

AKAMAI TECHNOLOGIES INC  
Form DEF 14A  
April 03, 2017  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

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

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 Pursuant to Section 240.14a-12

**AKAMAI TECHNOLOGIES, INC.**

**(Name of Registrant as Specified In Its Charter)**

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**Dear Fellow Stockholders:**

We had another excellent year in 2016. We generated \$2.3 billion in revenue, our highest level ever. As I look back at 2016, I'm especially pleased with the success of Akamai's innovation engine. We released several new products last year, including Bot Manager, Image Manager and Enterprise Application Access, and their reception in the marketplace has been very positive.

For the year, net income was \$316 million, or \$1.79 per diluted share. We also generated \$866 million in cash from operations, or 37% of revenue, exiting the year with approximately \$1.6 billion in cash, cash equivalents and marketable securities. In addition, we completed three significant technology acquisitions last year.

Looking forward to 2017, we plan to significantly increase our investment levels in new product innovation, service delivery enablement, and platform scaling. We also plan to broaden our offerings within our web security, web performance, and media solution portfolios. We are confident the success we have had with our cloud security investment strategy can be duplicated in other areas of the business, particularly our new and emerging enterprise solutions portfolio.

I see a very bright and exciting future for Akamai. All of us here want to thank you, our fellow stockholders, for your continued support. We believe that our achievements attest to the sound fundamentals of our strategy and the value of our innovative technology for our customers.

I am also pleased to invite you to attend Akamai's 2017 Annual Meeting of Stockholders to be held on Wednesday, May 17, 2017, at 9:30 a.m. at Akamai's offices at 150 Broadway, Cambridge, Massachusetts, 02142. Details regarding admission to the meeting and the business to be conducted at the meeting are more fully described in the accompanying Notice of 2017 Annual Meeting of Stockholders and Proxy Statement.

Your vote is important. Whether or not you plan to attend the 2017 Annual Meeting of Stockholders, we hope you will vote as soon as possible. Voting by proxy will ensure your representation at the 2017 Annual Meeting of Stockholders if you do not attend in person. Please review the instructions on the proxy card regarding your voting options.

/s/ Dr. Tom Leighton

**Dr. Tom Leighton**

Co-Founder and Chief Executive Officer

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**AKAMAI TECHNOLOGIES, INC.**

**150 BROADWAY**

**CAMBRIDGE, MASSACHUSETTS 02142**

**NOTICE OF 2017 ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON MAY 17, 2017**

The 2017 Annual Meeting of Stockholders (the Annual Meeting ) of Akamai Technologies, Inc. ( Akamai or the Company ) will be held on Wednesday, May 17, 2017, at 9:30 a.m., local time, at the Company s offices at 150 Broadway, Cambridge, Massachusetts, 02142.

At the Annual Meeting, we expect stockholders will consider and vote upon the following matters:

- (1) To elect the three nominees named in the attached proxy statement as members of our Board of Directors to serve as Class III directors for a term of three years;
- (2) To approve amendments to increase the number of shares of common stock authorized for issuance under Akamai s 2013 Stock Incentive Plan from 11,000,000 shares to 18,500,000 shares and to certain other provisions of such plan;
- (3) To approve, on an advisory basis, our named executive officer compensation;
- (4) To approve, on an advisory basis, the frequency of future advisory votes on named executive officer compensation;
- (5) To ratify the selection of PricewaterhouseCoopers LLP as our independent auditors for the fiscal year ending December 31, 2017; and
- (6) To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

Stockholders of record at the close of business on March 22, 2017, are entitled to notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof. The stock transfer books of Akamai will remain open for the purchase and sale of Akamai s common stock.

All stockholders are cordially invited to attend the Annual Meeting.

By order of the Board of Directors,

/s/ Melanie Haratunian

MELANIE HARATUNIAN  
*Executive Vice President, General Counsel  
and Secretary*

Cambridge, Massachusetts

April 3, 2017

**WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE SUBMIT YOUR PROXY OR VOTING INSTRUCTIONS AT YOUR EARLIEST CONVENIENCE. MOST STOCKHOLDERS HAVE A CHOICE OF VOTING OVER THE INTERNET, BY TELEPHONE OR BY USING A TRADITIONAL PROXY CARD. SENDING IN YOUR PROXY WILL NOT PREVENT YOU FROM VOTING YOUR SHARES IN PERSON AT THE ANNUAL MEETING IF YOU DESIRE TO DO SO, AND YOUR PROXY IS REVOCABLE AT YOUR OPTION BEFORE IT IS EXERCISED.**

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**AKAMAI TECHNOLOGIES, INC.**

**150 BROADWAY**

**CAMBRIDGE, MASSACHUSETTS 02142**

**PROXY STATEMENT**

**THIS PROXY STATEMENT IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE BOARD OF DIRECTORS OF AKAMAI TECHNOLOGIES, INC. ( AKAMAI OR THE COMPANY ) FOR USE AT THE 2017 ANNUAL MEETING OF STOCKHOLDERS (THE ANNUAL MEETING ) TO BE HELD AT THE OFFICES OF AKAMAI TECHNOLOGIES, INC., 150 BROADWAY, CAMBRIDGE, MASSACHUSETTS, 02142 AT 9:30 AM LOCAL TIME ON MAY 17, 2017, AND AT ANY ADJOURNMENT OR POSTPONEMENT OF THAT MEETING.** You may obtain directions to the location of the Annual Meeting by contacting Investor Relations, Akamai Technologies, Inc., 150 Broadway, Cambridge, Massachusetts 02142; telephone: 617-444-3000.

**Our Annual Report to Stockholders for the year ended December 31, 2016 is being mailed to our stockholders with the mailing of the Notice of 2017 Annual Meeting of Stockholders and this Proxy Statement on or about April 3, 2017.**

**Important Notice Regarding the Availability of Proxy Materials for the 2017 Annual**

**Meeting of Stockholders to be Held on May 17, 2017:**

**This Proxy Statement and the 2016 Annual Report to Stockholders are available for viewing, printing and downloading at [www.akamai.com/html/investor/financial\\_reports.html](http://www.akamai.com/html/investor/financial_reports.html).**

**You may obtain a copy of our Annual Report on Form 10-K for the year ended December 31, 2016, as filed with the Securities and Exchange Commission, which we sometimes refer to herein as the Commission, except for exhibits thereto, without charge upon written request to Akamai Technologies, Inc., 150 Broadway, Cambridge, Massachusetts 02142, Attn: Investor Relations. Exhibits will be provided upon written request and payment of an appropriate processing fee.**

Certain documents referenced in this Proxy Statement are available on our website at [www.akamai.com](http://www.akamai.com). We are not including the information contained on our website, or any information that may be accessed by links on our website, as part of, or incorporating it by reference into, this Proxy Statement.

This Proxy Statement contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties and are based on the beliefs and assumptions of our management based on information currently available to them. Use of words such as believes, expects, anticipates, intends, plans, should, may, could, likely or similar expressions forward-looking statement. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, inability to grow revenue or increase profitability as projected, lack of market acceptance of new solutions, changes in management and other factors set forth under the heading Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2016. We disclaim any obligation to update any forward-looking statements as a result of new information, future events or otherwise.



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**Table of Contents****Executive Summary**

Below are highlights of important information you will find in this Proxy Statement. As it is only a summary, please review the complete Proxy Statement before you vote.

**Summary of Voting Matters and Recommendations**

<b>Matter</b>	<b>Board Recommendation</b>	<b>See Page Number for More Information</b>
Election of Directors	FOR each nominee	71
Amendments to 2013 Stock Incentive Plan	FOR	71
Advisory Vote on Executive Compensation	FOR	88
Advisory Vote on Frequency of Future Executive Compensation Advisory Votes	FOR	89
Ratification of Selection of Independent Auditors	FOR	89

**Akamai 2016 Performance Highlights**

Akamai has increased its revenue in each of the past five fiscal years and has been profitable over that same period. The charts below show our revenue and net income, calculated in accordance with generally accepted accounting principles in the United States, or GAAP, for those years.

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Other performance highlights in 2016 include:

- [#127761](#): Overall annual revenue exceeded \$2.3 billion a company record
- [#127761](#): Web Performance and Security revenue of \$1.4 billion, a 17% increase over 2015
- [#127761](#): Cloud Security Solutions revenue of \$365 million, a 43% increase over 2015
- [#127761](#): Services and Support revenue of \$198 million, a 16% increase over 2015
- [#127761](#): Non-U.S. revenue of \$720 million, a 21% increase over 2015
- [#127761](#): Repurchased 7 million shares of our common stock, offsetting share dilution from our equity compensation programs
- [#127761](#): Completed three acquisitions Concord Systems, Cyberfend and Soha Systems that are intended to enhance our web performance, web security and enterprise security solutions
- [#127761](#): Innovative new product releases including: Image Manager, Bot Manager and Enterprise Application Access designed to address the growing need for businesses to more easily and securely manger their websites, web applications and online businesses

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## Part One

**Corporate Governance Highlights**

Akamai seeks to maintain and enhance its record of excellence in corporate governance by continually refining its corporate governance policies, procedures and practices to align with evolving best practices, issues raised by our stockholders and other stakeholders and otherwise as circumstances warrant. We also place great value on stockholder input and engage regularly with our investors to gain insights into the governance issues about which they care most.

## Key Corporate Governance Facts

Governance Item	Practice at Akamai
Majority Voting for Directors	Yes
Separate Chairman & CEO	Yes
Lead Independent Director	Yes
Independent Directors Meet Without Management Present at Every Regular Board Meeting	Yes
Annual Independent Director Evaluation of CEO	Yes
Code of Ethics	Yes
Size of Board	12
Percentage of Independent Directors	75%
Annual Equity Grant to Directors	Yes
Stock Ownership Requirements for Officers and Directors	Yes
Emphasis on Performance-Based Pay for Executives	Yes
Clawback Policy	Yes
Disclosure Committee for Financial Reporting	Yes
Annual Advisory Approval of Executive Compensation	Yes
Stockholder Approval Level for 2015 Executive Compensation	90%
Fully Independent Audit, Compensation and Governance Committees	Yes
Annual Board Survey and Director Peer Evaluations	Yes
Anti-Hedging, Anti-Pledging and Anti-Short Sale Policies	Yes
Relative Stockholder Return Metric in Executive Officer Compensation	Yes
Women Chair 2 of our 3 Standing Board Committees	Yes

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**Overview of our Board of Directors**

**Board Refreshment**

Akamai believes that having an independent, diverse, active and engaged Board of Directors has been key to our success. We also believe that new perspectives and ideas are critical to a forward-looking and strategic Board. At the same time, it is equally important to benefit from the valuable experience and familiarity that longer-serving directors bring to the boardroom. We strive to strike the right balance between experience and fresh perspectives. Rather than impose mandatory retirement ages, term limits or other arbitrary mechanisms for to advance these goals, we have chosen to take a more holistic, balanced approach to Board composition and director succession.

A key component of our approach is the annual director peer evaluation and Board survey process. Led by our Lead Director and Chair of the Nominating and Corporate Governance Committee, this review is intended to elicit the views of all directors about what makes the Board effective, what improvements can be made, how their peers are most effective and whether steps should be taken to improve contributions. The Nominating and Corporate

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Governance Committee also regularly oversees and plans for director succession and refreshment of the Board to ensure a mix of skills, experience, tenure, and diversity that promotes and supports the Company's long-term strategy. In doing so, the Nominating and Corporate Governance Committee takes into consideration the overall needs, composition and size of the Board, as well as the criteria adopted by the Board regarding director candidate qualifications.

We remain committed to ensuring our Board is composed of a highly capable and diverse group of directors well-equipped to oversee the success of the business and effectively represent the interests of stockholders. In just the last four years, five new directors have been elected. The average tenure for our 12 directors is approximately 8.5 years.

## **Engaging with our Stockholders**

During 2016, we reached out to 25 of our largest stockholders, which collectively held approximately 52% of our outstanding shares, to see if they were interested in meeting with us to discuss governance or executive compensation matters at Akamai. Several large holders accepted the invitation, and we discussed with them a broad range of governance topics. These engagement efforts and meaningful conversations provided us with a valuable understanding of their perspectives and opportunity to exchange views. We were encouraged by the positive feedback we received and look forward to continuing our dialogue with our stockholders in the coming year.

## **Human Rights and Sustainability**

In 2016, we adopted a Human Rights Policy. We believe that the Internet can bring the world closer together and facilitate greater understanding among people across the globe. We also believe that respect for human rights is fundamental to unlocking the potential of the Internet and an essential value for the communities in which we operate. We are committed to ensuring that our employees; the people who work for our contractors, customers and suppliers; and individuals in the communities affected by our activities are treated with dignity and respect. Our Human Rights Policy is intended to advance these ideals.

We have also adopted a Sustainability Policy to reflect our belief that Akamai can and should operate with a limited environmental footprint. This Policy is centered on efforts to reduce greenhouse-gas emissions of our business operations through energy conservation, energy efficiency, and the procurement of renewable energy; responsibly manage and dispose of our electronic waste; and deliver sustainable work environments that promote wellness and the conservation of natural resources through water efficiency, source reduction, material reuse and recycling, and the purchase of materials containing recycled and/or renewable natural resources.

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**Code of Ethics**

We have adopted a written Code of Ethics that applies to, among others, our principal executive officer, principal financial and accounting officer, or persons serving similar functions. The text of our Code of Ethics is available on our website at [www.akamai.com](http://www.akamai.com). We did not waive any provisions of the Code of Ethics for our directors or executive officers during the year ended December 31, 2016. If we amend, or grant a waiver under, our Code of Ethics that applies to our principal executive officer, principal financial and accounting officer, or persons performing similar functions, we intend to post information about such amendment or waiver on our website at [www.akamai.com](http://www.akamai.com). We have also adopted Corporate Governance Guidelines, a copy of which is also available on our website at [www.akamai.com/html/investor/corporate\\_governance.html](http://www.akamai.com/html/investor/corporate_governance.html).

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**Table of Contents****Our Board of Directors**

Our Board of Directors currently consists of 12 persons, divided into three classes, serving staggered terms of three years, as follows: four Class I directors (with terms expiring at the 2018 Annual Meeting of Stockholders), four Class II directors (with terms expiring at the 2019 Annual Meeting of Stockholders) and four Class III directors (with terms expiring at the 2017 Annual Meeting of Stockholders). In accordance with our amended and restated certificate of incorporation and amended and restated bylaws, the Board of Directors has fixed the size of the Board of Directors at 11 directors effective as of the Annual Meeting. Following our Annual Meeting, we will have three directors in Class III and four directors in each of Class I and Class II.

Set forth below is information about the professional experiences of members of our Board of Directors, including the three nominees for election at the 2017 Annual Meeting of Stockholders. In addition, for each individual, we discuss the specific experience, qualifications and attributes that we believe qualify him or her to serve on our Board of Directors.

***Nominees for Director Whose Terms Expire in 2017 (Class III Directors)***

	<b>Biography</b>	<b>Key Attributes</b>
	Currently Principal at Quest Objects Group, a consulting firm, since 2013	Experience as an information technology executive:
<b>Monte Ford</b>		
Director Since 2013	CEO of Apteon Software, a provider of enterprise application software (2/2012-9/2013)	&#127761; CEO of a software company
Age 57	SVP & CIO of American Airlines (2000-2011)	&#127761; At American Airlines, oversaw all aspects of information systems and business analytics functions
Independent	<u>Other Current Boards</u>	Helps fellow Board members and management understand what Akamai's current and potential customers expect and want from our solutions and to provide actionable insight into our innovation initiatives.
<b><u>Board Committees</u></b>	Michaels Stores, Inc., an arts and crafts retailer	
Compensation		Provides valuable advice and counsel regarding potential improvements to our internal IT systems.
Nominating and	<u>Prior Public Company Boards in Last 5 Years</u>	



Corporate

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	<b>Biography</b>	<b>Key Attributes</b>
<b>Frederic Salerno</b>	Akamai's Lead Independent Director since May 2013	Deep understanding of financial markets, financial statements and investments.
Director Since 2002	Former executive at Verizon Communications, a telecommunications provider (1997-2002), last serving as Vice Chairman and CFO	Provides essential guidance about capital structure and other strategic matters.
Age 73	<u>Other Current Boards</u>	Leadership, professional judgment and operating experience enable him to provide keen insight in helping address issues faced by the company.
Independent	Florida Community Bank, a regional bank	
<b>Board Committees</b>		Valued advisor to management and other directors when we are contemplating strategic initiatives intended to enable future growth.
Audit	Intercontinental Exchange, an electronic exchange for trading commodities	
Nominating and Corporate Governance	<u>Prior Public Company Boards in Last 5 Years</u>	
	CBS Broadcasting	
	Consolidated Edison	
	National Fuel Gas Company	
	Popular Inc.	
	Viacom	
	<b>Biography</b>	<b>Key Attributes</b>
<b>Bernardus Verwaayen</b>	Former Chief Executive Officer of Alcatel-Lucent, a provider of communications equipment and solutions (2008-11/2013)	Brings an international perspective to our Board deliberations, helping us better understand non-U.S. markets, public policy issues and how to operate

with a global employee base.

Director Since 2013

Former Chief Executive Officer of British Telecom, a provider of communications services (2002-2008)

CEO experience enables him to provide significant guidance to our CEO on management, leadership and operational issues.

Age 64

Other Current Boards

Independent

Akzo Nobel, a manufacturer of powder coatings

Ability to leverage expertise in telecommunications industry to advise us on carrier strategy and network relationships.

**Board Committees**

Compensation (*Chair*)

Bharti Airtel, a global telecommunications company

Deep understanding of motivational aspects of executive compensation approaches and applicable international issues.

Nominating and

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	<b>Biography</b>	<b>Key Attributes</b>
<b>George Conrades</b>	Executive Chairman  Akamai (2005-present)	Decades of technology leadership, sales and management experience.
	Managing Partner of Longfellow Venture Partners, an early stage venture capital company, since 2014 and a venture partner emeritus of Polaris Venture Partners, Inc., an early stage investment company.	Deep understanding of Akamai's business and operations.
Director Since 1998	Former Chairman and Chief Executive Officer, Akamai (4/1999-4/2005)	Unique ability to understand customers and evangelize Akamai's value proposition enables him to provide important insight into our business and market developments.
Age 78	Previously held executive roles at GTE Internetworking, BBN Corporation and IBM.	Service on other boards of directors allows him to provide keen insight into broader markets, particularly in the high tech industry, and corporate governance trends affecting public companies.
	<b><u>Other Current Boards</u></b>	
	Oracle Corporation, an enterprise software company	
	<b><u>Prior Public Company Boards in Last 5 Years</u></b>	
	Harley-Davidson	
	Ironwood Pharmaceuticals	

	<b>Biography</b>	<b>Key Attributes</b>
<b>Jill Greenthal</b>	Senior Advisor in the Private Equity Group of The Blackstone Group, a global asset manager, since 2007.	Rich experience as a leading investment banker and advisor, a role that has given her a deep understanding of capital markets.
Director Since 2007	Senior Managing Director in Blackstone's Advisory Group (2003-2007).	Insight into financial and strategic aspects of financial matters such as debt and equity financing transactions and acquisitions.
Age 60	Previously served as Co-Head of the Global Media Investment Banking Group of Credit Suisse First Boston.	
Independent		Experience working with other Internet and media companies as they have built their businesses enables her to provide valuable counsel to both our management and fellow directors.
<b>Board Committees</b>	<u>Other Current Boards</u>	
Audit	Houghton Mifflin Harcourt, an educational content company	Insight into corporate governance trends that drives conversations in our governance committee.
Nominating and Corporate Governance ( <i>Chair</i> )	TEGNA Inc., a media company  The Weather Channel, a privately-held media company	
	<u>Prior Public Company Boards in Last 5 Years</u>	
	Michaels Stores	
	Orbitz Worldwide	

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	<b>Biography</b>	<b>Key Attributes</b>
<b>Daniel Hesse</b>	Former President and CEO, Sprint Corporation, a telecommunications provider (12/2007-8/2014)	Insight into mobile and telecommunications industry affords important insight into strategy deliberations.
Director Since 2016	<u>Other Current Boards</u>	Experience as a chief executive officer enables him to advise on leadership, management and operational issues.
Age 63	PNC Corporation, a financial institution	
Independent		Leverages experience overseeing a large, complex technology company to provide valuable guidance and perspective.
<b>Board Committees</b>		
Compensation		
Nominating and Corporate Governance		
	<b>Biography</b>	<b>Key Attributes</b>
<b>Tom Leighton</b>	Chief Executive Officer, Akamai (1/2013-present)	Co-founder and key developer of the software underlying our company.
Director Since 1998	Chief Scientist, Akamai (8/1998-12/2012)	Unparalleled understanding of our technology and how the Internet works.
Age 60	Professor of Mathematics at the Massachusetts Institute of Technology	Crucial source of industry information, technical and market trends and how

since 1982 (on leave)

Akamai can address those needs.

Provides the Board with vital information about the strategic and operational challenges and opportunities facing the company.

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	<b>Biography</b>	<b>Key Attributes</b>
<b>Pamela Craig</b>	Former Chief Financial Officer of Accenture, a global management consulting, technology services and outsourcing organization (10/2006-7/2013), having previously served in numerous positions at the firm.	Knowledge, leadership experience and expertise from her significant leadership role at Accenture provides us with unique insight into how to manage a large, global organization that has grown rapidly.
Director Since 2011		
Age 60	<u>Other Current Boards</u>	Keen understanding of the challenges our current and potential customers face in interacting with customers, suppliers and partners across the world in a rapidly changing technological environment.
Independent	Walmart Stores, a global retailer.	
<b>Board Committees</b>	Merck and Co., a pharmaceutical company.	Expertise in complex global business issues and financial and accounting matters.
Audit ( <i>Chair</i> )	Advisory board member of SpencerStuart, a global executive search and recruitment firm.	
Compensation		
	<u>Prior Public Company Boards in Last 5 Years</u>	
	Avanade	
	VMware	
	<b>Biography</b>	<b>Key Attributes</b>
	Partner at Advancit Capital, a venture capital firm focusing on early-stage companies, since 2014.	Insight into the challenges, goals and priorities of media companies such as those that are key current and



**Jonathan Miller**

prospective customers.

Director Since 2015

Former Chairman and CEO of the Digital Media Group and Chief Digital Officer of Newscorp, a global media company (4/2009-12/2013)

Key participant in the rapid development of the Internet as a global platform for video and audio entertainment.

Age 60

Other Current Boards

Independent

AMC Networks, an entertainment company

Deep understanding of the ongoing evolution of digital media.

**Board Committees**

Compensation

Interpublic Group of Companies, a marketing solutions provider

Involvement with early-stage media and technology companies gives our management and the Board a window into developments that could shape our industry in the future.

Nominating and Corporate Governance

J2 Global, which provides telecommunications solutions as well as technology, gaming and lifestyle content

Prior Public Company Boards in Last 5 Years

TripAdvisor

Houghton Mifflin Harcourt

Live Nation

RTL Group

Shutterstock

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	<b>Biography</b>	<b>Key Attributes</b>
<b>Paul Sagan</b>	Executive in resident (XIR) at General Catalyst Partners, a venture capital firm, since 2014.	Having overseen every aspect of our operations for nearly fifteen years, has an unparalleled understanding of our business, personnel needs and customers and the markets in which we operate.
Director Since 2005	Former Chief Executive Officer, Akamai (1/2005-12/2012); President (1999-2010 and 2011-2012); Chief Operating Officer (1998-2004).	With his role at General Catalyst, Mr. Sagan provides helpful insight into innovation developments among emerging companies.
Age 58	Previously served as a Senior Advisor to the World Economic Forum and in senior executive positions at Time Warner Cable, Time Inc. and CBS, Inc.	Past and present service on boards of an array of other public companies allows him to bring valuable experience from those directorships.
	<u>Other Current Boards</u>	
	VMware, Inc., a provider of information infrastructure technology and solutions	High level of integrity and strong sense of corporate responsibility are key attributes that contribute to the effective functioning of our Board.
	<u>Prior Public Company Boards in Last 5 Years</u>	
	EMC	
	iRobot	

	<b>Biography</b>	<b>Key Attributes</b>
<b>Naomi Seligman</b>	Senior partner at Ostriker von Simson, a consulting firm focusing on information technology, which brings together CIOs, CEOs, other top executives from the largest multinational enterprises and premier venture capitalists and	Interactions with CEOs and CIOs give her a deep understanding of ongoing developments across the technology landscape.

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Director Since 2001	entrepreneurs to discuss technology issues, since 1999.	Educates management and the Board about the priorities of our current and potential customers.
Age 78	<u>Other Current Boards</u>	
Independent	Oracle Corporation, an enterprise software company	Understanding of technology industry perspectives and deep contacts, which provide insight into how to communicate effectively with that community.
<b>Board Committees</b>		
Audit	Vice Chairman of New Leaders, a national nonprofit for developing school leaders	Experience, intelligence and willingness to challenge assumptions serve to stimulate productive Board discussions to ensure that there are fulsome and appropriate deliberations.
Nominating and Corporate Governance	<u>Prior Public Company Boards in Last 5 Years</u>	
	iGate	
	Sun Microsystems	
	Dun & Bradstreet	

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*Director With Term That Will Expire in 2017 Not Standing for Re-Election*

**Biography**

Former Chief Information Officer of Goldman Sachs, an international financial firm (2007-12/2013).

**Steve Scopellite**

Member of the Executive Review Committee of Soltage, LLC, a private equity firm, since 2016.

Director Since 2014

Other Current Boards

Age 51

Ionic Security, a privately-held provider of Internet security solutions

Independent

**Board Committees**

Serves on the boards of several non-profit entities including as Chair of Riverview Medical Center.

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[Our Executive Officers](#)

Our executive officers as of February 28, 2017 were:

**F. Thomson Leighton**, age 60, was elected Akamai's Chief Executive Officer in January 2013, having previously served as our Chief Scientist since he co-founded the company in 1998. As discussed above, Dr. Leighton also serves on our Board of Directors.

**James Benson**, age 50, was elected Akamai's Chief Financial Officer in February 2012, having previously served as Senior Vice President Finance between September 2009 and February 2012. Prior to joining the company, he had been Vice President, Finance/Operations & CFO Americas Technology Solutions Group at Hewlett-Packard.

**Robert Blumofe**, age 52, became Akamai's Executive Vice President, Platform and General Manager of Enterprise and Carrier Division in April 2016. He had previously served as our Executive Vice President Platform since January 2013. He was Senior Vice President Networks & Operations between 2008 and 2012, having previously served in a variety of positions at Akamai since joining us in 1999.

**James Gemmell**, age 56, became our Executive Vice President and Chief Human Resources Officer in January 2015. He joined Akamai in April 2013 as Senior Vice President and Chief Human Resources Officer. Previously, he was employed at Cisco Systems, the technology equipment maker, from 2000 until April 2013, most recently serving as Executive Advisor from October 2012 through March 2013 and Interim Chief Human Resources Officer from May 2011 through September 2012.

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**Melanie Haratunian**, age 57, joined Akamai in September 2003 as our Vice President, General Counsel and Corporate Secretary. She was named a Senior Vice President in 2008 and then Executive Vice President in January 2013. Prior to joining Akamai, Ms. Haratunian was Vice President and Deputy General Counsel of Allegiance Telecom Company Worldwide.

**Rick McConnell**, age 51, became Akamai's President and General Manager of the Web Division in May 2016, having previously served as President Products and Development (01/2013-05/2016) and Executive Vice President Products and Development (11/2011-12/2012). Prior to joining Akamai, Mr. McConnell was in a number of executive positions at Cisco Systems. Mr. McConnell was Chief Executive Officer of Latitude Communications, which was acquired by Cisco in January 2004.

**Bill Wheaton**, age 55, joined Akamai in 2000 as a result of our acquisition of InterVu, Inc. Mr. Wheaton served in a variety of roles before being promoted from Vice President to Senior Vice President, Media Business Unit in 2011. He was Executive Vice President, Media Division from July 2015 through February 2017. He became our Chief Strategy Officer in March 2017.

## **Security Ownership of Certain Beneficial Owners and Management**

The following table includes information as to the number of shares of our common stock beneficially owned as of February 28, 2017, by the following:

- [#127761](#); each person known to us to be the beneficial owner of more than 5% of our outstanding shares of common stock;
  
- [#127761](#); each of our directors;
  
- [#127761](#); our Named Executive Officers, who consist of (i) our principal executive officer during 2016; (ii) our principal financial officer during 2016; and (iii) our three other most highly compensated employees who were serving as executive officers on December 31, 2016; and
  
- [#127761](#); all of our executive officers and directors as of February 28, 2017 as a group.

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Beneficial ownership is determined in accordance with the rules of the Commission and includes voting and/or investment power with respect to shares. Unless otherwise indicated below, to our knowledge, all persons named in the table have sole voting and investment power with respect to shares of common stock identified below, except to the extent authority is shared by spouses under applicable law. Beneficial ownership includes any shares that the person has the right to acquire within 60 days after February 28, 2017, through the exercise of any stock option or other equity right. Unless otherwise indicated, the address of each person identified in the table below is c/o Akamai Technologies, Inc., 150 Broadway, Cambridge, Massachusetts 02142. On February 28, 2017, there were 172,917,873 shares of our common stock outstanding.

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Name of Beneficial Owner	Number of Shares of Common Stock Beneficially Owned	Percentage of Common Stock Outstanding (%)
<b>5% Stockholders</b>		
The Vanguard Group (1)	15,662,235	9.1
Capital World Investors (2)	10,607,124	6.1
BlackRock, Inc. (3)	10,588,783	6.1
The Growth Fund of America (4)	10,179,389	5.9
Capital Research Global Investors (5)	9,272,694	5.4
<b>Directors</b>		
George H. Conrades (6)	647,904	*
Pamela J. Craig (7)	53,318	*
Monte Ford (8)	30,293	*
Jill A. Greenthal	33,662	*
Daniel Hesse	0	*
F. Thomson Leighton (9)	3,602,195	2.1
Jonathan Miller	1,832	*
Paul Sagan (10)	688,517	*
Frederic V. Salerno (11)	66,566	*
Steven Scopellite (12)	25,246	*
Naomi O. Seligman (13)	58,308	*
Bernardus Verwaayen (14)	27,743	*
<b>Other Named Executive Officers</b>		
James Benson (15)	76,376	*
Robert Blumofe (16)	33,774	*
Rick McConnell (17)	109,725	*
William Wheaton (18)	58,259	*
All executive officers and directors as of February 28, 2017 as a group (18 persons) (19)	5,613,289	3.2

\* Percentage is less than 1% of the total number of outstanding shares of our common stock.

(1) The information reported is based on a Schedule 13G/A filed with the Commission on February 9, 2017 by The Vanguard Group, Inc., or Vanguard, which reports its address as 100 Vanguard Boulevard, Malvern, Pennsylvania 19355. Vanguard reports that it holds sole dispositive power with respect to 15,359,745 shares, sole voting power with respect to 269,284 shares, shared dispositive power with respect to 302,490 shares and shared voting power with respect to 30,861 shares.



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- (2) The information reported is based on a Schedule 13G/A filed with the Commission on February 13, 2017 by Capital World Investors, which reports its address as 333 South Hope Street, Los Angeles, California 90071. Capital World Investors reports that it is a division of Capital Research and Management Company and that it holds sole voting and dispositive power with respect to all of the shares held by it.
- (3) The information reported is based on a Schedule 13G/A filed with the Commission on January 19, 2017 by BlackRock, Inc., or BlackRock, which reports its address as 55 East 52nd Street, New York, New York 10055. BlackRock reports that it holds sole voting power with respect to 9,071,971 shares and sole dispositive power with respect to 10,588,783 shares.
- (4) The information reported is based on a Schedule 13G filed with the Commission on February 14, 2017 by The Growth Fund of America, which reports its address as 6455 Irvine Center Drive, Irvine, California 92618. The Growth Fund of America states that it has no voting or dispositive power over the shares of which it is deemed a beneficial owner. It further states that it is an investment company registered under the Investment Company Act of 1940, which is advised by Capital Research and Management Company, which manages equity assets for various investment companies through three divisions, Capital Research (as defined in Note 5 below), Capital World Investors and Capital International Investors. These shares may also be reflected in the Schedule 13G/A filed with the SEC by Capital World Investors (see Note 2 above) and/or the Schedule 13G filed with the SEC by Capital Research (see Note 5 below).
- (5) The information reported is based on a Schedule 13G filed with the Commission on February 13, 2017 by Capital Research Global Investors, or Capital Research, which reports its address as 333 South Hope Street, Los Angeles, California 90071. Capital Research states that it is a division of Capital Research and Management Company and that it holds sole voting and dispositive power with respect to all of the shares held by it.
- (6) Includes 1,500 shares held by Mr. Conrades' wife and 47,876 shares issuable in respect of deferred stock units, or DSUs, that have vested but not yet been distributed.
- (7) Includes 26,333 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017.
- (8) Includes 23,175 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017.
- (9) Includes 110,282 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017 and 44,094 shares issuable in respect of restricted stock units, or RSUs, vesting within such time period.
- (10) Includes 244,848 shares of our common stock issuable upon exercise of stock options exercisable within 60 days after February 28, 2017, 6 shares held by Mr. Sagan in a trustee capacity and 9,112 shares issuable in respect of DSUs that have vested but not yet been distributed.
- (11) Includes 12,593 shares issuable in respect of DSUs that have vested but not yet been distributed.
- (12) Includes 18,128 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017 and 2,956 shares issuable in respect of DSUs that have vested but not yet been distributed.
- (13) Includes 50,285 shares issuable in respect of DSUs that have vested but not yet been distributed.
- (14) Consists of 20,362 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017 and 7,381 shares issuable in respect of DSUs that have vested but not yet been distributed.
- (15) Includes 7,843 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017 and 11,758 shares issuable in respect of RSUs vesting within such time period.
- (16) Includes 7,643 shares issuable in respect of RSUs vesting within 60 days after February 28, 2017.
- (17) Includes 48,369 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017 and 17,637 shares issuable in respect of RSUs vesting within such time period.
- (18) Includes 3,922 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017 and 6,279 shares issuable in respect of RSUs vesting within such time period.
- (19)

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Includes 503,262 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after February 28, 2017, 101,521 shares issuable in respect of RSUs vesting within such time period, and 130,203 shares issuable in respect of DSUs that have vested but not yet been distributed.

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### **Board Leadership and Role in Risk Oversight**

#### **Chairman of the Board**

George Conrades is our non-executive Chairman of the Board. In this role, he works with the Lead Director and Chief Executive Officer to prepare Board meeting agendas, chairs meetings of the Board and our annual stockholder meetings and informs other directors about the overall progress of Akamai. Mr. Conrades also provides advice and counsel to the Chief Executive Officer and other executive officers, particularly relating to strategy, key customer accounts, market opportunities and leadership development. Mr. Conrades consults in the annual performance evaluation of the Chief Executive Officer.

#### **Lead Director**

Frederic Salerno became the independent Lead Director of our Board in May 2013. In this role, he presides over meetings of the independent members of our Board of Directors, provides leadership and advice to management on key strategic initiatives and seeks to ensure effective communication among the committees of the Board of Directors. Mr. Salerno also works with the Chairman of the Board to review and recommend committee memberships for the Board. He leads discussions on the performance of the Chief Executive Officer and succession planning for executive officers and other key management positions. Mr. Salerno also takes the lead role in providing feedback from our annual director peer evaluation process to his fellow Board members.

#### **Roles of Chairman of the Board and CEO**

Currently, the roles of Chairman of the Board of Directors and Chief Executive Officer are held by two different individuals. We believe this structure represents an appropriate allocation of roles and responsibilities at this time. With his background as our Chief Executive Officer from April 1999 to April 2005 combined with his leadership qualities, Mr. Conrades is well-positioned to lead the Board in its fundamental role of providing advice to and oversight of management. Dr. Leighton is then better able to focus on our day-to-day business and strategy, meet with investors and convey the management perspective to other directors. In addition, with Mr. Salerno's position as Lead Director, an independent director is able to play a key role in ensuring Board effectiveness and adherence to good governance principles.

#### **Risk Oversight**

Our Board of Directors has an active role in supervising management's oversight of Akamai's risks. The Board and its committees perform this through both formal and informal mechanisms. They review business, regulatory, operational, cyber security and other risks that are incorporated in operating and strategic presentations that members of management and our advisors make to the Board. In addition, the Board regularly reviews information regarding our liquidity and operations, as well as the risks associated with each. Financial reporting risks are typically addressed by the Audit Committee through internal audits, committee agenda items, ethics and whistleblower updates and other

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discussions. As an example, the Audit Committee has overseen and reviewed analyses prepared by our internal audit function designed to assess the likelihood that enumerated risks would occur, the harm such risks would create if they occurred and current sufficiency of controls to address such risks. The Compensation Committee, in consultation with our independent executive compensation consultants, reviews Akamai's management of executive compensation and retention risks as part of its annual executive compensation review and individual compensation discussions. See also the discussion of our annual risk assessment in *How We Evaluate and Address Risk in Our Compensation Policies and Practices* in Part Two of this Proxy Statement. The full Board of Directors typically reviews on an annual basis executive succession planning and development. The Nominating and Corporate Governance Committee, or the N&G Committee, assists the Board in fulfilling its oversight responsibilities with respect to the management of risks associated with Board organization, membership and structure, succession planning for our directors and executive officers, and corporate governance.

**Board Committees**

The standing committees of our Board of Directors consist of an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. Each committee operates under a charter that has been approved by the Board of Directors. Copies of the charters are posted in the Investor Relations section of our website at [www.akamai.com](http://www.akamai.com). The Board of Directors has determined that all of the members of each of the three standing committees of the Board of Directors are independent as defined under The NASDAQ Stock Market, Inc. Marketplace Rules, or the NASDAQ Rules, including, in the case of all members of the Audit Committee, the independence requirements of Rule 10A-3 under the Securities Exchange Act of 1934, as amended, and, in the case of all members of the Compensation Committee, the independence requirements under Rule 10C-1 under the Exchange Act. Membership on each standing committee as of February 28, 2017 is reflected in the chart below.

*Committee Membership*

	Audit	Compensation	N&G
Pamela Craig	X*	X	
Monte Ford		X	X
Jill Greenthal	X		X*
Daniel Hesse		X	X
Jonathan Miller		X	X
Frederic Salerno	X		X
Steven Scopellite	X	X	
Naomi Seligman	X		X
Bernardus Verwaayen		X*	X

\* Committee Chair

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**The Audit Committee** assists the Board of Directors in overseeing the financial and accounting reporting processes and audits of our financial statements, which includes reviewing the professional services provided by our independent auditors, the independence of such auditors from our management, our annual financial statements and our system of internal financial and IT controls. The Audit Committee also reviews such other matters with respect to our accounting, auditing and financial reporting practices and procedures as it may find appropriate or may be brought to its attention. The Board of Directors has determined that Ms. Craig is our designated audit committee financial expert within the meaning of Item 407(d)(5)(ii) under Regulation S-K promulgated by the Commission under the Exchange Act. The Audit Committee held nine meetings in 2016.

**The Compensation Committee** assists the Board of Directors in discharging its responsibilities relating to the compensation of our executive officers, including determining the compensation of our Chief Executive Officer and other executive officers, administering our bonus, incentive compensation and stock plans, approving equity grants and approving the salaries and other benefits of our executive officers. In addition, the Compensation Committee consults with our management regarding our benefit plans and compensation policies and practices. The Compensation Committee is directly responsible for the appointment and oversight of our independent compensation consultants and other advisors it retains. The Compensation Committee held eight meetings in 2016.

**The N&G Committee** is responsible for, among other things, identifying individuals qualified to become members of our Board of Directors; recommending to the full Board of Directors the persons to be nominated for election as directors and to each of its committees; overseeing self-evaluation of the Board of Directors, including the performance of individual directors; and reviewing and making recommendations to the Board of Directors with respect to corporate governance practices. The N&G Committee held three meetings in 2016.

## **Meeting Attendance**

The Board of Directors held six meetings during 2016 and took two actions by unanimous written consent. Each incumbent director attended at least 75% of the total number of meetings of the Board of Directors and each committee on which he or she served during the fiscal year ended December 31, 2016. All directors are expected to attend regular Board of Directors meetings, Board committee meetings for committees on which he or she serves and our annual meeting of stockholders. All of our then-incumbent directors attended the 2016 Annual Meeting of Stockholders.

## **Determination of Independence**

Under the NASDAQ Rules, a director of Akamai will only qualify as an independent director if, in the opinion of the Board of Directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Board of Directors has determined that each of the

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following individuals is an independent director as defined under NASDAQ Rule 5605(a)(2):

Pamela Craig	Monte Ford	Jill Greenthal
Daniel Hesse	Jonathan Miller	Frederic Salerno
Steven Scopellite	Naomi Seligman	Bernardus Verwaayen

Our independent directors meet separately as part of each Board of Directors meeting and at other times as appropriate. In the independent director sessions, Mr. Salerno and the other independent directors review management performance, assess the focus and content of meetings of the Board of Directors and establish the strategic issues that the Board of Directors believes should be the focus of management's attention to drive short-term and longer-term business success. Mr. Salerno then provides feedback to the Chief Executive Officer and other members of management on their performance and important issues on which the independent members of the Board of Directors believe management should focus.

**Director Compensation**

The following table sets forth compensation paid in 2016 to our directors for their service as directors, other than Dr. Leighton, whose compensation is reflected in Executive Compensation Matters below:

Name	Fees Earned	Stock Awards	Total (\$)
	or Paid in Cash (\$)	(\$) <sup>(1)</sup>	
George H. Conrades (2)	95,000	244,978	339,978
Pamela L. Craig (3)	80,000	244,978	324,978
Monte Ford (4)	75,000	224,994	299,994
Jill A. Greenthal (5)	80,000	230,015	310,015
Daniel Hesse (6)		399,982	399,982
Jonathan Miller (7)	75,000	224,994	299,994
Paul Sagan (8)	75,000	224,994	299,994
Frederic V. Salerno (9)	95,000	244,978	339,978
Steven Scopellite (10)	75,000	224,994	299,994
Naomi O. Seligman (11)	75,000	224,994	299,994
Bernardus Verwaayen (12)	80,000	244,978	324,978

(1) Except for amounts attributable to Mr. Hesse, consist of DSUs granted to directors on May 11, 2016. Mr. Hesse was granted RSUs upon his election to the Board of Directors on August 10, 2016. The amount reflects the grant date fair value, calculated in accordance with Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 718.

(2) At December 31, 2016, Mr. Conrades held 4,830 unvested DSUs.

(3) At December 31, 2016, Ms. Craig held 4,830 unvested DSUs and stock options to purchase 26,333 shares of our common stock.



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- (4) At December 31, 2016, Mr. Ford held 4,436 unvested DSUs and stock options to purchase 24,721 shares of our common stock.
- (5) At December 31, 2016, Ms. Greenthal held 4,535 unvested DSUs.
- (6) At December 31, 2016, Mr. Hesse held 7,689 unvested RSUs.
- (7) At December 31, 2016, Mr. Miller held 3,666 unvested RSUs and 4,436 unvested DSUs.
- (8) At December 31, 2016, Mr. Sagan held 4,436 unvested DSUs and stock options to purchase 244,848 shares of our common stock.
- (9) At December 31, 2016, Mr. Salerno held 4,830 unvested DSUs.
- (10) At December 31, 2016, Mr. Scopellite held 4,436 unvested DSUs and stock options to purchase 24,171 shares of our common stock.
- (11) At December 31, 2016, Ms. Seligman held 4,436 unvested DSUs.
- (12) At December 31, 2016, Mr. Verwaayen held 4,830 unvested DSUs and stock options to purchase 25,062 shares of our common stock.

Under our non-employee director compensation plan, non-employee directors are entitled to receive annual compensation of \$300,000, of which \$75,000 is paid in cash and \$225,000 is paid in DSUs representing the right to receive shares of Akamai common stock. This compensation is generally paid or, in the case of DSUs, granted, on the date of our annual meeting of stockholders, and the number of DSUs issued is based on the fair market value of our common stock on that date. For so long as the person remains a director, DSUs will vest in full on the first anniversary of the grant date, but a director may defer distribution of his or her shares for up to ten years. If a director has completed one year of service on our Board, vesting of 100% of the DSUs held by such director will accelerate at the time of his or her departure from the Board.

In addition, our Chairman of the Board, Vice Chairman and Lead Director are entitled to \$40,000 of additional annual compensation, of which \$20,000 is paid in cash and \$20,000 is paid in DSUs. Chairs of the Audit Committee and the Compensation Committee are entitled to \$25,000 of additional compensation, of which \$5,000 is paid in cash and \$20,000 is paid in DSUs. The Chair of the N&G Committee is entitled to \$10,000 of additional compensation, of which \$5,000 is paid in cash and \$5,000 is paid in DSUs. Each non-employee director is eligible to receive RSUs with a fair value at the time of grant of \$400,000 when he or she joins the Board of Directors. Such RSUs vest over a three-year period, with one-third vesting on each of the first, second and third anniversaries of the date of grant. We also reimburse directors for reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors.

## **Stock Ownership Guidelines**

We have minimum stock ownership requirements for our senior management team and Board of Directors. Pursuant to the guidelines, each member of Akamai's senior management team is required to own a number of shares of our common stock having at least the value calculated by applying the following multiples: for the Chief Executive Officer, six times his base salary; for Named Executive Officers, two times his or her base salary; and for other executives, one times his or her base salary. In addition, each non-employee director is required to own a number of shares of our common stock having a value equal to five times his or her then-current base cash retainer. If a director's base cash



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retainer or an executive's base salary is increased, the minimum ownership requirement shall be re-calculated at the end of the year in which the increase occurred, taking into account our stock price at that time. If a non-employee director or executive fails to meet the ownership guidelines as of a test date that occurs after the period of time for attainment of the ownership level, he or she will not be permitted to sell any shares of our common stock until such time as he or she has exceeded the required ownership level. A more detailed description of these guidelines, including the timeline for compliance, is set forth in our Corporate Governance Guidelines, which are posted on our website at [www.akamai.com/html/investor/corporate\\_governance.html](http://www.akamai.com/html/investor/corporate_governance.html).

### [N&G Committee's Process for Reviewing and Considering Director Candidates](#)

The N&G Committee assists the Board of Directors in identifying and attracting individuals qualified to become members of our Board of Directors. In executing its mission to solicit qualified candidates to become directors of Akamai, the N&G Committee seeks to attract intelligent potential candidates from varied backgrounds who have a strong desire to understand and provide insight about Akamai's business and corporate goals; to understand and contribute to the role of the Board of Directors in representing the interests of stockholders; and to promote good corporate governance and ethical behavior by the members of the Board of Directors and our employees.

### [Criteria Used to Consider Nominees to the Board of Directors](#)

In assessing whether an individual has these characteristics and whether to recommend any particular candidate for inclusion in the Board of Directors' slate of recommended director nominees, the N&G Committee will apply the criteria attached to its charter. These criteria include:

[#127761](#); Integrity, honesty and adherence to high ethical standards

[#127761](#); Business and financial acumen

[#127761](#); Knowledge of Akamai's business and industry

[#127761](#); Experience in business, government and other fields

[#127761](#); Diligence

[#127761](#); Avoidance of potential conflicts of interest with various constituencies of Akamai

[#127761](#); Commitment to dedicate the necessary time and attention to Akamai

[#127761](#); Ability to act in the interests of all stockholders



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The Board of Directors particularly values demonstrated leadership experience and skills and reputation for high standards of honesty, ethics and integrity. Although the N&G Committee does not assign specific weights to particular criteria, we believe that it is essential that all potential Board members have integrity and honesty, adhere to high ethical standards and possess a commitment to dedicate the necessary time and attention to Akamai and an ability to act in the interests of all stockholders without any potential personal conflict of interest. The N&G Committee and the Board of Directors believe that the backgrounds and qualifications of its directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow the Board of Directors to fulfill its responsibilities.

With respect to considering whether to re-nominate our incumbent directors, the N&G Committee and the full Board of Directors apply the criteria discussed above. The Board may also take into account information available to it about directors' professional status and performance on other boards of directors. In addition, each of our directors annually undergoes an evaluation by the other directors, which measures, among other things, the director's contributions to the Board including his or her knowledge, experience and judgment.

## **Importance of Diversity**

Since adoption in 2003, the Criteria for Nomination as a director appended to Akamai's N&G Committee charter have always emphasized the importance of diversity in determining the appropriate composition of our Board of Directors. The Criteria specifically state, "The [N&G] Committee shall actively consider nominees who can contribute to the diversity of the Board of Directors in terms of gender, race, ethnicity, professional background. Nominees shall not be discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability or any other basis proscribed by law."

Over the years, we have strived to improve the diversity of our Board to achieve the aspirations articulated in our N&G Committee charter. We believe that we have assembled an outstanding set of directors with varied backgrounds, experiences and viewpoints who understand our markets, our customers and our employees. The percentage of female and/or minority directors currently serving on our Board comprise 33% of the total.

To help us maintain the broad diversity we have already achieved and to continually assess the effectiveness of this diversity policy, the Board of Directors conducts an annual self-evaluation and survey. The survey questions include an assessment of whether the composition of the Board is appropriately diverse and possesses the skills, experience and other characteristics consistent with achieving our corporate goals now and in the coming years.

## **Process for Identifying Candidates to Serve as Directors**

To identify and evaluate attractive candidates, the members of the N&G Committee actively solicit recommendations from other members of Akamai's Board of Directors and

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other professional contacts. As potential candidates emerge, the N&G Committee meets from time to time to evaluate biographical information and background material relating to potential candidates; discusses those individuals with other members of the Board of Directors; and reviews the results of personal interviews and meetings conducted by members of the Board of Directors, senior management and our outside legal advisors.

Stockholders may recommend individuals to the N&G Committee for consideration as potential director candidates by submitting their names, together with appropriate biographical information and background materials and a statement as to whether the stockholder or group of stockholders making the recommendation has beneficially owned more than 5% of our common stock for at least a year as of the date such recommendation is made, to Nominating and Corporate Governance Committee, c/o Corporate Secretary, Akamai Technologies, Inc., 150 Broadway, Cambridge, Massachusetts 02142. Assuming that appropriate biographical and background material has been provided on a timely basis, the N&G Committee will evaluate stockholder-recommended candidates by following substantially the same process, and applying substantially the same criteria, as it follows for candidates submitted by others.

Stockholders also have the right under Akamai's bylaws to directly nominate director candidates, without any action or recommendation on the part of the N&G Committee or the Board of Directors, by following the procedures set forth in our bylaws and described under [Deadline for Submission of Stockholder Proposals for the 2018 Annual Meeting](#) below.

The Board of Directors will give appropriate attention to written communications that are submitted by stockholders and will respond if and as appropriate. The Lead Director, with the assistance of our General Counsel, is primarily responsible for monitoring communications from stockholders and for providing copies or summaries to the other directors as he or she considers appropriate. Communications are forwarded to all directors if they relate to important substantive matters and include suggestions or comments that the Lead Director considers to be important for the Board of Directors to know. In general, communications relating to corporate governance and corporate strategy are more likely to be forwarded than communications relating to ordinary business affairs, personal grievances and matters as to which Akamai tends to receive repetitive or duplicative communications.

Stockholders who wish to send communications on any topic to the Board of Directors should address such communications to Board of Directors, c/o Corporate Secretary, Akamai Technologies, Inc., 150 Broadway, Cambridge, Massachusetts 02142.

## **[Compensation Committee Interlocks and Insider Participation](#)**

Ms. Craig and Messrs. Ford, Miller, Scopellite and Verwaayen were members of the Compensation Committee throughout 2016. Mr. Hesse joined the Compensation Committee in October 2016. No member of the Compensation Committee was at any time during 2016, or formerly, an officer or employee of Akamai or of any of our subsidiaries,

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and no member of the Compensation Committee had any