

XEROX CORP
Form DEF 14A
April 07, 2014

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

Filed by the Registrant

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Xerox Corporation
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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Xerox Corporation
45 Glover Avenue
P.O. Box 4505
Norwalk, CT 06856-4505

April 7, 2014

Dear Shareholders:

You are cordially invited to attend the 2014 Annual Meeting of Shareholders of Xerox Corporation to be held on Tuesday, May 20, 2014, at Xerox's Corporate Headquarters, 45 Glover Avenue in Norwalk, Connecticut. Your Board of Directors and management look forward to greeting those shareholders who are able to attend.

At the Annual Meeting of Shareholders, you will be asked to vote upon the election of ten directors, the ratification of the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2014 and the approval, on an advisory basis, of the 2013 compensation of our named executive officers. The Board of Directors unanimously recommends that you vote in favor of each of these proposals.

It is important that your shares be represented and voted at the Annual Meeting of Shareholders, regardless of whether or not you plan to attend in person. Therefore, you are urged to vote your shares using one of the methods described in the following pages. Voting instructions are provided in the voting instruction and proxy card.

For the Board of Directors,

Ursula M. Burns
Chairman of the Board and Chief Executive Officer

Notice of 2014 Annual Meeting of Shareholders

- Date and Time: Tuesday, May 20, 2014, at 9:00 a.m.
- Location: Xerox's Corporate Headquarters, 45 Glover Avenue in Norwalk, Connecticut
- Purpose: (1) Election of 10 directors;
- (2) Ratification of the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2014;
- (3) Approval, on an advisory basis, of the 2013 compensation of our named executive officers; and
- (4) Consider such other business as may properly come before the meeting.
- Record Date: March 24, 2014 You are eligible to vote if you were a shareholder of record as of the close of business on this date.
- Proxy Voting: (1) Telephone;
- (2) Internet; or
- (3) Proxy Card.
- Please review the Notice of Internet Availability of Proxy Materials or accompanying proxy card for voting instructions.
- Importance of Vote: Whether or not you plan to attend, please submit your proxy as soon as possible to ensure that your shares are represented.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be Held on May 20, 2014.

The Proxy Statement and 2013 Annual Report are available at www.edocumentview.com/XRX or www.xerox.com/investor

By order of the Board of Directors,
Don H. Liu
Senior Vice President, General Counsel and Secretary

April 7, 2014

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PROXY STATEMENT

GENERAL INFORMATION ABOUT THE ANNUAL MEETING

The Annual Meeting

The 2014 Annual Meeting of Shareholders (Annual Meeting) of Xerox Corporation (Company) will be held on Tuesday, May 20, 2014, beginning at 9:00 a.m. at Xerox's Corporate Headquarters, 45 Glover Avenue in Norwalk, Connecticut.

What is the purpose of the Annual Meeting?

At the Annual Meeting, shareholders will consider and vote on the following matters:

1. Election of the ten nominees named in this Proxy Statement to our Board of Directors (Board), each for a term of one year.
2. Ratification of the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014.
3. Approval, on an advisory basis, of the 2013 compensation of our named executive officers.

Shareholders will also act on any other business that may properly come before the meeting. In addition, our management will report on Xerox's performance during fiscal 2013 and respond to questions from shareholders.

Who is entitled to vote?

Owners of our common stock, par value \$1 per share (Common Stock), as of the close of business on the record date, March 24, 2014 (record date), are entitled to vote at the Annual Meeting and at any and all adjournments or postponements of the Annual Meeting. The shares owned include shares you held on that date (1) directly in your name as the shareholder of record (registered shareholder) and/or (2) in the name of a broker, bank or other holder of record where the shares were held for you as the beneficial owner (beneficial owner). Each share of Common Stock is entitled to one vote on each matter to be voted on.

How can I attend the Annual Meeting?

All shareholders of record on the record date may attend. In order to be admitted to the meeting, please obtain an admission ticket in advance and bring a form of personal photo identification, such as a driver's license. To obtain an admission ticket:

If you are a registered shareholder:

- If you vote via the Internet or by telephone, you will be asked if you would like to receive an admission ticket.
- If you vote by proxy card, please mark the appropriate box on the proxy card and an admission ticket will be sent to you.

If you are a beneficial owner:

- Please request an admission ticket in advance by calling Shareholder Services at (203) 849-2315 or by mailing a written request, along with proof of your ownership of Xerox Common Stock as of the record date, to Xerox Corporation, Shareholder Services, P.O. Box 4505, Norwalk, CT 06856-4505. All calls and written requests for admission tickets must be received no later than the close of business on May 9, 2014.

You can find directions to the meeting online at www.edocumentview.com/XRX. If you have any further questions regarding admission or directions to the Annual Meeting, please call Shareholder Services at (203) 849-2315.

How does the Board of Directors recommend that I vote?

The Board recommends that you vote:

- **FOR** the election of each of the ten director nominees;
- **FOR** the ratification of the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2014; and
- **FOR** the approval, on an advisory basis, of the 2013 compensation of our named executive officers.

How many shares are required to be present to hold the Annual Meeting?

A quorum is necessary to hold a valid meeting of shareholders. For each of the proposals to be presented at the meeting, the presence at the meeting, in person or by proxy, of the holders of a majority of the shares of our Common Stock outstanding on the record date will constitute a quorum. As of the March 24, 2014 record date, there were 1,168,645,934 shares of our Common Stock outstanding. If you vote including by Internet, telephone or proxy card your shares will be counted towards the quorum for the Annual Meeting. Broker non-votes and abstentions are counted as present for the purpose of determining a quorum.

How many votes are required to approve each proposal?

Election of Directors. Under our by-laws, directors are elected by majority vote, meaning that in an uncontested director election, the votes cast for the nominee's election must exceed the votes cast against the nominee's election, with abstentions and broker non-votes not counting as votes for or against. Our by-laws require that any incumbent nominee for director who receives a greater number of votes cast against his or her election than for his or her election shall tender his or her resignation promptly after such election. The independent directors will then evaluate and determine, based on the relevant facts and circumstances, whether to accept or reject the resignation. The Board's explanation of its decision will be promptly disclosed on a Form 8-K filed with the Securities and Exchange Commission (SEC).

Other Items.

- **Ratification of PricewaterhouseCoopers LLP as our independent auditor; and**
- **Approval, on an advisory basis, of the 2013 compensation of our named executive officers.**

The affirmative vote of a majority of the votes cast at the meeting will be required for approval of the above proposals. Under New York law, abstentions and broker non-votes, if any, will not be counted as votes for or against for the purpose of determining the outcome of the vote and therefore will have no impact on the outcome of the proposals.

Although the advisory vote is non-binding, the Board of Directors values the opinions of shareholders and will consider the outcome of the vote on this proposal when making future decisions regarding executive compensation.

At present, the Board does not intend to present any other matters at this meeting and knows of no matters other than these to be presented for shareholder action at the Annual Meeting. If any other matters properly come before the meeting, the persons named in the accompanying proxy intend to vote the proxies in accordance with their best judgment.

What is a broker non-vote and how will it affect the voting?

A broker non-vote occurs when the beneficial owner of shares held through a brokerage firm fails to furnish voting instructions to the broker and the broker is not permitted under applicable New York Stock Exchange (NYSE) and SEC rules to vote the shares in its discretion. Brokers are not permitted to vote the shares without the beneficial owner's instructions if the proposal is considered a non-routine matter under these rules. Election of directors and the advisory vote on executive compensation are considered

non-routine matters. Shares constituting broker non-votes are not counted as votes for or against for the purpose of determining whether shareholders have approved a matter.

How do I vote?

Beneficial owners will receive a separate Notice of Internet Availability of Proxy Materials (Notice) with voting instructions from the bank, broker or other holder of record where the shares are held that must be followed in order for their shares to be voted.

Registered shareholders can vote in any one of four ways:

IN PERSON

If you attend the meeting, you may vote by delivering your completed proxy card in person or you may vote by completing a ballot. Ballots will be available at the meeting.

BY INTERNET

If you have Internet access, you may vote your shares by following the Vote by Internet instructions included in the Notice or on the enclosed proxy card. If you vote via the Internet, do not return your proxy card.

BY TELEPHONE

You may vote your shares by following the Vote by Telephone instructions on the enclosed proxy card. If you vote by telephone, do not return your proxy card.

BY MAIL

You may vote by completing and signing the proxy card enclosed with this Proxy Statement and promptly mailing it in the enclosed postage-prepaid envelope. The shares you own will be voted according to your instructions on the proxy card you mail. If you sign and return your proxy card but do not indicate your voting instructions on one or more of the matters listed, the shares you own will be voted by the named proxies in accordance with the recommendations of our Board of Directors.

If you use your proxy to vote by internet, telephone or mail, you authorize the three directors, whose names are listed on the front of the proxy card accompanying this Proxy Statement, to represent you and vote your shares as you direct.

How will shares in the Xerox Employee Stock Ownership Plan, Xerox Savings Plans and Xerox Business Services Savings Plan be voted?

Beneficial owners of the shares of Common Stock held in the (1) Xerox Employee Stock Ownership Plan (ESOP), (2) Xerox Corporation Savings Plan, (3) Savings Plan of Xerox Corporation and the Xerographic Division, Rochester Regional Joint Board on Behalf of Itself and Other Regional Joint Boards (together with the Xerox Corporation Savings Plan, referred to as the Xerox Savings Plans) or (4) Xerox Business Services Savings Plan, formerly known as ACS Savings Plan (Services Savings Plan), can instruct State Street Bank and Trust Company, as Trustee for the ESOP and the Xerox Savings Plans (Xerox Plans Trustee) or The Bank of New York Mellon, as Trustee for the Services Savings Plan (Services Savings Plan Trustee), by telephone, Internet or mail, how to vote the shares in their accounts. No matter which method is used, your voting instructions are confidential and will not be disclosed to the Company. By providing voting instructions in one of these ways, you instruct the Xerox Plans Trustee or the Services Savings Plan Trustee to vote the shares allocated to your ESOP, Xerox Savings Plans or Services Savings Plan account or accounts. For the ESOP participants and the Xerox Savings Plans participants, you also authorize the Xerox Plans Trustee to vote the shares of Common Stock held in the ESOP trust or Xerox Savings Plans trust for which no instructions were provided in the same proportion on each issue as it votes the shares for which participants have returned voting instructions. You acknowledge that in voting your shares and the shares for which no instructions were provided, you are acting as a named fiduciary under the Employee Retirement Income Security Act of 1974. Unlike the ESOP or Xerox Savings Plans, if no instructions have been received from a Services Savings Plan participant, the Services Savings Plan Trustee will not vote the shares allocated in your account. Your vote must be received by 8:00 AM Eastern Time on Friday, May 16, 2014 to allow sufficient time for processing.

May I change my vote?

Yes. You may revoke your proxy at any time before the Annual Meeting by submitting a later dated proxy card, by a later telephone or on-line vote, by notifying the Secretary of the Company in writing that you have revoked your proxy or by attending the Annual Meeting and giving notice of revocation in person.

Can I vote in person at the Annual Meeting?

Persons who submit a proxy or voting instructions need not vote at the Annual Meeting. However, we will pass out written ballots to any shareholder of record or authorized representative of a shareholder of record who wants to vote in person at the Annual Meeting instead of by proxy. Voting in person will revoke any proxy previously given. If you hold your shares through a broker, bank or nominee, you must obtain a proxy from your broker, bank or nominee to vote in person.

Who will count the vote? Is my vote confidential?

Representatives of Computershare will act as Inspector of Election, supervise the voting, decide the validity of proxies and receive and tabulate proxies. As a matter of policy, we keep confidential all shareholder meeting proxies, ballots and voting tabulations that identify individual shareholders. In addition, the vote of any shareholder is not disclosed except as may be necessary to meet legal requirements.

How are proxies solicited?

In addition to the solicitation of proxies by mail, we also request brokerage houses, nominees, custodians and fiduciaries to forward soliciting material to the beneficial owners of stock held of record and reimburse such person for the cost of forwarding the material. We have engaged Georgeson Inc. to handle the distribution of soliciting material to, and the collection of proxies from, such entities. We will pay Georgeson Inc. a fee of \$12,000, plus reimbursement of out-of-pocket expenses for this service. We bear the cost of all proxy solicitation.

Why did I receive a notice in the mail regarding Internet availability of proxy materials instead of a full set of printed proxy materials?

Pursuant to rules adopted by the SEC, the Company has elected to provide access to its proxy materials over the Internet. Accordingly, on or about April 7, 2014, a Notice of Internet Availability of Proxy Materials is being sent to all of the Company's registered shareholders and beneficial owners of record as of March 24, 2014. The Notice contains instructions on how to access the proxy materials over the Internet and how to request a printed copy of the proxy materials, including a proxy card, as well as how shareholders may request to receive proxy materials in printed form by mail, or electronically by email, on a going forward basis.

How can I electronically access the proxy materials?

You can access the proxy materials online at www.edocumentview.com/XRX or www.xerox.com/investor. Shareholders may receive proxy statements, annual reports and other shareholder materials via electronic delivery. Registered shareholders can sign up for electronic delivery at www.eTree.com/Xerox. Beneficial owners can sign up for electronic delivery at <http://enroll.icsdelivery.com/xrx>. These websites, which allow you to choose to receive future proxy materials electronically by email, will provide cost savings relating to printing and postage and reduce the environmental impact of delivering documents to you.

What are the deadlines and requirements for shareholder submission of proposals, director nominations and other business for the 2015 Annual Meeting?

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We expect to hold our 2015 Annual Meeting of Shareholders during the second half of May and to issue our Proxy Statement for that meeting during the first half of April. Under SEC proxy rules, if a shareholder wants us to include a proposal in our Proxy Statement and proxy card for the 2015 Annual Meeting of Shareholders, the proposal must be received by us no later than December 8, 2014.

Any shareholder wishing to make a nomination for director or wishing to introduce any business at the 2015 Annual Meeting of Shareholders (other than a proposal submitted for inclusion in the Company's proxy materials) must provide the Company advance notice of such nominee or business which must be received by the Company no earlier than November 8, 2014 and no later than December 8, 2014. Any such notice must comply with requirements set forth in our by-laws. Nominations for director must be accompanied by a written consent of the nominee consenting to being named in the Proxy Statement as a nominee and serving as a director if elected. Proposals and other items of business should be directed to Xerox Corporation, P.O. Box 4505, Norwalk, CT 06856-4505, Attention: Corporate Secretary.

How can I contact the Board of Directors?

Under our Corporate Governance Guidelines, interested parties may contact the non-management members of the Board of Directors by contacting the Chairman of the Corporate Governance Committee using the "Contact the Board" link that appears on our Company's website at www.xerox.com/governance.

What if multiple shareholders have the same address?

Where multiple shareholders reside in the same household, for shareholders who receive paper copies of our proxy materials, we will deliver a single proxy statement and annual report, along with separate proxy cards or separate Notices of Internet Availability to multiple shareholders who reside in the same household unless we have received other instructions. If (i) you and another registered shareholder residing in the same household each receive paper copies of the proxy materials and as a household wish to receive only one paper copy or (ii) you share a household with another registered shareholder, received a single set of proxy materials, and would like to receive separate copies of our Notice, proxy statement or annual report, you may request a change in delivery preferences. For registered shareholders, you may contact our transfer agent at (800-828-6396) or write them at Computershare, P.O. Box 30170, College Station, TX 77842-3170. For beneficial owners, you may call the bank, broker or other nominee where your shares are held in street name or call (800) 542-1061.

How may I get additional copies of the Annual Report and Proxy Statement?

Copies of the 2013 Annual Report and 2014 Proxy Statement have been distributed to shareholders (unless you have received a copy of the Notice or have consented to electronic delivery). Additional paper copies of these documents and additional information, including the Annual Report on Form 10-K for the fiscal year ended December 31, 2013 (Form 10-K) filed with the SEC, are available from Xerox Corporation, P.O. Box 4505, Norwalk, CT 06856-4505, Attention: Corporate Secretary. The Annual Report, Proxy Statement and Form 10-K are also available on the Company's website at www.xerox.com/investor or www.edocumentview.com/XRX. The Notice also provides you with instructions on how to request printed copies of the proxy materials. There is no charge to receive the materials by mail. You may request printed copies of the materials until one year after the date of the Annual Meeting.

Is there a list of shareholders entitled to vote at the Annual Meeting?

A list of registered shareholders entitled to vote at the Annual Meeting will be available at the Annual Meeting and for ten days prior to the Annual Meeting at our offices located at Xerox Corporate Headquarters, 45 Glover Avenue in Norwalk, CT 06850.

PROPOSAL 1 ELECTION OF DIRECTORS

Shareholders annually elect directors to serve for one year and until their successors have been elected and have been qualified. Based on the director nomination process described below, the ten persons whose biographies appear below have been nominated by the Board of Directors to serve as directors based on the recommendation of the Corporate Governance Committee. All ten nominees bring to us valuable experience from a variety of fields. The biographical information presented regarding each nominee's specific experience, qualifications, attributes and skills led our Board of Directors to the conclusion that he or she should serve as a director. Each of the nominees has demonstrated business acumen and an ability to exercise independent and sound judgment, as well as an understanding of the Company's business environment and a commitment of service to the Company and our Board of Directors. We also value their significant experience on other public company boards of directors and board committees.

The Board of Directors has determined that each of the nominees (other than Ursula M. Burns, CEO of the Company) is independent under the NYSE Corporate Governance Rules and the Company's more stringent independence standards. Although not anticipated, if for any reason, a nominee is unable to serve, the proxies may use their discretion to vote for a substitute nominated by the Board of Directors.

Biographies

To help you consider the nominees, we have provided the principal occupation and other information about the particular experience, qualifications, attributes or skills that the Board of Directors has concluded qualify each of the nominees to serve as a director of the Company.

Certain terms used in the biographies may be unfamiliar to you, so we are defining them here.

Xerox securities owned means the Company's Common Stock, including: Deferred Stock Units (DSUs) issued under the 2004 Equity Compensation Plan for Non-Employee Directors, as amended (2004 Directors Plan) and Common Stock owned through the individual's ESOP account and other Company equity programs. None of the independent director nominees owns any of the Company's other securities.

Immediate family means the spouse, the minor children and any relatives sharing the same home as the nominee.

Unless otherwise noted, all Xerox securities held are owned beneficially by the nominee. Beneficial ownership means he or she has or shares voting power and/or investment power with respect to the securities, even though another name (that of a broker, for example) appears in the Company's records. All ownership figures are as of February 28, 2014.

Glenn A. Britt

Age: 65 Director since: 2004

Xerox securities owned: 1,000 common shares and 136,914 DSUs

Options/Rights: None

Occupation: Retired Chairman and Chief Executive Officer, Time Warner Cable Inc.

Education: AB, Dartmouth College; MBA, Amos Tuck School of Business Administration

Other Directorships: Time Warner Cable Inc. (since 2003, Chairman 2009-2013); Cardinal Health, Inc. (since 2009); TIAA (2007-2009)

Other Background: Joined Time Inc. in 1972. Elected Vice President of Time Inc. in 1986, Treasurer in 1986 and Vice President-Finance in 1988. Became Senior Vice President and Treasurer of Time Warner Inc. and then President and CEO of Time Warner Cable Ventures. He served as Time Warner Cable's Chairman from March 2009 to December 2013 and previously from August 2001 to March 2006. He served as CEO of Time Warner Cable from 2001 to 2013. Chair of the Compensation Committee of Xerox. Lead Independent Director of Xerox.

Mr. Britt brings to the Board expertise relevant to a large public company, including a broad range of business skills and experiences, financial literacy and expertise and executive and management leadership skills. These skills and expertise are the result of his education; long and successful business career, during which he served in several leadership positions including treasurer, chief financial officer and CEO of a leading cable telecommunications company; and his service on other public company

boards and committees.

Ursula M. Burns

Age: 55 Director since: 2007

Xerox securities owned: 1,302,886 common shares; 3,316 common shares in an ESOP account; an interest in approximately 5,192 common shares through the Xerox Stock Fund under the Xerox 401(k) Savings Plan; 600,000 common shares in trusts for children; immediate family owns 3,458 common shares and an interest in approximately 27,206 common shares through the Xerox Stock Fund under the Xerox 401(k) Savings Plan

Options/Rights: 284,173 common shares

Occupation: Chairman of the Board and Chief Executive Officer, Xerox Corporation

Education: BS, Polytechnic Institute of New York; MS, Columbia University

Other Directorships: American Express Corporation (since 2004); Exxon Mobil Corporation (since 2012); Boston Scientific Corporation (2002-2009)

Other Background: Joined Xerox in 1980 and subsequently advanced through several engineering and management positions. Named Vice President and General Manager, Departmental Business Unit in 1997; Vice President, Worldwide Manufacturing in 1999; Senior Vice President, Corporate Strategic Services in 2000; Senior Vice President, President, Document Systems and Solutions Group in 2001; and Senior Vice President, President, Business Group Operations in 2002. Elected President and Director in April 2007; Chief Executive Officer in July 2009; and Chairman of the Board in May 2010.

Ms. Burns brings to the Board expertise relevant to a large public company, including her expertise in global business and technology; extensive operating and management experience at Xerox, a technology-driven global manufacturing and business services company, including currently serving as CEO; and deep understanding of Xerox's people and products that she has acquired in over 30 years of service at Xerox. She also possesses a broad range of experience and skills garnered from the various other leadership positions she has held at Xerox and from her service on other public company boards and committees.

Richard J. Harrington

Age: 67 Director since: 2004

Xerox securities owned: 856 common shares and 106,977 DSUs

Options/Rights: None

Occupation: Chairman and General Partner, The Cue Ball Group; Retired President and Chief Executive Officer, The Thomson Corporation

Education: BA, University of Rhode Island

Other Directorships: Aetna, Inc. (since 2008)

Other Background: After his retirement from The Thomson Corporation, Mr. Harrington served as Chairman of the Thomson Reuters Foundation. Prior to his retirement, he was President and CEO of The Thomson Corporation. He joined Thomson in 1982 and held a number of leadership positions including President and CEO of Thomson Newspapers; President and CEO of Thomson Professional Publishing; President and CEO of Mitchell International and President of Thomson & Thomson. Employed as an auditor for Arthur Young & Co. for six years prior to joining Thomson. Chairman of the Audit Committee of Xerox.

Mr. Harrington brings to the Board expertise relevant to a large public company, including his broad business experience, extensive knowledge of complex operational matters, executive leadership expertise and financial literacy and expertise. These skills and expertise are the result of his training and work experience in accounting, his long and successful business career, during which he served in several leadership positions culminating in his serving as the CEO of a global provider of electronic information, software and services, and his service on other public company boards and committees.

William Curt Hunter

Age: 66 Director since: 2004

Xerox securities owned: 128,771 DSUs and an indirect interest in approximately 7,774 common shares through the Deferred Compensation Plan for Directors and 50 common shares held by immediate family

Options/Rights: None

Occupation: Dean Emeritus, Tippie College of Business, University of Iowa

Education: BA, Hampton University; MBA, Northwestern University; PhD, Northwestern University

Other Directorships: Trustee of Nuveen Investments (since 2003); Wellmark, Inc. (since 2009)

Other Background: Served as Dean of Tippie College of Business at the University of Iowa from 2006 to 2012. From 2003 to 2006, held position of Dean and Distinguished Professor of Finance at the University of Connecticut. During a 15-year career with the Federal Reserve System, held various official positions including Senior Vice President and Director of Research at the Federal Reserve Bank of Chicago and as Associate Economist on the Federal Reserve's Federal Open Market Committee (1995-2003). From 1988-1995, held appointments as research officer and senior financial economist, and then as vice president at the Federal Reserve Bank of Atlanta. Held faculty positions at the University of Georgia, Atlanta University, Emory University and Northwestern University. Member of the Audit Committee and the Corporate Governance Committee of Xerox.

Mr. Hunter brings to the Board expertise relevant to a large public company, including his financial literacy and expertise, accounting skills and competency and overall financial acumen. These skills and expertise are the result of his education, service in the Federal Reserve System, service in various faculty positions at universities and his service on other public company boards and committees.

Robert J. Keegan

Age: 66 Director since: 2010

Xerox securities owned: 52,540 DSUs

Options/Rights: None

Occupation: Operating Partner, Friedman Fleischer & Lowe; Retired Chairman of the Board, Chief Executive Officer and President, The Goodyear Tire & Rubber Company

Education: BA, LeMoyne College; MBA, University of Rochester

Other Directorships: The Goodyear Tire & Rubber Company (2000-2010)

Other Background: Prior to his retirement, he served as President and Director of The Goodyear Tire & Rubber Company since 2000, and served as its Chief Executive Officer and Chairman of the Board from 2003 to 2010. He joined Goodyear in 2000 and held a number of leadership positions, including Chief Operating Officer. Previously he served as Executive Vice President of Eastman Kodak from 1997 until 2000. He held various marketing, financial and managerial posts at Eastman Kodak Company from 1972 through 2000, except for a two year period beginning in 1995 when he was an Executive Vice President of Avery Dennison Corporation. Member of the Audit Committee and the Compensation Committee of Xerox.

Mr. Keegan brings to the Board expertise relevant to a large public company, including his broad business experience, executive leadership expertise and extensive knowledge of financial and operational matters. These skills and experience are the result of his long and successful career during which he served in several leadership positions at The Goodyear Tire & Rubber Company and Eastman Kodak Company, culminating in his serving as Chairman and CEO at The Goodyear Tire & Rubber Company, a leading global company.

Robert A. McDonald

Age: 60 Director since: 2005

Xerox securities owned: 93,765 DSUs

Options/Rights: None

Occupation: Retired Chairman of the Board, President and Chief Executive Officer, The Procter & Gamble Company

Education: BS, U.S. Military Academy; MBA, University of Utah

Other Directorships: U.S. Steel Corporation (2014); The Procter & Gamble Company (2009-2013; Chairman 2010-2013)

Other Background: Joined Procter & Gamble in 1980. Named Vice President and General Manager - Philippines, Asia/Pacific-South, Procter & Gamble Far East in 1994; Regional Vice President - Japan, Procter & Gamble Asia in 1996; President, Northeast Asia in 1999; President, Global Fabric & Home Care in 2001; Vice Chairman, Global Operations in 2004; Chief Operating Officer in 2007; President and Chief Executive Officer from 2009 to 2013; Chairman of the Board from 2010 until June 2013. Member of the Audit Committee and Compensation Committee of Xerox.

Mr. McDonald brings to the Board expertise relevant to a large public company, including his business skills and experience, international experience, executive leadership expertise and extensive knowledge of financial and operational matters. These skills and experience are the result of his education and his long and successful career at Procter & Gamble, a leading global company, where he served in several leadership positions culminating in his having served as CEO and Chairman.

Charles Prince

Age: 64 Director since: 2008

Xerox securities owned: 10,000 shares of Common Stock, 76,908 DSUs

Options/Rights: None

Occupation: Retired Chairman and Chief Executive Officer, Citigroup Inc.

Education: BA, MA and JD, University of Southern California; LLM, Georgetown University

Other Directorships: Johnson & Johnson (since 2006)

Other Background: Served as Chief Executive Officer of Citigroup Inc. from 2003 to 2007 and as Chairman from 2006 to 2007. Previously he served as Chairman and Chief Executive Officer of Citigroup's Global Corporate and Investment Bank from 2002 to 2003, Chief Operating Officer from 2001 to 2002 and Chief Administrative Officer from 2000 to 2001. Mr. Prince began his career as an attorney at U.S. Steel Corporation in 1975 and in 1979 joined Commercial Credit Company (a predecessor company to Citigroup) where he held various management positions until 1995, when he was named Executive Vice President. Member of the Corporate Governance Committee and the Finance Committee of Xerox.

Mr. Prince brings to the Board expertise relevant to a large public company, including a broad mix of business skills and experience, executive leadership expertise, organizational and operational management skills, international experience and knowledge of complex global business, financial and legal matters. These skills and experience are the result of his education, his long and successful career during which he served in several leadership positions culminating in his serving as CEO of a global financial services company and his service on other public company boards and committees.

Ann N. Reese

Age: 61 Director since: 2003

Xerox securities owned: 6,654 common shares and 115,915 DSUs

Options/Rights: None

Occupation: Executive Director, Center for Adoption Policy

Education: BA, University of Pennsylvania; MBA, New York University Graduate School of Business

Other Directorships: Sears Holdings (since 2005); Genesee and Wyoming Inc. (since 2012); The Jones Group Inc. (2003-2011); Merrill Lynch & Co., Inc., (2004-2008)

Other Background: Co-founded the Center for Adoption Policy in 2001. Principal, Clayton, Dubilier & Rice, 1999 to 2000. Executive Vice President and Chief Financial Officer, ITT Corporation, 1995 to 1998; Treasurer, ITT Corporation, 1992 to 1995; Assistant Treasurer, ITT Corporation, 1987 to 1992. Chairman of the Corporate Governance Committee and member of the Finance Committee of Xerox.

Ms. Reese brings to the Board expertise relevant to a large public company, including her extensive executive experience in corporate finance, financial reporting and strategic planning, as well as her knowledge, perspective and corporate governance expertise. These skills and experience are the result of her long and successful career during which she served in several leadership positions, including chief financial officer and treasurer, and service on other public company boards and committees.

Sara Martinez Tucker

Age: 58 Director since: 2011

Xerox securities owned: 44,216 DSUs

Options/Rights: None

Occupation: Chief Executive Officer, National Math and Science Initiative; Former Under Secretary of Education in the U.S. Department of Education

Education: Bachelor of Journalism and MBA, University of Texas at Austin; honorary doctorates conferred by Boston College, the University of Maryland University College and the University of Notre Dame

Other Directorships: American Electric Power Co., Inc. (since 2009); Sprint Corporation (since 2013)

Other Background: Former Under Secretary of Education in the U.S. Department of Education (2006 - 2008). Chief executive officer and president of the Hispanic Scholarship Fund from 1997 to 2006. Prior experience as an AT&T executive. Member of the Corporate Governance Committee and the Finance Committee of Xerox.

Ms. Tucker brings to the Board expertise relevant to a large public company, including her business experience and executive leadership expertise. These skills and experience are the result of her education, service at the United States Department of Education, leadership positions at the Hispanic Scholarship Fund and her service on other public company boards and committees.

Mary Agnes Wilderotter

Age: 59 Director since: 2006

Xerox securities owned: 89,174 DSUs

Options/Rights: None

Occupation: Chairman and Chief Executive Officer, Frontier Communications Corporation

Education: BA, College of the Holy Cross

Other Directorships: Frontier Communications Corporation (since 2004; Chairman since 2006); The Procter & Gamble Company (since 2009); Yahoo! Inc. (2007-2009)

Other Background: Joined Frontier Communications Corporation (formerly Citizens Communications) in 2004 as President and Chief Executive Officer, named Chairman and Chief Executive Officer in 2006. Senior Vice President of Worldwide Public Sector, Microsoft, 2002-2004. President and Chief Executive Officer, Wink Communications, Inc., 1996-2002. Executive Vice President, National Operations, AT&T Wireless Services, Inc. and Chief Executive Officer of AT&T's Aviation Communications Division 1995-1996. Senior Vice President, McCaw Cellular Communications Inc., 1990-1995. Chairman of the Finance Committee of Xerox.

Mrs. Wilderotter brings to the Board expertise relevant to a large public company, including her broad business skills and experience and executive leadership expertise. These skills and experience are the result of her long and successful career in the cable and communications and information technology industries, during which she served in several leadership positions culminating in her currently serving as Chairman and CEO of a telecommunications and media company, and her extensive service on other public company boards and committees.

The Board of Directors recommends a vote

FOR

the election of the ten (10) Directors nominated by the Board of Directors

CORPORATE GOVERNANCE

Xerox is committed to the highest standards of business integrity and corporate governance. All of our directors, executives and employees must act ethically. In addition, our directors must act in accordance with our Code of Business Conduct and Ethics for Members of the Board of Directors; our principal executive officer, principal financial officer and principal accounting officer, among others, must act in accordance with our Finance Code of Conduct; and all of our executives and employees must act in accordance with our Code of Business Conduct. Each of these codes of conduct, as well as our Corporate Governance Guidelines and the charters of our Audit, Compensation, Corporate Governance and Finance Committees can be accessed through our website at www.xerox.com/governance. They are also available to any shareholder who requests them in writing addressed to Xerox Corporation, 45 Glover Avenue, P.O. Box 4505, Norwalk, CT 06856-4505, Attention: Corporate Secretary. We will disclose any future amendments to, or waivers from, provisions of our Code of Business Conduct and Ethics for members of the Board of Directors and, our Code of Business Conduct and our Finance Code of Conduct for our officers on our website as promptly as practicable, as may be required under applicable SEC and NYSE rules. The Corporate Governance Committee of the Board periodically reviews and reassesses the adequacy of our overall corporate governance, Corporate Governance Guidelines and committee charters.

Director Nomination Process

The Corporate Governance Committee considers candidates for Board membership recommended by Board members, management, shareholders and others (see below). The Corporate Governance Guidelines require that a substantial majority of the Board consist of independent directors and that management representation on the Board should be limited to senior Company management. There are no specific minimum qualifications that the Corporate Governance Committee believes must be met by prospective candidates; however, the Corporate Governance Committee applies the criteria set forth in our Corporate Governance Guidelines. These criteria include, among other things, the candidate's broad perspective, integrity, independence of judgment, experience, expertise, diversity, ability to make independent analytical inquiries, understanding of the Company's business environment and willingness to devote adequate time and effort to Board responsibilities. The Corporate Governance Committee does not assign specific weight to particular criteria and no particular criterion is necessarily applicable to all prospective nominees.

Our Corporate Governance Guidelines dictate that diversity should be considered by the Corporate Governance Committee in the director identification and nomination process. This means that the Corporate Governance Committee seeks nominees who bring a variety of business backgrounds, experiences and perspectives to the Board. We believe that the backgrounds and qualifications of the directors, considered as a group, should provide a broad diversity of experience, professions, skills, geographic representations, knowledge and abilities that will allow the Board to fulfil its responsibilities. Shareholders who wish to recommend individuals for consideration by the Corporate Governance Committee may do so by submitting a written recommendation to the Secretary of the Company at Xerox Corporation, 45 Glover Avenue, P.O. Box 4505, Norwalk, CT 06856-4505. Submissions must include sufficient biographical information concerning the recommended individual, including age, employment and current board memberships (if any), for the Corporate Governance Committee to consider. The submission must be accompanied by the written consent of the nominee to stand for election if nominated by the Board and to serve if elected by the shareholders. Recommendations received no earlier than November 8, 2014 and no later than December 8, 2014, will be considered for nomination at the 2015 Annual Meeting of Shareholders.

Board Leadership Structure

We believe that the most effective board structure is one that emphasizes Board independence and ensures that the Board's deliberations are not dominated by management while also ensuring that the Board and senior management act with a common purpose and in the best interest of the Company. We believe we achieve this balance through the appointment of our CEO as Chairman of the Board and the appointment of a lead independent director.

Accordingly, our CEO serves as Chairman of the Board of Directors and Glenn A. Britt serves as lead independent director. Our lead independent director's responsibilities include: presiding at executive sessions of the independent directors; calling special meetings of the independent directors, as needed; addressing individual

Board member performance matters, as needed; and serving as liaison on Board-wide issues between the independent directors and the CEO, as needed. Under our Corporate Governance Guidelines, each regularly scheduled Board meeting must include an executive session of all directors and the CEO and a separate executive session attended only by the independent directors. Our Board is 90 percent comprised of directors who qualify as independent directors and each of our standing Board committees is comprised solely of independent directors, including our Corporate Governance Committee, which establishes our corporate governance policy and monitors the effectiveness of policy at the Board level. The lead independent director is instrumental in working with the Chairman and CEO and other Board members to provide effective, independent oversight of the Company's management and affairs. You can find more information on the lead independent director in the Corporate Governance Guidelines posted on the Company's website at <http://www.xerox.com/governance>.

Risk Oversight

Our Board of Directors oversees our Enterprise Risk Management (ERM) process which is designed to strengthen our risk-management capability and to assess, monitor and manage all categories of business risk, including strategic, operational, compliance and financial reporting. The Company's Chief Financial Officer is responsible for the Company's ERM function through the Enterprise Risk Steering Committee which includes the direct reports to the CEO as well as our Corporate Controller and Audit Director. The Enterprise Risk Steering Committee inspects risk mitigation plans and progress, identifies and addresses emerging risks, and shares mitigation best practices across the Company. Additionally, to ensure that ERM is integrated with our business management, the Company's Management Committee, the Business Ethics and Compliance Board, and various Internal Control committees, monitor risk exposure and the effectiveness of how we manage these risks.

While the Board of Directors has ultimate oversight responsibility for the risk management process, various committees of the Board have been delegated responsibility for certain aspects of risk management. The Audit Committee focuses on financial risk, including risks associated with internal controls, audit, financial reporting and disclosure matters. At least quarterly, the Audit Committee discusses with management and our internal and external auditors these exposures, our policies with respect to risk assessment and risk management and the steps management has taken to monitor and control these exposures. In addition, the Compensation Committee seeks to incent employees in a manner that discourages unnecessary or inappropriate risk-taking, while encouraging a level of risk-taking behavior consistent with the Company's business strategy.

Director Independence

A director is not considered independent unless the Board determines that he or she has no material relationship with the Company. The Board has adopted categorical standards to assist in both its determination and the Corporate Governance Committee's recommendation as to each director's independence. Under these categorical standards, a director will be presumed not to have a material relationship with the Company if:

- (1) he or she satisfies the bright-line independence and other applicable requirements under the listing standards of the NYSE and all other applicable laws, rules and regulations regarding director independence, in each case from time to time in effect;
- (2) he or she is not a current employee (and none of his or her immediate family members is employed as an executive officer, each as defined by the NYSE Corporate Governance Rules) of a company that has made payments to, or received payments from, the Company or any of its consolidated subsidiaries for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or one percent of such other company's consolidated gross revenues; and
- (3) in the event that he or she serves as an executive officer or director of a charitable organization, the Company and its consolidated subsidiaries donated less than five percent of that organization's charitable receipts (provided that if within the preceding three years the Company and its consolidated subsidiaries donated annual aggregate contributions in excess of \$1 million or two percent of the annual consolidated gross revenue of the charitable organization, such contributions must be disclosed in the Company's Proxy Statement).

Our Board has determined that all of the nominees for election as directors are independent under the NYSE Corporate Governance Rules and our Corporate Governance Guidelines, with the exception of Ursula M. Burns, our Chairman of the Board and Chief Executive Officer.

In addition, the Corporate Governance Committee reviews relationships involving members of the Board, their immediate family members and affiliates, and transactions in which members of the Board, their immediate family members and their affiliates have a direct or indirect interest in which the Company is a participant to determine whether such relationship or transaction is material and could impair a director's independence. In making independence determinations, the Board considers all relevant facts and circumstances from the point of view of both the director and the persons or organizations with which the director has relationships. See *Certain Relationships and Related Person Transactions*.

As a result of the aforementioned review, 90% of our nominees for election as directors are deemed to be independent.

Certain Relationships and Related Person Transactions

Related Person Transactions Policy

The Board has adopted a policy addressing the Company's procedures with respect to the review, approval and ratification of related person transactions that are required to be disclosed pursuant to Item 404(a) of Regulation S-K. The policy provides that any transaction, arrangement or relationship, or series of similar transactions, in which the Company will participate or has participated and a related person (as defined in Item 404(a) of Regulation S-K) has or will have a direct or indirect material interest, and which exceeds \$120,000 in the aggregate, is subject to review (each such transaction, a *Related Person Transaction*). In its review of Related Person Transactions, the Corporate Governance Committee reviews the material facts and circumstances of the transaction and takes into account certain factors, where appropriate, based on the particular facts and circumstances, including: (i) the nature of the related person's interest in the transaction; (ii) the significance of the transaction to the Company and to the related person; and (iii) whether the transaction is likely to impair the judgment of the related person to act in the best interest of the Company.

No member of the Corporate Governance Committee may participate in the review, approval or ratification of a transaction with respect to which he or she is a related person.

Certain Employment Arrangements

We actively recruit qualified candidates for our employment needs. Relatives of our executive officers and other employees are eligible for hire. In 2013, we had 7 non-executive employees who were employed by Xerox or one of its subsidiaries who received more than \$120,000 in annual compensation (salary, incentive cash awards, equity awards and commissions) and are related to our current executive officers, including executive officers who are also directors. These are routine employment arrangements entered into in the ordinary course of business with compensation commensurate with that of their peers. The terms of their employment are consistent with the Company's human resources policies. Bill Blodgett, sibling of Lynn Blodgett, our Executive Vice President and former President, Xerox Business Services, LLC (Xerox Services), earned \$504,554 in compensation during 2013. Bill Blodgett is a Group President at Xerox Services and has been with Xerox Services for 14 years. Andrew Jenkins, Lynn Blodgett's son-in-law, earned \$855,987 in compensation during 2013. Andrew Jenkins is a Senior Vice President of Sales at Xerox Services and has been with Xerox Services for 16 years. Kimberly Finley, spouse of Joseph H. Mancini Jr., our Chief Accounting Officer, earned \$360,405 in compensation during 2013. Ms. Finley is a Director, Tax Accounting at Xerox and has been with Xerox for 22 years. The remaining 4 employees each received between \$120,000 and \$182,000 in compensation during 2013.

In addition, Thomas Blodgett, sibling of Lynn Blodgett, is Chief Operating Officer of Xerox Services and an officer of Xerox. Thomas Blodgett earned \$1,588,670 in compensation during 2013 and has been with Xerox Services for 15 years. Ursula Burns, our Chief Executive Officer, makes compensation decisions involving Thomas Blodgett.

BOARD OF DIRECTORS AND BOARD COMMITTEES

Committee Functions, Membership and Meetings

Our Board of Directors has four standing committees: Audit, Compensation, Corporate Governance and Finance. Set forth below is a list of the committees of our Board, a summary of the responsibilities of each committee, the number of committee meetings held during 2013 for each committee and a list of the members of each committee.

Audit Committee (12 meetings)

A copy of the charter of the Audit Committee is posted on the Company's website at www.xerox.com/governance.

The responsibilities of the Audit Committee include:

- oversee the integrity of the Company's financial statements;
- oversee the Company's compliance with legal and regulatory requirements;
- oversee the Company's risk assessment policies and practices, including the Enterprise Risk Management process;
- assess independent auditors' qualifications and independence;
- assess performance of the Company's independent auditors and the internal audit function;
- review the Company's audited financial statements, including the Company's Management's Discussion and Analysis of Financial Condition and Results of Operations, and recommend to the Board their inclusion in the Company's Annual Report on Form 10-K; and
- review and approve the Company's code of business conduct and ethics.

The Audit Committee is also responsible for the preparation of the Audit Committee Report that is included in this Proxy Statement beginning on page 65.

Members: Richard J. Harrington; William Curt Hunter; Robert J. Keegan; and Robert A. McDonald.

Chairman: Mr. Harrington

The Board has determined that all of the members of the Audit Committee are (1) independent under the Company's Corporate Governance Guidelines and under the applicable SEC and NYSE Corporate Governance Rules and (2) audit committee financial experts, as defined in the applicable SEC rules, and are financially literate. Designation or identification of a person as an audit committee financial expert does not impose any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Audit Committee and the Board in the absence of such designation or identification.

Compensation Committee (4 meetings)

A copy of the charter of the Compensation Committee is posted on the Company's website at www.xerox.com/governance.

The responsibilities of the Compensation Committee include:

- oversee development and administration of the Company's executive compensation plans;

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- set the compensation of the CEO and other executive officers;
- review and approve the performance goals and objectives with respect to the compensation of the CEO and other executive officers;
- oversee the evaluation of the CEO a