SYKES ENTERPRISES INC
Form DEF 14A
April 20, 2018
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant Filed by a party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Sykes Enterprises, Incorporated

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No Fee Required

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

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

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

(4) Proposed maximum aggregate value of transaction:

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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SYKES ENTERPRISES, INCORPORATED

April 20, 2018

Dear Shareholder:

I am pleased to invite you to attend the Sykes Enterprises, Incorporated 2018 Annual Meeting of Shareholders. The meeting will be held at the Florida Museum of Photographic Arts, The Cube at Rivergate Plaza, 400 North Ashley Drive, Cube 200, Tampa, Florida, 33602, on Tuesday, May 22, 2018, at 8:00 a.m., Eastern Daylight Saving Time. In the following pages, you will find the Notice of Annual Meeting of Shareholders as well as a proxy statement which describes the items of business to be conducted at the meeting.

Your vote is important, so to assure your representation at the Annual Meeting, please vote on the matters described in this proxy statement by completing the enclosed proxy card and mailing it promptly in the enclosed envelope. If your shares are held in street name by a brokerage firm, bank or other nominee, the nominee will supply you with a proxy card to be returned to it. It is important that you return the proxy card as quickly as possible so that the nominee may vote your shares. If your shares are held in street name by a nominee, you may not vote those shares in person at the Annual Meeting unless you obtain a power of attorney or legal proxy from that nominee authorizing you to vote the shares, and you present that power of attorney or proxy at the Annual Meeting.

Sincerely,

James T. Holder
Secretary

Important notice regarding the availability of proxy materials

for the Shareholders Meeting to be held on May 22, 2018

This proxy statement and our 2017 Annual Report to Shareholders are available at:

https://materials.proxyvote.com/871237

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SYKES ENTERPRISES, INCORPORATED

400 North Ashley Drive

Tampa, Florida 33602

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Date and Time:	**8:00 a.m. Eastern Daylight Saving Time on May 22, 2018**
Place:	Florida Museum of Photographic Arts, The Cube at Rivergate Plaza 400 N. Ashley Drive, Cube 200, Tampa, FL 33602
Items of Business:	**1.** To elect three directors to hold office until the 2020 Annual Meeting of Shareholders and to elect an additional director to hold office until the 2019 Annual Meeting of Shareholders; **2.** To hold a shareholder advisory vote on executive compensation; **3.** To ratify the appointment of Deloitte & Touche LLP as independent auditors of the Company; and **4.** To transact any other business as may properly come before the Annual Meeting.

Only shareholders of record as of the close of business on March 19, 2018 will be entitled to vote at the Annual Meeting or any adjournment or postponement of the Annual Meeting. Information relating to the matters to be considered and voted on at the Annual Meeting is set forth in the proxy statement accompanying this Notice.

Tampa, Florida

April 20, 2018

By Order of the Board of Directors,

James T. Holder
Secretary

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GENERAL INFORMATION

SYKES ENTERPRISES, INCORPORATED

400 North Ashley Drive

Tampa, Florida 33602

PROXY STATEMENT

2018 ANNUAL MEETING OF SHAREHOLDERS

Tuesday, May 22, 2018

GENERAL INFORMATION

This proxy statement is furnished in connection with the solicitation of proxies on behalf of the Board of Directors of Sykes Enterprises, Incorporated (the Company) for the Annual Meeting of Shareholders (the Annual Meeting) to be held at the Florida Museum of Photographic Arts, The Cube at Rivergate Plaza, 400 North Ashley Drive, Cube 200, Tampa, Florida, 33602, on Tuesday, May 22, 2018, at

8:00 a.m., Eastern Daylight Saving Time, and any adjournment or postponement of the Annual Meeting. This proxy statement and the annual report to shareholders of the Company for the year ended December 31, 2017 are first being mailed on or about April 20, 2018 to shareholders entitled to vote at the Annual Meeting.

Shareholders Entitled To Vote

The record date for the Annual Meeting is March 19, 2018. Only shareholders of record as of the close of business on the record date are entitled to notice of the Annual Meeting and to vote at the Annual Meeting. As of the record date, 42,496,818 shares of common stock were outstanding and entitled to vote at the Annual Meeting.

Votes cast by proxy or in person at the Annual Meeting will be tabulated by the inspector of elections appointed for the Annual Meeting, who will also determine whether a quorum is present for the transaction of business. The Company s Bylaws provide that a quorum is present if the holders of a majority of the issued and outstanding shares of common stock entitled to vote at the meeting are present in person or represented by proxy. Abstentions will be counted as shares that are present and entitled to vote for purposes of determining whether a quorum is present. Shares held by nominees for beneficial owners will also be counted for purposes of determining whether a quorum is present if the nominee has the discretion to vote on at least one of the matters presented, even though the nominee may not exercise discretionary voting power with respect to other matters and even though voting instructions have not been received from the beneficial owner (a broker non-vote). At the Annual Meeting, if a quorum exists, directors will be elected by a majority vote, as more fully described under Proposal 1 Election of Directors below. Approval of the other proposals will require the affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting. Broker non-votes will not be counted as votes cast in determining whether a Proposal has been approved.

Shareholders are requested to vote by completing the enclosed Proxy and returning it signed and dated in the

enclosed postage-paid envelope. Shareholders are urged to indicate their votes in the spaces provided on the Proxy. Proxies solicited by the Board of Directors of the Company will be voted in accordance with the directions given in the Proxy. Where no instructions are indicated, signed Proxies will be voted FOR each of the proposals listed in the Notice of Annual Meeting of Shareholders. Returning your completed Proxy will not prevent you from voting in person at the Annual Meeting, should you be present and wish to do so.

Any shareholder giving a Proxy has the power to revoke it at any time before it is exercised by:

filing with the Secretary of the Company written notice of revocation,

submitting a duly executed Proxy bearing a later date than the previous Proxy, or

appearing at the Annual Meeting and voting in person.

Proxies solicited by this proxy statement may be exercised only at the Annual Meeting and any adjournment of the Annual Meeting and will not be used for any other meeting.

The cost of solicitation of Proxies by mail on behalf of the Board of Directors will be borne by the Company. Proxies also may be solicited by personal interview or by telephone by directors, officers, and other employees of the Company without additional compensation. The Company also has made arrangements with brokerage firms, banks, nominees, and other fiduciaries that hold shares on behalf of others to forward proxy solicitation materials to the beneficial owners of such shares. The Company will reimburse such record holders for their reasonable out-of-pocket expenses.

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PROPOSAL 1: ELECTION OF DIRECTORS

Prior to the Annual Meeting, the Company s Board of Directors (the Board) was comprised of nine individuals. Effective as of April 22, 2018, the Board increased the size of the Board by one to ten individuals and designated such vacant seat as a CLASS II seat. Currently, the Board is divided into three classes (designated CLASS I, CLASS II, and CLASS III), with three directors in each of CLASS I and CLASS III and four directors in CLASS II. Each class generally serves a three-year term expiring at the third annual meeting of shareholders after its election. However, the Board member to be elected at the Annual Meeting to the recently created CLASS II seat will hold office until the 2019 Annual Meeting of Shareholders.

The term of the three current CLASS III directors will expire at the Annual Meeting. The Company s Board of Directors, upon the recommendation of the Nominating and Corporate Governance Committee, has nominated Charles E. Sykes, William J. Meurer and Vanessa C.L. Chang to stand for election as CLASS III directors, whose terms will all expire at the 2021 Annual Meeting of Shareholders. Additionally, to fill the recently created additional CLASS II seat, the Board, upon the recommendation of the Nominating and Corporate Governance Committee, has nominated W. Mark Watson.

Provided that a quorum is present at the Annual Meeting, each nominee shall be elected by the affirmative vote of a majority of the votes cast with respect to that nominee s election. A majority of votes cast means that the number of shares voted for a director s election exceeds 50% of the number of votes cast with respect to that director s election. Votes cast shall include (i) votes for the election of such director and (ii) votes against the election of such director, and shall exclude abstentions with respect to that director s election and broker non-votes.

Incumbent directors Sykes, Meurer and Chang have provided to the Company contingent letters of resignation from the Board which shall become effective only if such director fails to receive a sufficient number of votes for re-election at the Annual Meeting and the Board determines to accept the resignation. The Board will consider and act upon the contingent letter of resignation of a director who fails to receive the affirmative vote of a majority of the votes cast on his election within ninety (90) days after the date on which the election results were certified and will promptly make public disclosure of the results of its decision. The Board, in making its decision, may consider any factors or other information that it considers appropriate and relevant. The director who has tendered his resignation shall not participate in the decision of the Board with respect to his resignation. If such incumbent director s resignation is not accepted by the Board, such director shall continue to serve until his successor is duly elected, or his earlier resignation or removal.

In the event any nominee is unable to serve, the persons designated as proxies will cast votes for such other person in their discretion as a substitute nominee. The Board of Directors has no reason to believe that the nominees named herein will be unavailable or, if elected, will decline to serve.

THE BOARD OF DIRECTORS RECOMMENDS THE FOLLOWING NOMINEES FOR ELECTION AS DIRECTORS IN THE CLASS SPECIFIED AND URGES EACH SHAREHOLDER TO VOTE FOR THE NOMINEES. EXECUTED PROXIES IN THE ACCOMPANYING FORM THAT ARE NOT OTHERWISE MARKED WILL BE VOTED AT THE ANNUAL MEETING FOR THE ELECTION AS DIRECTORS OF THE NOMINEES NAMED BELOW.

Directors Standing for Election at the 2018 Annual Meeting

CLASS III TERM EXPIRES AT THE 2018 ANNUAL MEETING.

Name	Age	Position(s) with the Company	Director Since
Charles E. Sykes	55	Director, President & Chief Executive Officer	2004
William J. Meurer (2)(3)	74	Director & Chairman of the Audit Committee	2000
Vanessa C.L. Chang (3)(4)	65	Director	2016

CLASS II TERM EXPIRES AT THE 2019 ANNUAL MEETING.

Name	Age	Position(s) with the Company	Director Since
W. Mark Watson	67	Nominee	N/A

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PROPOSAL 1: ELECTION OF DIRECTORS

Directors Whose Term of Office Continues

CLASS II TERM EXPIRES AT THE 2019 ANNUAL MEETING.

me	Age	Position(s) with the Company	Direct Sin
ul L. Whiting (1)(2)(4)	74	Director & Chairman of the Compensation Committee	200
General Michael P. DeLong (Ret.) (1)(2)	72	Director & Chairman of the Nominating and Corporate Governance Committee	200
rlos E. Evans (1)(4)	66	Director	20

CLASS I TERM EXPIRES AT THE 2020 ANNUAL MEETING.

Name	Age	Position(s) with the Company	Director Since
James S. MacLeod (3)	70	Director & Non-Executive Chairman	2005
William D. Muir, Jr. (1)(4)	49	Director & Chairman of the Finance Committee	2014
Lorraine L. Lutton (2)(3)	52	Director	2014

(1) Member of the Compensation Committee
(2) Member of the Nominating and Corporate Governance Committee
(3) Member of the Audit Committee
(4) Member of the Finance Committee

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DIRECTOR QUALIFICATIONS AND BIOGRAPHICAL INFORMATION

DIRECTOR QUALIFICATIONS AND

BIOGRAPHICAL INFORMATION

Biographical information for each of the director nominees is set forth below, including the key qualifications, experience, attributes, and skills that led our Board to the conclusion that each of the director nominees should serve as a director.

Our Board includes individuals with strong backgrounds in executive leadership and management, accounting and finance, and Company and industry knowledge, and we believe that, as a group, they work effectively together in overseeing our business. We believe that our directors hold themselves to the highest standards of integrity and that they are committed to representing the long-term best interests of our shareholders. While we do not have a formal diversity policy, we believe that our directors diversity of backgrounds and experiences, which include public accounting, military, aerospace, manufacturing, banking, technology, healthcare, telecommunications, finance and retail, results in different ideas and varying viewpoints that contribute to effective oversight of our business.

Mr. Sykes

Director Since August 2004

Charles E. Sykes was elected to the Board of Directors in August 2004 to fill the vacancy created by the retirement of the Company s founder and former Chairman, John H. Sykes. Mr. Charles Sykes joined the Company in September 1986 and has served in numerous capacities throughout his years with the Company. Mr. Sykes was appointed as Vice President of Sales, North America in 1999 and between the years of 2000 to 2003 served as Group Executive, Senior Vice President of Marketing and Global Alliances, and Senior Vice President of Global Operations. Mr. Sykes was appointed President and Chief Operating Officer in July, 2003 and was named President and Chief Executive Officer in August 2004. Mr. Sykes received his Bachelor of Science degree in mechanical engineering from North Carolina State University in 1985. He currently serves on the boards of the Greater Tampa Chamber of Commerce, the Tampa Bay Partnership, the Tampa Bay Metro Board of the American Heart Association, Feeding America of Tampa Bay, Inc., Junior Achievement of Tampa Bay, and the Board of Visitors for North Carolina State University, and is a member of the Florida Council of 100.

Qualifications:

As the Chief Executive Officer of the Company, Mr. Sykes provides the Board with information gained from hands-on management of Company operations, identifying near-term and long-term goals, challenges and opportunities. As the son of the Company s founder and having worked for the Company for his full career, he brings a continuity of mission and values on which the Company was established.

Mr. Meurer

Director Since October 2000

William J. Meurer was elected to the Board of Directors in October 2000 and is Chairman of the Audit Committee and a member of the Nominating and Corporate Governance Committee. Previously, Mr. Meurer was employed for 35 years with Arthur Andersen LLP where he served most recently as the Managing Partner for Arthur Andersen s Central Florida operations. Since retiring from Arthur Andersen in 2000, Mr. Meurer has been a private investor and consultant. Mr. Meurer also serves on the Board of Trustees for Lifelink Foundation, Inc. and as a member of the Board of Directors of the Eagle Family of Funds.

Qualifications:

As former managing partner of an international public accounting firm, Mr. Meurer brings to our Board relevant experience with financial accounting, audit and reporting issues, SEC filings and complex corporate transactions.

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DIRECTOR QUALIFICATIONS AND BIOGRAPHICAL INFORMATION

Ms. Chang

Director Since March 2016

Vanessa C.L. Chang was elected to the Board of Directors in 2016 and is a member of the Audit and Finance Committees. Ms. Chang has been a director of EL & EL Investments (Vancouver B.C. Canada), a private real estate investment business, from 1999 until 2018. She served as chief executive officer and president of ResolveItNow.com (Los Angeles, CA), an online dispute resolution service from 2000 to 2002, was senior vice president of Secured Capital Corporation (Los Angeles, CA), a real estate investment bank in 1998, and from 1986 until 1997 she was a partner in the accounting firm KPMG Peat Marwick LLP (Los Angeles, CA). Ms. Chang serves as a director of Edison International and its wholly-owned subsidiary, Southern California Edison Company (a regulated electric utility Los Angeles, CA), a director of Transocean Ltd. (an offshore contract driller, Zug Switzerland), and a director or trustee of sixteen funds advised by the Capital Group s subsidiaries in the American Funds and Capital Group Private Client Services families (Los Angeles, CA). She is a graduate of the University of British Columbia and a Certified Public Accountant (inactive).

Qualifications:

Ms. Chang brings to the Board experience in accounting and financial reporting and oversight matters. She also brings experience as a director of public, private, and non-profit organizations, as well as knowledge of securities regulation and corporate governance.

Mr. Watson

Nominee for Director

W. Mark Watson has been nominated for election as a director at the Annual Meeting. Mr. Watson, a certified public accountant, currently is the president of WM Watson, LLC, a consulting services organization. From 1973 to 2013, Mr. Watson held various positions at Deloitte Touche Tohmatsu (Deloitte) including Marketplace Leader, Lead Client Service Partner and Lead Audit Partner. Having spent his entire professional career at Deloitte, he worked with many midmarket to Fortune Global 500 companies, developing strengths in operations and strategic thinking implementation. Mr. Watson serves on the Board of Directors of, and as the Chairman of the Audit Committee for, BioDelivery Sciences International, Inc., Momentum Health Holdings, LLC and HedgePath Pharmaceuticals, Inc. Mr. Watson has a Bachelor of Science degree in accounting from Marquette University. He currently serves on the Board of Trustees for the Moffitt Medical Group and the audit and finance committees for Moffitt Cancer Center and has served on various other civic and charitable boards in the past.

Qualifications:

As a result of his 40 years of experience with Deloitte, as well as his other professional and civic engagements, Mr. Watson brings to the Board valuable financial analytical skills, a deep understanding of accounting and management issues, strategic thinking and sound judgment.

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DIRECTOR QUALIFICATIONS AND BIOGRAPHICAL INFORMATION

Mr. Whiting

Director Since December 2003

Paul L. Whiting was elected to the Board of Directors in December 2003 and served as Non-Executive Chairman from August 2004 until May 2016. He is Chairman of the Compensation Committee and a member of the Finance and the Nominating and Corporate Governance Committees. Since 1997, Mr. Whiting has been President of Seabreeze Holdings, Inc., a privately held investment company. Previously, Mr. Whiting held various positions within Spalding & Evenflo Companies, Inc., including Chairman, Chief Executive Officer and Chief Financial Officer. Presently, Mr. Whiting sits on the boards of The Bank of Tampa and The Tampa Bay Banking Co. Mr. Whiting also serves on the boards of various civic organizations, including, among others, Academy Prep Foundation and Academy Prep Center of St. Petersburg. He was the founder and past President of Academy Prep Center of Tampa, a full scholarship, private college preparatory middle school for low-income children.

Qualifications:

Mr. Whiting s public company CEO, CFO and director experience as well as his private investment company business experience provides a unique combination of leadership, financial and business analytical skills, business judgment and investment banking knowledge to the Board.

Lt. Gen. DeLong

Director Since September 2003

Lt. General Michael P. DeLong (USMC Retired) was elected to the Board of Directors in September 2003 and is Chairman of the Nominating and Corporate Governance Committee and a member the Compensation Committee. From October 2003 to February 2008, Lt. Gen. DeLong served as Vice Chairman of Shaw Arabia Limited, President of Shaw CentCom Services, LLC, and Senior Vice President of the Shaw Group, Inc. From February, 2008 through February 2013, Lt. Gen. DeLong served as Vice President of Boeing International Corporation. On March 1, 2013, Lt. Gen. DeLong was named President and CEO and General Manager of Gulf to Gulf Contractors International and serves as an advocate for several companies in Kuwait and Saudi Arabia in transactions with Boeing. From 1967 until his retirement on November 1, 2003, Lt. Gen. DeLong led a distinguished military career, most recently serving as the Deputy Commander, United States Central Command at MacDill Air Force Base, Tampa, Florida. He holds a Master s Degree in Industrial Management from Central Michigan University and an honorary Doctorate in Strategic Intelligence from the Joint Military Intelligence College and graduated from the Naval Academy as an Aeronautical Engineer.

Qualifications:

Lt. Gen. DeLong s military career, together with his international business executive experience, allows him to bring to the Board leadership and skills in strategic analysis and judgment as well as a knowledge of international business and political environments

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DIRECTOR QUALIFICATIONS AND BIOGRAPHICAL INFORMATION

Mr. Evans

Director Since May 2016

Carlos E. Evans was elected to the Board of Directors at the annual meeting in May 2016 and is a member of the Compensation and Finance Committees. Mr. Evans retired from Wells Fargo Bank in May 2014, where he served as executive vice president and group head of the eastern division of Wells Fargo commercial banking. Mr. Evans was also responsible for the bank s government and institutional banking group and he served on Wells Fargo s management committee. Mr. Evans joined First Union National Bank in 2000 as the wholesale banking executive for the commercial segment prior to its merger with Wachovia Corporation in 2001. From 2006 until Wachovia s merger with Wells Fargo in 2009, Mr. Evans was the wholesale banking executive and an executive vice president for the Wachovia general banking group, overseeing the commercial, business and community banking segments, the dealer financial services business and the government, tax exempt and not-for-profit healthcare groups. Before joining First Union, Mr. Evans served in a variety of roles at Bank of America and its predecessors including NationsBank, North Carolina National Bank and Bankers Trust of South Carolina, which he joined in 1973. Mr. Evans received his B.A. in economics from Newberry College. He is also a graduate of the Commercial Lending School in Oklahoma and the Colgate Darden Commercial Lending School at the University of Virginia. Mr. Evans is chairman emeritus of the board of the Spoleto Festival USA and chairman of the board of the Medical University of South Carolina Foundation. He is also on the boards of Queens University of Charlotte and three private companies, National Coatings and Supplies Inc., American Welding & Gas Inc. and Johnson Management.

Qualifications:

Mr. Evans brings to the Board a vast array of experiences in commercial banking, including financial aspects of governmental, tax exempt and not-for-profit healthcare groups. Mr. Evans decades of experience in various management roles provides a significant level of business acumen and judgment.

Mr. MacLeod

Director Since May 2005

James S. MacLeod was elected to the Board of Directors in May 2005, and was elected as Non-Executive Chairman in May 2016. He is a member of the Audit Committee. Mr. MacLeod has served in various positions at CoastalStates Bank in Hilton Head Island, South Carolina since February 2004 and is currently its Executive Chairman. Mr. MacLeod serves on the Board of Directors of CoastalStates Bank and has served as Chairman of the Board of CoastalSouth Bancshares, its holding company, since 2011. From June 1982 to February 2004, he held various positions at Mortgage Guaranty Insurance Corp in Milwaukee, Wisconsin, the last 7 years serving as its Executive Vice President. Mr. MacLeod has a Bachelor of Science degree in Economics from the University of Tampa, a Master of Science in Real Estate and Urban Affairs from Georgia State University and a Masters in City Planning from the Georgia Institute of Technology. Mr. MacLeod is also a Trustee of the Allianz Global Investors Funds and serves as

Chairman of their Governance Committee, he serves as a Trustee and Board Vice Chairman of the University of Tampa, and serves as a Director of the Medical University of South Carolina (MUSC) Foundation.

Qualifications:

As a result of his extensive financial services background, Mr. MacLeod brings to the Board valuable financial analytical skills and experience, a deep understanding of cash transaction and management issues, as well as business acumen and judgment.

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DIRECTOR QUALIFICATIONS AND BIOGRAPHICAL INFORMATION

Mr. Muir

Director Since May 2014

William D. Muir, Jr. was elected to the Board of Directors in 2014 and is Chairman of the Finance Committee and a member of the Compensation Committee. Mr. Muir served as the Chief Operating Officer of Jabil Circuit, Inc. (NYSE: JBL), from 2013 through 2017. From 2009 to 2013, Mr. Muir served as Jabil s Executive Vice President and Chief Executive Officer, Global Manufacturing Services, responsible for $14B of annual revenue with commercial leadership across diversified markets, including Healthcare & Life Sciences, Enterprise & Infrastructure, High Velocity and Industrial & Clean-tech. Additionally, Mr. Muir led the global, integrated capabilities in Operations, Supply Chain and Design which underpin these diversified businesses. Previously, Mr. Muir served as Regional President for Asia, responsible for Jabil s Operations and Business Development efforts across China, India, Vietnam, Malaysia, Singapore and Japan. In this capacity, he resided in Shanghai from 2004 through 2007 and subsequently in Singapore until 2009. Prior to his leadership role in Asia, Mr. Muir led Global Business Development efforts for Jabil across large-scale customer relationships and has also held roles leading Operations across the Americas.

Qualifications:

Mr. Muir brings to our Board a diverse background spanning engineering, manufacturing, supply chain, business development, and operations. He has been a leader in information technology, supply chain, security, quality, engineering innovation, and global, strategic accounts. Mr. Muir s decade long global and domestic profit and loss responsibility also brings valuable business financial acumen to the Board.

Ms. Lutton

Director Since May 2014

Lorraine L. Lutton was elected to the Board of Directors in 2014 and is a member of the Audit and Nominating and Corporate Governance Committees. Since 2016, Ms. Lutton has served as the President and Chief Executive Officer of Roper St. Francis Health Care, an integrated health system with 3 acute care hospitals in Charleston, South Carolina. Prior to joining Roper St. Francis, Ms. Lutton had been employed by the BayCare Health System since 1992 in various capacities, serving most recently as the President of St. Joseph s Hospital, a 529 bed tertiary acute care facility in Tampa Florida. Ms. Lutton received her bachelor s degree in public health, health policy and administration from the University of North Carolina at Chapel Hill, and her master s degree in business administration from the Anderson Graduate School of Management at UCLA. Ms. Lutton is a Fellow of the American College of Healthcare Executives.

Qualifications:

Ms. Lutton brings to our Board substantial business experience in the healthcare arena, as well as communication, planning, organizational and management skills.

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CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

The Company maintains a corporate governance page on its website which includes key information about its corporate governance initiatives, including its Corporate Governance Guidelines, Code of Ethics, and charters for the committees of the Board of Directors. The corporate governance page can be found at www.sykes.com, by clicking on Company, then Investor Relations and then on the links under the heading Corporate Governance.

The Company s policies and practices reflect corporate governance initiatives that are compliant with the listing requirements of the Nasdaq Stock Market and the corporate governance requirements of the Sarbanes-Oxley Act of 2002, including:

- the Board of Directors has adopted clear corporate governance policies;
- a majority of the board members are independent of the Company and its management;
- all members of the key board committees the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and the Finance Committee are independent;
- the independent members of the Board of Directors meet regularly without the presence of management;
- the Company has adopted a code of ethics that applies to all directors, officers and employees which is monitored by its Nominating and Corporate Governance Committee;
- the charters of the Board committees clearly establish their respective roles and responsibilities; and
- the Company s Audit Committee has established procedures for the receipt, retention and treatment, on a confidential basis, of complaints received by the Company, including the Board and the Audit Committee, regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submissions by employees of concerns regarding questionable accounting or auditing matters. These procedures are described under Communications with our Board below.

Certain Relationships and Related Person Transactions

Review and Approval of Related Person Transactions. In order to ensure that material transactions and relationships involving a potential conflict of interest for any executive officer or director of the Company are in the best interests of the Company, under the Code of Ethics adopted by the Board of Directors for all of our employees and directors, all such conflicts of interest are required to be reported to the Board of Directors, and the approval of the Board of Directors must be obtained in advance for the Company to enter into any such transaction or relationship. Pursuant to the Code of Ethics, no officer or employee of the Company may, on behalf of the Company, authorize or approve any transaction or relationship, or enter into any agreement, in which such officer, director or any member of his or her immediate family, may have a personal interest without such Board approval. Further, no officer or employee of the Company may, on behalf of the Company, authorize or approve any transaction or relationship, or enter into any agreement, if they are aware that an executive officer or a director of the Company, or any member of any such person s family, may have a personal interest in such transaction or relationship, without such Board approval.

The Company s Audit Committee reviews all conflict of interest transactions involving executive officers and directors of the Company, pursuant to its charter.

In the course of their review of a related party transaction, the Board and the Audit Committee consider:

- the nature of the related person s interest in the transaction;
- the material terms of the transaction, including, without limitation, the amount and type of transaction;
- the importance of the transaction to the Company;
- the importance of the transaction to the related person;
- whether the transaction would impair the judgment of the director or executive officer to act in the best interests of the Company; and
- any other matters the Board or Audit Committee deems appropriate.

Any member of the Board or the Audit Committee who has a conflict of interest with respect to a transaction under review may not participate in the deliberations or vote respecting approval of the transaction, provided, however, that such director may be counted in determining the presence of a quorum.

Related Party Transactions. On January 25, 2008, the Company entered into a real estate lease with Kingstree Office I, LLC, an entity controlled by Mr. John Sykes, the founder, former Chairman and former Chief Executive Officer of the Company, relating to the Company s call center in Kingstree, South Carolina. On May 21, 2008, the Audit Committee of the Board reviewed this transaction and recommended approval to the full Board, which also approved the transaction. During the year ended December 31, 2017, the Company paid $451,575.36 to Kingstree Office I, LLC as rent on the Kingstree facility.

Leadership Structure

In 2005, our Board of Directors separated the positions of Chairman of the Board and Chief Executive Officer, believing that an independent non-employee Chairman could provide a diversity of view and experience in consultation with the Chief Executive Officer. The Board continues to believe that the Company is best served by having this bifurcated leadership structure.

Risk Oversight

The Board has determined that the role of risk oversight will currently remain with the full Board as opposed to having responsibility delegated to a specific committee. Management has created an enterprise risk management committee which is primarily responsible for identifying and assessing enterprise risks, developing risk responses and evaluating residual risks. The chairperson of this committee reports directly to the full Board.

Director Independence

In accordance with Nasdaq rules, the Board affirmatively determines the independence of each director and nominee for election as a director in accordance with guidelines it has adopted, which include all elements of independence set forth in the Nasdaq listing standards. Based upon these standards, at its meeting held on March 15, 2018, the Board determined that each of the following non-employee directors was independent and had no relationship with the Company, except as a director and shareholder of the Company:

(1) Paul L. Whiting
(2) Lt. General Michael P. DeLong (Ret.)
(3) William J. Meurer
(4) Carlos E. Evans
(5) James S. MacLeod
(6) Vanessa C.L. Chang
(7) Lorraine L. Lutton
(8) William D. Muir, Jr.

In connection with its decision to nominate Mr. W. Mark Watson to stand for election at the Annual Meeting, the Board has affirmatively determined that he is independent and has no previous or current relationship with the Company.

Nominations for Directors

The Nominating and Corporate Governance Committee (the Nominating Committee) is responsible for screening potential director candidates and recommending qualified candidates to the Board for nomination. The Nominating Committee considers all relevant criteria including, age, skill, integrity, experience, education, time availability, stock exchange listing standards, and applicable federal and state laws and regulations. The Nominating Committee has a specific goal of creating and maintaining a board with the heterogeneity, skills, experience and personality that lend to open, honest and vibrant discussion, consideration and analysis of Company issues, and accordingly the Nominating Committee also considers

individual qualities and attributes that will help create the desired heterogeneity.

The Nominating Committee may use various sources for identifying and evaluating nominees for directors including referrals from our current directors, management and shareholders, as well as input from third party executive search firms retained at the Company s expense. If the Nominating Committee retains one or more search firms, such firms may be asked to identify possible nominees, interview and screen such nominees and act as a liaison between the Nominating Committee and each nominee during the screening and evaluation process. The Nominating Committee will review the resume and

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qualifications of each candidate identified through any of the sources referenced above, and determine whether the candidate would add value to the Board. With respect to candidates that are determined by the Nominating Committee to be potential nominees, one or more members of the Nominating Committee will contact such candidates to determine the candidate s general availability and interest in serving. Once it is determined that a candidate is a good prospect, the candidate will be invited to meet the full Nominating Committee which will conduct a personal interview with the candidate. During the interview, the Nominating Committee will evaluate whether the candidate meets the guidelines and criteria adopted by the Board, as well as exploring any special or unique qualifications, expertise and experience offered by the candidate and how such qualifications, expertise and/or experience may complement that of existing Board members. If the candidate is approved by the Nominating Committee, as a result of the Nominating Committee s determination that the candidate will be able to add value to the Board and the candidate expresses his or her interest in serving on the Board, the Nominating Committee will then review its conclusions with the Board and recommend that the candidate be selected by the Board to stand for election by the shareholders or fill a vacancy or newly created position on the Board.

The three Class III directors whose terms expire at the Annual Meeting have each been recommended to the Board by the Nominating Committee, and nominated by the Board to stand for re-election. Furthermore, Mr. Watson has been recommended to the Board by the Nominating Committee, and nominated by the Board to stand for election as a new director, to fill the Class II Board seat created by the recent expansion of the Board from nine to ten individuals. Mr. Watson was recommended to the Committee for consideration by non-management members of our Board of Directors.

The Nominating Committee will consider qualified nominees recommended by shareholders who may submit recommendations to the Nominating Committee in care of our Corporate Secretary, 400 North Ashley Drive, Suite 2800, Tampa, Florida 33602. Any shareholder nominating an individual for election as a director at an annual meeting must provide written notice to the Secretary of the Company, along with the information specified below, which notice must be received at the principal business

office of the Company no later than the date designated for receipt of shareholders proposals as set forth in the Company s proxy statement for its annual shareholders meeting. If there has been no such prior public disclosure, then to be timely, a shareholder s nomination must be delivered to or mailed and received at the principal business office of the Company not less than 60 days nor more than 90 days prior to the annual meeting of shareholders; provided, however, that in the event that less than 70 days notice of the date of the meeting is given to the shareholders or prior public disclosure of the date of the meeting is made, notice by the shareholder to be timely must be so received not later than the close of business on the tenth day following the day on which such notice of the annual meeting was mailed or such public disclosure was made.

To be considered by the Nominating Committee, shareholder nominations must be accompanied by: (1) the name, age, business and residence address of the nominee; (2) the principal occupation or employment of the nominee for at least the last ten years and a description of the qualifications of the nominee; (3) the number of shares of our stock that are beneficially owned by the nominee; (4) any legal proceedings involving the nominee during the previous ten years and (5) any other information relating to the nominee that is required to be disclosed in solicitations for proxies for election of directors under Regulation 14A of the Exchange Act, together with a written statement from the nominee that he or she is willing to be nominated and desires to serve, if elected. Also, the shareholder making the nomination should include: (1) his or her name and record address, together with the name and address of any other shareholder known to be supporting the nominee; and (2) the number of shares of our stock that are beneficially owned by the shareholder making the nomination and by any other supporting shareholders. Nominees for director who are recommended by our shareholders will be evaluated in the same manner as any other nominee for director.

We may require that the proposed nominee furnish us with other information as we may reasonably request to assist us in determining the eligibility of the proposed nominee to serve as a director. At any meeting of shareholders, the Chairman of the Board may disregard the purported nomination of any person not made in compliance with these procedures.

Communications with our Board

Shareholders and other parties interested in communicating with our Board of Directors may do so by writing to the Board of Directors, Sykes Enterprises, Incorporated, 400 North Ashley Drive, Suite 2800, Tampa, Florida 33602. Under the process for such

communications established by the Board of Directors, the Executive Vice President and General Counsel of the Company reviews all such correspondence and regularly forwards to all members of the Board a summary of the correspondence. Directors may at any time review a log of all correspondence received by the Company that is addressed to the Board or any member of the Board and request copies of any such correspondence. Correspondence that, in the opinion of the Executive Vice President and General Counsel, relates to concerns or complaints regarding accounting, internal accounting controls and auditing matters is summarized and the summary and a copy of the correspondence is forwarded to the Chairman of the Audit Committee. Additionally, at

the direction of the Audit Committee, the Company has established a worldwide toll free hotline administered by an independent third party through which employees may make anonymous submissions regarding questionable accounting or auditing matters. Reports of any anonymous submissions are sent to the Chairman of the Audit Committee as well as the Executive Vice President and General Counsel of the Company.

Meetings and Committees of the Board

Each director is expected to devote sufficient time, energy and attention to ensure diligent performance of his or her duties and to attend all Board, committee and shareholders meetings. The Board met seven times during 2017, of which four were regularly scheduled meetings and three were unscheduled meetings. The Board also acted

once by unanimous written action in 2017. All directors attended at least 75% of the meetings of the Board and of the committees on which they served during the fiscal year ended December 31, 2017. All of the directors attended the 2017 Annual Meeting of Shareholders on May 24, 2017.

Committees of the Board

The Board has four standing committees to facilitate and assist the Board in the execution of its responsibilities. The Board may also establish special committees as needed to assist the Board with review and consideration of non-routine matters. The standing committees are the Audit Committee, Finance Committee, Compensation Committee and Nominating and Corporate Governance Committee. All the committees are comprised solely of non-employee, independent directors. Charters

for each committee are available on the Company s website at www.sykes.com by first clicking on Company, then Investor Relations and then on Documents and Charters under the heading Corporate Governance. The charter of each committee is also available in print to any shareholder who requests it. The table below shows the current membership and membership for the entire year 2017 for each of the standing Board committees.

Non-employee Directors	**Audit Committee**	**Finance Committee**	**Nominating and Corporate Governance Committee**	**Compensation Committee**
Paul L. Whiting				Chair
Lt. General Michael P. DeLong (Ret.)			Chair	
James S. MacLeod (Chairman of the Board)				
William J. Meurer	Chair			
Carlos E. Evans				
Lorraine L. Lutton				
William D. Muir, Jr·		Chair		
Vanessa C.L. Chang				
Employee Director				
Charles E. Sykes				
No. of Meetings in 2017	9	2	4	6

Audit Committee. The Audit Committee serves as an independent and objective party to monitor the Company s financial reporting process and internal control system. The Committee s responsibilities, which are discussed in detail in its charter, include, among other things, the appointment, compensation, and oversight of the work of

the Company s independent auditing firm, as well as reviewing the independence, qualifications, and activities of the auditing firm. The Company s independent auditing firm reports directly to the Committee. All proposed transactions between the Company and the Company s officers and directors, or an entity in which a Company

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officer or director has a material interest, are reviewed by the Committee, and the approval of the Committee is required for such transactions. The Board has determined that Mr. Meurer is an audit committee financial expert within the meaning of the rules of the Securities and Exchange Commission. The Committee is governed by a written charter, which is reviewed on an annual basis.

Additional information about the Audit Committee is included under the heading Audit Committee Disclosure later in this proxy statement.

Finance Committee. The principal purpose of the Finance Committee is to assist the Board of Directors in evaluating significant investments and other financial commitments by the Company. The Committee has the authority to review and make recommendations to the Board with respect to debt and equity limits, equity issuances, repurchases of Company stock or debt, policies relating to the use of derivatives, and proposed mergers, acquisitions, divestitures or investments by the Company that require approval by the full Board. The Committee also has authority to approve capital expenditures not previously approved by the Board of Directors. The level of authority applies to capital expenditures in excess of $5 million but less than $10 million. This authority is used, and the Committee convened only, when management recommends a decision prior to the next Board meeting. The Committee is governed by a written charter, which is reviewed on an annual basis.

Nominating and Corporate Governance Committee. The purpose of the Nominating and Corporate Governance Committee is to: (a) identify individuals qualified to become

members of the Board of Directors of the Company and its subsidiaries; (b) recommend to the Board of Directors director nominees for election at the annual meeting of shareholders or for election by the Board of Directors to fill open seats between annual meetings; (c) recommend to the Board of Directors committee appointments for directors; (d) develop and recommend to the Board of Directors corporate governance guidelines applicable to the Company; and (e) monitor the Company s compliance with good corporate governance standards. The Committee is governed by a written charter, which is reviewed on an annual basis.

Compensation Committee. The Compensation Committee s responsibilities, which are discussed in detail in its charter, include, among other things, the establishment of the base salary, incentive compensation and any other compensation for the Company s President and Chief Executive Officer, and to review and approve the President and Chief Executive Officer s recommendations for the compensation of certain executive officers reporting to him. This Committee also monitors the Company s management incentive cash and equity based bonus compensation arrangements and other executive officer benefits, and evaluates and recommends the compensation policy for the directors to the full Board for consideration. The Committee also determines compensation and benefits of the Company s non-employee directors. This Committee is also responsible for providing oversight and direction regarding the Company s employee health and welfare benefit programs. The Committee is governed by a written charter, which is reviewed on an annual basis.

Compensation Committee Interlocks and Insider Participation

None.

DIRECTOR COMPENSATION

Although the Company does not have a formal, written compensation plan for non-employee directors, the Board of Directors, upon the recommendation of the Compensation Committee, has determined to pay non-employee directors a combination of cash and equity compensation on an annual basis (the Annual Retainer). The amount of the cash and equity compensation is subject to change each year. The equity compensation payable to non-employee directors is paid under the Company s 2011 Equity Incentive Plan.

Beginning in 2015, the total value of the Annual Retainer was $155,000, payable $55,000 in cash and the remainder paid in stock, the amount of which was determined by dividing $100,000 by the closing price of the Company s common stock on the date of the annual shareholders meeting, rounded to the nearest whole number of shares. At the Board s regularly scheduled meeting on December 6, 2016, upon the recommendation of the Compensation Committee, the Board determined that the amount of the cash compensation payable to

non-employee directors beginning on the date of the 2017 annual shareholders meeting would be increased by $15,000 per year to a total of $70,000. Accordingly, the annual cash and equity compensation for non-employee directors currently is $70,000 and $100,000 per member, respectively.

Currently, all new non-employee directors joining the Board receive an initial grant of shares of common stock on the date the new director is elected or appointed, the number of which is determined by dividing $60,000 by the closing price of the Company s common stock on the trading day immediately preceding the date a new director is elected or appointed, rounded to the nearest whole number of shares. The initial grant of shares vests in 12 equal quarterly installments, one-twelfth on the date of grant and an additional one-twelfth on each successive third monthly anniversary of the date of grant. The award lapses with respect to all unvested shares in the event the non-employee director ceases to be a director of the Company, and any unvested shares are forfeited.

In addition to the Annual Retainer award, the non-employee Chairman of the Board receives an additional annual cash award of $100,000, and each non-employee director serving on a committee of the Board receives an additional annual cash award in the following amounts:

Position	**Amount**
Audit Committee	
Chairperson	$ 20,000
Member	$ 10,000
Compensation Committee	
Chairperson	$ 15,000
Member	$ 7,500
Finance Committee	

Chairperson	$ 12,500
Member	$ 7,500
Nominating and Corporate Governance Committee	
Chairperson	$ 12,500
Member	$ 7,500

The annual grant of shares vests in four equal quarterly installments, one-fourth on the day following the annual meeting of shareholders, and an additional one-fourth on each successive third monthly anniversary of the date of grant. The annual grant of cash, including all amounts paid to a non-employee Chairman of the Board and all amounts paid to non-employee directors serving on committees of the Board, vests in four equal quarterly installments, one-fourth on the day following the annual meeting of shareholders, and an additional one-fourth on each successive third monthly anniversary of the date of grant. The award lapses with respect to all unpaid cash and

unvested shares in the event the non-employee director ceases to be a director of the Company, and any unvested shares and unpaid cash are forfeited.

The Board may pay additional cash compensation to any non-employee director for services on behalf of the Board over and above those typically expected of directors, including but not limited to service on a special committee of the Board. Directors who are executive officers of the Company receive no compensation for service as members of either the Board of Directors or any committees of the Board.

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DIRECTOR COMPENSATION

The following table contains information regarding compensation paid to the non-employee directors during fiscal year ending December 31, 2017, including cash and shares of the Company s common stock.

(a) Name	(b) Fees Earned or Paid in Cash ($)[1]	(c) Stock Awards ($)[2]	(d) Option Awards ($)	(e) Non-Equity Incentive Plan Compensation ($)	(f) Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	(g) All Other Compensation ($)	(h) Total ($)
Vanessa C.L. Chang	83,750	100,008				17,552[3]	201,310
Lt. General Michael P. DeLong (Ret.)	86,250	100,008					186,258
Carlos E. Evans	81,250	100,008				421	181,679
Lorraine L. Lutton	83,750	100,008					183,758
James S. MacLeod	176,250	100,008				7,612	283,870
William J. Meurer	93,750	100,008				3,574	197,332
William D. Muir, Jr.	86,250	100,008				51	186,309
Paul L. Whiting	96,250	100,008					196,258

(1) *Amounts shown include the cash portion of the Annual Retainers and other amounts paid in cash for services on Board committees paid to each non-employee director in 2017. The amount shown for Mr. MacLeod includes $100,000 he receives for his services as independent Chairman of the Board.*

(2) *The amounts shown in column (c) represent the Annual Retainer amounts paid in shares of the Company s common stock. The amounts are valued based on the aggregate grant date fair value of the awards in accordance with FASB ASC Topic 718 (formerly FAS 123(R)). See Notes 1 and 24 to the Consolidated Financial Statements included in the Company s Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission on March 1, 2018, for a discussion of the relevant assumptions used in calculating the grant date fair value in accordance with FASB ASC Topic 718.*

(3) *This amount is comprised of business-related travel expenses of $16,914 and seminar fees of $638.*

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COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis (this CD&A) is intended to assist our shareholders in understanding our compensation philosophy, strategy, program design, policies, and practices, with a focus on our 2017 compensation decisions and results for our Named Executive Officers (NEOs). For 2017, our NEOs were as follows:

Name	Title
Charles E. Sykes	President and Chief Executive Officer (CEO)
John Chapman	Executive Vice President and Chief Financial Officer
Lawrence R. Zingale	Executive Vice President and General Manager
James T. Holder	Executive Vice President, General Counsel and Corporate Secretary
David L. Pearson	Executive Vice President and Chief Information Officer
Andrew J. Blanchard	Former Executive Vice President and General Manager

Executive Summary

Sykes is a complex global business serving sophisticated and demanding clients. Our business and financial strategies require careful expense management while providing superior customer service and value. This requires experienced executive leadership with sound business judgment, a passion for service excellence, and the ability to understand and implement the Company s strategic growth plan, including leveraging our proprietary technology and effectively managing our global customer response team.

Our compensation philosophy and strategy has been, and continues to be, focused on the following principles and objectives:

- Provide market competitive total compensation opportunities;
- Emphasize variable incentives (short-term and long-term) over fixed compensation (base salary);
- Establish performance measures and goals that will align pay with performance;
- Encourage long-term stock ownership to create strong alignment between management and our shareholders;

Adopt appropriate governance practices, processes and policies; and

Maintain a simple and straight forward program that is easy to understand and communicate.

2017 Compensation Actions

Heading into 2017, the Compensation Committee (the Committee) was satisfied with the overall existing design of the executive compensation program and believed that

the structure was accomplishing the objectives outlined above. Accordingly, only minimal changes were made for 2017, as summarized below:

Mr. Sykes, Mr. Holder and Mr. Pearson received salary increases to bring them to a level more in line with external market pay data;

No changes to short-term or long-term incentive opportunities; and

No changes to the short-term incentive plan design.

No changes to the long-term incentive plan design, which remained a mix of Performance Shares (50%), Stock Appreciation Rights (SARs) (30%), and Restricted Stock (20%); with Performance Shares tied to 3-year Revenue and Plan Adjusted Operating Income goals (subsequently changed to Adjusted Operating Income for three year plans beginning in and after 2018 as discussed below).

In the second and third quarters of 2017, management determined there were actions that should be taken to rationalize capacity in the U.S. market. The decision to act on these initiatives resulted in the Company taking impairment charges approximating a total of $5 million over those two quarters. These actions, while determined by the Board to be in the best interest of the Company, would have resulted in 2017 Plan Adjusted Operating Income results falling below the threshold levels set by the Committee earlier in the year to qualify for the earning of any short-term incentive compensation by management. Although the Committee believes that mid-year adjustments to the calculation of eligibility and/or amount of any short-term incentive compensation should occur only in extraordinary circumstances, the Committee does believe that in such circumstances, adjustments may need

COMPENSATION DISCUSSION AND ANALYSIS

to be made to ensure that rewards are aligned with the right business decisions and are not influenced by potential short-term gain or impact on bonuses. Accordingly, in October 2017, the Committee re-evaluated those goals to determine if any changes to the calculation of short-term incentive compensation financial targets would be appropriate in light of the unanticipated actions to be taken by the Company. The Committee determined that it would not alter the 2017 short-term financial targets themselves, but would move from using Plan Adjusted Operating Income to Adjusted Operating Income as the method for determining if the financial targets are met. A comparison of the components of Plan Adjusted Operating Income and Adjusted Operating Income and a full discussion of the reasoning for the change is set forth under the heading Performance-Based Annual Cash Incentive Compensation below.

2017 Company Performance Results

The Company achieved solid performance results in 2017, as evidenced by the following performance highlights on key measures used in our short-term and long-term incentive plans:

- Revenue increased 8.9% year over year, on a constant currency basis[1], which is a component of our long-term incentive plans;

- Plan Adjusted Operating Income was $112.4 million, which is a component of our long-term incentive plans beginning before 2018;

- Adjusted Operating Income was $117.8 million, which is a component of our short-term incentive plan for 2017;

- Major Market Client Revenue goals were achieved at 86.9% of target;

- EMEA Adjusted Operating Income goals were achieved at 104.4% of target;

- Financial and Health Care Products (FHP) Revenue goals were achieved at 101.6% of target;

- 3 Year Cumulative Revenue for 2015 2017 was $4.332 billion, which was 106.15% of target; and

- 3 Year Cumulative Plan Adjusted Operating Income for 2015 2017 was $340.2 million, which was 108.32% of target.

2017 Executive Compensation Results

These strong financial results yielded the following strong executive compensation results for 2017:

- Short-term incentives for 2017 were earned at 71% of target for each NEO, except for Mr. Zingale who earned 64.1% of target; and

- Performance shares for the 2015 2017 period were earned at 87.98% of target

The Committee believes that these pay results are aligned with the Company s performance results, and are indicative of the intended linkage between pay and performance. Additionally, the SARs and Restricted Stock awards, in conjunction with our executive stock ownership guidelines, create further alignment between executive compensation and long-term shareholder value creation.

2018 Executive Compensation Actions

In considering changes for 2018, the Compensation Committee focused on the following observations:

- Strong shareholder support for the existing executive compensation structure, as expressed by the 2017 Say on Pay vote results where approximately 97.9% of the votes cast at our 2017 Annual Meeting were voted FOR our program;

- Strong pay and performance alignment achieved with respect to 2017 and the 3-year period covering 2015 2017;

- Strong executive support of the existing executive compensation structure and plan designs; and

- Strong alignment with market practices and trends, based on information and analysis provided to the Committee by its independent consultant.

Accordingly, no changes were made to the executive compensation program for 2018, other than the move to using Adjusted Operating Income instead of Plan Adjusted Operating Income as the financial measure for both short and long term incentive compensation beginning for plans in or after 2018.

[1] *See the Company s Current Report on Form 8-K/A filed with the SEC on February 28, 2018, for a reconciliation of the Non-GAAP (generally accepted accounting principles) financial measures to their most directly comparable GAAP financial measures.*

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COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy and Objectives

The Committee believes that the most effective executive compensation program is one that is designed to enhance shareholder value by attracting and retaining the talent and experience best suited to manage, guide and build our business. This requires fair and competitive base salaries and benefits designed to attract qualified executives, as well as carefully designed incentive compensation programs to link the interests of the executives to the long-term interests of our shareholders.

In evaluating and determining the complete compensation packages for the Company s executive officers generally, and the NEOs specifically, the Committee reviews relevant market data provided by its outside independent compensation consultant, which includes an evaluation of the executive compensation packages paid to similarly situated executives of similarly situated companies. Although the market pay data is only one of many factors considered when making executive compensation determinations, the Committee generally seeks to position pay opportunities within a range of 80% to 120% of the 50th percentile pay level of similarly situated executives.

However, variations from this objective may occur as dictated by the experience level of the individual executive.

A significant percentage of the target total compensation to our NEOs and other executive officers consists of performance-based incentives which align the interests of our executives with those of our shareholders. Although there is no pre-established policy for the allocation between either cash and non-cash or short-term and long-term performance-based incentive compensation, in 2017 the Committee continued the basic structure utilized in recent years, which determined performance-based incentives as a percentage of base salary, which percentage was validated against current market pay data. A significant percentage of the target total direct compensation to our executive officers is in the form of non-cash, long-term equity incentive awards. A chart showing the relative percentages between base salary and target short-term and long-term incentive compensation of the NEOs for 2017 is included below in the section of this CD&A entitled Elements of Compensation.

Roles and Responsibilities in Determining Executive Compensation

The Role of the Compensation Committee. The Committee has been charged with the responsibility for establishing, implementing and continually monitoring adherence with the Company s compensation philosophy. The Committee s goal is to ensure that the form and amount of compensation and benefits paid to our executive team, specifically including the NEOs, is fair, reasonable and sufficiently competitive to attract and retain high quality executives who can lead the Company to achieve the goals that the Board believes will maximize shareholder value.

For executives other than the CEO, executive compensation matters are first considered by the Committee, which then makes recommendations to the Board. As it relates to the compensation of the Company s CEO, the Committee meets first with the CEO to obtain information regarding performance, objectives and expectations, discusses the matter with the Board and then makes a final compensation determination. The CEO is not present during voting or any deliberations regarding his compensation.

The Role of the Chief Executive Officer. The Committee meets periodically with the CEO to discuss and review executive compensation. The CEO provides the Committee with the appropriate business context for executive compensation decisions as well as specific recommendations for each of the executives, including the NEOs. Additionally, the Chairman of the Committee meets periodically with the CEO to discuss the Committee s views

on the CEO s compensation and proposals for adjustments to be considered by the Committee.

The Role of Senior Management. The Committee periodically meets with representatives of our Human Resources, Finance, and Legal departments. These individuals provide the Committee with requested data, information, and advice regarding our executive compensation program, specifically with regard to incentive plan designs, performance measures and goals, and disclosure. These representatives are not involved in conversations regarding their own compensation.

The Role of Outside Independent Consultants. In accordance with the Committee s charter, the Committee has the authority to retain any outside counsel, consultants or other advisors to the extent deemed necessary and appropriate, including the sole authority to approve the terms of engagement and fees related to services provided. Since 2010, the Committee has utilized Pearl Meyer (Pearl Meyer) as its independent executive compensation consultant.

During 2017, at the Committee s request, Pearl Meyer provided the following services:

Attended all regularly scheduled Committee meetings. When appropriate, the Committee has discussions with its consultant without management present to ensure candor and impartiality;

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- Provided research, market data, survey information and design expertise to assist the Company in evaluating executive and director compensation programs;

- Advised the Committee on all principal aspects of executive and director compensation, including the competitiveness of program design and award values; and

- Provided specific analyses with respect to the compensation of the Company s executive officers.

Pearl Meyer is directly engaged by, and its activities are dictated by, the Committee. Pearl Meyer and its affiliates provide services only to the Committee and are prohibited from providing services or products of any kind to the Company.

In 2017, the Committee assessed the independence of Pearl Meyer and considered whether its work raised any conflicts of interest, taking into consideration the independence factors set forth in the Nasdaq listing rules. Based on that assessment, the Committee determined that Pearl Meyer was independent and that its work did not raise any conflicts of interest.

The Role of Peer Group Data. In making its compensation decisions for 2017, the Committee compared the Company s pay and performance levels against a peer group of twelve publicly traded companies which the Committee believes compete with the Company in the customer contact management industry for executive talent (the Compensation Peer Group). Pearl Meyer and the Committee annually review the composition of the Compensation Peer Group to determine whether there are new companies which should be added, or existing companies which should be deleted. For its analysis in 2017, the Committee made no changes to the 2016 Compensation Peer Group.

The companies included in the Compensation Peer Group and used as the basis for comparison and analysis by the Committee with respect to 2017 compensation decisions were:

- Genpact Limited
- Kforce Inc.
- Convergys Corporation
- FTI Consulting, Inc.
- West Corporation
- TeleTech Holdings, Inc.
- Acxiom Corporation
- Syntel, Inc.
- ExlService Holdings, Inc.
- On Assignment
- Maximus, Inc.
- CSG Systems International Inc.

In addition to proxy-reported data from the above peer group companies, Pearl Meyer gathers survey-reported pay data from various reputable compensation surveys containing relevant pay data for comparable roles in comparable organizations. Neither Pearl Meyer nor the Committee are aware of the specific companies reporting pay data within the various surveys used, but the data is selected based on industry and revenue size comparability to the Company.

As in prior years, the competitive market analysis and data are one of many factors considered by the Committee and the Board in making its final pay determinations. Other important factors include the current and expected performance of the Company, the current and expected performance of the executive and ensuring that our executive compensation program is internally consistent and equitable.

Executive Compensation Analysis

As in prior years, the Committee requested, reviewed, and discussed an independent analysis of the Company s executive compensation program provided by Pearl Meyer. The analysis included a review of compensation competitiveness, pay and performance alignment, our Long-Term Incentive Plan (LTIP) design, and an overall risk assessment of the executive compensation program. The following were the significant findings from this analysis:

- Base salaries were generally positioned slightly below the 50th percentile;
- Target total cash compensation (salary plus target short-term incentive opportunity) was slightly below the 50th percentile;
- Long-term incentive grant values were positioned between the 50th and 75th percentiles and the aggregate equity grant rate (as a percent of shares outstanding) was at the 50th percentile;
- Total direct compensation (target total cash compensation plus long-term incentive grant value) was positioned slightly below the 50th percentile;
- Company performance (across a variety of financial and operating metrics) on a 1-year and 3-year basis was generally positioned at the 50th percentile; and

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The overall program strikes a balance between risks and rewards, and is not believed to encourage executives to take undue risks that could materially harm the Company.

The above analysis reflects our executive team in the aggregate. As expected, there is variation by executive (with regard to pay competitiveness) and by performance measure (with regard to relative performance). This analysis was completed in August 2016 and was one of many inputs into the Committee s decisions with regard to our 2017 executive compensation program.

Results of Our Shareholder Advisory Votes to Approve Compensation of Our NEOs. At our 2017 and 2016 Annual Meetings of Shareholders, our shareholders had the opportunity to cast advisory votes to approve the compensation of our named executive officers as disclosed in our 2017 and 2016 proxy statements. Approximately 97.9% of the votes cast on this proposal in 2017, and 98.6% of the votes cased on this proposal in

2016, voted to approve, on an advisory basis, the compensation of our named executive officers in 2017 and 2016, respectively. The Committee believes that the results of these votes indicate that our shareholders generally support our executive compensation program. The Committee considered that support when making executive compensation decisions for fiscal 2017. As a result, the Committee recommended that the executive compensation structure for 2017 remain substantially the same, utilizing a combination of base salary, short-term incentive and long-term incentive compensation, with total compensation being weighted heavily toward equity-based compensation. The long-term equity incentive compensation program designs for performance cycles beginning in 2015, 2016 and 2017 are shown below in the tables under the heading Performance-Based, Long-Term Equity Incentive Compensation in this CD&A. The Committee will continue to monitor and consider the outcome of shareholder advisory votes when making future decisions regarding our executive compensation program.

Elements of Compensation

The compensation program for our executives includes several direct compensation components. Those components are base salary, annual cash incentive awards and equity-based incentive awards, which are granted in

the form of time-based restricted stock (or restricted stock units), performance based restricted stock (or restricted stock units), and time-based SARs.

The relative percentages between base salary, annual cash incentive targets and long-term, equity-based incentive targets as compared to total target compensation for the NEOs for 2017 were as follows:

Name	Total Direct Compensation	Base Salary	Annual Cash Incentive	Long-Term Equity Incentive
Charles E. Sykes	100%	16%	18%	66%
John Chapman	100%	27%	19%	54%
Lawrence R. Zingale	100%	27%	19%	54%
James T. Holder	100%	40%	20%	40%
David L. Pearson	100%	40%	20%	40%
Andrew J. Blanchard	100%	27%	19%	54%

Our executives are also permitted to participate in our 401(k) plan which is available to all employees, as well as our non-qualified executive deferred compensation plan. The purpose of the deferred compensation plan is to provide our executives with the ability to take advantage of tax deferred savings which may not be fully available to them under our 401(k) plan.

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COMPENSATION DISCUSSION AND ANALYSIS

The key elements of our 2017 executive compensation program were as follows:

Type of Compensation	Element of Compensation	Description	Rationale
Base Salary		Fixed amount of annual cash compensation	Attracts and retains talented, experienced executives
Short-Term Incentive Awards	Annual Performance-Based Cash Incentive Award	Variable cash amount based on achievement of Company (and sometimes individual) performance goals Award value generally based on a percentage of the executive s base salary and achievement of Adjusted Operating Income performance targets Threshold performance (80% of target performance measures) paid out at 50% of target, maximum performance (120% of target performance measures) paid out at 150% of target	Motivates executives to achieve and exceed annual goals Attracts talent by offering a compensation opportunity that awards performance Maximizes short-term profitability and drives shareholder value
	Stock Appreciation Rights	Entitles recipient to receive, at the time of exercise, shares with a market value equal to the difference between the exercise price of the SARs (the closing price of the underlying shares on the grant date) and the market price of the underlying shares on the date of exercise Vest ratably over a three-year period	Value tied to the appreciation of the value of our Common Stock Balances short-term and long-term decision making

Long-Term Incentive Awards	Time-Based Restricted Stock (or Stock Unit) Awards	Share-based element of incentive compensation. Vest ratably over a three-year period	Time-based vesting blends a short-term award with long-term incentive Rewards longevity
	Performance-Based Restricted Stock (or Stock Unit) Awards	Variable amount of shares paid out to the executive at the end of a three-year performance period Award value based on a percentage of the executive s base salary in the year of grant and achievement of revenue and Plan Adjusted Operating Income performance targets 1/3 of the amount of shares paid out are tied to gross revenue, 2/3 of the shares paid out are tied to Plan Adjusted Operating Income Threshold performance (95% of target performance measures) paid out at 50% of the target pay out, maximum performance (110% of target performance measures) paid out at 200% of target payout	Rewards achievement of long-term performance goals Balances short-term and long-term decision making Maximizes long-term profitability and drives shareholder value

Base Salary

Base salary is designed to provide each of our NEOs with a fixed amount of annual compensation that is competitive with the marketplace. Base salaries for the NEOs are determined for each executive based on his or her position and responsibility, and are further informed by using market data provided to the Committee by Pearl Meyer. During its review of base salaries for executives, the Committee primarily considers:

- the market data provided by Pearl Meyer;
- internal review of the executive s compensation, both individually and relative to other officers; and
- individual performance of the executive.

Salary levels are typically considered annually as part of the Company s performance review process as well as upon a promotion or other change in job responsibility. Merit-based increases to the base salaries of our executive leadership team, other than the President and CEO, are based on the Committee s assessment of the individual s

performance, with input from the President and CEO. Merit increases for the President and CEO are determined by the Committee based upon the Committee s assessment of performance, with input from the Board, and after consultation with Pearl Meyer. The Committee determined that the CEO s base salary would be increased in 2017, and the Committee recommended to the full Board, which approved base salary increases for the remaining NEOs, all as set forth in the table below:

Named Executive Officer	Effective Date 2017	Base Salary Before Increase	Base Salary After Increase	Percentage Increase
Charles E. Sykes	01/01	$ 722,400	$ 740,500	2.5%
James T. Holder	05/26	$ 361,259	$ 370,290	2.5%
David L. Pearson	05/26	$ 331,257	$ 339,538	2.5%

Performance-Based Annual Cash Incentive Compensation

The annual cash incentive component of the total direct compensation paid to our executive leadership team is designed to:

- Reward achievement of pre-determined annual corporate (and sometimes individual) performance goals;
- Reward current performance by basing payment on the achievement of quantifiable performance measures that reflect contributions to the success of our business; and
- Encourage actions by the executives that contribute directly to our operating and financial results.

In fiscal year 2017, the annual cash incentive opportunity for the President and CEO and all other executive officers was determined based solely upon the achievement of pre-determined corporate financial goals.

At the beginning of the year, the Committee set minimum, target and maximum levels for the portion of the cash incentive component of total direct compensation that is determined by reference to corporate financial performance. Threshold performance represents the minimum performance that still warrants incentive recognition for that particular goal, and maximum performance represents the highest level likely to be attained. The Committee s policy is that no annual performance-based cash incentive compensation determined by reference to corporate financial performance is paid to any executive of the Company if our financial results do not exceed the threshold determined for that year.

At the beginning of each year, the Committee also sets the award percentage tied to salary for the President and CEO and recommends an award percentage for each of the

other members of the executive leadership team that they will receive if the performance goals are met. The Committee s goal in setting the target award levels is to create a compensation program such that the potential incentive awards, when combined with each officer s base salary, will provide a fully competitive total cash compensation opportunity, with the portion of compensation at risk (i.e., the target award level) being reflective of the level of that officer s accountability for contributing to the Company s bottom line financial results, and the degree of influence that officer has over results. In setting these percentages, the Committee considers these factors as well as data from the market assessment provided by Pearl Meyer.

For 2017, the Committee met with management and reviewed the Company s operating plan for 2017 to establish the target financial goals of the Company on which the annual performance-based cash incentive compensation awards would be based. Except for Messrs. Zingale and Blanchard, the performance measure selected for the 2017 short-term incentive plan was Plan Adjusted Operating Income, which was the measure utilized in prior years. In the second and third quarters of 2017, management determined that there were unusual actions that should be taken to rationalize capacity in the U.S. market. The decision to act on these initiatives resulted in the Company taking impairment charges approximating a total of $5 million over those two quarters. These actions, while determined by the Board to be in the best interest of the Company, would have resulted in 2017 Plan Adjusted Operating Income falling below the threshold levels, set by the Committee earlier in the year to qualify for the earning by management of any short-term incentive compensation. Although the Committee believes that mid-year adjustments to the calculation of eligibility and/or amount of any short-term incentive compensation should occur only in extraordinary circumstances, the Committee does believe that in such circumstances, adjustments may need to be made to ensure that rewards are aligned with the right business decisions and are not influenced by potential short-term gain or impact on bonuses. Accordingly, in October 2017, the Committee re-evaluated the previously established short term incentive compensation goals in light of the business changes approved by the Board during the second and third quarters of 2017. The Committee, with the assistance of Pearl Meyer, determined that it would not alter the 2017 short-term financial targets themselves, but would adjust the items included and excluded from the calculation of those targets to align the short-term incentive compensation calculation to the Company s non-GAAP reporting of financial results. The Committee recommended to the Board, and the Board agreed to use Adjusted Operating Income instead of Plan Adjusted Operating Income as the method for determining if the 2017 short-term financial targets are met.

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Adjusted Operating Income is the Non-GAAP measure utilized by the Company in reporting operational results, which is then tracked to the financial results on a GAAP basis. The Committee determined that an alignment of the calculation of short-term incentive compensation with the public reporting of operational results provides greater shareholder transparency into the determination of management incentive compensation, and also better aligns such incentive compensation with business

decisions that are in the best interest of the Company. The change also brought achievement of the short-term incentive threshold financial targets within reach for management in 2017, encouraging the implementation of the capacity rationalization goals of the Company. A comparison of Plan Adjusted Operating Income and Adjusted Operating Income is set forth in the chart below.

Plan Adjusted Operating Income = GAAP Operating Income less :	**Adjusted Operating Income = GAAP Operating Income Adjusted for :**
depreciation and amortization related to write ups in connection with acquisitions;	depreciation and amortization related to write ups in connection with acquisitions;
costs to obtain synergies in connection with acquisitions;	costs to obtain synergies in connection with acquisitions;
transaction costs associated with entity acquisitions and dispositions;	transaction and integration costs associated with an acquisition; and
restructuring and impairment charges related to the acquisitions and dispositions referenced in above; and	restructuring costs, costs associated with exit or disposal activities, net gain or loss on sale of facilities, impairment charges and the release of cumulative translation adjustment (CTA) due to liquidation of a legal entity.
any effects (positive or negative) from foreign currency exchange rate fluctuations.	

After consideration of the two options set forth above, the Committee believes that Adjusted Operating Income, as defined, is generally an effective and appropriate measure of the Company s operating performance on an annual basis to use in its evaluation of executive incentive compensation, especially as it completely aligns the calculation of incentive compensation to the reporting of financial results. The short-term incentive performance target for 2017, after the change, was Adjusted Operating Income of $133.3 million. The Company s actual Adjusted Operating Income for 2017 was $117.8 million. This performance result yielded a short- term incentive payout equal to 71% of the targeted payout for each participant.

Based on discussions with management and Pearl Meyer, the Committee determined that the unique responsibilities of Mr. Zingale over EMEA operations, US brick and mortar call center service delivery (US B&M) and communications, technology and international (CTI) major market client accounts, warranted that components of his short-term incentive compensation be based upon pre-determined EMEA and US Adjusted Operating Income goals as well as major market client accounts revenue. Accordingly, the Committee recommended, and the Board approved short-term cash incentive goals for Mr. Zingale of which 40% were based upon Plan Adjusted Operating Income targets, 20% of which were based upon EMEA Adjusted Operating Income targets, 20% which were based upon US B&M Adjusted Operating Income and 20% of which were based upon CTI major market client revenue targets. The 40% of Mr. Zingale s short-term incentive compensation based upon Plan Adjusted Operating Income targets was earned at 88.4% of the goal resulting in a payout of 71.0% of target (as was the case for all the other NEOs). The 20% of Mr. Zingale s short-term incentive compensation based upon EMEA Adjusted Operating Income was earned at 104.4% of the goal resulting in a payout of 111.0% of target. The 20% of Mr. Zingale s short-term incentive compensation based upon US B&M Adjusted Operating Income was earned at 44.4% of the goal resulting in no payout. Finally, the 20% of Mr. Zingale s short-term incentive compensation based upon CTI major market client revenue goals was earned at 86.9% of the goal resulting in a payout of 67.25% of target.

Similarly, based on discussions with management and Pearl Meyer, the Committee determined that the unique responsibilities of Mr. Blanchard for the financial, healthcare and products verticals (FHP), warranted that components of his short-term incentive compensation be based upon pre-determined FHP revenue and U.S. Adjusted Operating Income goals. Accordingly, the Committee recommended, and the Board approved short-term cash incentive goals for Mr. Blanchard of which 40% were based upon Plan Adjusted Operating Income targets, 40% of which were based upon FHP US service delivery

Adjusted Operating Income goals and 20% FHP revenue targets. These three financial targets were achieved at 88.4%, 67.1% and 101.6% respectively, but since Mr.

Blanchard was not employed by the Company at year end, no amounts were paid to him related to goal achievement.

The Company s 2017 annual incentive plan compensation is summarized in the table below:

Named Executive Officer	Salary	Threshold Award Percentage[1]	Target Award Percentage[1]	Maximum Award Percentage[1]	Target Annual Incentive Award	2017 Annual Cash Incentive Award	2017 Award Percentage[1]
Charles E. Sykes	$ 732,845	55%	110%	165%	$806,129	$572,352	78%
John Chapman	$ 426,005	35%	70%	105%	$298,203	$211,724	50%
Lawrence R. Zingale	$ 464,006	35%	70%	105%	$324,804	$208,037	45%
James T. Holder	$ 366,462	25%	50%	75%	$ 183,231	$130,094	35%
David L. Pearson	$ 336,037	25%	50%	75%	$ 168,018	$119,293	35%
Andrew J. Blanchard	$ 292,707[2]	35%	70%	105%	$288,328	[2]	N/A[2]

(1) *As a percentage of the respective NEO s salary.*

(2) *Mr. Blanchard resigned from the Company on August 8, 2017. His salary in 2017 through the date of his departure was $292,707. Mr. Blanchard was not eligible for a cash incentive bonus as he was not employed at year end. Mr. Blanchard received $422,194 in separation pay, $30,011 in COBRA reimbursement, $15,675 in relocation expense allowance and $438,729 as additional separation pay tied to potential bonuses which were contractually committed. The two separation pay amounts are payable in 26 bi-weekly installments following his departure.*

Discretionary Bonuses

The Committee believes that discretionary bonuses should be a rare occurrence because such bonuses do not support our philosophy of aligning the long-term interests of our executive officers with those of our shareholders. Consistent with its usual practices, the Committee did not award any discretionary bonuses to any of the NEOs for 2017 performance.

Performance-Based, Long-Term Equity Incentive Compensation

The performance-based, long-term equity incentive compensation component of total direct compensation for our executive officers is designed to encourage them to focus on long-term Company performance and provides an opportunity for executive officers and certain designated key employees to increase their ownership stake in the Company. The Committee utilizes a combination of time-based restricted stock (or restricted stock units for executives and key employees in foreign countries who would incur unfavorable tax consequences due to local tax laws if they were to receive restricted stock), performance-based restricted stock (or restricted stock units) and time-based SARs. The Committee believes these components of performance-based, long-term equity incentive compensation directly align the interests of its shareholders by requiring achievement of both long-term operating results that are the drivers of long-term value

creation and actual increases in the Company s stock price. For 2017, the grant mix for the NEOs was as follows:

The performance-based restricted stock award is earned based on cumulative performance over a 3-year performance period. The time-based restricted stock award and SARs vest ratably over a 3-year period (i.e., 1/3 of the award vests at the end of the first year of the period, 1/3 vests at the end of the second year of the period and 1/3 vests at the end of the third year of the period).

The Committee s goal in setting target long-term equity incentive award levels is to create a complete compensation program, such that the potential annual cash and long-term equity incentive awards, when combined with each officer s base salary, will provide a fully competitive total compensation opportunity, with a significant portion of at risk compensation. In setting award percentages (which are tied to salary), the Committee considers the level of each executive officer s accountability for contributing to bottom line financial results, and the degree of influence that the executive officer has over results, as well as data from the market assessment provided by Pearl Meyer.

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With respect to the performance-based restricted stock, the Committee meets with management each year to review the proposed operating plan for the upcoming year, and in conjunction with the Board s approval of its operating plan, together with growth goals for the succeeding two years, sets the financial targets for the next three-year performance cycle. The Committee first utilized this method for determining long-term incentive compensation on a three-year performance cycle for the performance cycle beginning January 1, 2005 and has continued utilizing this method for the three-year performance cycles since, including the performance cycle beginning in 2017. For the three year measurement periods beginning in 2015 and 2016, the Committee used Plan Adjusted Operating Income to determine the level of attainment of the financial goals. In October, 2017, when the Committee re-evaluated the calculation methodology of short-term incentive compensation, the Committee also determined that alignment of the calculation of long-term equity incentive compensation with the Company s Non-GAAP financial reporting methodology was also appropriate. Accordingly, in the third quarter of 2017, the Committee recommended, and the Board approved changing the methodology of calculating the attainment of the 2017 2019 long-term incentive performance cycle

from Plan Adjusted Operating Income to Adjusted Operating Income. The measure used in the three-year performance cycles beginning in 2015 and 2016 were not changed, as the Committee determined that the Company was too far into each of those performance cycles and that, as opposed to short-term incentive compensation, a change was not warranted by the capacity rationalization business developments in 2017.

The performance-based restricted stock awards are paid out at 50% of target payout for attaining 95% of the target performance measure (the threshold performance goal) and at 200% of the target payout for attaining 110% of the target performance measure (the maximum performance goal), with straight-line interpolation between threshold and target and between target and maximum. Below is a discussion of the specific design elements of each performance-based restricted stock grant that was either awarded in or has a payout potential in the years covered by this proxy statement. The amount each NEO received as performance-based long-term equity incentive compensation for each of the three-year measurement periods beginning in 2015, 2016 and 2017 is reported in the Stock Awards column of the Summary Compensation table on page 33 of this proxy statement.

2017 - 2019 Performance Cycle

In 2017, the Committee set the 2017 2019 performance cycle LTIP awards as a percentage of the base salary of each NEO as follows:

Named Executive Officer	Performance Stock Award Percentage Target	Restricted Stock Award Percentage	SAR Award Percentage
Charles E. Sykes	200%	80%	120%
John Chapman	100%	40%	60%

Lawrence R. Zingale	100%	40%	60%
James T. Holder	50%	20%	30%
David L. Pearson	50%	20%	30%
Andrew J. Blanchard	100%	40%	60%

The SARs were granted in fiscal 2017, and will have value based on the value of the shares of the Company s common stock over the three-year vesting period for the SARs.

The three-year, cumulative performance measures that will be used by the Committee for calculating award values for performance stock awards granted for the 2017 2019 performance period are:

Performance Measure	**Weighting**	**Threshold Performance**	**Target Performance**	**Maximum Performance**
Plan Adjusted Operating Income	2/3	$ 399,300,000	$ 420,300,000	$ 462,300,000
Revenue	1/3	$ 4,706,600,000	$ 4,954,300,000	$ 5,449,700,000

The 2017 2019 performance cycle LTIP target award values for the performance stock awards, and the number of shares underlying SARs are as follows:

Named Executive Officer	Performance Stock Value at Target	Number of Shares of Performance Stock Awarded at Target	Restricted Stock Value[(1)]	Number of Shares of Restricted Stock Awarded	Number of Shares Underlying SARs[(2)]
Charles E. Sykes	$ 1,444,800	52,461	$ 577,920	20,984	142,813
John Chapman	$ 426,120	15,472	$ 170,448	6,189	42,120
Lawrence R. Zingale	$ 464,216	16,856	$ 185,686	6,742	45,886
James T. Holder	$ 180,630	6,558	$ 72,252	2,623	17,854
David L. Pearson	$ 165,629	6,014	$ 66,251	2,405	16,371
Andrew J. Blanchard	$ 411 ,897	14,956	$ 164,759	5,982	40,714

(1) *The value of the restricted stock award is calculated by multiplying the market price of the Company s common stock on the grant date by the number of shares awarded to the NEO. The grant date value of the restricted stock granted to our NEOs is included in the amount set forth under Stock Awards on the Summary Compensation Table later in this proxy statement. The restricted stock award vests ratably over a three-year period, with 1/3 of the award vesting after fiscal 2017, 1/3 of the award vesting after fiscal 2018 and 1/3 of the award vesting after fiscal 2019.*

(2) *The SARs vest ratably over a three-year period, with 1/3 of the award vesting after fiscal 2017, 1/3 of the award vesting after fiscal 2018, and 1/3 of the award vesting after fiscal 2019. Upon exercise, the NEO is entitled to a payout equal to the value of the SARs in shares of the Company s common stock. The SARs were granted on April 21, 2017 with an exercise price of $29.36. The actual grant date value of the SARs granted to our NEOs is set forth under Option Awards on the Summary Compensation Table later in this proxy statement. The actual number of shares underlying the SARs cannot be determined until such time as the SARs vest and are exercised and the spread between the fair value on the date of exercise and the base price is known.*

2016 - 2018 Performance Cycle

In 2016, the Committee set the 2016 2018 performance cycle LTIP awards as a percentage of the base salary of each NEO as follows:

Named Executive Officer	Performance Stock Award Percentage	Restricted Stock Award Percentage	SAR Award Percentage

	Target		
Charles E. Sykes	200%	80%	120%
John Chapman	75%	30%	45%
Lawrence R. Zingale	100%	40%	60%
James T. Holder	50%	20%	30%
David L. Pearson	50%	20%	30%
Andrew J. Blanchard	100%	40%	60%

The SARs were granted in fiscal 2016, and will have value based on the value of the shares of the Company s common stock over the three-year vesting period for the SARs.

The three-year, cumulative performance measures that will be used by the Committee for calculating award values for performance stock awards granted for the 2016 2018 performance period are:

Performance Measure	Weighting	Threshold Performance	Target Performance	Maximum Performance
Plan Adjusted Operating Income	2/3	$ 377,200,000	$ 397,100,000	$ 436,800,000
Revenue	1/3	$ 4,420,200,000	$ 4,652,800,000	$ 5,118,100,000

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The 2016 2018 performance cycle LTIP target award values for the performance stock awards, and the number of shares underlying SARs are as follows:

Named Executive Officer	Performance Stock Value at Target	Number of Shares of Performance Stock Awarded at Target	Restricted Stock Value(1)	Number of Shares of Restricted Stock Awarded	Number of Shares Underlying SARs(2)
Charles E. Sykes	$ 1,400,000	46,174	$ 560,000	18,469	109,375
John Chapman	$ 301,500	9,944	$ 120,600	3,977	23,554
Lawrence R. Zingale	$ 424,360	13,996	$ 169,744	5,598	33,153
James T. Holder	$ 175,029	5,773	$ 70,011	2,309	13,674
David L. Pearson	$ 160,514	5,294	$ 64,187	2,117	12,538
Andrew J. Blanchard	$ 399,125	13,164	$ 159,650	5,265	31,181

(1) *The value of the restricted stock award is calculated by multiplying the market price of the Company s common stock on the grant date by the number of shares awarded to the NEO. The grant date value of the restricted stock granted to our NEOs is included in the amount set forth under Stock Awards on the Summary Compensation Table later in this proxy statement. The restricted stock award vests ratably over a three-year period, with 1/3 of the award vesting after fiscal 2016, 1/3 of the award vesting after fiscal 2017 and 1/3 of the award vesting after fiscal 2018.*

(2) *The SARs vest ratably over a three-year period, with 1/3 of the award vesting after fiscal 2016, 1/3 of the award vesting after fiscal 2017, and 1/3 of the award vesting after fiscal 2018. Upon exercise, the NEO is entitled to a payout equal to the value of the SARs in shares of the Company s common stock. The SARs were granted on April 04, 2016 with an exercise price of $30.32. The actual grant date value of the SARs granted to our NEOs is set forth under Option Awards on the Summary Compensation Table later in this proxy statement. The actual number of shares underlying the SARs cannot be determined until such time as the SARs vest and are exercised and the spread between the fair value on the date of exercise and the base price is known.*

2015 - 2017 Performance Cycle

The Committee set the 2015 2017 performance cycle LTIP awards as a percentage of the base salary of each NEO as follows:

Named Executive Officer	Performance Stock Award Percentage Target	Restricted Stock Award Percentage	SAR Award Percentage

Charles E. Sykes	200%	80%	120%
John Chapman	75%	30%	45%
Lawrence R. Zingale	100%	40%	60%
James T. Holder	50%	20%	30%
David L. Pearson	50%	20%	30%
Andrew J. Blanchard	100%	40%	60%

The shares of restricted stock and SARs were granted in fiscal 2015, and will have value based on the value of the shares of the Company s common stock over the three-year vesting period for the restricted stock and SARs.

The three-year, cumulative performance measures that were used by the Committee for calculating award values for performance stock awards granted for the 2015 2017 performance period were:

Performance Measure	Weighting	Threshold Performance	Target Performance	Maximum Performance
Plan Adjusted Operating Income	2/3	$ 298,355,000	$ 314,058,000	$ 345,464,000
Revenue	1/3	$ 3,877,383,000	$ 4,081,456,000	$ 4,489,602,000

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The 2015 2017 performance cycle LTIP target award values for the performance stock awards, and the number of shares underlying SARs are as follows:

Named Executive Officer	Performance Stock Value at Target	Number of Shares of Performance Stock Awarded at Target	Restricted Stock Value[(1)]	Number of Shares of Restricted Stock Awarded	Number of Shares Underlying SARs[(2)]
Charles E. Sykes	$ 1,290,000	51,476	$ 516,000	20,590	94,736
John Chapman	$ 273,750	10,924	$ 109,500	4,369	20,104
Lawrence R. Zingale	$ 412,000	16,441	$ 164,800	6,576	30,257
James T. Holder	$ 162,364	6,479	$ 64,946	2,591	11,923
David L. Pearson	$ 152,850	6,100	$ 161,140	2,439	11,224
Andrew J. Blanchard	$ 387,500	15,463	$ 155,000	6,185	28,457

(1) *The value of the restricted stock award is calculated by multiplying the market price of the Company s common stock on the grant data by the number of shares awarded to the NEO. The grant data value of the restricted stock granted to our NEOs is included in the amount set forth under Stock Awards on the Summary Compensation Table later In this proxy statement. The restricted stock award vests ratably over a three-year period, with 1/3 of the award vesting after fiscal 2015, 1/3 of the award vesting after fiscal 2016 and 1/3 of the award vesting after fiscal 2017.*

(2) *The SARs vest ratably over a three-year period, with 1/3 of the award vesting after fiscal 2015, 1/3 of the award vesting after fiscal 2016, and 1/3 of the award vesting after fiscal 2017. Upon exercise, the NEO is entitled to a payout equal to the value of the SARs in shares of the Company s common stock. The SARs were granted on April 3, 2015, with an exercise price of $25.06. The actual grant date value of the SARs granted to our NEOs is set forth under Option Awards on the Summary Compensation Table later in this proxy statement. The actual number of shares underlying the SARs cannot be determined until such time as the SARs vest and are exercised and the spread between the fair value on the date of exercise and the base price is known. Unexercised SARs expire 10 years after the grant date.*

The Company s cumulative revenue for the 2015 2017 performance period was $4.332 billion, which exceeded the threshold performance requirement for a payout under the terms of the award for the 2015 2017 performance period and resulted in an equity payout of 161.5% of the target for this portion of the Long-Term Incentive Plan.

The Company s cumulative Plan Adjusted Operating Income for the 2015 2017 performance period was $340.2 million, and resulted in an equity payout of 183.2%, the target for this portion of the Long-Term Incentive Plan.

The Outstanding Equity Awards At Fiscal Year-End table later in this proxy statement shows the number of shares underlying outstanding SARs granted between 2009 and 2017 and held by each NEO, which have exercise prices between $15.25 and $30.32, based on the market price of the Company s common stock on the grant date.

Executive Deferred Compensation

The Company s non-qualified Deferred Compensation Plan (the Deferred Compensation Plan) was adopted by the Board effective December 17, 1998. It was last amended and restated on August 15, 2017 effective as of January 1, 2018. Participation in the Deferred Compensation Plan is limited to a select group of key management employees and employees who are expected to receive an annualized base salary that exceeds the amount taken into account for purposes of determining highly compensated employees as defined by the Internal Revenue Code. The Deferred Compensation Plan provides participants with the ability to defer between 1% and 80% of their compensation (between 1% and 100% prior to June 30, 2016, the effective date of the first amendment) until the participant s retirement, termination, disability or death, or a change in control of the Company, as defined in the Deferred Compensation Plan. Using the Company s common stock, the Company matches 50% of the amounts deferred by participants on a quarterly basis up to a total of $12,000 per year for the president, chief executive officer and executive vice presidents, $7,500 per year for senior vice

presidents, global vice presidents and vice presidents, and, effective January 1, 2017, $5,000 per year for all other participants (there was no match for other participants prior to January 1, 2017, the effective date of the second amendment).

A participant in the Deferred Compensation Plan forfeits any undistributed matching contributions if the participant is terminated for cause as defined in the Deferred Compensation Plan or the participant enters into a business or employment which the Company s CEO determines to be in violation of any non-compete agreement between the participant and the Company. Matching contributions and the associated earnings vest over a seven-year service period. Participants that terminate their employment (for reasons other than death, disability or retirement) less than seven years after the date they begin making contributions to the Deferred Compensation Plan risk forfeiture of all or a portion of the

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Company s matching contributions and earnings, as outlined below:

Years of Participation in the Deferred Compensation Plan Prior to Termination	Effect of Termination on Matching Contribution and Earnings
Less than 3	Forfeited
3 or more, but less than 5	Forfeits 67%
5 or more, but less than 7	Forfeits 33%
7 or more	Retains 100%

Vesting will be accelerated in the event of the participant s death or disability, retirement (defined as separation from service after age 65) or a change in control of the Company. In the event of a distribution of benefits as a result of a change in control, the Company will increase the benefits by an amount sufficient to offset the income tax obligations created by the distribution of benefits.

Compensation deferred by a participant while participating in the Deferred Compensation Plan is deferred until such participant s retirement, termination, disability or death, or a change in control of the Company, and in such event is paid out to the participant or his beneficiary.

Distributions of a participant s deferred compensation and Company common stock contributed as matching contributions are made (or in the case of an election to receive annual installment distributions, the installments commence) as soon as administratively feasible six months after retirement or termination of employment, unless the participant dies or becomes disabled while still an employee, in which case both distributions are made on the first day of the second month following the death or disability.

A participant also may elect to receive all of a portion of the deferred amounts while still employed by the Company, so long as the distributions do not commence until January 31 of the third year after such election is made.

Under current tax law, a participant does not recognize income with respect to deferred compensation until it is paid to him. Upon payment, the participant will recognize ordinary income in an amount equal to the sum of the cash and the fair market value of the shares of stock received, and the Company will be entitled to a deduction equal to the income recognized by the participant.

Other Elements of the Compensation Program

Stock Ownership Guidelines

The Board has adopted stock ownership guidelines for the NEOs and other members of the senior management team, which vary by position from 150% to 400% of base salary. These guidelines, which allow the executives five (5) years beginning on August 1, 2013 to acquire the required amount of stock, were originally adopted in 2006 and updated in 2013 and again in 2015. The Committee reviews the stock ownership of the Company s executive officers on an annual basis to ensure that the executive officers are aware of where each stands in relation to the established guidelines. For purposes of the guidelines, stock ownership includes fully vested stock options, directly held common stock and fully vested matching shares under the Company s Executive Deferred Compensation Plan. There are no additional stock holding period requirements for shares acquired upon exercise of SARs or upon the vesting of performance-based restricted stock.

Clawback and Anti-Hedging Policies

The Board has not yet adopted a specific clawback policy beyond the requirements already created by various provisions of Sarbanes-Oxley. However, the Board intends to adopt a fully compliant clawback policy as soon as practicable following the issuance of final rules and regulations by the SEC in enacting the requirements of the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act. The Board has adopted an anti-hedging

policy and has included negative discretion language in all equity incentive agreements beginning in 2017 allowing the Compensation Committee of the Board to reduce or eliminate unvested equity grants for executive wrong doing.

Change-in-Control Provisions

We have change-in-control provisions in the employment agreements with Messrs. Sykes, Chapman and Zingale. We also have change-in-control provisions in all of the equity incentive agreements with all of our executives and key employees. The change-in-control provision in the employment agreement with Mr. Sykes is a modified double-trigger arrangement which permits him to terminate his agreement for good reason, the definition of which includes a change-in-control. The change-in-control provisions in the three other employment agreements are double-trigger arrangements, meaning that payments are only made if there is a change-in-control of the Company and the executive officer s employment is terminated without cause, or the executive officer terminates employment for good reason, as such terms are defined in their respective employment agreements. All of our employment agreements with the NEOs, and the other executive officers, contain severance agreements ranging from one to three years of compensation and benefits in the event of termination by the Company other than for cause. These agreements are discussed in greater detail beginning on page 45 under the heading Employment Agreements. We believe that providing these agreements helps increase our ability to attract, retain and motivate highly qualified management personnel and encourage their continued dedication without distraction from concerns over job security relating, among other things, to a change-in-control of the Company.

Perquisites and Other Personal Benefits

The Company provides its NEOs with perquisites and other personal benefits that the Company and the Committee believe are reasonable and consistent with its overall

compensation program to better enable the Company to attract and retain superior employees for key positions. These amounts represent mainly Company matches to the Deferred Compensation Plan, excess group term life insurance premiums and additional compensation paid to the NEOs related to the cost of executive physicals and other health and welfare benefits. The NEOs are also permitted to fly in business class when traveling overseas on business and are permitted to attend sporting events utilizing Company paid tickets that are not otherwise utilized in connection with business development. The Committee periodically reviews the levels of perquisites and other personal benefits provided to NEOs.

Mitigating Compensation Risks

Although the responsibility for oversight of enterprise risk management lies with the full Board, the Committee annually reviews and conducts an assessment of the risks associated with the Company s compensation policies and practices. Based on its assessment conducted in 2015, the Committee determined that the Company s compensation policies and practices are not reasonably likely to have a material adverse effect on the Company. In reaching that conclusion, the Committee evaluated each of the following key elements of the Company s compensation plans and practices for its executive officers:

- Performance and pay horizons are appropriate and not overweight in short-term incentives;
- The relationship between the incremental achievement levels and corresponding payouts in the Company s incentive plans are appropriate and have caps on payouts;
- The incentive plans employ a reasonable mix of performance metrics and are not concentrated on a single metric;

Criteria for payments are closely aligned with our strategic goals and shareholder interests;

Payout curves are reasonable and do not contain steep cliffs that might encourage unreasonable short-term business decisions to achieve payment thresholds; and

Equity compensation plans for executive officers consist of a balanced mix of performance-based restricted stock awards, time-based SARs, and time-based restricted stock awards.

Tax and Accounting Implications

Deductibility of Executive Compensation. As part of its role, the Committee reviews and considers the deductibility of executive compensation under Section 162(m) of the Internal Revenue Code, which provides that the Company may not deduct compensation of more than $1,000,000 per year that is paid to certain individuals. As a result of the Tax Cuts and Jobs Act signed into law on December 22, 2017, the Company believes that compensation paid under its current management incentive plans will not be fully deductible for federal income tax purposes. While the impact of tax reform on deductibility of executive compensation is not expected to be significant in the near term, it is anticipated that in future years a material amount of executive compensation

may be considered non-deductible for tax purposes. Accordingly, the Committee will continue to examine the Company s executive compensation program structure to ensure the proper balance between competitive compensation and deductibility.

Nonqualified Deferred Compensation. The Company believes its agreements containing deferred compensation components comply with the final regulations issued in connection with the American Jobs Creation Act of 2004 and the tax rules applicable to non-qualified deferred compensation arrangements. A more detailed discussion of the Company s nonqualified deferred compensation arrangements is provided on page 40 under the heading Executive Deferred Compensation.

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COMPENSATION COMMITTEE REPORT

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board of Directors has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

THE COMPENSATION COMMITTEE

Paul L. Whiting, Chairman

Lt. Gen. Michael P. DeLong (Ret.)

Carlos E. Evans

William D. Muir, Jr.

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EXECUTIVE COMPENSATION

Summary Compensation Table

The table below summarizes the total compensation paid to, or earned by, each of the named executive officers for the fiscal years ending December 31, 2017, December 31, 2016 and December 31, 2015. The Company has entered into employment agreements with each of the named executive officers which are summarized under the section entitled Employment Agreements below. When setting the total compensation for each of the named executive officers, the Committee considers all of the executive s current compensation, including equity and non-equity based compensation.

The named executive officers did not receive payments which would be characterized as Bonus payments for the fiscal years ended December 31, 2017, December 31, 2016 or December 31, 2015. Amounts listed under column (g), Non-Equity Incentive Plan Compensation were paid in accordance with parameters determined by the Committee on March 14, 2017, March 15, 2016 and March 17, 2015, respectively, and were paid in March 2018, March 2017 and March 2016, respectively.

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)[1]	Option Awards ($)[1]	Non-Equity Incentive Plan Compensation ($)[2]	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)[3]	Total ($)
Charles E. Sykes	2017	732,845		2,022,699	866,880	572,352		45,061	4,239,837
President and Chief	2016	712,927		1,959,976	840,000	599,928		48,554	4,161,385
Executive Officer	2015	682,507		1,805,974	773,993	934,694		46,696	4,243,864
John Chapman	2017	426,005		596,566	255,672	211,724		37,359	1,527,326
Executive Vice President	2016	401,290		422,085	180,895	214,891		36,083	1,255,244
& Chief Financial Officer	2015	377,152		383,242	164,250	328,688		78,830	1,332,162
Lawrence R. Zingale	2017	464,006		649,884	278,529	208,037		42,797	1,643,253
Executive Vice President and	2016	432,198		594,090	254,615	270,583		43,981	1,595,467
General Manager	2015	430,704		576,806	247,200	370,459		41,535	1,666,704

James T. Holder	2017	366,462		252,849	108,376	130,094		43,179	900,960
Executive Vice President,	2016	356,520		245,046	105,016	136,369		36,298	879,249
General Counsel and Corporate Secretary	2015	343,066		227,294	97,411	213,558		34,160	915,489
David L. Pearson	2017	336,037		231,856	99,372	119,293		48,277	834,835
Executive Vice President and	2016	326,914		224,702	96,292	125,044		43,162	816,114
Chief Information Officer	2015	320,983		213,987	91,708	199,812		43,000	869,490
Andrew J. Blanchard[(4)]	2017	292,707		576,630	247,135	438,729		498,431	2,053,632
Executive Vice President and	2016	406,499		558,767	239,470	224,616		33,436	1,462,788
General Manager	2015	405,091		542,499	232,494	370,582		30,879	1,581,545

(1) *The amounts shown in column (e) and (f) represent awards pursuant to long-term incentive bonus programs (restricted stock and stock appreciation rights, respectively) established by the Compensation Committee. The amounts are based on the aggregate grant date fair value of the awards, with the value of the performance-based awards in column (e) based on the probable outcome of the performance conditions as of the grant date, in accordance with FASB ASC Topic 718, Compensation Stock Compensation (formerly FAS 123(R)). See Notes 1 and 24 to the Consolidated Financial Statements included in the Company s Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission on March 1, 2018, for a discussion of the relevant assumptions used in calculating the grant date fair value in accordance with FASB ASC Topic 718. The maximum fair values of the awards made in 2017 at the grant date, assuming achievement of the highest level of performance, are as follows: Mr. Sykes $3,467,475; Mr. Chapman $1,022,668; Mr. Zingale $1,114,095; Mr. Holder $433,471; Mr. Pearson $397,476; and Mr. Blanchard $988,522.*

(2) *The amounts in column (g) reflect the cash awards to the named individuals pursuant to annual performance-based incentive programs established by the Committee and discussed in more detail on page 23 under the heading Performance-Based Annual Cash Incentive Compensation. The amount shown for Mr. Blanchard in 2017 reflects an incentive plan payment negotiated as part of his severance agreement.*

(3) *The amounts shown in column (i) reflect for each named executive officer:*

matching contributions allocated by the Company to each of the named executive officers pursuant to the Executive Deferred Compensation Plan described in more detail on page 29 under the heading Executive Deferred Compensation;

reimbursement for premiums attributable to increased coverage for vision, dental and group medical insurance benefits and the cost of premiums for term life and disability insurance benefits;

the Company s matching contribution to the Sykes Enterprises, Incorporated Employees 401(k) Savings Plan and Trust;

severance payment payable to Mr. Blanchard partially in 2017 and partially in 2018;

allowance for Mr. Blanchard to relocate upon termination of his employment; and

tax gross up to Mr. Blanchard related to his relocation allowance.

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EXECUTIVE COMPENSATION

Name	EDC Matching Contr. ($)	Insurance Premiums ($)	Company Contributions to Retirement and 401(k) Plans ($)	Severance Payments/ Accruals ($)	Relocation Expenses ($)	Tax Reimbursements ($)	Total All Other Compensation ($)
Charles E. Sykes	11,995	27,666	5,400				45,061
John Chapman	11,940	25,419					37,359
Lawrence R. Zingale	11,971	30,826					42,797
James T. Holder	11,944	25,835	5,400				43,179
David L. Pearson	11,940	30,937	5,400				48,277
Andrew J. Blanchard	11,995	14,064	4,492	452,205	11,398	4,277	498,431

(4) *As of August 8, 2017, Mr. Blanchard is no longer employed by the Company*

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Grants of Plan-Based Awards

The following table provides information about equity and non-equity awards granted to the named executives in 2017, including (i) the grant date, (ii) the estimated future payouts under the non-equity incentive plan awards, (iii) the estimated future payouts under equity incentive plan awards, which consist of shares of restricted stock, (iv) all other stock awards, which consist of shares of the Company s stock contributed as matching contributions under the Executive Deferred Compensation Plan, (v) all other option awards, which consist of Stock Appreciation Rights and the base price of those Stock Appreciation Rights, and (vi) the fair value of the equity awards on the date of grant.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1]			Estimated Future Payouts Under Equity Incentive Plan Awards[2]			(i) All Other Stock Awards: Number of Shares of Stock or Units	(j) All Other Option Awards: Number of Securities Underlying Options	(k) Exercise or Base Price of Option Awards	(l) Grant Date Fair Value of Stock and Option Awards
(a) Name	(b) Grant Date	(c) Threshold ($)	(d) Target ($)	(e) Maximum ($)	(f) Threshold (#)	(g) Target (#)	(h) Maximum (#)	(#)[3]	(#)[4]	($/sh)	($)
Charles E. Sykes	03/31										