XEROX CORP
Form PRE 14A
April 10, 2018
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

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 §240.14a-12

XEROX CORPORATION

(Name of Registrant as Specified In Its Charter)

N/A

(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)(1) and 0-11.

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

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

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

Table of Contents

Xerox Corporation

201 Merritt 7

Norwalk, CT 06851-1056

[ ], 2018

Dear Shareholders:

You are cordially invited to attend the 2018 Annual Meeting of Shareholders of Xerox Corporation to be held at [ ], at [ ] local time, on [ ], 2018. Your Board of Directors and management team look forward to greeting those shareholders who are able to attend.

On January 1, 2017, a new Xerox launched with positive customer and market reception following the successful spin-off of Conduent Incorporated. Our steadfast focus on executing our strategy to better position the Company both operationally and financially led to a very successful year. As a result, we delivered strong results that met or exceeded our guidance for the year across all metrics.

In the second year of our Strategic Transformation program, we overachieved our gross productivity and cost savings target, helping offset currency headwinds and maintain margins as we made modest investments in the business. At the same time, we made progress on our goal to improve our revenue trajectory by increasing our participation in strategic growth areas in the industry. A major achievement on this front was the rollout of 29 new ConnectKey-enabled products the biggest launch in our history. We continued to expand our reach to more small and medium-sized business customers by signing 65 new dealer partners. Finally, we strengthened our capital structure through debt reductions and contributions to our defined benefit pension plans.

Building on this momentum, on January 31, 2018, we entered into a definitive agreement with FUJIFILM Holdings Corporation to combine with Fuji Xerox Co., Ltd. the joint venture that Xerox and Fujifilm established in Asia 56 years ago to create a global leader in innovative print technologies and intelligent work solutions. Our proposed combination with Fuji Xerox is a result of a comprehensive review of the Company s strategic and financial alternatives conducted by Xerox s Board and management team. We are focused on creating value for our shareholders, and we strongly believe that the combination with Fuji Xerox is the best path forward for our company. We plan to file a separate proxy statement in the near future in connection with the special meeting at which you will have the opportunity to vote on matters related to our proposed transaction with Fujifilm.

At the Annual Meeting, you will be asked to vote upon the election of ten directors to our Board of Directors; the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2018; and the approval, on an advisory basis, of the 2017 compensation of our named executive officers. **The Board of Directors strongly recommends you vote FOR each of these proposals by signing and dating the enclosed WHITE proxy card and returning it in the enclosed postage paid envelope.** Your support of our ten director nominees is integral to the success of our company and proposed transaction with Fujifilm.

Icahn Partners, L.P. and certain of its affiliates have notified Xerox of their intention to nominate four directors for election at the meeting in opposition to the nominees recommended by our Board of Directors. As a result, you may receive solicitation materials, including a [ ] proxy card, from Icahn seeking your proxy to vote for the Icahn nominees. **We urge you NOT to vote the [ ] proxy card sent to you by Icahn.**

Your vote is extremely important. Please vote your shares as soon as possible by following the instructions on the enclosed WHITE proxy card, even if you plan to attend the Annual Meeting. Voting now will not limit your right to change your vote or to attend the Annual Meeting.

We appreciate your continued confidence in our company.

For the Board of Directors,

Robert J. Keegan	Jeffrey Jacobson
Chairman of the Board	Chief Executive Officer

Table of Contents

Notice of 2018 Annual Meeting of Shareholders

You are invited to attend the Annual Meeting of Shareholders of Xerox Corporation.

When:	**Where:**
Date	Location
Time	

Shareholders will be asked to:

1. Elect 10 directors listed in the accompanying proxy statement;
2. Ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2018;
3. Approve, on an advisory basis, the 2017 compensation of our named executive officers;
4. Authorize the adjournment of the Annual Meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve the foregoing proposals; and
5. Consider such other business as may properly come before the Annual Meeting.

After careful consideration, the Xerox Board of Directors unanimously recommends that you vote **FOR** each of the proposals above by following the instructions on the enclosed **WHITE** proxy card.

Voting:

You are eligible to vote if you were a shareholder of record at the close of business on , 2018.

Ensure that your shares are represented at the meeting by voting in one of several ways:

Go to the website listed on your **WHITE** proxy card to vote **VIA THE INTERNET**.

Call the telephone number specified on your **WHITE** proxy card to vote **BY TELEPHONE**.

Sign, date and return the enclosed **WHITE** proxy card in the postage-paid envelope provided to vote **BY MAIL**.

Attend the meeting to vote **IN PERSON** (please see pages 2 and 4 of the proxy statement for additional information regarding admission to the Annual Meeting and how to vote your shares).

Please submit your proxy as soon as possible to ensure that your shares are represented, even if you plan to attend the Annual Meeting. Voting now will not limit your right to change your vote or to attend the Annual Meeting.
Icahn Partners, L.P. and certain of its affiliates have notified Xerox of their intention to nominate a slate of four nominees for election as directors at the Annual Meeting of Shareholders in opposition to the nominees recommended by our Board of Directors. As a result, you may receive solicitation materials, including a [ ] proxy card, from Icahn seeking your proxy to vote for the Icahn nominees. Xerox is not responsible for the accuracy of any information provided by or relating to Icahn or the Icahn nominees contained in the solicitation materials filed or disseminated by or on behalf of Icahn or any other statements Icahn or its representatives make.

Our Board does NOT endorse any Icahn nominee and instead unanimously recommends that you vote **FOR** the election of each of the nominees proposed by our Board. Our Board strongly urges you NOT to sign or return any [ ] proxy card sent to you by Icahn. If you have previously submitted a [ ] proxy card sent to you by Icahn, you can revoke it by following the voting instructions provided on the enclosed **WHITE** proxy card. Only your last-dated proxy will count, and any proxy may be revoked at any time prior to its exercise at the Annual Meeting as described in the accompanying proxy statement.

If you have any questions or require assistance in voting your shares, you should call Innisfree M&A Incorporated, Xerox s proxy solicitor for the Meeting, toll-free at (877) 825-8793 (from the U.S. and Canada) or at +1 (412) 232-3651 (from other locations) (Banks and Brokerage firms may call collect at (212) 750-5833).

Table of Contents

We appreciate your continued confidence in our Company and look forward to seeing you at the Annual Meeting on [ ], 2018.

By order of the Board,

Sarah E. Hlavinka
Executive Vice President, General Counsel and Secretary
Norwalk, Connecticut

[ ], 2018

The accompanying proxy statement is dated [ ], 2018 and is first being mailed to shareholders on or about [ ], 2018.

Neither the Securities and Exchange Commission nor any state securities commission has passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

Table of Contents

TABLE OF CONTENTS

GENERAL INFORMATION ABOUT THE ANNUAL MEETING	1
The Annual Meeting	1
What is the purpose of the Annual Meeting?	1
Who is entitled to vote?	1
What is the difference between holding shares as a shareholder of record and as a beneficial owner?	1
How do I vote?	2
What is a proxy?	2
Why have I received different color proxy cards?	2
May I change or revoke my vote after I return my proxy card?	3
How does the Board recommend that I vote?	3
How will my proxy be voted?	3
What will happen if I return my proxy card without indicating how to vote?	3
What do I do if I receive more than one set of voting materials?	4
How can I attend the Annual Meeting?	4
How many shares are required to be present to hold the Annual Meeting?	4
How many votes are required to approve each proposal?	4
What is a broker non-vote and how will it affect the voting?	5
Who will count the vote? Is my vote confidential?	5
When will the voting results be disclosed?	6
How are proxies solicited?	6
What are the deadlines and requirements for shareholder submission of proposals, director nominations and other business for the 2019 Annual Meeting?	6
How can I contact the Board?	6
How may I get additional copies of the Annual Report and Proxy Statement?	7
Is there a list of shareholders entitled to vote at the Annual Meeting?	7
Background of the Solicitation	7
PROPOSAL 1 ELECTION OF DIRECTORS	18
Biographies	19
CORPORATE GOVERNANCE	28
Recent Developments	28
Director Nomination Process	29
Board Leadership Structure	29
Risk Oversight	30
Director Independence	30

Certain Relationships and Related Person Transactions	31
Related Person Transactions Policy	31
Certain Employment Arrangements	32

Table of Contents

BOARD OF DIRECTORS AND BOARD COMMITTEES	32
Committee Functions, Membership and Meetings	32
Audit Committee	32
Compensation Committee	33
Compensation Committee Interlocks and Insider Participation	34
Corporate Governance Committee	34
Finance Committee	34
Attendance and Compensation of Directors	35
Summary of Annual Director Compensation	35
SECURITIES OWNERSHIP	37
Ownership of Company Securities	37
Section 16(a) Beneficial Ownership Reporting Compliance	41
EXECUTIVE COMPENSATION	41
COMPENSATION DISCUSSION AND ANALYSIS	41
EXECUTIVE SUMMARY	41
Delivering on 2017 Commitments	41
Named Executive Officers	42
Linking Pay to Performance	43
Shareholder Outreach and Engagement	43
Looking Ahead to 2018	43
Summary of 2017 Compensation Actions	43
Base Salaries	44
Short-Term Incentives	44
Long-Term Incentives	44
Total Compensation	45
OUR EXECUTIVE COMPENSATION PRINCIPLES	45
GOVERNANCE OF THE EXECUTIVE COMPENSATION PROGRAM	46
Oversight	46
Independent Consultant	47
Best Practices	48
Risk Assessment	48
PROCESS FOR SETTING COMPENSATION	49
Competitive Market Information	49
Peer Group	49
Performance Objectives	49
2017 COMPENSATION FOR THE NAMED EXECUTIVE OFFICERS	50
Overview	50

2017 Total Target Compensation	51
Fixed Versus Variable Pay	51
Base Salary	51

Table of Contents

Short-Term Incentives	52
Short-Term Incentive Target Award Opportunity for the Individual Named Executive Officers	52
Short-Term Incentive Performance Measures	53
Determining Short-Term Incentive Award Payouts	53
2017 Performance for Short-Term Incentive Award Payouts	54
Long-Term Incentives	55
Executive Long-Term Incentive Program	55
Compensation Committee Actions Relating to E-LTIP Awards	56
Metrics for the 2017 Performance Cycle (2017 E-LTIP granted on July 1, 2017)	57
Performance and Payouts under Prior E-LTIP Awards	57
2014 Performance Shares	57
SAY-ON-PAY VOTES AND SHAREHOLDER ENGAGEMENT	58
PENSION AND SAVINGS PLANS	58
Pension Plans	58
U.S. Qualified Pension Plan Retirement Income Guarantee Plan	59
Savings Plans and Deferred Compensation Plan	59
Xerox Corporation Savings Plan (401(k) Savings Plan)	59
Xerox Corporation Supplemental Savings Plan	59
PERQUISITES AND PERSONAL BENEFITS	60
General Benefits	60
Life Insurance	60
Perquisites and Personal Benefits	60
EMPLOYMENT AND SEPARATION	61
OTHER FEATURES OF OUR EXECUTIVE COMPENSATION PROGRAM	62
Stock Ownership Requirements	62
Trading, Hedging and Pledging	62
Compensation Recovery Policy (Clawbacks)	62
CERTAIN TAX IMPLICATIONS OF EXECUTIVE COMPENSATION	63
COMPENSATION COMMITTEE REPORT	63
SUMMARY COMPENSATION TABLE	64
GRANTS OF PLAN-BASED AWARDS IN 2017	67
OUTSTANDING EQUITY AWARDS AT 2017 FISCAL YEAR-END	68
OPTION EXERCISES AND STOCK VESTED IN 2017	70
PENSION BENEFITS FOR THE 2017 FISCAL YEAR	70
NON-QUALIFIED DEFERRED COMPENSATION FOR THE 2017 FISCAL YEAR	72
Supplemental Savings Plan (SSP)	72
POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL	73

Termination Following Disability	75
Involuntary Termination for Cause	75
Other Payments	75

Table of Contents

Non-Qualified Pension Benefit	75
Change-in-Control Severance Agreement	75
EQUITY COMPENSATION PLAN INFORMATION	76
CEO Pay Ratio	77
OTHER INFORMATION	77
Indemnification Actions	77
Directors and Officers Liability Insurance and Indemnity	78
PROPOSAL 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	78
Principal Auditor Fees and Services	78
Audit Committee Report	79
PROPOSAL 3 PROPOSAL TO APPROVE, ON AN ADVISORY BASIS, THE 2017 COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS	80
Looking Ahead to 2018	81
PROPOSAL 4 ADJOURNMENT OF THE MEETING	83
APPENDIX A: SUPPLEMENTAL INFORMATION REGARDING PARTICIPANTS	84
Nominees	84
Officers and Employees	84
Information Regarding Ownership of Xerox Securities by Participants	84
Information Regarding Transactions in Xerox Securities by Participants	85
OTHER MATTERS	90

Table of Contents

PROXY STATEMENT

GENERAL INFORMATION ABOUT THE ANNUAL MEETING

The following are some of the questions that you may have about this proxy statement (Proxy Statement) and the answers to those questions. The information in this section does not provide all of the information that may be important to you with respect to this Proxy Statement. Therefore, we encourage you to read the entire Proxy Statement, which was first distributed beginning on or about [ ], 2018, for more information about these topics.

The Annual Meeting

The 2018 Annual Meeting of Shareholders (Annual Meeting) of Xerox Corporation (Xerox or the Company) will be held at [ ], at [ ] local time, on [ ], 2018.

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 appointment of PricewaterhouseCoopers LLP (PwC) as our independent registered public accounting firm for the fiscal year ending December 31, 2018.

3. Approval, on an advisory basis, of the 2017 compensation of our named executive officers.

4. Approval of the proposal to authorize the adjournment of the Annual Meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve the foregoing proposals at the time of the Annual Meeting.

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 2017 and respond to questions from shareholders.

YOUR VOTE IS EXTREMELY IMPORTANT. THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR

THE ELECTION OF THE 10 DIRECTOR NOMINEES NAMED IN THIS PROXY STATEMENT BY USING THE WHITE PROXY CARD TO VOTE BY INTERNET OR BY TELEPHONE OR BY SIGNING, DATING AND RETURNING THE WHITE PROXY CARD IN THE POSTAGE-PAID ENVELOPE PROVIDED.

Please note that Icahn Partners, L.P. and certain of its affiliates (collectively, Icahn), have notified Xerox of their intention to nominate a slate of four nominees (each, an Icahn Nominee and, collectively, the Icahn Nominees) for election as directors at the Annual Meeting in opposition to the nominees recommended by our Board. As a result, you may receive solicitation materials, including a [ ] proxy card, from Icahn seeking your proxy to vote for the Icahn Nominees.

THE BOARD DOES NOT ENDORSE ANY ICAHN NOMINEES AND URGES YOU NOT TO SIGN OR RETURN THE [ ] PROXY CARD SENT TO YOU BY ICAHN.

Who is entitled to vote?

Owners of our common stock, par value $1.00 (Common Stock), as of the close of business on [ ], 2018 (Record Date), are entitled to vote at 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. As of the record date, there were **[ ]** shares of our Common Stock outstanding and entitled to vote. There are no other voting securities of the Company outstanding.

What is the difference between holding shares as a shareholder of record and as a beneficial owner?

If your shares are registered directly in your name with our transfer agent, Computershare, you are considered, with respect to those shares, a shareholder of record. In this case, this Proxy Statement, the notice of Annual Meeting and the **WHITE** proxy card have been sent directly to you by us.

Table of Contents

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the beneficial owner of shares held in street name. As a result, this Proxy Statement, the notice of Annual Meeting and the **WHITE** proxy card have been forwarded to you by your broker, bank or other holder of record who is considered, with respect to those shares, the shareholder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record on how to vote your shares by using the voting instruction card included in the mailing or by following their instructions for voting by telephone or on the Internet.

How do I vote?

Registered shareholders can vote in any one of four ways:

BY INTERNET

If you have Internet access, you may vote your shares by following the Vote by Internet instructions included on the enclosed **WHITE** proxy card.

BY TELEPHONE

If you received written materials, you may vote your shares by following the Vote by Telephone instructions on the enclosed **WHITE** proxy card.

BY MAIL

If you received written materials, you may vote by completing and signing the **WHITE** 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 **WHITE** proxy card you mail. If you sign and return your **WHITE** 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.

IN PERSON

If you submit a proxy or voting instructions via the Internet, telephone or mail, you do not need to vote at the Annual Meeting. 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 use your proxy to vote by Internet, telephone or mail, you authorize each of the three directors, whose names are listed on the **WHITE** proxy card accompanying this Proxy Statement, to act as your proxies to represent you and vote your shares as you direct.

Beneficial owners will receive enclosed with this Proxy Statement, 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. Beneficial owners should follow the instructions from their bank, broker or other holder of record in order for their shares to be voted. If you hold your shares through a broker, bank or nominee, you must obtain a legal proxy from your broker, bank or nominee to vote in person at the Annual Meeting.

It is extremely important that your shares be represented and voted at the Annual Meeting in light of the proxy contest being conducted by Icahn. Whether or not you plan to attend the Annual Meeting, please vote your shares as soon as possible. Please date, sign and return the WHITE proxy card in the envelope provided to you, or use the telephone or Internet method of voting described on your WHITE proxy card, even if you plan to attend the Annual Meeting in person, so that if you are unable to attend the Annual Meeting your shares can be voted. Voting now will not limit your right to change your vote or to attend the Annual Meeting.

What is a proxy?

It is your legal designation of another person to vote matters transacted at the Annual Meeting based upon the stock you own. That other person is called a proxy. If you designate someone as your proxy in a written document, that document is also called a proxy or a proxy card.

Why have I received different color proxy cards?

The Company has provided you with the enclosed **WHITE** proxy card. The Board unanimously recommends using the enclosed **WHITE** proxy card to vote **FOR** each of the Board s nominees for directors. If Xerox receives a validly executed **WHITE** proxy card from you, your shares will be voted by the Xerox proxies as indicated in your voting preference selection. We encourage you to cast your vote **FOR** each of the proposals, following the instructions on your **WHITE** proxy card, as promptly as possible.

Table of Contents

Icahn has notified Xerox of its intention to nominate a slate of four nominees for election as directors at the

Annual Meeting in opposition to the nominees recommended by our Board. As a result, you may receive solicitation materials, including a [ ] proxy card, from Icahn seeking your proxy to vote for the Icahn Nominees. The Board does **NOT** endorse any Icahn Nominee and strongly urges you **NOT** to sign or return any [ ] proxy card sent to you by Icahn. Submitting a proxy card sent to you by Icahn (even if you withhold your vote on the Icahn Nominees) will revoke votes you have previously made via our **WHITE** proxy card. The Board recommends that you simply **DISREGARD** the [ ] proxy card.

May I change or revoke my vote after I return my proxy card?

Yes. You may change or revoke your proxy at any time before it is exercised at 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 either giving notice of revocation or voting in person.

If your shares are held in street name (i.e., held of record by a broker, bank or other holder of record) and you wish to revoke a proxy, you should contact your bank, broker or other holder of record and follow its procedures for changing your voting instructions. You also may vote in person at the Annual Meeting if you obtain a legal proxy from your bank or broker.

If you have previously signed a [ ] proxy card sent to you by Icahn or otherwise voted according to instructions provided by Icahn, you may change your vote and revoke your prior proxy by signing, dating and returning the enclosed **WHITE** proxy card in the accompanying envelope or by voting by telephone or via the Internet by following the instructions on the **WHITE** proxy card. Submitting a proxy card sent to you by Icahn (even if you withhold your vote on the Icahn Nominees) will revoke votes you have previously made via our **WHITE** proxy card.

How does the Board recommend that I vote?

YOUR VOTE IS EXTREMELY IMPORTANT. THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE ELECTION OF THE 10 DIRECTOR NOMINEES NAMED IN THIS PROXY STATEMENT BY USING THE WHITE PROXY CARD TO VOTE BY INTERNET OR BY TELEPHONE OR BY SIGNING, DATING AND RETURNING THE WHITE PROXY CARD IN THE POSTAGE-PAID ENVELOPE PROVIDED.

The Board recommends that you vote:

FOR the election of each of the 10 director nominees named in this proxy statement;

FOR the ratification of the appointment of PwC as our independent registered public accounting firm for the fiscal year ending December 31, 2018;

FOR the approval, on an advisory basis, of the 2017 compensation of our named executive officers; and

FOR the approval of the proposal to authorize the adjournment of the Annual Meeting, if necessary, to solicit additional proxies if there are not sufficient votes to approve the foregoing proposals at the time of the Annual Meeting.

How will my proxy be voted?

If you properly complete, sign and return a **WHITE** proxy card, your shares will be voted as you specify. However, if you are a registered shareholder and you sign and return a **WHITE** proxy card but do not specify a vote with respect to the proposal, your shares will be voted as the Board recommends with respect to the proposal and in its discretion with respect to any other matter that may be properly considered at the Annual Meeting.

What will happen if I return my proxy card without indicating how to vote?

If you are a registered shareholder and submit your **WHITE** proxy card but do not make specific choices with respect to the proposals, your proxy will follow the Board s recommendations and your shares will be voted in favor of the proposals in this Proxy Statement.

Table of Contents

What do I do if I receive more than one set of voting materials?

You may receive more than one set of voting materials, including multiple copies of this Proxy Statement, the **WHITE** proxy card or the voting instruction form. This can occur if you hold your shares in more than one brokerage account, if you hold shares directly as a record holder and also in street name or otherwise through another holder of record, and in certain other circumstances. If you receive more than one set of voting materials, please vote or return each **WHITE** proxy or voting instruction separately in order to ensure that all

your shares are voted.

We urge you to discard any [ ] proxy cards, which were sent to you by Icahn.

How can I attend the Annual Meeting?

Registered shareholders may be admitted to the Annual Meeting upon providing picture identification. If you own shares in street name (i.e., your shares are held in street name through a broker, bank, trustee or other nominee), please bring your most recent brokerage statement, along with government-issued picture identification, to the Annual Meeting. We will use your brokerage statement to verify your ownership of Common Stock and admit you to the Annual Meeting.

Please note that cameras, sounds or video recording equipment, or other similar equipment, electronic devices, large bags or packages will not be permitted in the Annual Meeting.

You can find directions to the Annual Meeting online at exproxyaccess.com/xrx2018. If you have any further

questions regarding admission or directions to the Annual Meeting, please call Innisfree toll-free at (877)

825-8793 (from the U.S. and Canada) or at +1(412) 232-3651 (from other locations).

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

A quorum is necessary to hold a valid meeting of shareholders. The presence at the Annual Meeting, in person or by proxy, of holders representing a majority of the shares of our Common Stock outstanding on the Record Date will constitute a quorum. If a quorum is not present at the Annual Meeting, the shareholders of Xerox will not be able to take action on any of the proposals at the Annual Meeting; provided that the Annual Meeting may be adjourned as described below.

As of the Record Date, there were [ ] 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.

If there is no quorum, the shareholders present may adjourn the Annual Meeting to another time and place, and it shall not be necessary to give any notice of such adjourned meeting (Adjourned Meeting) if the time and place to which the Annual Meeting is adjourned are announced at the Annual Meeting. At the Adjourned Meeting, any business may be transacted that might have been transacted on the original date of the Annual Meeting. If after the adjournment, the Board fixes a new record date for the Adjourned Meeting, a notice of the Adjourned Meeting shall be given to each shareholder on the new record date entitled to notice under the By-laws.

How many votes are required to approve each proposal?

Election of Directors. Icahn has notified Xerox of its intention to nominate a slate of four nominees for election as director at the Annual Meeting in opposition to the nominees recommended by our Board. As a result, the election is a contested election as defined in our Restated Certificate of Incorporation, and the 10 nominees who receive the greatest number of **FOR** votes will be elected. Abstentions, failures to vote and broker non-votes are not considered votes cast and will result in the applicable nominees receiving fewer **FOR** votes for purpose of determining the nominee receiving the greatest number of **FOR** votes.

Voting **WITHHOLD** with respect to an Icahn Nominee on its proxy card is NOT the same as voting **FOR** our Board s director nominees on the **WHITE** proxy card because withholding on an Icahn Nominee on its [ ] proxy card will revoke any previous proxy submitted by you, including any vote you may have made for our Board s nominees. The only way to support the Board s nominees is to vote **FOR** the Board s nominees on the **WHITE** proxy card and to disregard, and not return, any [ ] proxy card that you receive from Icahn.

Table of Contents

Other Items

The affirmative vote of a majority of the votes cast at the Annual Meeting will be required for approval of the following proposals. Abstentions, failures to vote and broker non-votes are not considered votes cast and therefore have no effect on the outcome of the vote on the proposal (provided that a quorum is present).

- **Ratification of PwC as our independent auditor;**
- **Approval, on an advisory basis, of the 2017 compensation of our named executive officers; and**
- **Approval of the adjournment proposal.**

If you hold your Xerox shares through a bank, broker, or other holder of record, such intermediary may not be able to vote your shares. Given the contested nature of the election of directors, the New York Stock Exchange s (NYSE) rules governing broker s discretionary authority do not permit brokers to exercise discretionary authority regarding any of the proposals to be voted on at the Annual Meeting to the extent brokers have forwarded Icahn s proxy materials to you. For additional information, see below under *What is a broker non-vote and how will it affect voting?*

Although the advisory votes are non-binding, the Board values the opinions of shareholders and will consider the outcome of the vote on these proposals when making future decisions regarding executive compensation and the frequency of future advisory votes on named executive officer 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 **WHITE** proxy card intend to vote the proxies in accordance with their best judgment and in their discretion to the extent permitted by Rule 14(a)-4(c) under the Securities and Exchange Act of 1934, as amended (Exchange Act).

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

A broker non-vote occurs when a broker, bank or other holder of record, in nominee name or otherwise, exercising its fiduciary powers (typically referred to as being held in street name) submits a proxy for the Annual Meeting, but does not vote on a particular proposal and has not received voting instructions from the beneficial owner. Broker non-votes (like abstentions) will be counted as present for purposes of determining the presence of a quorum, and will have the effect of the outcome of the vote as set forth in How many votes are required to approve each proposal? beginning on page 4 of this Proxy Statement. Under the NYSE rules that govern brokers who are voting with respect to shares held in street name, brokers ordinarily have the discretion to vote those shares on routine matters, but not on non-routine matters. Routine matters include ratification of the selection of independent public accountants. Non-routine matters include, among other things, election of directors and advisory votes on executive compensation.

However, Icahn has indicated its intention to deliver proxy materials in opposition to our Board to your broker to forward to you on its behalf, and with respect to accounts to which Icahn mails its proxy materials, brokers will not have discretion to vote on routine matters , including the ratification of the selection of PwC as our independent auditor. As a result, if you do not instruct your broker on how to vote your shares:

- Your broker may not vote your shares regarding the election of directors, which will result in the applicable nominees receiving fewer **FOR** votes for purpose of determining the nominee receiving the greatest number of **FOR** votes; and

- Your broker may not vote your shares regarding the ratification of PwC as our independent auditor, the advisory vote to approve executive compensation and the adjournment proposal, which broker non-votes will have no effect on the outcome of the proposal (provided that a quorum is present).

Accordingly, we urge you to give instructions to your bank, broker or other holder of record as to how you wish your shares to be voted so you may vote on these important matters.

Who will count the vote? Is my vote confidential?

Representatives of IVS Associates, Inc. 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.

Table of Contents

When will the voting results be disclosed?

We will publicly disclose voting results of the Annual Meeting within four business days in a Current Report on Form 8-K, based on the preliminary tabulation of the Inspector of Election. We will also publicly disclose final voting results of the Annual Meeting on a Current Report on Form 8-K, promptly upon final certification by the Inspector of Election.

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 Innisfree M&A Incorporated (Innisfree) to handle the distribution of soliciting material to, and the collection of proxies from, such entities.

We will bear the entire cost of the solicitation of proxies on the **WHITE** proxy card, including the preparation, assembly, printing and mailing of this proxy statement, the **WHITE** proxy card and any additional information furnished to shareholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding in their names shares of common stock beneficially owned by others to forward to such beneficial owners. We may reimburse persons representing beneficial owners of common stock for their costs of forwarding solicitation materials to such beneficial owners. In addition, we have retained Innisfree to act as a proxy solicitor in conjunction with the Annual Meeting. We have agreed to pay that firm $[ ], plus reasonable out-of-pocket expenses, for proxy solicitation services. In conjunction with its retention, Innisfree has agreed to provide consulting and analytic services upon request. Innisfree estimates that approximately [ ] of its employees will assist in our proxy solicitation.

Solicitation of proxies by mail may be supplemented by telephone, email, facsimile transmission, electronic transmission or personal solicitation by certain of our directors, officers or other employees. Additional information about persons who are participants in this proxy solicitation is set forth in Supplemental Information Regarding Participants beginning on page 84 of this proxy statement. No additional compensation (other than reimbursement for expenses) will be paid to directors, officers or other employees for such services. Our aggregate expenses in connection with our solicitation of proxies, in excess of that normally spent for an annual meeting and excluding salaries and wages of our officers and regular employees, and the fees of Innisfree described above, are expected to aggregate to approximately $[ ], of which approximately $[ ] has been spent to date.

What are the deadlines and requirements for shareholder submission of proposals, director nominations and other business for the 2019 Annual Meeting?

We expect to hold our 2019 Annual Meeting of Shareholders during the second half of May and to file and mail 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 2019 Annual Meeting of Shareholders, the proposal must be received by us no later than [ ]. All submissions are reviewed by the Corporate Governance Committee.

Any shareholder wishing to make a nomination for director or wishing to introduce any business at the 2019 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 [ ] and no later than [ ]. 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 as a nominee and serving as a director if elected. Proposals and other items of business should be directed to Xerox Corporation, 201 Merritt 7, Norwalk, CT 06851-1056, Attention: Corporate Secretary.

How can I contact the Board?

Under our Corporate Governance Guidelines, shareholders and other interested parties may contact the non-management members of the Board by contacting the Chairman of the Corporate Governance Committee using the Contact the Board link posted on our Company s website at *www.xerox.com/governance.*

Table of Contents

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

Copies of the 2017 Annual Report and 2018 Proxy Statement have been distributed to shareholders. Additional paper copies of these documents are available upon request made to Xerox Corporation, 201 Merritt 7, Norwalk, CT 06851-1056, Attention: Corporate Secretary. The Annual Report and Proxy Statement are also available on the Company s website at *www.xerox.com/investor* or *www.edocumentview.com/XRX*. There is no charge to receive the materials by mail. You may request paper 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, 201 Merritt 7, Norwalk, CT 06851-1056.

Background of the Solicitation

The Board and Xerox s management regularly evaluate Xerox s performance, future growth prospects and overall strategic direction, and consider different strategies for improving Xerox s competitive position and enhancing shareholder value. These evaluations have included consideration of potential transactions, including with third parties, that could further Xerox s strategic objectives. In each case, the Board and management evaluated the potential benefits and risks of those transactions in light of, among other things, the business environment facing the industries in which Xerox operates and its overall competitive position.

Xerox has a long-standing relationship with FUJIFILM Holdings Corporation (Fujifilm), which has included, among other things, Fuji Xerox Co., Ltd., a Japanese company, in which Xerox currently indirectly holds a 25% equity interest and Fujifilm holds the remaining 75% equity interest (Fuji Xerox), and various other commercial dealings. Since its establishment in 1962, Fuji Xerox has grown into a multi-billion dollar enterprise servicing the document processing needs of clients in the Asia Pacific region and manufacturing related hardware and components for sale through Xerox in other territories.

From 1962 until 2001, Fuji Xerox was a 50/50 joint venture between Xerox and Fujifilm. The relationship evolved as the Asian-Pacific markets for xerography and other similar products grew while the markets in other geographies declined, and as Fuji Xerox enhanced its manufacturing and R&D capabilities. At the end of 2000, Xerox sold its business in the People s Republic of China, Hong Kong and Macau to Fuji Xerox for $550 million and on March 30, 2001, Xerox sold half of its equity interest in Fuji Xerox to Fujifilm for JPY 160.0 billion (approximately $1.3 billion based on then-current exchange rates) in cash, resulting in Fujifilm s equity interest in Fuji Xerox increasing to 75% and Xerox s equity interest in Fuji Xerox decreasing to 25%. Xerox s decision to sell control of Fuji Xerox was based on certain strategic considerations, including Xerox s need for additional capital at the time.

In connection with the sale and thereafter, Xerox, Fujifilm and Fuji Xerox entered into, and amended, a series of agreements governing their relationships. Among the agreements are (i) the 2001 Joint Enterprise Contract (as amended, the 2001 JEC), which establishes the economic and governance rights and obligations of Xerox and Fujifilm in respect of Fuji Xerox, (ii) the 2006 Technology Agreement (as amended, the 2006 TA), which sets forth the terms for licensing, technology sharing and product supply between Xerox and Fuji Xerox, and also establishes exclusive sales territories for Xerox and Fuji Xerox and (iii) various supply agreements, which relate to the production and sale of inventory between Xerox and Fuji Xerox. The 2001 JEC contains customary change of control provisions for the benefit of Fujifilm, while the 2006 TA and the supply agreements do not contain such provisions and would remain in effect even if the 2001 JEC was terminated. In 2016, the 2006 TA automatically renewed for an additional five-year term.

Today, Xerox sources more than two-thirds of its equipment products from Fuji Xerox, including the vast majority of the office equipment sold to its enterprise customers. Fuji Xerox designs and manufactures this equipment using the shared intellectual property that the two companies have developed together over the decades. Xerox benefits from Fuji Xerox s enhanced technology, design and manufacturing expertise, as well as attractive pricing. As a result, Xerox s supply relationship with Fuji Xerox has grown and has generated economic benefits for both companies over time. Each of Xerox and Fujifilm designate three members and nine members to the Fuji Xerox Board, respectively.

Table of Contents

As a result of their respective interests in Fuji Xerox and existing commercial arrangements between the parties, Xerox and Fujifilm and their respective senior management teams have had occasion to be in contact with one another and, from time to time, Fujifilm and Xerox have discussed pursuing various potential transactions among the parties. In particular, in 2015, Fujifilm and Xerox had discussions regarding long-term leases of certain of Xerox s manufacturing facilities to Fuji Xerox and related supply agreements. Those discussions were terminated at the end of 2015 and were not resumed thereafter. During the two-year period ending on the date of the Spin-Off, there were no other discussions between Xerox and Fujifilm or Fuji Xerox regarding any other possible acquisitions or business combinations.

On November 23, 2015, Carl C. Icahn and certain investment funds affiliated with Mr. Icahn (collectively, the Icahn Group) publicly disclosed a 7.13% ownership position in Xerox. Thereafter, members of the Board and senior management of Xerox, together with their representatives, engaged in a series of discussions with Mr. Icahn. On December 4, 2015, at Mr. Icahn s request, Xerox agreed to amend its amended and restated by-laws (as so amended, the By-laws) to cause the advance notice deadline for the nomination of directors to its Board to be considered for election at its 2016 annual shareholders meeting to be extended from December 8, 2015 to January 29, 2016. On January 29, 2016, Xerox announced its decision to spin off its business process outsourcing unit (the Spin-Off), later called Conduent Incorporated (Conduent), a transaction that the Board and Xerox senior management had been evaluating as part of its ongoing review of Xerox s strategic alternatives since the middle of 2015. Simultaneously with the announcement of the Spin-Off, Xerox entered into a settlement agreement with the Icahn Group, pursuant to which, among other matters, Xerox agreed that Mr. Icahn would (i) appoint one observer on the Xerox Board to advise the search committee on identifying an external CEO candidate for Conduent and (ii) appoint three of the nine members of the Board of Directors of Conduent. The Icahn Group designated Jonathan Christodoro as its observer on the Xerox Board. Thereafter, beginning in the spring of 2016, Mr. Icahn requested that Mr. Christodoro be appointed as a member of the Xerox Board.

On May 20, 2016, Xerox announced that Ursula M. Burns would step down from her role as CEO of Xerox upon completion of the Spin-Off. The Board formed a search committee to find a replacement CEO, on which Mr. Christodoro served as an observer. While serving on such committee, Mr. Christodoro expressed his view that Xerox should seek to hire an external CEO candidate to replace Ms. Burns. Following an extensive review of potential internal and external CEO candidates by such committee and the Board, on June 23, 2016, Xerox announced that Jeffrey Jacobson would succeed Ms. Burns as CEO of Xerox.

On June 27, 2016, Xerox entered into a new settlement agreement (the Icahn Settlement Agreement) with the Icahn Group, pursuant to which, among other matters, (i) Xerox agreed to appoint Mr. Christodoro to the Board as the Icahn Designee and (ii) Mr. Icahn agreed to standstill obligations that would remain in effect so long as, among other things, the Icahn Designee remained on the Board. Mr. Christodoro was also appointed to the Corporate Governance Committee and the Finance Committee.

In the summer of 2016, Xerox received a letter communicating a preliminary indication of interest from a public company in the commercial printing business (Party A). In the letter, Party A proposed a Morris Trust transaction whereby the document technology business of Xerox would be spun off and merged with Party A. The parties and their advisors held discussions but the Board unanimously concluded that the transaction did not deliver sufficient value to Xerox shareholders and discussions were terminated.

In the late fall of 2016, the Board considered adding additional directors to the Xerox Board. Mr. Icahn relayed to the Board his desire to have an additional representative appointed as a director to the Board and suggested he would commence a public campaign or proxy fight if the Board refused to do so. After interviewing Mr. Icahn s proposed selection and considering the potential distraction a public dispute with Mr. Icahn could pose, the Board agreed to appoint Cheryl Gordon Krongard to the Board. In addition, following a search process, the Board decided to appoint two additional persons to the Board, Gregory Q. Brown and Joseph J. Echevarria. Ms. Krongard and Mr. Echevarria became Board members on January 1, 2017 and Mr. Brown became a Board member on January 26, 2017.

On December 31, 2016, Xerox completed the Spin-Off.

During the week of March 6, 2017, Mr. Jacobson traveled to Japan for a regularly-scheduled meeting of the Board of Directors of Fuji Xerox. On March 7, 2017, Mr. Jacobson attended a meeting with representatives from Fujifilm senior management, where a potential strategic transaction between Xerox and Fujifilm was

Table of Contents

discussed. On March 8, 2017, Mr. Jacobson received a letter from Fujifilm summarizing their discussions and proposing that Mr. Jacobson consult with the Xerox Board regarding a possible transaction. The letter did not contain specific details with respect to potential pricing or other transaction or economic terms. Following receipt of the letter, Paul, Weiss, Rifkind, Wharton & Garrison LLP (Paul, Weiss), which acted as counsel to the Board in connection with Mr. Icahn s investment in Xerox and the Spin-Off, began advising Xerox in connection with a potential strategic transaction.

On March 13, 2017, the Board held a special meeting to discuss the letter Mr. Jacobson had received from Fujifilm during his visit to Japan. Members of Xerox s senior management and representatives from Paul, Weiss participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session.

On March 16, 2017, the Board held a special meeting to further discuss the letter from Fujifilm and review (i) Xerox s recent performance and valuation, (ii) the M&A environment in Xerox s industry, (iii) recent Japanese acquisitions of U.S. public companies and (iv) a preliminary economic analysis of a potential transaction with Fujifilm, including Fujifilm s ability to finance a cash acquisition of Xerox. Members of Xerox s senior management and representatives from Paul, Weiss and Centerview, which acted as financial advisor to the Board and Xerox in connection with Mr. Icahn s investment and the Spin-Off and was being engaged to represent the Board in connection with a potential sale transaction, participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session. Mr. Jacobson responded to Fujifilm s letter by indicating a willingness to entertain discussions, requesting additional information from Fujifilm and emphasizing the need for an all-cash transaction to acquire 100% of Xerox s outstanding shares at a sufficient premium to Xerox s current share price.

On March 23, 2017, Mr. Jacobson received a letter from Shigetaka Komori, Chairman and CEO of Fujifilm, requesting a meeting to discuss Xerox s current business strategy and its business and financial prospects.

On March 30, 2017, a representative from Morgan Stanley & Co. LLC, which is acting together with Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (collectively, Morgan Stanley), Fujifilm s financial advisor, spoke with representatives of Centerview and explained that Fujifilm did not want to engage in further strategic discussions until it could review Xerox s first quarter 2017 results (its first quarter following the Spin-Off).

On April 20, 2017, Fujifilm informed Xerox that it would be focusing its attention on certain inappropriate accounting practices at Fuji Xerox s operations in Australia and New Zealand. Later that day, the Board held a meeting to discuss the matter and the potential impact that the inappropriate accounting practices at Fuji Xerox could have on Xerox s reported financial results and operations, including possible delays that could impact Xerox s new product launches in 2017. Members of Xerox s senior management participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session.

Over the course of the following weeks, the Board reviewed with its outside advisors the terms of the key Fuji Xerox joint venture arrangements, including Xerox s rights thereunder as a result of the inappropriate accounting practices as well as the commercial and legal consequences of a sale of Xerox, including to Fujifilm based on its March 8, 2017 letter. In addition, representatives from Xerox and Fujifilm had discussions regarding the impact of the inappropriate accounting practices at Fuji Xerox and the remedies that would be taken to address them.

Xerox, in consultation with representatives from Paul, Weiss and Centerview, also continued to analyze other strategic alternatives including (i) investments to enhance Xerox s strategic position and increase its exposure to market growth opportunities, (ii) the adoption of a more aggressive return of capital strategy and (iii) a potential sale of Xerox to a strategic buyer or a financial sponsor. Representatives of Centerview contacted two leading financial sponsors (Party

B and Party C) that are active in the technology industry to gauge their interest in pursuing a potential take-private transaction of Xerox. Neither Party B nor Party C indicated an interest in such discussions, noting, among other things, (a) the significant amount of equity that would be required to effect such a transaction, (b) the significant challenges facing Xerox given that it operates in a declining industry and (c) Xerox s financial profile, including margin pressure and the limited free cash flow conversion associated with companies operating in the industry.

On May 3, 2017, Xerox filed a Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, in which Xerox disclosed certain adjustments that were made to its first quarter financials as a result of the review of the accounting practices at Fuji Xerox, as more particularly set forth therein.

Table of Contents

On May 22, 2017, Mr. Jacobson received a letter from Darwin Deason, a significant shareholder of Xerox, expressing certain concerns with respect to Xerox s relationship with Fujifilm, the terms of the Fuji Xerox joint venture and the accounting issues at Fuji Xerox.

On May 22 and 23, 2017, the Board held a meeting to review, among other things, (i) an initial version of Xerox s long-range plan as well as a preliminary valuation analysis and a preliminary illustrative present value analysis of Xerox s future share price under such plan, (ii) potential value-enhancing alternatives, including operational improvements and buy-side M&A and (iii) an analysis of potential alternatives with respect to a sale of Xerox to potential buyers including Fujifilm, other strategic buyers and financial sponsors. The Board came to the view that the initial version of the long-range plan did not create sufficient value for Xerox and directed management to identify additional value enhancing strategies and to revise the long-range plan accordingly. In addition, the Board discussed certain considerations related to Xerox s ongoing relationship with Fujifilm and Fuji Xerox, and the related strategic benefits of a potential transaction with Fujifilm. Members of Xerox s senior management and representatives from Paul, Weiss and Centerview participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session.

On May 31, 2017, Xerox received a letter from Fujifilm describing certain disciplinary actions that would be taken against individuals connected to the inappropriate accounting practices and restatements at Fuji Xerox, including the replacement of certain members of the senior management of Fuji Xerox. The letter further explained that, in an effort to prevent the issue from reoccurring, Fujifilm would be dispatching certain of its senior executives to serve as corporate officers at Fuji Xerox.

In June 2017, Mr. Jacobson traveled to Japan for a regularly-scheduled meeting of the Board of Directors of Fuji Xerox and the annual Fuji Xerox shareholders meetings. During this trip, Mr. Jacobson also met with representatives from Fujifilm and Fuji Xerox senior management and they had discussions about the companies relationship.

On June 29, 2017, the Board held a special meeting to review an updated version of Xerox s long-range plan, which included detailed revenue and profit enhancement initiatives, as well as a preliminary valuation analysis and a preliminary illustrative present value analysis of Xerox s future share price under such updated plan. In addition, Mr. Jacobson provided an overview of his recent trip to Japan, adding that representatives from Fujifilm would be coming to New York in early July for an additional exchange of information related to the companies relationship. Members of Xerox s senior management and representatives from Paul, Weiss and Centerview participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session.

On July 10, 2017, in anticipation of their upcoming meeting, Xerox, Fujifilm and Fuji Xerox entered into a mutual confidentiality agreement in connection with the sharing of certain confidential information of each party. On July 10 and 11, 2017, representatives from Xerox and Fujifilm senior management met in New York to discuss topics related to a potential transaction between Xerox and Fujifilm. Fujifilm explained that its senior management was again focused on a potential transaction with Xerox, but that it was not willing to negotiate or otherwise evaluate an all-cash acquisition of Xerox. The parties agreed to identify and assess alternative transaction structures with their respective outside advisors and senior management teams.

On July 19 and 20, 2017, the Board held a meeting to review the latest discussions between Xerox and Fujifilm, including (i) potential transaction structures, focusing on a structure that would include (A) a one-time special cash dividend to Xerox shareholders, (B) a contribution by Fujifilm of its ownership interests in Fuji Xerox to Xerox and (C) Fujifilm acquiring control of Xerox and (ii) preliminary perspectives on the potential such structures had for value creation. The Board discussed certain considerations related to Xerox s ongoing relationship with Fujifilm and Fuji Xerox, both as related to a potential transaction with Fujifilm or a third party as well as on a standalone basis. The

Board also discussed the process related to certain collaboration efforts or other strategic alternatives, including (a) an analysis of a potential Morris Trust transaction with a potential strategic buyer (Party D) (which it thought to be the most likely strategic partner for a transformative transaction other than Fujifilm), (b) a preliminary leveraged buyout analysis of Xerox presented by representatives of Centerview and (c) an analysis of the Fuji Xerox arrangements and alternative transaction structures that could optimize the benefits to Xerox under such arrangements. The Board evaluated various risks and opportunities related to each approach. In addition, the Board continued its ongoing discussions related to Xerox s long-range plan. Representatives from Paul, Weiss were also present and participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session, during which they discussed Xerox s performance during Mr. Jacobson s tenure as CEO. While to date Xerox s performance had been in line with previously established financial performance, cost-cutting and product launch goals, it was unclear whether such goals would continue to be achieved. As a result, the Board formed a new committee, comprised of Mr. Christodoro, Mr. Brown, Ms. Reese and Mr. Keegan, to conduct a market search of possible CEO candidates.

On August 15, 2017, Mr. Jacobson met with a senior employee of Party D to discuss, among other things, their views of the current state of the industry and whether Party D had an interest in exploring a potential transaction with Xerox. No terms or the form any transaction would take were discussed.

On September 12, 2017, representatives from Xerox and Fujifilm senior management met to further discuss a potential transaction. Representatives from Fujifilm initially explained that Fujifilm had concerns with pursuing a potential transaction with Xerox and rejected the idea of a potential sale of some or all of Fujifilm s equity interest in Fuji Xerox to Xerox. The parties, however, proceeded to discuss, among other things, (i) Xerox s recent performance, (ii) the industrial logic for a potential transaction between Fujifilm and Xerox, (iii) potential structures for such a transaction and (iv) the shareholder and regulatory approval process that would be required for such a transaction. Representatives of Centerview participated in the discussions.

On October 17, 2017, the Board held a meeting, during which, in addition to discussing ordinary course matters, the Board reviewed Xerox s obligation under the Icahn Settlement Agreement to provide notice to Mr. Icahn if Xerox were to decide not to nominate Mr. Christodoro, Mr. Icahn s board representative, for election at the following year s annual meeting. Members of Xerox s senior management and representatives from Paul, Weiss and Centerview participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session.

On October 18, 2017, representatives from Xerox and Fujifilm senior management met to discuss the strategic logic and structuring of a potential transaction, including a potential transaction structure that would result in Fujifilm acquiring a majority stake in Xerox and would not be an all-cash transaction, consistent with Fujifilm s earlier communications regarding the lack of feasibility of an all-cash transaction. Representatives of Centerview and Morgan Stanley participated in the discussions.

On October 23, 2017, in accordance with the terms of the Icahn Settlement Agreement, Xerox informed the Icahn Group that it would be nominating Mr. Christodoro for election at the Annual Meeting.

On November 14, 2017, representatives from Xerox and Fujifilm senior management met to further discuss a potential transaction, including the strategic logic, economics and corporate structure and governance as well as the potential synergies that would be realized from such a transaction. During the meetings, representatives from Fujifilm emphasized that a potential transaction would only be possible if the structure involved Fujifilm acquiring a majority stake in Xerox in a manner that would permit Fujifilm to consolidate Xerox in its financial statements. Representatives of Centerview and Morgan Stanley participated in the discussions.

In anticipation of an upcoming meeting between Mr. Jacobson and Mr. Komori in Tokyo, Japan, on November 15, 2017, representatives of Centerview delivered a preliminary term sheet to Morgan Stanley outlining certain components of a potential transaction in order to determine whether Fujifilm might be interested in a strategic transaction on terms that were different from those that had previously been discussed. The terms set forth in such preliminary term sheet included (i) a one-time special cash dividend to Xerox shareholders, (ii) a contribution by Fujifilm of its ownership interests in Fuji Xerox in exchange for control of Xerox and (iii) a post-closing Xerox ownership interest split of 51% held by Fujifilm. The term sheet also included certain governance arrangements that would apply to Xerox post-Closing, including, among other things (a) that a minority of the post-Closing Board would be comprised of independent directors appointed by Xerox (continuing directors) that would have the ongoing right to nominate their successors, (b) that related party transactions with Fujifilm would have to be approved by a majority of the continuing directors, (c) a prohibition on Fujifilm receiving disparate consideration in connection with any merger or sale transaction and (d) a prohibition on Fujifilm acquiring an unspecified amount of Common Stock without the approval of a majority of the continuing directors, unless it sought to acquire 100% of the Common Stock in which case the terms of any such acquisition would have to be approved by (1) a majority of non-Fujifilm shareholders and (2) a majority of the continuing directors (the mandatory offer provision).

Table of Contents

On November 21, 2017, Mr. Jacobson met with Mr. Komori and other members of Fujifilm s senior management team at Fujifilm s headquarters in Tokyo, Japan, to discuss a potential transaction, including the potential synergies that could be realized in connection with a combination of Xerox and Fuji Xerox.

In late November 2017, Mr. Icahn requested that Xerox amend its By-laws to cause an extension of the notice period for shareholder proposals and director nominations beyond the December 11, 2017 deadline.

On November 30, 2017, Xerox received a revised term sheet from Fujifilm outlining key terms with respect to a potential transaction between the parties, including that (i) Fuji Xerox would redeem all of its shares held by Fujifilm, resulting in Xerox gaining full control and ownership of Fuji Xerox, (ii) Xerox would pay a $2.0 billion one-time special cash dividend to Xerox shareholders and (iii) Fujifilm would contribute the amount of cash received by Fujifilm in the redemption and all shares of Fuji Xerox held by Fujifilm after giving effect to the redemption to acquire 50.1% of Xerox, on a fully diluted basis. The term sheet also provided that (a) the post-Closing Board would be comprised of (1) four independent directors designated by Fujifilm (independent directors) and (2) seven non-independent directors designated by Fujifilm, (b) that related party transactions with Fujifilm would require approval of a related party transactions committee consisting of a majority of (but not solely) independent directors and (c) a mandatory offer provision, to be triggered by Fujifilm acquiring more than 90% of Common Stock without the approval of a majority of the members of a committee of independent directors, unless it seeks to acquire 100% of the shares of the Common Stock in which case the terms of any such acquisition would have to be approved by (1) a majority of non-Fujifilm shareholders or (2) a majority of the members of a committee of independent directors.

On December 4, 2017, the Board held a special meeting to discuss (i) the term sheet Xerox had received from Fujifilm, including the size of the dividend and the post-Closing governance arrangements, and a potential counterproposal, (ii) key considerations for and against a potential transaction with Fujifilm and (iii) the cost synergy opportunities in such a transaction. The Board also reviewed a preliminary illustrative present value analysis of Xerox s future share price based on its long-range plan versus a potential transaction with Fujifilm. In addition, the Board discussed Mr. Icahn s request that Xerox amend its By-laws to extend the notice period. Representatives from Paul, Weiss and Centerview participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session and discussed the status of the CEO market search.

On December 5, 2017, Xerox sent a revised term sheet to Fujifilm, which increased the one-time special cash dividend payable to Xerox shareholders to $2.75 billion. In addition, the revised term sheet provided that (i) the post-Closing Board would be comprised of (A) seven directors designated by Fujifilm and (B) five continuing directors who would have the ongoing right to nominate their successors (and Fujifilm would vote for such nominees), (ii) related party transactions with Fujifilm would require approval of a conflicts committee consisting of a majority of (but not solely) continuing directors, and (iii) the threshold for the mandatory offer provision would be 65% and an acquisition of more than 65% would have to be approved by both the conflicts committee and a majority of non-Fujifilm shareholders.

On December 8, 2017, Xerox received a revised term sheet from Fujifilm, which accepted the proposed framework of a conflicts committee, but (i) reduced the one-time special cash dividend to Xerox shareholders to $2.2 billion from Xerox s proposed $2.75 billion, (ii) increased Fujifilm s post-transaction ownership to 51%, (iii) required that the continuing directors would be subject to approval by Fujifilm at Closing and rejected the proposal that the continuing directors would have the ongoing right to nominate their successors and (iv) increased the threshold for the mandatory offer provision to 66.7%, with an acquisition of more than 66.7% requiring approval of either the conflicts committee or a majority of non-Fujifilm shareholders. Later that day, representatives of Centerview spoke with representatives from Morgan Stanley, explaining that Fujifilm would have to agree to (a) increase the value of the proposed special cash dividend and (b) to set Fujifilm s post-transaction ownership at 50.1% in order for Xerox to be willing to further explore a potential transaction.

Also on December 8, 2017, Mr. Icahn was informed that the notice deadline for director nominations would not be extended. Shortly thereafter, the Board received a resignation letter from Mr. Christodoro notifying the Board that he was resigning from the Board and that, as a result of Mr. Christodoro s resignation, the standstill obligations under the Icahn Settlement Agreement were terminated. In his resignation letter, Mr. Christodoro also noted that Mr. Icahn was proposing to nominate four directors to the Board at the Annual Meeting. The Icahn Group provided a written notice of nomination later in the day on December 8, 2017.

Table of Contents

On December 11, 2017, Fujifilm sent an updated term sheet consistent with the principles communicated to Morgan Stanley on December 8, 2017, including a $2.5 billion one-time special cash dividend to Xerox shareholders, and the parties agreed to negotiate a transaction on that basis.

On December 12, 2017, Mr. Icahn issued an open letter to Xerox shareholders that, among other things, announced that he was launching a proxy contest to replace four members of the Board with his own candidates.

On December 12 and 13, 2017, the Board held meetings to discuss, among other things, (i) the status of negotiations with Fujifilm, (ii) the key considerations for and against a potential transaction with Fujifilm, (iii) the performance and outlook for Xerox on a standalone basis, (iv) a summary of the economics of the transaction proposed by Fujifilm, (v) an overview of the cost and revenue synergy opportunities in such a transaction, developed jointly by Xerox and Fujifilm, and (vi) the implications of Mr. Christodoro s resignation from the Board and Mr. Icahn s decision to nominate individuals to the Board. At the meeting of the Board held on December 12, 2017, representatives from Paul, Weiss reviewed with the Board (a) its fiduciary duties and (b) the implications of and key considerations related to a potential proxy fight with Mr. Icahn. A consensus among the directors emerged that a transaction with Fujifilm presented the best alternative available to maximize shareholder value. Members of Xerox s senior management and representatives of Centerview were also present and participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session, during which, among other things, they discussed Xerox s performance during Mr. Jacobson s tenure as CEO. It was noted that, for the first time in several years, the performance targets that had previously been established by the Compensation Committee were likely to be met, and that Xerox was on track to meet its previously announced forward-looking guidance. The Board also discussed Fujifilm s position that, if a transaction were to be completed, Mr. Jacobson would continue as CEO of the combined company. While the Board had previously interviewed potential CEO candidates, the CEO search process did not continue while Xerox focused on a potential transaction with Fujifilm. At the meeting of the Board held on December 13, 2017, the Board approved the formation of a Transaction Committee (the Transaction Committee) comprised of Mr. Keegan, as Chairman of the Transaction Committee, Mr. Echevarria, Mr. Prince and Ms. Reese, for the purpose of, among other things, facilitating the process of evaluating a potential transaction with Fujifilm. Members of the Transaction Committee agreed to meet on a weekly basis or more frequently, as needed.

On December 18, 2017, Paul, Weiss sent a draft governance term sheet (the governance term sheet) outlining key corporate governance arrangements to be in effect following consummation of the potential transaction to Morrison & Foerster LLP (Morrison & Foerster), legal counsel to Fujifilm. In particular, the governance term sheet provided that (i) the post-Closing Board would have 12 members, comprised of seven directors designated by Fujifilm and five continuing directors, with Fujifilm s designees to decrease in number on a pro rata basis if Fujifilm ceased to hold at least half of the outstanding Common Stock and (ii) such Board composition would remain in effect until Fujifilm ceased to hold 20% of the outstanding Common Stock.

On December 18 and 22, 2017, the Transaction Committee met to review developments in connection with the potential transaction with Fujifilm and to discuss, among other things, (i) key deliverables that would be required for Xerox to meet the expected transaction timeline and (ii) the expected timing for delivery of audited financial statements of Fuji Xerox. The meetings were also attended by members of Xerox s senior management and representatives from Paul, Weiss and Centerview.

On December 27, 2017, Fujifilm and Xerox entered into a Mutual Confidentiality Agreement, replacing a prior nondisclosure agreement, dated July 10, 2017, among Xerox, Fujifilm, and Fuji Xerox. The Mutual Confidentiality Agreement included standstill provisions which had not been included in the July 10 nondisclosure agreement.

On December 29, 2017, Morrison & Foerster sent Paul, Weiss, initial drafts of the proposed redemption agreement and share subscription agreement (collectively, the transaction agreements). Also on December 29, 2017, the Transaction Committee met to discuss, among other things, key developments in connection with the financial review of Fuji Xerox and other updates from the due diligence investigation. The Transaction Committee also reviewed the agenda of the upcoming management meetings between Xerox and Fujifilm scheduled to be held on January 8, 2018 through January 10, 2018 and the key goals of the meetings.

Table of Contents

The meeting was also attended by members of Xerox s senior management and representatives from Paul, Weiss and Centerview.

During the weeks of January 1, 2018, January 8, 2018 and January 15, 2018, the parties continued to progress with their respective due diligence.

On January 4, 2018, Paul, Weiss sent Morrison & Foerster initial drafts of the proposed amended and restated By-laws and shareholders agreement (collectively, the governance agreements). The drafts included provisions that had been addressed in the December 18, 2017 draft of the governance term sheet. In addition, the governance agreements provided, among other things, that certain amendments to the provisions in the shareholder agreement relating to restrictions on Fujifilm s ability to transfer Common Stock and Board composition would require the approval of a majority of non-Fujifilm shareholders.

On January 5, 2018, the Transaction Committee met to discuss, among other things, updates regarding the financial review of Fuji Xerox and updates from the due diligence investigation. The meeting was also attended by members of Xerox s senior management and representatives from Paul, Weiss and Centerview.

On January 8, 2018 through January 10, 2018, representatives from Fujifilm and representatives from Xerox met in New York (i) for management presentations and Q&A sessions and (ii) to discuss other key topics related to the potential transaction, including the pro forma business plan and preliminary findings regarding potential synergy opportunities. Representatives from Paul, Weiss, Morrison & Foerster, Centerview and Morgan Stanley participated in portions of the discussions.

During the weeks of January 8, 2018, January 15, 2018, and January 22, 2018, representatives from Paul, Weiss and Morrison & Foerster continued to negotiate and exchange multiple drafts of the transaction agreements and the governance agreements.

After the market closed on January 10, 2018, the Wall Street Journal posted an article regarding a potential transaction between Xerox and Fujifilm. Over the course of the next two trading days, the market price for the Common Stock increased by approximately 8%.

On January 12, 2018, the Transaction Committee met to review key developments from the meetings with Fujifilm that had taken place the prior week. Members of senior management, together with their third-party advisors, provided an initial readout of their synergy analysis with respect to the potential transaction with Fujifilm, developed jointly by Xerox and Fujifilm. The meeting was also attended by members of Xerox s senior management and representatives from Paul, Weiss and Centerview. Later that day, the Board held a special meeting to discuss, among other things, (i) the status of negotiations with Fujifilm, (ii) revised estimates with respect to potential cost and revenue synergies that could be realized in connection with the potential transaction, developed jointly by Xerox and Fujifilm, (iii) a preliminary integration and execution plan and (iv) key financial considerations, including observations on Fuji Xerox s long-range plan. Representatives from Paul, Weiss reviewed with the Board its fiduciary duties and key issues and considerations with respect to the transaction agreements and governance agreements, including, among other things, (a) verification of potential synergies and consideration of strategic alternatives, (b) key outstanding issues in the transaction agreements and governance agreements and (c) materials risks associated with completing a potential transaction with Fujifilm. Members of Xerox s senior management and representatives of Centerview participated in portions of the discussions. In the course of the meeting, the independent directors of the Board met in executive session.

On January 16, 2018, Mr. Jacobson and other members of Xerox s senior management team met with Mr. Komori and other members of Fujifilm s senior management team at Fujifilm s headquarters in Tokyo, Japan, to discuss the potential transaction. Representatives of Centerview and Morgan Stanley participated in portions of the discussions.

On January 17, 2018, Mr. Deason publicly issued a letter to the Board demanding release of the Fuji Xerox joint venture agreements and hiring of new advisors to evaluate strategic options with Fujifilm (including renegotiation or termination of the joint venture on the basis of the inappropriate accounting practices at Fuji Xerox), among other things. On January 18, 2018, Mr. Icahn issued a public letter, expressing his agreement with Mr. Deason s views.

On January 19, 2018, the Transaction Committee met to discuss, among other things, (i) the status of the negotiations with Fujifilm, (ii) the timetable relating to the announcement of the potential transaction, including the communications plan and (iii) the open letters that had been publicly issued by Messrs. Icahn and Deason.

Table of Contents

The meeting was also attended by members of Xerox s senior management and representatives from Paul, Weiss and Centerview.

On January 22, 2018, Mr. Deason and Mr. Icahn released a joint statement, stating that they had formed a group (within the meaning of Section 13(d)(3) of the Exchange Act) to act together to elect four new members to the Board and reiterated their earlier statements regarding the Fuji Xerox joint venture and Xerox s strategic direction.

Also, on January 22, 2018, representatives of Paul, Weiss and representatives of Morrison & Foerster spoke about certain aspects of the contemplated transaction, including the post-closing arrangements with respect to the Inkjet business and Fujifilm s request for a waiver of the corporate opportunities doctrine.

On January 23, 2018, Mr. Jacobson received a telephone call from a senior employee of Party D expressing that Party D had seen press reports regarding rumors of a potential transaction involving Xerox and may have an interest in a potential transaction. The representative of Party D informed Mr. Jacobson that if it were ultimately to pursue a transaction, it would likely be a structured combination of assets rather than a cash acquisition, but no specific terms were discussed. Mr. Jacobson informed the representative of Party D that if Party D was interested in making a proposal or having further discussion regarding a potential transaction, it should let Xerox know quickly.

On January 24, 2018, Mr. Keegan had a video conference conversation with Mr. Komori and other members of Fujifilm senior management, with representatives of Centerview present, to discuss the key remaining open items in the transaction agreements and governance agreements.

On January 25, 2018, the Transaction Committee met to discuss, among other things, (i) Xerox s prospects as an independent company, (ii) the value of Xerox s existing equity interest in Fuji Xerox, from both an accounting perspective and from a valuation perspective, (iii) the status of various due diligence workstreams, (iv) the value of the potential transaction with Fujifilm to Xerox s shareholders and (v) the additional open letter that had been publicly issued by Mr. Icahn. The meeting was also attended by members of Xerox s senior management and representatives from Paul, Weiss and Centerview.

Later that day, the Board held a special meeting to discuss, among other things, (i) the value of the potential transaction with Fujifilm to Xerox shareholders, (ii) the timing and cost necessary to realize the anticipated synergies, (iii) the status of negotiations with respect to certain outstanding points in the transaction agreements and governance agreements, (iv) an analysis of a potential transaction with Party D, including the potential implications under the Fuji Xerox joint venture arrangements and (v) the open letters that had been publicly issued by Messrs. Icahn and Deason. Mr. Keegan provided an overview of his conversation with Mr. Komori that had taken place the day prior. In addition, representatives of Centerview reviewed with the Board (a) key financial considerations and certain preliminary financial analyses that they had performed with respect to the potential transaction with Fujifilm, including (1) preliminary standalone valuations for Xerox and Fuji Xerox and (2) a preliminary relative value analysis and (b) the potential transaction synergies analysis developed jointly by Xerox and Fujifilm and provided to Centerview by Xerox. In the course of the meeting, the independent directors of the Board met in executive session.

Later that evening, Mr. Keegan sent a letter to Mr. Komori identifying Xerox s position on certain open issues to be finalized in order for the parties to enter into definitive agreements, including certain key governance arrangements that Xerox had been insisting on to protect the interests of the existing public shareholders of Xerox. On January 27, 2018, Mr. Komori responded that Fujifilm would be willing to accept Xerox s position on the open items, but noted that the parties would have to work to finalize and execute the transaction agreements and governance agreements so that the potential transaction could be announced on January 31, 2018.

Also on January 25, 2018, following the conclusion of Xerox s board meeting, representatives of Paul, Weiss and representatives of Morrison & Foerster spoke about certain aspects of the contemplated transaction, including Xerox s position that it was not willing to proceed with a deal involving only a one-year continuing director period and Xerox s request for a closing condition that there be no material deviations in the audited Fuji Xerox financial statements from the unaudited Fuji Xerox financial statements provided to Xerox prior to signing the transaction agreements.

On January 26, 2018, a representative of Centerview received a phone call from a representative of a leading financial sponsor that is active in the technology industry (Party E) noting that it had seen press reports regarding rumors of a potential transaction involving Xerox, and indicating its willingness to consider acting as a partner to a potential strategic acquiror of Xerox. Party E did not pursue discussions beyond that initial outreach.

Also on the same day, Mr. Jacobson had a phone conversation with a senior employee of Party D, during which they agreed that Mr. Jacobson would speak to the CEO of Party D the following day regarding the possibility of a strategic transaction. On January 27, 2018, Mr. Jacobson had a phone conversation with the CEO of Party D; on that call, the CEO of Party D informed Mr. Jacobson that Company D was not interested in pursuing a strategic transaction or otherwise engaging in discussions regarding such a transaction with Xerox.

On January 28, 2018, the Board held a special meeting, with members of Xerox s senior management present, to discuss, among other things, (i) the short-term and long-term value created by the potential transaction with Fujifilm compared to Xerox s standalone business plan, (ii) Xerox s performance during Mr. Jacobson s tenure as CEO and Fujifilm s position that, if a transaction were to be completed, Mr. Jacobson would continue as CEO of the combined company, and his potential role as such, and (iii) the importance of and plan regarding outreach to Xerox shareholders following announcement of a transaction. At the meeting, representatives from Paul, Weiss reviewed the Board s fiduciary duties in connection with its consideration of the potential transaction and reviewed with the Board the substantially final terms of the proposed transaction agreements and governance agreements. Representatives of Centerview reviewed with the Board (a) key financial considerations and certain preliminary financial analyses that it had performed with respect to the potential transaction with Fujifilm, including (1) updated preliminary standalone valuations for Xerox and Fuji Xerox, (2) an updated preliminary relative value analysis and (3) a preliminary analysis of the potential impact of the potential transaction on Xerox s earnings and credit and (b) the potential transaction synergies analysis developed jointly by Xerox and Fujifilm provided to Centerview by Xerox. The Board and representatives of Centerview discussed the limited likelihood of a strategic or financial sponsor having interest in acquiring Xerox at such time based on their knowledge of the industry, market conditions and prior discussions with Party A, Party B, Party C and Party D. In the course of the meeting, the independent directors of the Board met in executive session.

During the course of January 28, 2018 through January 30, 2018, Paul, Weiss and Morrison & Foerster worked to finalize the transaction agreements and the governance agreements.

On January 30, 2018, Paul, Weiss received revised drafts of the transaction agreements from Morrison & Foerster, which contained, among other things, a provision that a portion of the shares to be issued to Fujifilm would be held in escrow and only released to Fujifilm when and if necessary for Fujifilm to maintain its ownership percentage upon the occurrence of certain specified dilution events, including, among others, the conversion of Series B Preferred Stock into shares of Common Stock.

Also on January 30, 2018, the Board held a special meeting, with members of Xerox s senior management present, to discuss, among other things, updates to the transaction agreements and governance agreements. At the meeting, representatives from Paul, Weiss reviewed the Board s fiduciary duties in connection with its consideration of the potential transaction with Fujifilm and reviewed with the Board the substantially final terms of the proposed transaction agreements and governance agreements. Representatives of Centerview reviewed with the Board (i) key financial considerations and certain financial analyses that it had performed with respect to the potential transaction with Fujifilm, including (a) a further refined analysis of the valuations of Xerox and Fuji Xerox, each on a standalone basis, (b) a further refined relative value analysis and (c) Centerview s financial analysis of the consideration to be paid by Xerox pursuant to the potential transaction and (ii) the potential transaction synergies analysis developed jointly by Xerox and Fujifilm provided to Centerview by Xerox. The representatives of Centerview rendered to the Board its oral opinion, which was subsequently confirmed by delivery of a written opinion, dated January 30, 2018, that, as of such date and based upon and subject to the various assumptions made, procedures followed, matters considered and qualifications and limitations upon the review undertaken by Centerview in rendering its opinion, the consideration (as further described below) to be paid by Xerox pursuant to the transaction agreements was fair, from a financial point of view, to Xerox. After discussion, including review and consideration of various reasons weighing in favor of and against the potential transaction, the Board unanimously determined that the potential transaction with Fujifilm was in the best interests of Xerox and its shareholders. In the course of the meeting, the independent directors of the Board met in executive session. The Board unanimously approved the transaction agreements and governance agreements and determined to recommend that the shareholders approve the Issuance and the Charter Amendment.

On the morning of January 31, 2018, prior to the commencement of trading on the NYSE, the parties executed and delivered the transaction agreements, agreed upon final forms of the governance agreements and issued a joint press release announcing their entry into definitive transaction agreements.

Pursuant to the transaction agreements, (i) Fuji Xerox will redeem most of the shares of Fuji Xerox owned by Fujifilm in exchange for cash and (ii) immediately following the redemption, Fujifilm will contribute to Xerox the cash it received in the redemption and all shares of Fuji Xerox still held by Fujifilm after giving effect to the Redemption and, in exchange therefor, Xerox will issue to Fujifilm a number of shares of Common Stock such that Fujifilm will own 50.1% of the Common Stock, on a fully diluted basis, at closing, a portion of which will be held in escrow in accordance with the terms of the transaction agreements. In connection with the proposed transaction with Fujifilm, subject to applicable law, Xerox will declare a special one-time cash dividend (the Special Dividend) of $2.5 billion, in the aggregate, to the holders of record of Common Stock on the record date for the Special Dividend. The amount of the Special Dividend is expected to be approximately $9.80 per share of Common Stock (based on the shares of Common Stock outstanding as of December 31, 2017). The Special Dividend will be paid immediately prior to the closing. Fujifilm will not be a shareholder of Xerox as of the record date for the Special Dividend and therefore will not receive any payment in respect thereof. The consideration to be paid by Xerox pursuant to the transaction agreements consists of (i) the issuance to Fujifilm of certain subscribed shares pursuant to the terms of the Subscription Agreement, (ii) the Special Dividend and (iii) the right of Fujifilm to acquire certain true-up shares pursuant to the terms of the Subscription Agreement.

Also on January 31, 2018, Xerox (i) released its fourth quarter 2017 earnings, which reflected that Xerox had exceeded its earnings guidance for fiscal year 2017 and (ii) publicly disclosed copies of the 2001 JEC (together with certain amendments and a side letter related thereto), the 2006 TA and the Master Program Agreement, dated as of September 9, 2013, by and between Xerox and Fuji Xerox.

Table of Contents

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 to serve as directors based on the recommendation of the Corporate Governance Committee. Each of the director nominees currently serves on the Board and was elected for a one-year term at the 2017 annual meeting. Each nominee brings 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 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 to serve the Company and our Board. We also value their significant experience on other public company boards of directors and board committees.

Our By-laws provide that the number of directors shall be fixed exclusively by one or more resolutions adopted from time to time by the Board. The Board, upon recommendation of the Corporate Governance Committee, has decided to set the number of directors at 10. Therefore, 10 directors will stand for election at the Annual Meeting to serve as directors until the 2019 Annual Meeting of Shareholders.

Our Board unanimously recommends that you vote on the enclosed **WHITE** proxy card or by Internet or by telephone as set forth on the **WHITE** proxy card **FOR** the election of each of the Board s 10 director nominees as set forth below to serve as directors of the Company until the 2019 Annual Meeting of Shareholders or, in each case, until their successors are elected and qualified.

Icahn has notified the Company of its intention to nominate a slate of four nominees for election as director at the Annual Meeting in opposition to the nominees recommended by our Board. As a result, the election is a contested election as defined in our Restated Certificate of Incorporation, and the 10 nominees who receive the greatest number of **FOR** votes will be elected. Votes withheld and broker non-votes are not votes cast and will result in the applicable nominees receiving fewer **FOR** votes for purpose of determining the nominee receiving the greatest number of **FOR** votes.

The Corporate Governance Committee reviewed Icahn s proposed nominees and has determined, based upon its review of biographical and other information with respect to the nominees provided by Icahn and obtained through public records, that none of the four nominees possessed backgrounds, skills or expertise that were additive or superior to those of the existing Board members. The Corporate Governance Committee further considered the close association of the Icahn Nominees with Mr. Icahn and Mr. Icahn s opposition to the proposed transaction with Fujifilm and calling for the termination of the Fuji Xerox joint venture and the Board s view that the proposed transaction with Fujifilm and the current Fuji Xerox joint venture are in the best interests of the Company s shareholders. Based on such considerations, the Corporate Governance Committee further determined that the Icahn Nominees were inherently conflicted, as evidenced by their willingness to be Icahn s nominees in a proxy fight launched during the same time as Mr. Icahn had expressed such views and that nominating any of the Icahn Nominees would likely interfere with the Company s ability to effectuate the proposed transaction with Fujifilm successfully. Based on the foregoing, the Corporate Governance Committee declined to recommend any of the Icahn Nominees be included in the Board s slate of director nominees for the Annual Meeting. The Corporate Governance Committee reported to the Board on its review of, and recommendation with respect to the Icahn Nominees, following which the Board determined to accept the recommendation of the Corporate Governance Committee, and resolved that none of the Icahn Nominees be included in the Board s slate of director nominees for the Annual Meeting.

Our Board recommends that you simply DISREGARD any proxy card that may be sent to you by Icahn and only vote using the enclosed **WHITE** proxy card. Voting **AGAINST** an Icahn Nominee on its proxy card is NOT the same as voting **FOR** our Board s director nominees because a vote against an Icahn Nominee on its proxy card will revoke any previous proxy submitted by you, including any vote you may have made for our Board s nominees. If you have already voted using the [ ] proxy card sent to you by Icahn, you may change your vote and revoke your prior proxy by voting in favor of our Board s director nominees using the enclosed **WHITE** proxy card or by voting via Internet or by telephone by following the instructions provided on the enclosed **WHITE** proxy card. Only the latest validly executed proxy that you submit will be counted. If you have any questions, please contact Innisfree, our proxy solicitors assisting us in connection with the annual meeting,

Table of Contents

by calling Innisfree toll-free at (877) 825-8793 (from the U.S. and Canada) or at +1 (412) 232-3651 (from other locations).

The Board has determined that each of the nominees (other than Jeffrey Jacobson, Chief Executive Officer of the Company) is independent under the NYSE Corporate Governance Rules and the Company s more stringent independence standards.

It is expected that all nominees proposed by our Board will be able to serve on the Board if elected. However, if before the election one or more nominees are unable to serve or for good reason will not serve (a situation that we do not anticipate), the proxy holders will vote the proxies for the remaining nominees and for substitute nominees chosen by the Board (unless the Board reduces the number of Directors to be elected). If any substitute nominees are designated, we will file an amended proxy statement that, as applicable, identifies the substitute nominees, discloses that such nominees have consented to being named in the revised proxy statement and to serve if elected, and includes certain biographical and other information about such nominees required by the rules of the SEC.

Biographies

The Board is continuously seeking highly-qualified, diverse candidates to add to the range of skills and experiences represented on our Board. The 10 individuals nominated for election at our 2018 Annual Meeting bring valuable diversity to the Board. Three of these 10 director nominees, or 30% of our current Board, are women and three nominees are African-American or Hispanic. These 10 director nominees range in age from 57 to 70. In addition, each Director nominee contributes to the Board s overall diversity by providing a variety of perspectives, personal and professional experiences and backgrounds.

The Board also believes that tenure diversity should be considered in order to achieve an appropriate balance between the detailed Company knowledge, wisdom and experience that comes with many years of service and the fresh perspectives of newer Board members. Our current Board has a good balance of experienced and new directors, with tenure of the current directors averaging 6 years.

Table of Contents

The table below summarizes the key qualifications, skills and attributes that each of our directors possesses that were most relevant to the decision to nominate him or her to serve on the Board. The lack of a mark does not mean the director does not possess that qualification or skill or that other qualities were not also considered; rather, a mark indicates a specific area of focus or expertise on which the Board relied most heavily. Each director s biography below describes his or her qualifications and relevant experience in more detail.

Skills and Qualifications of our Board of Directors

Experience, expertise or attribute	Brown	Echevarria	Hunter	Jacobson	Keegan	Krongard	Prince	Reese	Rusckowski	Tucker
Technology										
Leadership										
Global Business										
Financial										
Public Company Boards & Governance										
Business Operations										
Research & Academic										
Diversity										

In addition to the qualifications and skills referenced above, we have provided below the principal occupation and other information about the relevant experience, qualifications, attributes or skills that the Board has concluded qualify each of the nominees to serve as a director of the Company. Each Director nominee has consented to being named in this Proxy Statement and has agreed to serve if elected.

20

Table of Contents

YOUR VOTE IS EXTREMELY IMPORTANT. THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE ELECTION OF THESE 10 DIRECTOR NOMINEES BY SIGNING, DATING AND RETURNING THE WHITE PROXY CARD. THE BOARD DOES NOT ENDORSE ANY ICAHN NOMINEES AND URGES YOU NOT TO VOTE USING THE [ ] PROXY CARD SENT TO YOU BY ICAHN.

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). 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) may appear in the Company s records. All ownership figures are as of April 6, 2018. All ownership figures also reflect a reverse stock split at a ratio of 1-for-4 shares that became effective on June 14, 2017 for all authorized, issued and outstanding shares of Common Stock. For further information, see our Current Report on Form 8-K filed on June 14, 2017.

Gregory Q. Brown

Age: 57 Director since: 2017

Xerox securities owned: 9,017 DSUs

Options/Rights: None

Occupation: Chairman and Chief Executive Officer, Motorola Solutions, Inc.

Education: BA, Rutgers University

Board Committees: Compensation

Key Skills:

- Technology
- Leadership
- Global Business
- Financial
- Public Company Boards & Governance

- Business Operations

Other Directorships (past 5 years): Motorola Solutions Inc. (since 2007);

Cisco Systems, Inc. (2013-2014)

Other Background: Mr. Brown serves as the Chairman and Chief Executive Officer of Motorola Solutions, Inc., where he has led the company for more than a decade. Prior to joining Motorola, Mr. Brown was the Chairman and CEO of Micromuse for four years. Mr. Brown has also served two American presidents, most recently as a member of President Obama s Management Advisory Board and prior to that on the National Security Telecommunications Advisory Committee under President George W. Bush.

Mr. Brown brings to the Board relevant international, global business and developing markets expertise from his experience as Chairman and CEO of Motorola, a global technology business. Mr. Brown brings government, public policy and regulatory experience as a member of the Executive Committee of the Business Roundtable and Chair of its Immigration Committee and as a current board member of the Federal Reserve Bank of Chicago. Mr. Brown also brings government, public policy and regulatory knowledge from his previous service as chair of the Federal Reserve Bank of Chicago, Vice Chair of the U.S. China Business Council, and member of the President of the United States Management Advisory Board.

Table of Contents

Joseph J. Echevarria

Age: 61 Director since: 2017

Xerox securities owned: 9,215 DSUs

Options/Rights: None

Occupation: Former Chief Executive Officer of Deloitte LLP

Education: BBA, University of Miami

Board Committees: Audit, Finance

Key Skills:

- Leadership
- Global Business
- Financial
- Public Company Boards & Governance
- Business Operations
- Diversity

Other Directorships (past 5 years): The Bank of New York Mellon Corporation (since 2015); Pfizer Inc. (since 2015); Unum Group (since 2016)

Other Background: Mr. Echevarria served as Chief Executive Officer of Deloitte LLP, a global provider of professional services, from 2011 until his retirement in August 2014. During his 36-year tenure with Deloitte he held increasingly senior leadership positions prior to being named CEO, including U.S. Managing Partner and Chief Operating Officer, Deputy Managing Partner, and Southeast Region Audit Managing Partner. He also served on key boards and committees within Deloitte and its member firm network, including chair of the U.S. Executive and Americas Executive committees and memberships on the U.S. and global boards. In addition to the public company board service noted above, Mr. Echevarria currently serves as a Trustee of the University of Miami and a Member of the President s Export Council, the principal national advisory committee on international trade. He also serves as the Chair Emeritus of former President Obama s My Brother s Keeper Alliance.

Mr. Echevarria brings to the board significant experience in finance, accounting, international business, leadership and risk management skills relevant to Xerox acquired through his leadership at Deloitte. Mr. Echevarria s financial acumen, including his significant previous audit experience, expertise in accounting issues and service on the audit committee on the boards of other publicly traded companies is an asset to the Board and the Audit Committee. He also brings public policy perspectives from his government service, which includes his public service on the President s Export Council.

William Curt Hunter

Age: 70 Director since: 2004

Xerox securities owned: 66,889 DSUs and 12 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

Board Committees: Audit, Finance

Key Skills:

- Leadership

- Global Business

- Financial

- Public Company Boards & Governance

- Research & Academic

- Diversity

Other Directorships (past 5 years): Trustee of Nuveen Investments (since 2003); Wellmark, Inc. (since 2009)
Other Background: Mr. Hunter served as Dean of Tippie College of Business at the University of Iowa from 2006 to 2012. From 2003 to 2006, he held the position of Dean and Distinguished Professor of Finance at the University of Connecticut. During a 15-year career with the Federal Reserve System, Mr. Hunter held various

Table of Contents

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, he held appointments as research officer and senior financial economist, and then as vice president at the Federal Reserve Bank of Atlanta. Mr. Hunter has also held faculty positions at the University of Georgia, Atlanta University, Emory University and Northwestern University.

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

Jeffrey Jacobson

Age: 58 Director since: 2017

Xerox securities owned: 31,601 shares of common stock

Options/Rights: 475,835 common shares

Occupation: Chief Executive Officer, Xerox Corporation

Education: BS, State University of New York Buffalo; MS, Cornell University School of Industrial Relations; JD, Pace University School of Law

Board Committees: None CEO

Key Skills:

- Technology

- Leadership

- Global Business

- Financial

- Business Operations

Other Directorships (past 5 years): Presstek Inc. (2007-2012)

Other Background: Mr. Jacobson joined Xerox in February 2012 as the president of Global Graphic Communications Operations. In 2014, he served as the chief operating officer of the Xerox Technology business. He served as President of the Xerox Technology business from 2014-2016. Mr. Jacobson was appointed as our Chief Executive Officer, effective January 1, 2017, and Director on January 26, 2017.

As CEO, Mr. Jacobson has overseen Xerox s largest product launch in its more than 100-year history and continues to lead the company through a strategic transformation. In his previous role as president of the Xerox Technology business, Mr. Jacobson led the company s technology business, which offered a diverse portfolio of hardware, software and services to customers ranging from small businesses to multinational enterprises. He was responsible for worldwide strategy, sales channel operations, marketing, technical services and customer support, and product development, manufacturing and distribution.

Prior to joining Xerox, Mr. Jacobson served as the President and Chief Executive Officer of Presstek, becoming Chairman in 2009. Previously, Mr. Jacobson was Chief Operating Officer of Eastman Kodak Company s $3.6 billion Graphic Communications Group. He also served for five years as CEO of Kodak Polychrome Graphics, a $1.7 billion joint venture between Sun Chemical and Eastman Kodak.

Table of Contents

Robert J. Keegan

Age: 70 Director since: 2010

Xerox securities owned: 39,029 DSUs

Options/Rights: None

Occupation: Retired Chairman of the Board, Chief Executive Officer and President, The Goodyear Tire & Rubber Company; Loparex International, Director and Chairman of the Supervisory Board

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

Board Committees: None Chairman

Key Skills:

- Technology

- Leadership

- Global Business

- Financial

- Public Company Boards & Governance

- Business Operations

Other Directorships (past 5 years): Novan, Inc. (since 2016)
Other Background: Mr. Keegan is the former Chief Executive Officer and Chairman of the Board of The Goodyear Tire & Rubber Company, roles that he held until his retirement in 2010. Mr. Keegan is currently Chairman of the Supervisory Board of Loparex International, a private company. Most recently, he served as an Operating Partner of Friedman Fleischer & Lowe, a venture capital and private equity firm, and served as Chairman of the Board of Transtar Holding, Co. From 2000 to his retirement, Mr. Keegan served as President and Director of The Goodyear Tire & Rubber Company, 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. Mr. Keegan serves as Chairman of the Board of Xerox.

From his extensive leadership experience of large public companies, including chief executive officer and chairman of the board of The Goodyear Tire & Rubber Company, Mr. Keegan brings to the Board expertise relevant to Xerox, 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 key 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.

Cheryl Gordon Krongard

Age: 62 Director since: 2017

Xerox securities owned: 9,215 DSUs

Options/Rights: None

Occupation: Private investor; Former CEO Rothschild Asset Management

Education: BS, Iowa State University

Board Committees: Compensation

Key Skills:

- Leadership

- Global Business

- Financial

- Public Company Boards & Governance

- Business Operations

- Diversity

Other Directorships (past 5 years): Air Lease Corporation (since 2013); Federal Mogul (private company) (since 2017)*;* Legg Mason, Inc. (2006-2017); US Airways Group Inc. (2003-2013)

Table of Contents

Other Background: Ms. Krongard was a senior partner of Apollo Management, L.P., a private investment company, from January 2002 to December 2004. From 1994 to 2000, she served as the Chief Executive Officer of Rothschild Asset Management and as Senior Managing Director for Rothschild North America. Additionally, she served as a director of Rothschild North America, Rothschild Asset Management, Rothschild Asset Management BV, and Rothschild Realty Inc. and as Managing Member of Rothschild Recovery Fund. Ms. Krongard was also elected a lifetime governor of the Iowa State University Foundation in 1997 and has served as Chairperson of its Investment Committee.

Ms. Krongard brings to the Board expertise relevant to Xerox, including her substantial asset management expertise and her operational and leadership experience serving as a senior executive at large, complex asset management organizations. Ms. Krongard brings extensive investment, strategic planning and financial expertise gained as a director of other public companies. Ms. Krongard also has significant compensation, finance, audit and corporate governance experience acquired through her service on the boards and committees of other publicly traded companies.

Charles Prince

Age: 68 Director since: 2008

Xerox securities owned: 2,500 common shares, 47,934 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

Board Committees: Corporate Governance (Chair), Compensation

Key Skills:

- Leadership

- Global Business

- Financial

- Public Company Boards & Governance

- Business Operations

Other Directorships (past 5 years): Johnson & Johnson (since 2006)

Other Background: Mr. Prince served as Chief Executive Officer of Citigroup Inc. from 2003 to 2007 and as Chairman from 2006 to 2007. Previously Mr. Prince 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.

Having served in several significant leadership positions in his long and successful career culminating in his serving as CEO of a global, diversified financial services company, Mr. Prince brings to the Board expertise relevant to Xerox, including a strong mix of organizational and operational management skills combined with well-developed legal, global business and financial acumen critical to a large public company. Xerox benefits from his 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 also the result of his education and his service on other public company boards and committees.

Table of Contents

Ann N. Reese

Age: 65 Director since: 2003

Xerox securities owned: 1,663 common shares and 62,189 DSUs

Options/Rights: None

Occupation: Executive Director, Center for Adoption Policy

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

Board Committees: Audit, Corporate Governance, Finance (Chair)

Key Skills:

- Technology

- Leadership

- Global Business

- Financial

- Public Company Boards & Governance

- Business Operations

- Diversity

Other Directorships (past 5 years): Sears Holdings (since 2005); Genesee and Wyoming Inc. (since 2012); The Jones Group Inc. (2003-2011)

Other Background: Ms. Reese co-founded the Center for Adoption Policy in 2001. She served as a Principal at Clayton, Dubilier & Rice from 1999 to 2000; Executive Vice President and Chief Financial Officer of ITT Corporation from 1995 to 1998; Treasurer of ITT Corporation from 1992 to 1995; and Assistant Treasurer of ITT Corporation from 1987 to 1992.

From her broad experience at ITT, Ms. Reese brings to the Board expertise relevant to Xerox, 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.

Stephen H. Rusckowski

Age: 60 Director since: 2015

Xerox securities owned: 18,082 DSUs

Options/Rights: None

Occupation: Chairman, President and Chief Executive Officer of Quest Diagnostics

Education: BS in Mechanical Engineering, Worcester Polytechnic Institute; Master of Science in Management, Massachusetts Institute of Technology s Sloan School of Management

Board Committees: Compensation (Chair)

Key Skills:

- Technology

- Leadership

- Global Business

- Financial

- Public Company Boards & Governance

- Business Operations

Other Directorships (past 5 years): Quest Diagnostics (since 2012); Board of Directors of Management of Royal Phillips Electronics (2006-2012); Covidien (2013-2015)

Other Background: Mr. Rusckowski was named Chairman of the Board of Quest Diagnostics in January 2017 in addition to his role as President & Chief Executive Officer of Quest Diagnostics since May 2012. He previously served as Chief Executive Officer of Philips Healthcare from 2006 to 2012 and in various senior leadership positions at Philips Healthcare prior to that since 2001.

From his experience as chief executive officer of multinational services businesses operating in the healthcare industry, Mr. Rusckowski brings to the Board expertise relevant to Xerox, including his extensive executive leadership experience with expertise in strategic planning, company transformation, healthcare and

Table of Contents

international operations. These skills and expertise are also strengthened by his service on other public company boards and committees.

Sara Martinez Tucker

Age: 62 Director since: 2011

Xerox securities owned: 35,987 DSUs

Options/Rights: None

Occupation: Retired 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

Board Committees: Audit (Chair), Corporate Governance

Key Skills:

- Technology

- Leadership

- Global Business

- Financial

- Public Company Boards & Governance

- Business Operations

- Research & Academic

- Diversity

Other Directorships (past 5 years): American Electric Power Co., Inc. (since 2009); Sprint Corporation (since 2013)

Other Background: Ms. Tucker is the retired Chief Executive Officer of the National Math and Science Initiative (2013-2015) and is a former Under Secretary of Education in the U.S. Department of Education (2006-2008). Ms. Tucker currently serves as Chairman of The University of Texas System Board of Regents. Ms. Tucker served as the Chief Executive Officer and President of the Hispanic Scholarship Fund from 1997 to 2006 and has prior experience as an AT&T executive where she worked for 16 years and served as Regional Vice President of its Global Business Communications Systems.

Through her various leadership positions in government and education, Ms. Tucker brings to the Board expertise relevant to Xerox, 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. Ms. Tucker s service on the audit committees on the boards of other publicly traded companies brings skills that strengthen her role as Chair of our Audit Committee.

The Board recommends a vote

FOR

the election of the 10 directors nominated by the Board

Table of Contents

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; 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, 201 Merritt 7, Norwalk, CT 06851-1056, 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 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.

Recent Developments

As previously announced, on January 31, 2018, Xerox entered into (i) a Redemption Agreement with Fujifilm, and Fuji Xerox, in which, Xerox indirectly holds a 25% equity interest and Fujifilm holds the remaining 75% equity interest and (ii) a Subscription Agreement with Fujifilm (collectively, the Transaction Agreements). The Transaction Agreements provide that, on the terms and subject to the conditions set forth in the Transaction Agreements, among other things:

Redemption and Issuance. Fuji Xerox will redeem most of the shares of Fuji Xerox owned by Fujifilm in exchange for cash. Immediately following the redemption, Fujifilm will contribute to Xerox the cash it received in the redemption and all shares of Fuji Xerox still held by Fujifilm after giving effect to the redemption and, in exchange therefor, Xerox will issue to Fujifilm a number of shares of Common Stock such that Fujifilm will own 50.1% of the Common Stock, on a fully diluted basis, at the closing of the transactions, a portion of which will be held in escrow in accordance with the terms of the Transaction Agreements (Transactions). As a result of the Transactions, Fuji Xerox will become a wholly owned subsidiary of Xerox and Xerox will become a direct, majority owned subsidiary of Fujifilm (with the remainder of Xerox continuing to be owned by Xerox s existing shareholders). The escrowed shares will be released from escrow upon, among other things, (i) the conversion of any shares of Series B Preferred Stock into Common Stock or (ii) the issuance of any Common Stock in respect of any performance shares, options that were not in-the-money options or restricted stock units that remain unvested as of two business days prior to the closing. If the events that could give rise to a release of the escrow shares to Fujifilm can no longer reasonably be expected to occur, then the escrow shares will be transferred back to the combined company and thereafter cancelled.

Special Dividend. In connection with the Transactions, subject to applicable law, Xerox will declare a special one-time cash dividend (Special Dividend) of $2.5 billion, in the aggregate, to the holders of record of Common Stock on the record date for the Special Dividend. The amount of the Special Dividend is expected to be approximately $9.80 per share of Common Stock (based on the shares of Common Stock outstanding as of December 31, 2017). The Special Dividend will be paid immediately prior to the closing of the Transactions. Fujifilm will not be a shareholder of Xerox as of the record date for the Special Dividend and therefore will not receive any payment in respect thereof.

The Transactions have been unanimously approved by the Boards of Directors of both Fujifilm and Xerox. The combined company will be named Fuji Xerox Corporation and trade on the NYSE under the ticker XRX. The combined company will have dual headquarters in Norwalk, CT, U.S. and in Minato, Tokyo, Japan, with a presence in over 180 countries. The combined company will go to market and maintain the iconic Xerox and Fuji Xerox brands within its respective operating regions.

Table of Contents

We expect the Transactions, which require Xerox shareholder approval, to close in the second half of 2018 subject to customary regulatory approvals, filings with the SEC, tax considerations, and securing any necessary financing. Until the combination is complete, each of Xerox, Fuji Xerox and Fujifilm will continue to be separate, independent organizations and will operate as usual.

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 Company senior 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. Although the Board does not establish specific goals with respect to diversity, the Board s overall diversity is a significant consideration in the director 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 fulfill 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, 201 Merritt 7, Norwalk, CT 06851-1056. 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 [ ] and no later than [ ], will be considered for nomination at the 2019 Annual Meeting of Shareholders.

Board Leadership Structure

The Board s goal is to achieve the best board leadership structure for effective oversight and management of the Company s affairs. The Board believes that there is no single, generally accepted approach to providing board leadership, and that each possible leadership structure must be considered in the context of the individuals involved and the specific circumstances facing a company. Accordingly, what the Board believes is the right board leadership structure may vary as circumstances warrant.

The Company s governance documents provide the Board with flexibility to select the appropriate leadership structure for the Company. Our policies do not preclude the Chief Executive Officer (CEO) from also serving as Chairman of the Board. This flexibility has allowed the Board to utilize its considerable experience and knowledge to elect the most qualified director as Chairman of the Board, while maintaining the ability to separate the Chairman of the Board and CEO roles when necessary. Historically, the CEO and Chairman of the Board roles were held by the same person, but currently are held by two different individuals. The Board believes that it is important to retain the flexibility to make this determination at any given point in time based on what it believes will provide the best leadership structure for the Company and best serve the interests of the Company s shareholders.

During the Board s recent evaluation of its leadership structure, the Board took into account many factors, including the specific needs of the Board and the business, our Corporate Governance Guidelines and the best interests of our shareholders. Upon recommendation of the Corporate Governance Committee, the non-employee directors of the Board concluded that the current leadership structure continues to be the right leadership structure for the Company at this time and that it is in the best interests of the shareholders to maintain the separate Chairman and CEO role currently in place. This structure allows our Chief Executive Officer to focus on the operations of our business while the independent Chairman focuses on leading the Board in its responsibilities. Our Board believes that our non-executive Chairman, Mr. Keegan, intimately knows and understands our business through his role as our director for the past seven years, which includes serving as Chairman of the Compensation Committee and member of the Audit Committee. Our Chairman is independent, and will continue to assume the lead independent director s responsibilities, which 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. For this reason, we do not have a lead independent director.

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. Following our 2018 Annual Meeting, we expect that our Board will be 90 percent comprised of directors who qualify as independent directors. We will have an independent Chairman and each of our standing Board committees will be 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.

Risk Oversight

Our Board has ultimate oversight responsibility for our Enterprise Risk Management (ERM) process. The Board oversees our ERM process through the Audit Committee of the Board, which previews the ERM assessment and process for subsequent review by the Board. Our ERM process 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 majority of the direct reports to the CEO, as well as our Chief Information Officer, our Controller, and our Chief Audit Executive. 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 Office, and various Internal Control committees monitor risk exposure and the effectiveness of how we manage these risks.

While the Board has ultimate oversight responsibility for the risk management process, various committees of the Board have been delegated responsibility for certain aspects of risk management. In addition to the Audit Committee s responsibility to oversee the overall ERM process, the Audit Committee focuses on financial risk, including risks associated with internal control, audit, financial reporting and disclosure matters, and also on our Ethics, Litigation, and Information Security risk mitigation plans and progress. In addition, the Compensation Committee seeks to incent executive 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. In parallel, the Board s Finance Committee oversees aspects of our Global Economy risk, and on an as needed basis, special sub-Committees are established to focus on specific business risks.

We believe that our leadership structure supports the risk oversight function of the Board. Our CEO serves on the Board and is able to promote open communication between management and directors relating to risk. Additionally, each Board committee is comprised solely of independent directors, and all directors are actively involved in the risk oversight function.

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 Jeffrey Jacobson, our 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 of the U.S. Securities Act of 1933, as amended (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.

In May 2016, in connection with the spin-off of Conduent Incorporated (the Spin-Off), the Company and Ursula Burns entered into a letter agreement pursuant to which Ms. Burns agreed to continue in her role as the Company s

Chief Executive Officer and Chairman of the Board of Directors until the earlier of January 31, 2017 or completion of the Spin-Off, at which time she would step down as the Company s Chief Executive Officer. On December 31, 2016, Ms. Burns stepped down as Chief Executive Officer, and she retired as Chairman at the annual shareholders meeting in May 2017. Pursuant to the letter agreement, Ms. Burns earned the following in 2017: a prorated base salary equal to $450,000, a prorated annual bonus equal to $870,750, $70,900 in the Company match under the 401(k) savings plan and the Xerox non-qualified supplemental savings plan, $238,983 of dividend equivalents on RSUs and Performance Shares that vested during 2017, and $34,615 for payout of accrued vacation. The letter agreement provided for a 2017 long term incentive equity award of restricted stock with a grant date value of $5 million. Ms. Burns received a prorated award

Table of Contents

based on her retirement date as provided under letter agreement equal to a grant date value of $2.5 million. In addition, Ms. Burns pension value increased by $1,861,861 due to the change in accounting assumptions from December 31, 2016 to December 31, 2017 and one year of interest.

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 2017, we had one non-executive employee who was employed by Xerox who received more than $120,000 in annual compensation (salary, incentive cash awards, equity awards and commissions) and is related to a current executive officer. This is a routine employment arrangement entered into in the ordinary course of business with compensation commensurate with that of the employee s peers, and the terms of employment are consistent with the Company s human resources policies. For 2017, the compensation for Kimberly Finley, spouse of Joseph H. Mancini Jr., our Chief Accounting Officer, was $568,516. Ms. Finley is Director, Tax Accounting at Xerox and has been with Xerox for over 25 years.

BOARD OF DIRECTORS AND BOARD COMMITTEES

Committee Functions, Membership and Meetings

Our Board 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 2017 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 ERM process, and preview the ERM assessment and process for subsequent review by the Board;
- 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;

review changes in working capital policies and procedures with management; 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 below in this Proxy Statement beginning on page 79.

Members: Joseph J. Echevarria; William Curt Hunter; Ann N. Reese; and Sara Martinez Tucker.

Chairman: Ms. Tucker

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. Richard J. Harrington, who retired as of the 2017 annual meeting, served on the Audit Committee until May 23, 2017 and satisfied the foregoing independence standards during his time as a member of the Audit Committee. Robert J. Keegan, who served on the Audit Committee until becoming Chairman of the Board on May 23, 2017, satisfied the foregoing independence standards during his time as a member of the Audit Committee. Designation or identification of a person as an audit committee financial expert does not impose any duties, obligations or liabilities that are greater than the duties, obligations and liabilities imposed on such person as a member of the Audit Committee and the Board in the absence of such designation or identification.

Table of Contents

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;
- 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 and other executive officers;
- have sole authority to retain and terminate the consulting firms engaged to assist the Compensation Committee in the evaluation of the compensation of the CEO and other executive officers;
- be directly responsible for oversight of the work of the compensation consultants, including determination of compensation to be paid to any such consultant by the Company;
- conduct an independence assessment of any compensation consultants to the Compensation Committee, including consideration of the six independence factors required under SEC rules and NYSE listing standards; and
- review and approve employment, severance, change-in-control, termination and retirement arrangements for executive officers.

The Compensation Committee is also responsible for reviewing and discussing the Compensation Discussion and Analysis (CD&A) with management, and has recommended to the Board that the CD&A be included in the Company s Proxy Statement (beginning on page 41) and incorporated by reference in the Company s 2017 Annual Report on Form 10-K. The CD&A discusses the material aspects of the Company s compensation objectives, policies and practices. The Compensation Committee s report appears on page 63 of this Proxy Statement.

The Compensation Committee has not delegated its authority for compensation for executive officers. The Compensation Committee has, however, delegated authority under the Company s equity plan to the CEO to grant equity awards to employees who are not executive officers or officers directly reporting to the CEO. The CEO is also responsible for setting the compensation of, reviewing performance goals and objectives for, and evaluating officers who are not executive officers.

Executive officer compensation decisions are made by the Compensation Committee after discussing recommendations with the CEO and the Chief Human Resources Officer. The Chief Financial Officer confirms the Company s financial results used by the Compensation Committee to make compensation decisions. The Chief Financial Officer attends Compensation Committee meetings to discuss financial targets and results for the Annual Performance Incentive Plan and the Executive Long-Term Incentive Program as described in the CD&A. The Compensation Committee meets in executive session to review and approve compensation actions for the CEO.

The Compensation Committee has retained Frederic W. Cook & Co., Inc. (FW Cook) as an independent consultant to the Compensation Committee. FW Cook provides no services to management and provides an annual letter to the Compensation Committee regarding its independence, which the Compensation Committee reviews and determines whether there is any conflict of interest. Based on its review for 2017, the Compensation Committee determined that FW Cook s work has not raised any conflict of interest and that such firm is independent. The consultant s responsibilities are discussed on page 47 of this Proxy Statement.

Members: Gregory Q. Brown; Cheryl Gordon Krongard; Charles Prince; and Stephen H. Rusckowski.

Chairman: Mr. Rusckowski.

The Board has determined that all of the members of the Compensation Committee are independent under the Company s Corporate Governance Guidelines and NYSE Corporate Governance Rules. In addition, each Committee member is a non-employee director as defined in Rule 16b-3 under the Securities Exchange Act of 1934. Robert J. Keegan, who served on the Compensation Committee until becoming Chairman of the Board on May 23, 2017, satisfied the foregoing independence standards during his time as a member of the Compensation Committee.

Compensation Committee Interlocks and Insider Participation

No member of the Compensation Committee was or is an officer or employee of the Company or any of its subsidiaries. In addition, during the last fiscal year, none of our executive officers served on the compensation committee (or its equivalent) or board of directors of another entity whose executive officer served on our Board or Compensation Committee.

Corporate Governance Committee. (4 meetings)

A copy of the charter of the Corporate Governance Committee is posted on the Company s website at *www.xerox.com/governance.*

The responsibilities of the Corporate Governance Committee include:

- identify and recommend to the Board individuals to serve as directors of the Company and on Board committees;
- advise the Board regarding Board composition, procedures and committees;
- develop, recommend to the Board and annually review the Corporate Governance Guidelines applicable to the Company;
- review significant environmental and corporate social responsibility matters;
- administer the Company s Related Person Transactions Policy;
- evaluate and recommend director compensation to the Board; and
- oversee the annual Board and committee evaluation processes.

The Corporate Governance Committee recommends to the Board nominees for election as directors of the Company and considers the performance of incumbent directors in determining whether to recommend their nomination.

Members: Charles Prince; Ann N. Reese; and Sara Martinez Tucker

Chairman: Mr. Prince

The Board has determined that all of the members of the Corporate Governance Committee are independent under the Company s Corporate Governance Guidelines and the NYSE Corporate Governance Rules. Jonathan Christodoro, who served on the Corporate Governance Committee until his resignation from our Board effective December 8, 2017, satisfied the foregoing independence standards during his time as a member of the Corporate Governance Committee.

Finance Committee. (5 meetings)

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

The responsibilities of the Finance Committee include:

- review the Company s cash position, capital structure and strategies, financing strategies, insurance coverage and dividend policy;
- review the adequacy of funding of the Company s funded retirement plans and welfare benefit plans in terms of the Company s purposes; and
- review the Company s policy on derivatives and annually determine whether the Company and its subsidiaries shall enter into swap and security-based swap transactions that are not cleared with a Commodity Exchange Act registered clearing organization.

Members: Joseph J. Echevarria; William Curt Hunter; and Ann N. Reese.

Chairman: Ms. Reese

The Board has determined that all of the members of the Finance Committee are independent under the Company s Corporate Governance Guidelines and the NYSE Corporate Governance Rules. Jonathan Christodoro, who served on the Finance Committee until his resignation from our Board effective December 8, 2017, satisfied the foregoing independence standards during his time as a member of the Finance Committee. Sara Martinez Tucker, who served on the Finance Committee until May 23, 2017, satisfied the foregoing independence standards during her time as a member of the Finance Committee.

Table of Contents

Attendance and Compensation of Directors

Attendance: 12 meetings of the Board and 25 meetings of the Board committees were held in 2017. All incumbent directors attended at least 75 percent of the total number of meetings of the Board, and Board committees on which they served, during the period in which they served as a Xerox director. The Company s policy generally is for all members of the Board to attend the Annual Meeting of Shareholders. All nominees who were serving as directors at the time attended the 2017 Annual Meeting of Shareholders. We believe that attendance at meetings is only one means by which directors may contribute to the effective management of the Company and that the contributions of all directors have been substantial and are highly valued.

Summary of Annual Director Compensation

Compensation for our directors is determined by the Corporate Governance Committee and approved by the full Board. Directors who are our employees receive no additional compensation for serving as a director. Accordingly, Mr. Jacobson did not receive any additional compensation for his service on the Board during 2017.

During 2017, the annual cash retainer for directors was $80,000; the value of the annual equity retainer for directors was $180,000; the chairman of the Audit Committee received an additional $30,000; Audit Committee members each received an additional $15,000; the chairman of the Compensation Committee received an additional $20,000; Compensation Committee members each received an additional $12,500; the chairmen of the Corporate Governance and Finance Committees each received an additional $15,000; the Corporate Governance and Finance Committee members each received an additional $10,000; The Lead Independent Director received an additional $30,000 per year. In 2017, Ms. Reese received $15,000 for her service as Lead Independent Director. The additional fee for the Chairman of the Board is $175,000 per year. Mr. Keegan was named Chairman of the Board on May 23, 2017 and received an additional $116,667 for his service. As the independent Chairman, Mr. Keegan assumed the Lead Independent Director responsibilities, and therefore, we no longer have a Lead Independent Director. Directors do not have an option to receive additional equity in lieu of cash. Directors also receive reimbursement for out-of-pocket expenses incurred in connection with their service on the Board.

Each non-employee director is required to establish a meaningful equity ownership interest in the Company. This equity ownership interest is achieved by paying the director s annual equity retainer in DSUs (described below). By serving on the Board for a period of approximately one and a half years, a director would hold DSUs equivalent in value (as of date of grant) to at least three times a director s current annual cash retainer. All of our independent directors currently hold DSUs in excess of this amount. The longer a director serves on the Board and is paid an equity retainer in the form of DSUs, the larger his or her equity ownership interest in the Company becomes because, by their terms, all DSUs are required to be held by directors until the earlier of one year after the termination date of Board service or the date of death. If there is a change in control of the Company, the terms of the 2004 Directors Plan provide that DSUs be paid out in cash as soon as practicable.

Each non-employee director is also prohibited from engaging in short-swing trading and trading in puts and calls with respect to Xerox stock and is prohibited from using any strategies or products to hedge against the potential changes in the value of Xerox stock. In addition, under the Company s insider trading policy, directors are effectively precluded from pledging Xerox stock as collateral since their stock can only be sold during window periods and under trading plans pursuant to SEC Rule 10b5-1, and therefore is not available to be sold at any time.

DSUs are a bookkeeping entry that represent the right to receive one share of Common Stock at a future date. DSUs include the right to receive dividend equivalents, which are credited in the form of additional DSUs, at the same time and in approximately the same amounts that the holder of an equivalent number of shares of Common Stock would be entitled to receive in dividends. The DSUs are issued under the 2004 Directors Plan, which was approved by Xerox shareholders at the 2004 Annual Meeting of Shareholders and amended and

Table of Contents

restated, with shareholder approval, in 2013. Individually, the compensation for each non-employee director during fiscal year 2017 was as follows:

Name of Director (1)	Fees earned or paid in cash $	Stock Awards $ (2)	Option Awards $	Non-Equity Incentive Plan Compensation $	Change in Pension Value and Non-Qualified Deferred $	All Other Compensation $ (3)	Total $
Gregory Q. Brown	$86,250	$180,000	-	-	-	-	$266,250
Jonathan Christodoro	$100,000	$180,000	-	-	-	-	$280,000
Joseph J. Echevarria	$85,000	$180,000	-	-	-	-	$265,000
Richard J. Harrington	$55,000	$90,000	-	-	-	-	$145,000
William Curt Hunter	$107,500	$180,000	-	-	-	-	$287,500

Robert J. Keegan	$214,167	$180,000	-	-	-	-	$394,167
Cheryl Gordon Krongard	$86,250	$180,000	-	-	-	-	$266,250
Charles Prince	$105,000	$180,000	-	-	-	-	$285,000
Ann N. Reese	$127,500	$180,000	-	-	-	-	$307,500
Stephen H. Rusckowski	$96,250	$180,000	-	-	-	-	$276,250
Sara Martinez Tucker	$110,000	$180,000	-	-	-	-	$290,000

(1) Mr. Christodoro resigned from the Board effective December 8, 2017. Mr. Harrington and Ms. Burns retired as of the 2017 annual meeting. Mr. Echevarria and Ms. Krongard were each appointed to the Board effective January 1, 2017. Mr. Brown was appointed to the Board effective January 26, 2017.

(2) The cash value of compensation awarded in the form of DSUs is reflected in this column. The amount presented in this column reflects the aggregate grant date fair value of the DSUs awarded during 2017 computed in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 718, Compensation Stock Compensation.

The total number and value of all DSUs (including dividend equivalents) as of the end of 2017 (based on the December 29, 2017 closing market price of our Common Stock of $29.15) and DSUs held by each director is as follows: Mr. Brown, 6,171 ($179,885); Mr. Christodoro, 8,667 ($252,643); Mr. Echevarria, 6,367 ($185,598); Mr. Harrington, 52,568 ($1,532,357); Mr. Hunter, 63,553 ($1,852,570); Mr. Keegan, 35,929 ($1,047,330); Ms. Krongard, 6,367 ($185,598); Mr. Prince, 44,759 ($1,304,725); Ms. Reese, 58,893 ($1,716,731); Mr. Rusckowski, 15,159 ($441,885); and Ms. Tucker, 32,913 ($959,414).

(3) In accordance with applicable SEC rules, dividend equivalents paid in 2017 on DSUs are not included in All Other Compensation because those amounts were factored into the grant date fair values of the DSUs.

In May 2016, in connection with the Spin-Off, the Company and Ursula Burns entered into a letter agreement pursuant to which Ms. Burns agreed to continue in her role as the Company s Chief Executive Officer and Chairman of the Board of Directors until the earlier of January 31, 2017 or completion of the Spin-Off, at which time she would step down as the Company s Chief Executive Officer. On December 31, 2016, Ms. Burns stepped down as Chief Executive Officer, and she retired as Chairman at the annual shareholders meeting in May 2017. Pursuant to the letter agreement, Ms. Burns earned the following in 2017: a prorated base salary equal to $450,000, a prorated annual bonus equal to $870,750, $70,900 in the Company match under the 401(k) savings plan and the Xerox non-qualified supplemental savings plan, $238,983 of dividend equivalents on RSUs and Performance Shares that vested during 2017, and payout of $34,615 for accrued vacation. The letter agreement provided for a 2017 long term incentive equity award of restricted stock with a grant date value of $5 million. Ms. Burns received a prorated award based on her retirement date as provided under letter agreement equal to a grant date value of $2.5 million. In addition, Ms. Burns pension value increased by $1,861,861 due to the change in accounting assumptions from December 31, 2016 to December 31, 2017 and one year of interest.

Table of Contents

For information on compensation for Jeffrey Jacobson, our director who is also the Chief Executive Officer of Xerox, see the executive compensation tables beginning on page 64.

SECURITIES OWNERSHIP

Ownership of Company Securities

We are not aware of any person who, or group that, owns beneficially more than 5% of any class of the Company s equity securities as of December 31, 2017, except as set forth below(1).

Title of Class*	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class (1)
Common Stock	Mr. Carl C. Icahn c/o Icahn Capital LP 767 Fifth Ave, Suite 4700 New York, NY 10153	23,456,087 (2)	9.2%
Common Stock	Darwin Deason 5956 Sherry Ln., Suite 800 Dallas, TX 75225	15,322,341 (3)	5.9% (4)
Group Total (including shares issuable upon conversion of Series B Preferred Stock)		**38,778,428 (2)(3)**	**14.8% (4)**

Group Total (without shares issuable upon conversion of Series B Preferred Stock)		**32,036,856**	**12.6%**
Common Stock	The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	24,799,173 (5)	9.7%
Common Stock	BlackRock, Inc. 55 East 52nd Street New York, NY 10055	15,067,064 (6)	