

XEROX CORP
Form DEF 14A
April 08, 2010

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Soliciting Material Under Rule
14a-12

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Definitive Proxy Statement

Definitive Additional Materials

Xerox Corporation

(Name of Registrant as Specified In Its Charter)

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

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3) Filing Party:

4) Date Filed:

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

April 8, 2010

Dear Shareholders:

You are cordially invited to attend the 2010 Annual Meeting of Shareholders of Xerox Corporation to be held on Thursday, May 20, 2010, at Xerox's Corporate Headquarters, 45 Glover Avenue in Norwalk, Connecticut. Your Board of Directors and management look forward to greeting those shareholders who are able to attend.

At the Annual Meeting of Shareholders you will be asked to vote upon the election of nine directors, to ratify the selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for 2010 and to approve an amendment and restatement of the Company's 2004 Performance Incentive Plan. The Board of Directors unanimously recommends that you vote in favor of each of these proposals.

Effective May 20, 2010 and after more than 34 years of service to Xerox, Anne Mulcahy will step down as Chairman and a director of the Xerox Board. Anne was instrumental in recreating our company at a time when we needed it most. She prioritized investments in innovation, shifted our strategy to become more focused on services, and significantly improved our financial health. As a result, we have a strong foundation from which to build an even stronger company. On behalf of the Board and Xerox people, I express my sincere gratitude for her extraordinary contributions. All of us at Xerox are committed to honoring her impressive legacy.

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

For the Board of Directors,

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

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Notice of 2010 Annual Meeting of Shareholders

- Date and Time: Thursday, May 20, 2010, at 9:00 a.m.
- Location: Xerox's Corporate Headquarters, 45 Glover Avenue in Norwalk, Connecticut 06856
- Purpose: (1) Election of 9 directors;
- (2) Ratification of the selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for 2010;
- (3) Approval of the May 2010 Amendment and Restatement of the Company's 2004 Performance Incentive Plan; and
- (4) Consider such other business as may properly come before the meeting.
- Record Date: March 22, 2010 — You are eligible to vote if you were a shareholder of record on this date.
- Proxy Voting: (1) Telephone;
- (2) Internet; or
- (3) Proxy Card.
- Please review the accompanying proxy card for voting instructions.
- Importance of Vote: Whether or not you plan to attend, please submit your proxy as soon as possible to ensure that your shares are represented.

Important Notice Regarding the Availability of Proxy Materials for the
Annual Meeting of Shareholders to be Held on May 20, 2010.

The Proxy Statement and 2009 Annual Report are available at
<http://www.edocumentview.com/XRX>

By order of the Board of Directors,

Don H. Liu
Senior Vice President, General Counsel and Secretary

April 8, 2010

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PROXY STATEMENT

GENERAL INFORMATION ABOUT THE ANNUAL MEETING

The Annual Meeting

The 2010 Annual Meeting of Shareholders (Annual Meeting) of Xerox Corporation (Company) will be held on Thursday, May 20, 2010, beginning at 9:00 a.m. at Xerox's Corporate Headquarters, 45 Glover Avenue in Norwalk, Connecticut.

What is the purpose of the Annual Meeting?

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

1. Election of the nine nominees named in this proxy statement to our Board of Directors, each for a term of one year.
2. Ratification of the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010.
3. Approval of the May 2010 Amendment and Restatement of the Company's 2004 Performance Incentive Plan.

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 2009 and respond to questions from shareholders.

Who is entitled to vote?

Owners of our common stock, par value \$1 per share (Common Stock), as of the close of business on the record date, March 22, 2010, are entitled to vote at the Annual Meeting and at any and all adjournments or postponements of the Annual Meeting. The shares owned includes shares you held on that date (1) directly in your name as the shareholder of record (registered shareholder) and (2) through a broker, bank or other holder of record where the shares were held for you as the beneficial owner. Each share of Common Stock is entitled to one vote on each matter to be voted on.

Who may attend the Annual Meeting?

All shareholders of record on March 22, 2010 can attend. In order to be admitted to the meeting, you must present an admission ticket, Xerox Shareholders' Meeting Notice or other proof of ownership of Xerox Common Stock as of the record date, as well as a form of personal photo identification, such as a driver's license.

If you are a registered shareholder (you hold shares in your own name and not through a bank or brokerage firm):

- If you plan to attend the meeting, please mark the appropriate box on the proxy card and an admission ticket will be sent to you.
- If you bring your Xerox Shareholders' Meeting Notice, that will serve as your admission ticket.
- If you vote via the Internet or by telephone, there will be applicable instructions to follow when voting to indicate if you would like to receive an admission ticket.

If your shares are held beneficially (that is, in the name of a bank, broker or other holder of record):

- To obtain an admission ticket, you may request an admission ticket in advance by calling Shareholder Services at (203) 849-2315 or mailing a written request, along with proof of your ownership of Xerox Common Stock as of the record date, to Xerox Corporation, Shareholder Services, P.O. Box 4505, Norwalk, CT 06856-4505. All calls and written requests for admission tickets must be received no later than the close of business on May 18, 2010.
- If you bring your Xerox Shareholders' Meeting Notice, that will serve as your admission ticket.

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If you do not obtain an admission ticket in advance of the meeting, you must present proof of your ownership of Xerox Common Stock as of the record date, such as a bank or brokerage account statement or other evidence of ownership from your bank or broker, in order to be admitted to the meeting.

You can find directions to the meeting online at <http://www.edocumentview.com/XRX> or by calling Shareholder Services at (203) 849-2315.

How does the Board of Directors recommend that I vote?

The Board recommends that you vote:

- FOR the election of each of the nine director nominees;
- FOR the ratification of the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010; and
- FOR the approval of the May 2010 Amendment and Restatement of the Company's 2004 Performance Incentive Plan.

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

A quorum is necessary to hold a valid meeting of shareholders. For each of the proposals to be presented at the meeting, the presence at the meeting, in person or by proxy, of the holders of a majority of the shares of our Common Stock outstanding on March 22, 2010, the record date, will constitute a quorum. If you vote — including by Internet, telephone, or proxy card — your shares voted will be counted towards the quorum for the Annual Meeting. Broker non-votes and proxies received but marked “withhold” or “abstain” will be also treated as present for purposes of determining a quorum. As of March 22, 2010, we had 1,378,816,938 shares of our Common Stock outstanding, meaning that at least 689,408,470 shares of Common Stock must be represented in person or by proxy to have a quorum. If a quorum is not present, the meeting will be adjourned until a quorum is obtained.

How many votes are required to approve each proposal?

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

Other Items. Ratification of PricewaterhouseCoopers LLP as our independent auditors requires the affirmative vote of a majority of the votes cast at the meeting. For purposes of determining the number of votes cast on this matter, under the law of New York, only those votes cast “for” or “against” are included. Abstentions and broker non-votes are not treated as votes cast at the meeting for such purposes.

Approval of the May 2010 Amendment and Restatement of the Company’s 2004 Performance Incentive Plan requires the affirmative vote of a majority of the votes cast, provided that the total votes cast on this proposal represent over 50% of the shares entitled to vote on the proposal. Pursuant to NYSE rules, we will count abstentions as votes cast on this proposal, but we will not count broker non-votes as votes cast on this proposal. As a result, abstentions will have the same effect as a vote against the proposal, but broker non-votes will have no impact on the outcome of the proposal, provided that a majority of our outstanding shares are voted.

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

What is a broker non-vote?

If you hold your shares beneficially through a brokerage firm and do not provide voting instructions to your broker, your shares will not be voted on any matter on which your broker does not have discretionary authority to vote. In this situation, a “broker non-vote” occurs. Shares constituting broker non-votes are not counted or deemed to be present or represented for the purpose of determining whether shareholders have approved a matter, but they are counted as present for the purpose of determining a quorum at the Annual Meeting. Starting this year, brokers holding shares who do not receive instructions on the election of a director nominee will not be allowed to vote those shares, and all such shares will be “broker non-votes” rather than votes “for” or “against.” Accordingly, assuming the presence of a quorum, broker non-votes for a particular director nominee will not be counted as votes to determine the outcome of the election of directors. In addition, brokers who do not receive instructions on the approval of the May 2010 Amendment and Restatement of the Company’s 2004 Performance Incentive Plan will not be allowed to vote those shares, and all such shares will be “broker non-votes” rather than votes “for” or “against” that proposal.

How do I vote?

Registered shareholders (that is, shareholders who hold their shares in their own name and not through a bank or brokerage firm) can vote any one of four ways:

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

Since many shareholders are unable to attend the meeting in person, registered shareholders may also vote their proxies by one of the three ways below. By using your proxy to vote in one of these ways, you authorize the three directors, whose names are listed on the front of the proxy card accompanying this Proxy Statement, to represent you and vote your shares as you direct.

- (2) You may vote over the Internet. If you have Internet access, you may vote your shares from any location in the world by following the "Vote by Internet" instructions on the enclosed proxy card.
- (3) You may vote by telephone. You may vote your shares by following the "Vote by Telephone" instructions on the enclosed proxy card.
- (4) You may vote by mail. You may vote by completing and signing the proxy card enclosed with this proxy statement and promptly mailing it in the enclosed postage-prepaid envelope. The shares you own will be voted according to your instructions on the proxy card you mail. If you sign and return your proxy card but do not indicate your voting instructions on one or more of the matters listed, the shares you own will be voted by the named proxies in accordance with the recommendations of our Board of Directors.

If you vote via the Internet or by telephone, your electronic vote authorizes the named proxies in the same manner as if you signed, dated and returned your proxy card. If you vote via the Internet or by telephone, do not return your proxy card.

If your shares are held beneficially (that is, in the name of a bank, broker or other holder of record), you will receive instructions from the holder of record that you must follow in order for your shares to be voted. Internet and/or telephone voting also will be offered to shareholders owning shares through most banks and brokers.

How will shares in the Xerox Employee Stock Ownership Plan and the ACS Savings Plan be voted?

Beneficial owners of the shares of Common Stock held in their accounts in the Company's Employee Stock Ownership Plan (ESOP) or the ACS Savings Plan (Savings Plan) can instruct State Street Bank and Trust Company, as Trustee for the ESOP (ESOP Trustee) or The Bank of New York Mellon, as Trustee for the Plan (Savings Plan Trustee), by telephone, Internet or mail, how to vote the shares in their accounts. No matter which method is used, your voting instructions are confidential and will not be disclosed to the Company. By providing your voting instruction in one of these ways, you instruct the ESOP Trustee or the Savings Plan Trustee to vote the shares allocated to your ESOP or Savings Plan account. For the ESOP participants, you also authorize the ESOP Trustee to vote the shares of Common Stock held in the ESOP trust for which no instructions have been received in the same proportion on each issue as it votes the shares for which participants have returned voting instructions. Unlike the ESOP, if no instructions have been received from a Savings Plan participant, the Plan Trustee will not vote the shares allocated in your account. Your vote must be received by 9:00 AM Central Time on Tuesday, May 18, 2010 to allow sufficient time for processing.

May I change my vote?

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

Can I vote in person at the Annual Meeting?

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

Who will count the vote? Is my vote confidential?

Representatives of Computershare will act as Inspectors of Election, supervise the voting, decide the validity of proxies and receive and tabulate proxies. As a matter of policy, we keep confidential proxies, ballots and voting tabulations that identify individual shareholders. Such documents are available for examination only by the inspector of election and certain of our employees and our transfer agent who are associated with processing proxy cards and tabulating the vote. The vote of any shareholder is not disclosed except in a contested proxy solicitation or as may be necessary to meet legal requirements.

How are proxies solicited?

In addition to the solicitation of proxies by mail, certain of our employees may solicit proxies without extra remuneration. We also will request brokerage houses, nominees, custodians and fiduciaries to forward soliciting material to the beneficial owners of stock held of record and will reimburse such person for the cost of forwarding the material. We have engaged Georgeson Inc. to handle the distribution of soliciting material to, and the collection of proxies from, such entities. We will pay Georgeson Inc. a fee of \$12,000 plus reimbursement of out-of-pocket expenses for this service. We will bear the cost of all proxy solicitation.

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

Pursuant to rules adopted by the SEC, the Company has elected to provide access to its proxy materials over the Internet. Accordingly, a Notice of Internet Availability of Proxy Materials (Notice) is being sent to the Company's registered shareholders and beneficial owners. The Notice contains instructions on how to access the proxy materials over the Internet and how to request a printed copy of the proxy materials, as well as how shareholders may request to receive proxy materials in printed form by mail, or electronically by email, on an ongoing basis.

On or about April 8, 2010, we will send all shareholders of record as of March 22, 2010 a Notice instructing them how to receive their proxy materials via the Internet this year. The proxy materials will be available on the Internet as of April 8, 2010.

How can I electronically access the proxy materials?

Beginning April 8, 2010, you can access the proxy materials and vote your shares online at <http://www.edocumentview.com/XRX>. Our own website (www.xerox.com) will also direct you to the proxy materials. Shareholders can receive proxy statements, annual reports, and other shareholder materials via electronic delivery. Registered shareholders (if you hold your shares in your own name and not through a bank or brokerage firm) can sign up for electronic delivery at <http://www.eTree.com/Xerox>. Beneficial shareholders (if you hold your shares through a bank, broker or other holder of record) can sign up for electronic delivery at <http://enroll.icsdelivery.com/xrx>. These websites, which allow you to choose to receive future proxy materials electronically by e-mail, will provide cost savings relating to printing and postage and reduce the environmental impact of mailing documents to you.

When are proposals, director nominations and other business to be submitted by shareholders for the 2011 Annual Meeting due?

We expect to hold our 2011 Annual Meeting of Shareholders during the second half of May and to issue our Proxy Statement for that meeting during the first half of April. Under the SEC proxy rules, if a shareholder wants us to include a proposal in our Proxy Statement and proxy card for the 2011 Annual Meeting of Shareholders, the proposal must be received by us no later than December 9, 2010.

Under our by-laws, any shareholder wishing to make a nomination for director or wishing to introduce any business at the 2011 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 business which must be received by the Company no earlier than November 9, 2010 and no later than December 9, 2010. Nominations for director must be accompanied by written consent of the nominees to being named in the Proxy Statement as a nominee and to serving as a director if elected. Proposals and other items of business should be directed to the attention of the Corporate Secretary at P.O. Box 4505, Norwalk, Connecticut 06856-4505,

How can I contact the Board of Directors?

Under the Corporate Governance Guidelines, interested parties may contact the non-management members of the Board of Directors by contacting the Chairman of the Corporate Governance Committee at the address that appears on the Company's website at www.xerox.com/about-xerox/citizenship/corporate-governance/guidelines.

What if multiple shareholders have the same address?

If you and other residents at your mailing address own shares of Common Stock through a broker, you may have received a notice from the broker notifying you that your household will be sent only one Notice or one Annual Report and Proxy Statement, as applicable. If you did not return the "opt-out" card attached to such notice, you were deemed to have consented to such process. The broker or other holder of record will send, as applicable, at least one copy of the Notice or the Annual Report and Proxy Statement to your address. You may revoke your consent at any time by calling (800) 542-1061. The revocation will be effective 48 hours after receiving your telephone notification. In any event, the Company will send a copy of the Notice or Annual Report and Proxy Statement to you if you address your written request to Xerox Corporation, Shareholder Services, P.O. Box 4505, Norwalk, CT 06856-4505 or call Shareholder Services at (203) 849-2315. If you are receiving multiple copies of the Notice or the Annual Report and Proxy Statement at your address and would like to receive only one copy in your household, please contact us at this same address and telephone number.

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

Copies of the 2009 Annual Report of the Company and Proxy Statement have been distributed to shareholders (unless you have received a copy of the Notice or have consented to electronic delivery). Additional paper copies of these documents and additional information, including the Annual Report on Form 10-K for the fiscal year ended December 31, 2009 (Form 10-K) filed with the SEC are available from Xerox Corporation, P.O. Box 4505, Norwalk, Connecticut 06856-4505, Attention: Corporate Secretary. The Annual Report, Proxy Statement and Form 10-K are also available on the Company's website at www.xerox.com/corporategovernance or <http://www.edocumentview.com/XRX>. The Notice also provides you with these instructions on how to request printed copies of the proxy materials. There is no charge to receive the materials by mail. You may request printed copies of the materials until one year after the date of the Annual Meeting.

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

A list of 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's Corporate Headquarters, 45 Glover Avenue in Norwalk, Connecticut 06856.

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

Anne M. Mulcahy, our Chairman of the Board, will not stand for reelection at the Annual Meeting and will step down as Chairman of the Board effective May 20, 2010, the day of our Annual Meeting. On March 29, 2010, the Board elected Ms. Burns to succeed Mrs. Mulcahy as Chairman of the Board, effective May 20, 2010.

The Board of Directors has determined that each of the nominees (other than Ursula M. Burns, CEO of the Company) are independent under the New York Stock Exchange Corporate Governance Rules and the Company's more stringent independence standards. If for any reason, which the Board of Directors does not expect, a nominee is unable to serve, the proxies may use their discretion to vote for a substitute proposed by the Board of Directors.

Biographies

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

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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 restricted shares of Common Stock issued under the Restricted Stock Plan For Directors, which was terminated upon shareholder approval of the 2004 Equity Compensation Plan for Non-Employee Directors (2004 Directors Plan) at the 2004 Annual Meeting; Deferred Stock Units (DSUs) issued under the 2004 Directors Plan; and Common Stock owned through the individual's ESOP account and other Company equity programs. None of the nominees owns any of the Company's other securities.

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

Unless otherwise noted, all Xerox securities held are owned beneficially by the nominee. Beneficial ownership means he or she has or shares voting power and/or investment power with respect to the securities, even though another name (that of a broker, for example) appears in the Company's records. All ownership figures are as of March 1, 2010.

Glenn A. Britt

Age: 61

Director since: 2004

Xerox securities owned: 1,000 common shares and 71,057 DSUs

Options/Rights: none

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

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

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

Other Background: Joined Time Inc. in 1972. Elected Vice President of Time Inc. in 1986, Treasurer in 1986 and Vice President-Finance in 1988. Became Senior Vice President and Treasurer of Time Warner Inc. and then President and CEO of Time Warner Cable Ventures. Appointed CEO of Time Warner Cable in 2001. Member of the Audit Committee and Compensation Committee of Xerox.

Mr. Britt is qualified to serve on our Board of Directors because he possesses a broad range of business skills and experiences, financial literacy and expertise and executive and management leadership skills. These skills and expertise are the result of his education; long and successful business career, during which he served in several leadership positions including treasurer, chief financial officer and CEO of a global technology company; and his service on other public company boards and committees.

Ursula M. Burns

Age: 51

Director since: 2007

Xerox securities owned: 378,506 common shares including ESOP account; an interest in approximately 3,605 common shares through the Xerox Stock Fund under the Xerox 401(k)Plan; immediate family owns 3,458 common shares and an interest in approximately 33,390 common shares through the Xerox Stock Fund under the Xerox 401(k)Plan

Options/Rights: 2,088,340 common shares

Occupation: Chief Executive Officer, Xerox Corporation

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

Other Directorships: American Express Corporation (since 2004);

Boston Scientific Corporation (2002-2009)

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

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

Richard J. Harrington

Age: 63

Director since: 2004

Xerox securities owned: 856 common shares and 43,497 DSUs

Options/Rights: none

Occupation: Retired President and Chief Executive Officer, The Thomson Corporation

Education: BA, University of Rhode Island

Other Directorships: Aetna, Inc. (since 2008)

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

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

William Curt Hunter

Age: 62

Director since: 2004

Xerox securities owned: 63,561 DSUs and an indirect interest in approximately 7,082 common shares through the Deferred Compensation Plan for Directors and 50 common shares held by immediate family

Options/Rights: none

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

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

Other Directorships: Trustee of Nuveen Investments (since 2004); SS&C Technologies, Inc. (2005)

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

Mr. Hunter is qualified to serve on our Board of Directors because of his financial literacy and expertise, accounting skills and competency and overall financial acumen. These skills and expertise are the result of his education, service in the Federal Reserve System, service in various faculty positions at universities and his service on other public company boards and committees.

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Robert A. McDonald

Age: 56

Director since: 2005

Xerox securities owned: 31,333 DSUs

Options/Rights: None

Occupation: Chairman, President and Chief Executive Officer, The Procter & Gamble Company

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

Other Directorships: Procter & Gamble (since 2009; Chairman since 2010)

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

Mr. McDonald is qualified to serve on our Board of Directors because of his business skills and experience, international experience, executive leadership expertise and extensive knowledge of financial and operational matters, including serving as Chief Operating Officer. These skills and experience are the result of his education and his long and successful career at Procter and Gamble, a leading global company, where he served in several leadership positions culminating in his currently serving as CEO and Chairman.

N. J. Nicholas, Jr.

Age: 70

Director since: 1987

Xerox securities owned: 106,700 common shares, 47,178 DSUs and an indirect interest in approximately 69,619 common shares through the Deferred Compensation Plan for Directors; immediate family owns 1,400 shares

Options/Rights: 20,000 common shares

Occupation: Investor

Education: AB, Princeton University; MBA, Harvard University Graduate School of Business Administration

Other Directorships: Boston Scientific Corporation (since 1994); Time Warner Cable Inc. (since 2003)

Other Background: President of Time, Inc. from 1986 to 1990 and President and Co-Chief Executive Officer, Time-Warner Inc. from 1990 to 1992. Former member of the President's Advisory Committee on Trade Policy and Negotiations and the President's Commission on Environmental Quality. Member of the Board of Trustees of the Environmental Defense Fund. Chairman of the Compensation Committee and member of the Finance Committee of Xerox.

Mr. Nicholas is qualified to serve on our Board of Directors because of his business skills and experience and executive leadership expertise. These skills and experience are the result of his education and his long and successful business career during which he served in several leadership positions culminating in his serving as co-CEO of Time, Inc., participation in federal regulatory commissions and committees and service on other public company boards and committees.

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Charles Prince

Age: 60

Director since: 2008

Xerox securities owned: 10,000 shares of Common Stock, 15,811 DSUs

Options/Rights: None

Occupation: Senior Counselor, Albright Stonebridge Group, LLC and Albright Capital Management LLC;
Retired Chairman and Chief Executive Officer, Citigroup Inc.

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

Other Directorships: Johnson & Johnson (since 2006); Citigroup Inc. (2003-2007; Chairman 2006-2007)

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

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

Ann N. Reese

Age: 57

Director since: 2003

Xerox securities owned: 6,654 common shares and 51,725 DSUs

Options/Rights: 5,000 common shares

Occupation: Executive Director, Center for Adoption Policy

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