflected our internal business plans and financial guidance based on the strategic change described above from broader, less differentiated offerings to value-added solutions customized to targeted industry verticals, which is expected to lead to greater profitability and growth going forward.

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What We Heard	What We Have Done or Are Doing
A greater proportion of LTI should be performance-based	Proportion of performance-based LTI in 2016 increased to approximately 67% of the target LTI value (compared to 45% in 2015).
Performance should be measured over 3-year cycles rather than 3 1-year cycles	Performance-Based RSUs were historically (from 2010 through 2014) earned based on performance in the year of grant. The current design was selected to transition to a longer performance measurement period given the uncertainty of the current business context and based on the outlook at the time. In 2016, performance is measured separately for each of the three years in the performance period with progressively higher goals set each year. This was intended to motivate and focus executives over the entire three-year period. We will continue to re-evaluate this design as we progress in our turnaround.
Concern regarding legacy change in control agreements	As described beginning on page 70, the Company revised its change in control agreements beginning in 2010 to reduce benefit levels, eliminate tax gross-ups, and eliminate a provision allowing the executive to resign in the 13th month following a change in control. None of the Current Named Officers have an excise tax gross-up or a provision under which they can receive benefits in the event of a voluntary resignation in the 13th month following a change in control.

Our ongoing discussions with investors also include exchange of information regarding our executive compensation programs. Going forward, we plan to continue to dialogue with our shareholders and consider their perspectives regarding compensation and governance matters.

Good Governance Practices

The Compensation Committee continually evaluates the Company s compensation policies and practices to ensure that they are consistent with good governance principles. The Committee receives regular updates on governance matters from its independent consultant. Below are highlights of our governance practices:

What We Do

Provide the majority of compensation in performance-based pay

Measure performance in annual increments over a three-year period for performance-based LTI in support of our current turnaround strategy

Grant LTI awards which vest ratably over 3 years to promote retention

Set a funding gate, which requires a pre-defined level of profitability prior to any EVC payout

Cap payouts at 2x target on the long-term and short-term incentive plans

Maintain stock ownership guidelines for both officers and directors;

Have updated change in control employment agreements with double-trigger severance provisions for Current Named Officers

Conduct annual risk assessment of our compensation programs and policies

Adhere to an insider trading policy

Maintain a clawback policy, which applies to all executive officers of the Company and covers cash and equity awards

Receive advice from a compensation consulting firm that satisfies stringent independence criteria that is engaged by the Compensation Committee

Limit discretionary bonuses; incentives are linked to performance relative to pre-established objectives

What We Don t Do

× No excise tax gross-ups on a change in control for Current Named Officers

× No excessive severance in a change in control or termination

× No excessive perquisites

× No hedging transactions or pledging Unisys securities

× No automatic vesting of equity upon a change in control

× No liberal share counting

× No stock option repricing, reloads, or cash buyouts

× No discounted stock options or SARs

× No liberal change in control definition

How We Set Pay

This section describes how we set pay for our 2016 Named Officers listed below:

Name	Title	In Role Since
Peter A. Altabef	President and Chief Executive Officer	2015
Inder M. Singh	Senior Vice President and Chief Financial Officer	2016
Jeffrey E. Renzi	Senior Vice President and President, Sales	2014
Eric Hutto	Senior Vice President and President, Enterprise Solutions	2015