THERMO FISHER SCIENTIFIC INC.
Form DEF 14A
April 09, 2013
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.   )

Filed by the Registrant þ

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))**
þ Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material Pursuant to §240.14a-12

THERMO FISHER SCIENTIFIC INC.
(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):

þ 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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¨ Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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81 Wyman Street

Waltham, MA 02451

April 9, 2013

Dear Stockholder:

You are cordially invited to attend the 2013 Annual Meeting of Stockholders of Thermo Fisher Scientific Inc., which will be held on Wednesday, May 22, 2013, at 1:00 p.m. (Eastern time) at the Hilton New York, 1335 Avenue of the Americas, New York, New York.

The notice of meeting and proxy statement accompanying this letter describe the specific business to be acted upon at the meeting. The Company s 2012 Annual Report to Stockholders also accompanies this letter.

It is important that your shares of the Company s common stock be represented and voted at the meeting regardless of the number of shares you may hold. Whether or not you plan to attend the meeting in person, you can ensure your shares of the Company s common stock are voted at the meeting by submitting your instructions by telephone, the Internet, or in writing by returning the Company s proxy card (if one has been provided to you). Please review the instructions in the enclosed proxy statement and proxy card regarding each of these voting options.

We are pleased this year to again take advantage of the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their stockholders over the Internet. We believe that this e-proxy process expedites stockholders receipt of proxy materials, while lowering the costs and reducing the environmental impact of our annual meeting. Stockholders receiving e-proxy materials have been sent a notice containing instructions on how to access the proxy statement and annual report over the Internet and how to vote.

Thank you for your continued support of the Company.

Yours very truly,

MARC N. CASPER

President and Chief Executive Officer

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81 Wyman Street

Waltham, MA 02451

NOTICE OF 2013 ANNUAL MEETING OF STOCKHOLDERS

To be held on May 22, 2013

Important Notice Regarding the Availability of Proxy Materials for the

Annual Meeting of Stockholders to be Held on May 22, 2013.

The Proxy Statement and 2012 Annual Report are available at www.proxyvote.com.

April 9, 2013

To the Holders of the Common Stock of

THERMO FISHER SCIENTIFIC INC.

Notice is hereby given that the 2013 Annual Meeting of Stockholders of Thermo Fisher Scientific (Thermo Fisher or the Company) will be held on Wednesday, May 22, 2013, at 1:00 p.m. (Eastern time) at the Hilton New York, 1335 Avenue of the Americas, New York, New York.

The purpose of the meeting is to consider and take action upon the following matters:

1. Election of eight directors for a one-year term expiring in 2014.

2. Approval of an advisory vote on executive compensation.

3. Approval and adoption of the Thermo Fisher Scientific Inc. 2013 Stock Incentive Plan (the 2013 Stock Plan).

4. Approval and adoption of the Thermo Fisher Scientific Inc. 2013 Annual Incentive Award Plan (the 2013 Incentive Plan).

5. Ratification of the Audit Committee s selection of PricewaterhouseCoopers LLP as the Company s independent auditors for 2013.

6. Such other business as may properly be brought before the meeting and any adjournment thereof.

Stockholders of record at the close of business on April 1, 2013, are the only stockholders entitled to notice of and to vote at the 2013 Annual Meeting of Stockholders.

This notice, the proxy statement and the proxy card enclosed herewith are sent to you by order of the Board of Directors of the Company.

By Order of the Board of Directors,

SETH H. HOOGASIAN

Senior Vice President, General Counsel and Secretary

IMPORTANT

Whether or not you intend to attend the meeting in person, please ensure that your shares of the Company s common stock are present and voted at the meeting by submitting your instructions by telephone, the Internet, or in writing by completing, signing, dating and returning the enclosed proxy card to our tabulation agent in the enclosed, self-addressed envelope, which requires no postage if mailed in the United States.

Directions to the Annual Meeting are available by calling Investor Relations at (781) 622-1111.

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81 Wyman Street

Waltham, MA 02451

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS

May 22, 2013

This proxy statement is furnished in connection with the solicitation of proxies by Thermo Fisher Scientific Inc. (Thermo Fisher or the Company) on behalf of the Board of Directors of the Company (the Board) for use at the 2013 Annual Meeting of Stockholders to be held on Wednesday, May 22, 2013, at 1:00 p.m. (Eastern time) at the Hilton New York, 1335 Avenue of the Americas, New York, New York, and any adjournments thereof. The mailing address of the principal executive office of the Company is 81 Wyman Street, Waltham, Massachusetts 02451. This proxy statement and enclosed proxy card are being first furnished to stockholders of the Company on or about April 9, 2013.

Purpose of Annual Meeting

At the 2013 Annual Meeting of Stockholders, stockholders entitled to vote at the meeting will consider and act upon the matters outlined in the notice of meeting accompanying this proxy statement, including the election of eight directors for a one-year term expiring in 2014, an advisory vote on executive compensation, approval of the Company s 2013 Stock Incentive Plan (the 2013 Stock Plan), approval of the Company s 2013 Annual Incentive Award Plan (the 2013 Incentive Plan), and the ratification of the selection of PricewaterhouseCoopers LLP as the Company s independent auditors for 2013.

Voting Securities and Record Date

Only stockholders of record at the close of business on April 1, 2013, the record date for the meeting, are entitled to vote at the meeting or any adjournments thereof. At the close of business on April 1, 2013, the outstanding voting securities of the Company consisted of 358,927,962 shares of the Company s common stock, par value $1.00 per share (Common Stock). Each share of Common Stock outstanding at the close of business on the record date is entitled to one vote on each matter that is voted.

Quorum

The presence at the meeting, in person or by proxy, of a majority of the outstanding shares of Common Stock entitled to vote at the meeting will constitute a quorum for the transaction of business at the meeting. Votes of stockholders of record present at the meeting in person or by proxy, abstentions, and broker non-votes (as defined below) are counted as present or represented at the meeting for the purpose of determining whether a quorum exists. A broker non-vote occurs when a broker or representative does not vote on a particular matter because it either does not have discretionary voting authority on that matter or it does not exercise its discretionary voting authority on that matter.

Manner of Voting

Stockholders of Record

Shares entitled to be voted at the meeting can only be voted if the stockholder of record of such shares is present at the meeting, returns a signed proxy card, or authorizes proxies to vote his or her shares by telephone or over the Internet. Shares represented by valid proxy will be voted in accordance with your instructions. If you choose to vote your shares by telephone or over the Internet, which you may do until 11:59 p.m. Eastern time on Tuesday, May 21, 2013, you should follow the instructions provided on the proxy card. In voting by telephone or over the Internet, you will be allowed to confirm that your instructions have been properly recorded.

A stockholder of record who votes his or her shares by telephone or Internet, or who returns a proxy card, may revoke the proxy at any time before the stockholder s shares are voted at the meeting by entering new votes by telephone or over the Internet by 11:59 p.m. Eastern time on May 21, 2013, by written notice to the Secretary of the Company received prior to the meeting, by executing and returning a later dated proxy card prior to the meeting, or by voting by ballot at the meeting.

Participants in the Thermo Fisher Scientific 401(k) Retirement Plan

If you hold your shares through the Thermo Fisher Scientific 401(k) Retirement Plan (the 401(k) Plan), your proxy represents the number of shares in your 401(k) Plan account as of the record date. For those shares in your 401(k) Plan account, your proxy will serve as voting instructions for the trustee of the 401(k) Plan. You may submit your voting instructions by returning a signed and dated proxy card to the Company s tabulation agent in the enclosed, self-addressed envelope for its receipt by 11:59 p.m. Eastern time on Friday, May 17, 2013, or by telephone or over the Internet by 11:59 p.m. Eastern time on Sunday, May 19, 2013, in accordance with the instructions provided on the proxy card.

You may revoke your instructions by executing and returning a later dated proxy card to the Company s tabulation agent for its receipt by 11:59 p.m. Eastern time on May 17, 2013, or by entering new instructions by telephone or over the Internet by 11:59 p.m. Eastern time on May 19, 2013.

Beneficial Stockholders

If you hold your shares through a broker, bank or other representative (broker or representative), you can only vote your shares in the manner prescribed by the broker or representative. Detailed instructions from your broker or representative will generally be included with your proxy material. These instructions may also include information on whether your shares can be voted by telephone or over the Internet or the manner in which you may revoke your votes. If you choose to vote your shares by telephone or over the Internet, you should follow the instructions provided by the broker or representative.

Voting of Proxies

Shares represented by proxy will be voted in accordance with your specific choices. If you sign and return your proxy card or vote by telephone or over the Internet without indicating specific choices, your shares will be voted FOR the nominees for director, FOR the Company s executive compensation, FOR the approval and adoption of the 2013 Stock Plan, FOR the approval and adoption of the 2013 Incentive Plan, and FOR the ratification of the selection of independent auditors for 2013. Should any other matter be properly presented at the meeting, the persons named in the proxy card will vote on such matter in accordance with their judgment.

If you sign and return your proxy card marked abstain with respect to any of the proposals scheduled to be voted on at the meeting, or choose the same option when voting by telephone or over the Internet, your shares will not be voted affirmatively or negatively on those proposals and will not be counted as votes cast with regard to those proposals.

If you hold your shares as a beneficial owner rather than a stockholder of record, your broker or representative will vote the shares that it holds for you in accordance with your instructions (if timely received) or, in the absence of such instructions, your broker or representative may vote on proposals for which it has discretionary voting authority. The only proposal on which your broker or representative has discretionary voting authority is the proposal to ratify the selection of independent auditors for 2013. If you do not instruct your broker or representative regarding how you would like your shares to be voted with respect to the other proposals scheduled to be voted on at the meeting, your broker or representative will not be able to vote on your behalf with respect to those proposals.

If you hold your shares through the 401(k) Plan, the trustee will vote the shares in your 401(k) Plan account in accordance with your instructions (if timely received) or, in the absence of such instructions, the Company will vote your shares FOR the nominees for director, FOR the Company s executive compensation, FOR the 2013 Stock Plan, FOR the 2013 Incentive Plan, and FOR the ratification of the selection of independent auditors for 2013.

Vote Required for Approval

Election of Directors

Under the Company s bylaws, in an uncontested election, a nominee for director will be required to obtain a majority of the votes cast in person or by proxy at the annual meeting in order to be elected, such that the number of votes cast for a director must exceed the number of votes cast against that director. Abstentions and broker non-votes will not have an effect on the determination of whether a nominee for director has been elected.

Other Matters

Under the Company s bylaws, approval of the proposal to approve and adopt the Company s 2013 Stock Plan (Proposal 3) will require the affirmative vote of a majority of the shares present or represented and entitled to vote at the annual meeting and voting affirmatively or negatively on the matter. Abstentions and broker non-votes will not have an effect on the determination of whether stockholder approval of the matter has been obtained. However, under the listing requirements of the New York Stock Exchange (the NYSE), the proposal to approve the Company s 2013 Stock Plan will also require (a) that a majority of the shares entitled to vote at the annual meeting are voted on the matter (with abstentions counting as votes and broker non-votes not counting as votes) and (b) a majority of the votes cast on the matter are voted in favor of the matter (with abstentions counting as votes cast and broker non-votes not counting as votes cast).

Under the Company s bylaws, the affirmative vote of the holders of a majority of the shares present or represented and entitled to vote at the annual meeting and voting affirmatively or negatively on the matter will be required for: approval of the advisory vote on executive compensation (Proposal 2); approval of the proposal to approve and adopt the Company s 2013 Incentive Plan (Proposal 4); and approval of the ratification of the selection of the independent registered public accounting firm (Proposal 5). Shares which abstain from voting on these proposals and broker non-votes will not be counted as votes in favor of, or with respect to, such proposals and will also not be counted as votes cast. Accordingly, abstentions and broker non-votes will have no effect on the outcome of these proposals.

- PROPOSAL 1 -

ELECTION OF DIRECTORS

In July 2011, the Board of Directors approved amendments to the Company s bylaws to eliminate the Company s classified Board. The amended bylaws provide that the declassification of the Board will not shorten the term of any incumbent director, so that all directors will be up for election annually beginning with the 2014 annual meeting. Each director elected from and after July 12, 2011 is elected to serve a term expiring at the next annual meeting of stockholders following such director s election. In all cases, directors hold office until their successors have been elected and qualified, or until their earlier resignation, death or removal.

The number of directors constituting the full Board is fixed at eleven. The terms for C. Martin Harris, Judy C. Lewent, Jim P. Manzi, Lars R. Sørensen, Elaine S. Ullian, Marc N. Casper, Nelson J. Chai and Tyler Jacks expire at the 2013 Annual Meeting of Stockholders. The Nominating and Corporate Governance Committee of the Board has recommended to the Board, and the Board has nominated, Mses. Lewent and Ullian, Drs. Harris and Jacks, and Messrs. Manzi, Sørensen, Casper and Chai for a one-year term expiring at the 2014 Annual Meeting of Stockholders. Proxies may not be voted for a greater number of persons than the eight nominees named.

Nominees and Incumbent Directors

Set forth below are the names of the persons nominated as directors and directors whose terms do not expire this year and who will be continuing as directors after the 2013 Annual Meeting, their ages, their offices in the Company, if any, their principal occupations or employment for the past five years, the length of their tenure as directors and the names of other public companies in which they currently hold directorships or have held directorships during the past five years. We have also presented information below regarding each director s specific experience, qualifications, attributes and skills that led our Board to the conclusion that he or she should serve as a director. Information regarding their beneficial ownership of Common Stock is reported under the heading SECURITY OWNERSHIP.

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Nominees for Director Whose Term of Office Will Expire in 2014

Marc N. Casper

Mr. Casper, age 45, has been a director of the Company since October 2009. He has been President and Chief Executive Officer of the Company since October 2009. He served as the Company s Chief Operating Officer from May 2008 to October 2009 and was Executive Vice President from November 2006 to October 2009. Prior to being named Executive Vice President, he was Senior Vice President from December 2003 to November 2006. Prior to joining the Company, Mr. Casper served as president, chief executive officer and a director of Kendro Laboratory Products. Mr. Casper is also a director of Zimmer Holdings, Inc. and within the last five years was a director of The Advisory Board Company. We believe that Mr. Casper is well suited to serve on our Board due to his position as Chief Executive Officer of the Company as well as his 16 years in the life sciences/healthcare equipment industry.

Nelson J. Chai

Mr. Chai, age 47, has been a director of the Company since December 2010. He is President of CIT Group Inc., a bank holding company that provides lending, advisory and leasing services to small and middle market businesses. He joined CIT Group in June 2010 as Executive Vice President, Chief Administrative Officer and head of strategy, and was appointed to his current position in August 2011. Previously, he was President, Asia-Pacific for Bank of America Corporation beginning in December 2008, and Executive Vice President and Chief Financial Officer of Merrill Lynch & Co., a financial services firm, from December 2007 to December 2008. Prior to that Mr. Chai was Executive Vice President and Chief Financial Officer of NYSE Euronext, a stock exchange group, from March 2006 to December 2007, and Chief Financial Officer of Archipelago Holdings, L.L.C., an electronic stock exchange, from June 2000 to March 2006. We believe that Mr. Chai is well suited to serve on our Board due to his many years of experience in finance and accounting.

C. Martin Harris

Dr. Harris, age 56, has been a director of the Company since March 2012. Since 2009, Dr. Harris has been the Chief Strategy Officer of The Cleveland Clinic Foundation, a multi-specialty academic medical center, and since 1996, he has been the Chief Information Officer and Chairman of the Information Technology Division of and a Staff Physician for The Cleveland Clinic Hospital and The Cleveland Clinic Foundation Department of General Internal Medicine. Additionally, since 2000, he has been Executive Director of e-Cleveland Clinic, a series of e-health clinical programs offered over the internet. Dr. Harris is also a director of HealthStream Inc. and Invacare Corporation. We believe that Dr. Harris is well suited to serve on our Board due to his experience in the healthcare industry as a physician and leader of healthcare organizations and also his expertise in the use of information technology in the healthcare industry.

Tyler Jacks

Dr. Jacks, age 52, has been a director of the Company since May 2009. He is the David H. Koch Professor of Biology at the Massachusetts Institute of Technology (MIT) and director of the David H. Koch Institute for Integrative Cancer Research. He joined the MIT faculty in 1992 and was director of its Center for Cancer Research from 2001 to 2008. Since 2002, Dr. Jacks has been an investigator with the Howard Hughes Medical Institute. Dr. Jacks is also a director of Amgen Inc. We believe that Dr. Jacks is well suited to serve on our Board due to his experience as a cancer researcher and member of multiple scientific advisory boards in biotechnology companies, pharmaceutical companies and academic institutions.

Judy C. Lewent

Ms. Lewent, age 64, has been a director of the Company since May 2008. She was Chief Financial Officer of Merck & Co., Inc., a global pharmaceutical company, from 1990 until her retirement in 2007. She was also Executive Vice President of Merck from February 2001 through her retirement and had additional responsibilities as President, Human Health Asia from January 2003 until July 2005, when she assumed strategic planning responsibilities for Merck. Ms. Lewent is also a director of Motorola Solutions, Inc. and GlaxoSmithKline plc, and within the last five years was a director of Dell, Inc. and Motorola, Inc. We believe that Ms. Lewent is well suited to serve on our Board due to her many years of global experience in finance and the pharmaceutical industry.

Jim P. Manzi

Mr. Manzi, age 61, has been a director of the Company since May 2000 and Chairman of the Board since May 2007. He was also Chairman of the Board from January 2004 to November 2006. He has been the Chairman of Stonegate Capital, a firm he formed to manage private equity investment activities in technology startup ventures, primarily related to the internet, since 1995. From 1984 until 1995, he served as the Chairman, President and Chief Executive Officer of Lotus Development Corporation, a software manufacturer that was acquired by IBM Corporation in 1995. We believe that Mr. Manzi is well suited to serve on our Board due to his senior management experience leading Lotus and overall business acumen.

Lars R. Sørensen

Mr. Sørensen, age 58, has been a director of the Company since July 2011. He has been President and Chief Executive Officer of Novo Nordisk A/S, a global healthcare company with a leading position in diabetes care, since November 2000. He has held various senior management roles at Novo Nordisk since joining the company in 1982. Mr. Sørensen also currently serves as a member of the supervisory board of Bertelsmann AG, a worldwide media company based in Germany, and is a director of Danmarks Nationalbank, Denmark (the national bank of Denmark). Within the last five years, he was a director of ZymoGenetics Inc. and Dong Energy A/S. We believe that Mr. Sørensen is well suited to serve on our Board due to his experience as Chief Executive Officer of a global healthcare company.

Elaine S. Ullian

Ms. Ullian, age 65, has been a director of the Company since July 2001. She was the President and Chief Executive Officer of Boston Medical Center, a 550-bed academic medical center affiliated with Boston University, from July 1996 to her retirement in January 2010. Ms. Ullian is also a director of Vertex Pharmaceuticals, Inc. and Hologic Inc., and within the last five years was a director of Valeant Pharmaceuticals International. We believe that Ms. Ullian is well suited to serve on our Board due to her experience as Chief Executive Officer of Boston Medical Center, a healthcare provider similar to many of the Company s customers.

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Incumbent Directors Whose Term of Office Will Expire in 2014

Thomas J. Lynch

Mr. Lynch, age 58, has been a director of the Company since May 2009. He is Chairman and Chief Executive Officer of TE Connectivity Ltd. (formerly Tyco Electronics Ltd.), a global provider of engineered electronic components, network solutions, undersea telecommunication systems and specialty products. He joined Tyco International in 2004 as President of Tyco Engineered Products and Services and was appointed Chief Executive Officer in January 2006, when Tyco Electronics was formed and later became an independent, separately traded entity. Mr. Lynch is also a director of TE Connectivity Ltd., and in January 2013 was elected Chairman of the Board. We believe that Mr. Lynch is well suited to serve on our Board due to his experience as Chief Executive Officer of a comparably-sized global company.

William G. Parrett

Mr. Parrett, age 67, has been a director of the Company since June 2008. Until his retirement in November 2007, he served as Chief Executive Officer of Deloitte Touche Tohmatsu, a global accounting firm. Mr. Parrett joined Deloitte in 1967, and served in a series of roles of increasing responsibility. Mr. Parrett serves as a director of the Blackstone Group LP, Eastman Kodak Company and UBS AG, and is chairman of their Audit Committees. We believe that Mr. Parrett is well suited to serve on our Board due to his experience as Chief Executive Officer of Deloitte Touche Tohmatsu, which demonstrates his leadership capability and extensive knowledge of complex financial and operational issues.

Scott M. Sperling

Mr. Sperling, age 55, has been a director of the Company since November 2006. Prior to the merger of Thermo Electron Corporation and Fisher Scientific International Inc., he was a director of Fisher Scientific from January 1998 to November 2006. He has been employed by Thomas H. Lee Partners, L.P., a leveraged buyout firm, and its predecessor, Thomas H. Lee Company, since 1994. Mr. Sperling currently serves as Co-President of Thomas H. Lee Partners, L.P. Mr. Sperling is also a director of CC Media Holdings, Inc., and within the last five years was a director of Warner Music Group Corp. and Vertis, Inc. We believe that Mr. Sperling is well suited to serve on our Board due to his experience in acquisitions and finance.

The Board of Directors recommends a vote FOR the nominees for director. Proxies solicited by the Board of Directors will be voted FOR the nominees unless stockholders specify to the contrary on their proxy.

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CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS

The Board has adopted governance principles and guidelines of the Company (*Corporate Governance Guidelines*) to assist the Board in exercising its duties and to best serve the interests of the Company and its stockholders. In addition, the Company has adopted a code of business conduct and ethics (*Code of Business Conduct and Ethics*) that encompasses the requirements of the rules and regulations of the Securities and Exchange Commission (SEC) for a code of ethics applicable to principal executive officers, principal financial officers, principal accounting officers or controllers, or persons performing similar functions. The *Code of Business Conduct and Ethics* applies to all of the Company s officers, directors and employees. The Company intends to satisfy SEC and New York Stock Exchange (NYSE) disclosure requirements regarding amendments to, or waivers of, the *Code of Business Conduct and Ethics* by posting such information on the Company s website. The Company s *Corporate Governance Guidelines* and *Code of Business Conduct and Ethics* are available on its website at www.thermofisher.com. We may also use our website to make certain disclosures required by the rules of the NYSE, including the following:

- the identity of the presiding director at meetings of non-management or independent directors;
- the method for interested parties to communicate directly with the presiding director or with non-management or independent directors as a group;
- the identity of any member of the issuer s audit committee who also serves on the audit committees of more than three public companies and a determination by the Board that such simultaneous service will not impair the ability of such member to effectively serve on the Company s audit committee; and
- contributions by the Company to a tax exempt organization in which any non-management or independent director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year exceeded the greater of $1 million or 2% of such tax exempt organization s consolidated gross revenues.

Director Nomination Process

The Nominating and Corporate Governance Committee considers recommendations for director nominees suggested by its members, other directors, management and other interested parties. It will consider stockholder recommendations for director nominees that are sent to the Nominating and Corporate Governance Committee to the attention of the Company s Secretary at the principal executive office of the Company. In addition, the bylaws of the Company set forth the process for stockholders to nominate directors for election at an annual meeting of stockholders.

The process for evaluating prospective nominees for director, including candidates recommended by stockholders, includes meetings from time to time to evaluate biographical information and background material relating to prospective nominees, interviews of selected candidates by members of the Nominating and Corporate Governance Committee and other members of the Board, and application of the Company s general criteria for director nominees set forth in the Company s *Corporate Governance Guidelines*. These criteria include the prospective nominee s integrity, business acumen, age, experience, commitment, and diligence. Our Corporate Governance Guidelines specify that the value of diversity on the Board should be considered by the Nominating and Corporate Governance Committee in the director identification and nomination process. The Nominating and Corporate Governance Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees. The Committee believes that the backgrounds and qualifications of the directors considered as a group should provide a significant breadth of experience, knowledge and abilities to assist the Board in fulfilling its responsibilities. The Nominating and Corporate Governance Committee also considers such other relevant factors as it deems appropriate, including the current composition of the Board, the balance of management and independent directors, and, with respect to members of the Audit Committee, financial expertise.

After completing its evaluation, the Nominating and Corporate Governance Committee makes a recommendation to the full Board as to the persons who should be nominated by the Board, and the Board determines the nominees after considering the recommendation and report of the Nominating and Corporate Governance Committee.

Since 2008, the Nominating and Corporate Governance Committee has engaged Egon Zehnder International, a search firm, to facilitate the identification, screening and evaluation of qualified, independent candidates for director to serve on the Board. Dr. Harris and Messrs. Sørensen, Chai and Lynch, who were elected to the Board in 2012, 2011, 2010 and 2009, respectively, were recommended to the Board by Egon Zehnder.

Director Independence

The Company s *Corporate Governance Guidelines* require a majority of our Board to be independent within the meaning of the NYSE listing requirements including, in the judgment of the Board, the requirement that such directors have no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). The Board has adopted the following standards to assist it in determining whether a director has a material relationship with the Company, which can be found in the Company s *Corporate Governance Guidelines,* on the Company s website at www.thermofisher.com. Under these standards, a director will not be considered to have a material relationship with the Company if he or she is not:

A director who is (or was within the last three years) an employee, or whose immediate family member is (or was within the last three years) an executive officer, of the Company;

A director who is a current employee or greater than 10% equity owner, or whose immediate family member is a current executive officer or greater than 10% equity owner, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million, or 2% of such other company s consolidated gross revenues;

A director who has received, or whose immediate family member has received, during any twelve-month period within the last three years, more than $120,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);

(A) A director who is, or whose immediate family member is, a current partner of a firm that is the Company s internal or external auditor; (B) a director who is a current employee of a firm that is the Company s internal or external auditor; (C) a director whose immediate family member is a current employee of a firm that is the Company s internal or external auditor and personally works on the Company s audit; or (D) a director who was, or whose immediate family member was, within the last three years (but is no longer) a partner or employee of a firm that is the Company s internal or external auditor and personally worked on the Company s audit within that time;

A director who is (or was within the last three years), or whose immediate family member is (or was within the last three years), an executive officer of another company where any of the Company s current executive officers at the same time serve or served on the other company s compensation committee;

A director who is (or was within the last three years) an executive officer or greater than 10% equity owner of another company that is indebted to the Company, or to which the Company is indebted, in an amount that exceeds one percent (1%) of the total consolidated assets of the other company; and

A director who is a current executive officer of a tax exempt organization that, within the last three years, received discretionary contributions from the Company in an amount that, in any single fiscal year, exceeded the greater of $1 million or 2% of such tax exempt organization s consolidated gross revenues. (Any automatic matching by the Company of employee charitable contributions will not be included in the amount of the Company s contributions for this purpose.)

Ownership of a significant amount of the Company s stock, by itself, does not constitute a material relationship. For relationships or amounts not covered by these standards, the determination of whether a material relationship exists shall be made by the other members of the Board who are independent (as defined above).

The Board has determined that each of Mses. Lewent and Ullian, Messrs. Chai, Lynch, Manzi, Parrett, Sørensen and Sperling, and Drs. Harris and Jacks is independent in accordance with the Company s *Corporate Governance Guidelines* and Section 303A.02 of the listing standards of the NYSE. The Board had also determined that Peter J. Manning and Michael E. Porter, both of whom served as directors in 2012, were independent in accordance with these tests. Each of Mses. Lewent and Ullian, Messrs. Chai, Lynch, Manzi, Parrett, Sørensen and Sperling, and Dr. Harris has no relationship with the Company, other than any relationship that is categorically not material under the guidelines shown above and other than compensation for services as a director as disclosed in this proxy statement under DIRECTOR COMPENSATION.

In determining the independence of the Company s directors, the Board considered that in 2012 the Company sold products, in the ordinary course of business, to: (i) the Massachusetts Institute of Technology (MIT), where Dr. Jacks is a professor and the director of the David H. Koch Institute for Integrative Cancer Research, and the Howard Hughes Medical Institute (HHMI), where Dr. Jacks is an employee and investigator; (ii) TE Connectivity, where Mr. Lynch is Chairman and CEO; (iii) Novo Nordisk, where Mr. Sorensen is CEO; and (iv) The Cleveland Clinic, where Dr. Harris is an officer.

With respect to MIT, TE Connectivity, Novo Nordisk and The Cleveland Clinic, the amount of the sales to each entity in 2012 were less than 0.13% of the 2012 revenues of such other entity and less than 0.11% of Thermo Fisher s 2012 revenues. With respect to HHMI, which is a nonprofit medical research organization, the amount of these sales in 2012 was less than 0.01% of HHMI s endowment, and less than 0.02% of Thermo Fisher s revenues.

Board of Directors Meetings and Committees

The Board met seven times during 2012. During 2012, each of our directors attended at least 75% of the total number of meetings of the Board and the committees of which such director was a member. The Board has a standing Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee, as well as Strategy and Finance, and Science and Technology Committees. The Company encourages, but does not require, the members of its Board to attend the annual meeting of stockholders. Last year, nine of our directors attended the 2012 Annual Meeting of Stockholders.

Audit Committee

The Audit Committee is responsible for assisting the Board in its oversight of the integrity of the Company s financial statements, the Company s compliance with legal and regulatory requirements, the independent auditor s qualifications and independence, and the performance of the Company s internal audit function and independent auditors. Certain responsibilities of our Audit Committee and its activities during fiscal 2012 are described with more specificity in the Report of the Audit Committee in this proxy statement under the heading REPORT OF THE AUDIT COMMITTEE. The charter of the Audit Committee is available on the Company s website at www.thermofisher.com.

The current members of our Audit Committee are Messrs. Parrett (Chairman), Chai, and Sørensen. Peter J. Manning served on our Audit Committee through May 22, 2012. The Board has determined that each of the members of the Audit Committee is independent within the meaning of SEC rules and regulations, the listing standards of the NYSE, and the Company s *Corporate Governance Guidelines*, and that each is financially literate as is required by the listing standards of the NYSE. The Board has also determined that each of Messrs. Parrett and Chai qualifies as an audit committee financial expert within the meaning of SEC rules and regulations, and that they each have accounting and related financial management expertise as is required by the listing standards of the NYSE. The Board has determined that Mr. Parrett s membership on four audit committees does not impair his ability to effectively serve on the Company s Audit Committee. The Audit Committee met 12 times during 2012.

Compensation Committee

The Compensation Committee is responsible for reviewing and approving compensation matters with respect to the Company s chief executive officer and its other officers, reviewing and recommending to the Board management succession plans, and administering equity-based plans. Certain responsibilities of our Compensation Committee and its activities during 2012 are described in this proxy statement under the heading Compensation Discussion and Analysis. The Compensation Committee also periodically reviews our director compensation, and makes recommendations on this topic to the Board as it deems appropriate, as described under the heading DIRECTOR COMPENSATION. The charter of the Compensation Committee is available on the Company s website at www.thermofisher.com.

The current members of our Compensation Committee are Messrs. Sperling (Chairman) and Lynch and Ms. Ullian. The Board has determined that each of the members of the Compensation Committee is independent within the meaning of the listing standards of the NYSE and the Company s *Corporate Governance Guidelines*. The Compensation Committee met seven times during 2012.

Role of Consultant

The Compensation Committee has sole authority to retain and terminate a compensation consultant to assist in the evaluation of CEO or senior executive compensation. Since October 2007, the Committee has retained Pearl Meyer & Partners (Pearl Meyer) as its independent compensation consultant. Pearl Meyer does not provide any other services to the Company and the Compensation Committee has determined, based on its assessment of the relevant factors set forth in the applicable SEC rules, that Pearl Meyer s work for the Compensation Committee does not raise any conflict of interest.

The consultant compiles information regarding the components and mix (short-term/long-term; fixed/variable; cash/equity) of the executive compensation programs of the Company and its peer group (see page 17 of this proxy statement for further detail regarding the peer group), analyzes the relative performance of the Company and the peer groups with respect to the financial metrics used in the programs, and provides advice to the Compensation Committee regarding the Company s programs. The consultant also provides information regarding emerging trends and best practices in executive compensation.

The consultant retained by the Compensation Committee reports to the Compensation Committee Chair and has direct access to Committee members. The consultant periodically meets with members of the Committee either in person or by telephone.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for identifying persons qualified to serve as members of the Board, recommending to the Board persons to be nominated by the Board for election as directors at the annual meeting of stockholders and persons to be elected by the Board to fill any vacancies, and recommending to the Board the directors to be appointed to each of its committees. In addition, the Nominating and Corporate Governance Committee is responsible for developing and recommending to the Board a set of corporate governance guidelines applicable to the Company (as well as reviewing and reassessing the adequacy of such guidelines as it deems appropriate from time to time) and overseeing the annual self-evaluation of the Board. The charter of the Nominating and Corporate Governance Committee is available on the Company s website at www.thermofisher.com.

The current members of our Nominating and Corporate Governance Committee are Messrs. Lynch (Chairman), Chai and Sperling, and Dr. Harris. Michael E. Porter served on our Nominating and Corporate Governance Committee through May 22, 2012. The Board has determined that each of the members of the Nominating and Corporate Governance Committee is independent within the meaning of the listing standards of the NYSE and the Company s *Corporate Governance Guidelines*. The Nominating and Corporate Governance Committee met six times during 2012.

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Board Leadership Structure

We separate the roles of Chief Executive Officer and Chairman of the Board in recognition of the differences between the two roles. The CEO is responsible for setting the strategic direction for the Company and the day-to-day leadership and performance of the Company, while the Chairman of the Board provides guidance to the CEO and sets the agenda for Board meetings and presides over meetings of the Board.

Our Board s Role in Risk Oversight

Our Board oversees our risk management processes directly and through its committees. Our management is responsible for risk management on a day-to-day basis. The role of our Board and its committees is to oversee the risk management activities of management. Risk assessment reports are periodically provided by management to the Board. The Audit Committee assists the board in fulfilling its oversight responsibilities with respect to risk management in the areas of financial reporting, internal controls and compliance with legal and regulatory requirements, and, in accordance with NYSE requirements, discusses policies with respect to risk assessment and risk management, including guidelines and policies to govern the process by which the Company s exposure to risk is handled. The Compensation Committee assists the Board in fulfilling its oversight responsibilities with respect to the management of risks arising from our compensation policies and programs. The Nominating and Corporate Governance Committee assists the Board in fulfilling its oversight responsibilities with respect to the management of risks associated with board organization, membership and structure, succession planning for our directors, and corporate governance.

Executive Sessions

In accordance with the listing standards of the NYSE and the Company s *Corporate Governance Guidelines*, independent directors meet at least twice a year in an executive session without management and at such other times as may be requested by any independent director. Jim P. Manzi, as the Chairman of the Board, presides at the meetings of the Company s independent directors held in executive session without management.

Communications from Stockholders and Other Interested Parties

The Board has established a process for stockholders and other interested parties to send communications to the Board or any individual director or groups of directors, including the Chairman of the Board and the independent directors. Stockholders and other interested parties who desire to send communications to the Board or any individual director or groups of directors should write to the Board or such individual director or group of directors care of the Company s Corporate Secretary, Thermo Fisher Scientific Inc., 81 Wyman Street, Waltham, Massachusetts 02451. The Corporate Secretary will relay all such communications to the Board, or individual director or group of directors, as the case may be.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Compensation Committee oversees our compensation program for executive officers. In this role, the Compensation Committee reviews and approves annually all compensation decisions relating to our named executive officers. Our named executive officers for the year ended December 31, 2012 are Marc N. Casper, President and Chief Executive Officer, Peter M. Wilver, Senior Vice President and Chief Financial Officer, Alan J. Malus, Executive Vice President, Edward A. Pesicka, Senior Vice President and Thomas W. Loewald, Senior Vice President.

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Executive Summary of Key Elements of Officer Compensation for 2012

Pay for Performance

Our executive compensation program ties a substantial portion of each executive s overall compensation to the achievement of key strategic, financial and operational goals and uses a portfolio of equity awards to help align the interests of our executives with those of our stockholders. Key financial metrics include organic revenue growth, adjusted operating income margin, and adjusted earnings per share. Each of these metrics directly drove payouts to our named executive officers in incentive programs used in 2012.

Consistent with this approach, the compensation of our named executive officers for 2012 featured:

cash payouts under our annual cash incentive bonus program that ranged between 125% and 130% of target, reflective of the strong operating performance of the Company, in particular organic revenue growth, and

equity grants for our named executive officers that consisted of a mixture of performance-based restricted stock units and time-based restricted stock units.

These equity grants in 2012 complemented a portfolio of previously granted equity awards, including performance-based restricted stock units granted in 2009 to Mr. Casper and in 2010 to Messrs. Wilver, Malus, Pesicka and Loewald which incorporate three-year to over five-year performance periods, based on the Company s total shareholder return as compared to the S&P 500 Industrials Index. Our executive compensation program also incorporates a number of other key features that are designed to align the interests of our named executive officers with that of our stockholders, including:

a compensation package more heavily weighted toward long-term equity-based incentive compensation than salary and annual cash incentives in order to emphasize the focus on the Company s long-term performance,

stock ownership guidelines, in order to encourage officers to focus on the Company s long-term performance and discourage unreasonable risk-taking,

a policy not to extend tax gross-ups in compensation arrangements,

double-trigger provisions in all of our executives change in control agreements, and

limited perquisites, none of which are subject to a tax gross-up.

The following comparison illustrates the pronounced weighting toward long-term equity securities. Specifically, cash compensation comprised just 26% of the total, in the aggregate, versus the selected compensation peer group aggregate of 32%, while long-term equity incentives made up 74% in the aggregate, versus the peer group aggregate of 68%.

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At our 2012 Annual Meeting, our stockholders overwhelmingly approved our say-on-pay vote, with a 96% favorable advisory vote. The Committee believes that the support received from our stockholders at the 2012 Annual Meeting served to validate the overall philosophy and design of the Company s executive compensation program. In making compensation decisions after the 2012 Annual Meeting, the Committee has remained consistent with this overall philosophy and design.

Objectives and Philosophy of Our Executive Compensation Program

The primary objectives of our executive compensation program are to:

attract and retain the best possible executive talent

promote the achievement of key strategic and financial performance measures by linking annual cash incentives to the achievement of corporate performance goals

motivate the Company s officers to create long-term value for the Company s stockholders and achieve other business objectives of the Company

require stock ownership by the Company s officers in order to align their financial interests with the long-term interests of the Company s stockholders.

To achieve these objectives, the Compensation Committee evaluates our officers compensation program with the goal of setting compensation at levels the Committee believes are competitive with those of other peer companies that compete with us for executive talent. In addition, our executive compensation program ties a substantial portion of each executive s overall cash compensation to key strategic, financial and operational goals such as organic revenue growth, adjusted operating margin expansion, and new product introductions. While the selection of long-term incentive vehicles varies year to year, we provide a portion of our executive compensation in the form of stock options, performance-based restricted stock unit grants, and/or time-based restricted stock unit grants. The Committee believes frequent reviews of the compensation levels of our named executive officers help us retain our executives and ensures their interests remain aligned with those of our stockholders by allowing them to participate in both the shorter term success of the Company as reflected in organic revenue growth and growth in adjusted earnings per share from one year to the next, as well as the longer term success of the Company as reflected in stock price appreciation. Our compensation package is highly performance-based, with the largest portion consistently denominated in equity.

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Strategic Pay Positioning

Overall positioning of pay for named executive officers as a group is targeted to be within 10% of the sum of the median for the CEO and the 65th percentile for the other named executive officers for total direct compensation (salary, target annual incentives and long-term incentives). In 2012, the Compensation Committee considered the additional impact of retirement income and perquisites (with peer company practices collected and presented to the Committee by Pearl Meyer & Partners (Pearl Meyer) in late 2012), and in 2013 will target to be, as a group, within 10% of the sum of the median for the CEO and the 60th percentile for the other named executive officers for total compensation (total direct compensation, change in pension value and nonqualified deferred compensation earnings, and all other compensation).

Generally, the goal is to achieve this through positioning of each major element of pay independently. Base salaries, for example, as the only fixed component of pay, are targeted to fall within 10% of median competitive levels, in the aggregate. Annual incentives are targeted to provide the opportunity for a 65th percentile payment for the achievement of preset internal goals, as well as an opportunity for top quartile actual payouts for strong performance, and actual payouts below median levels for performance below the preset goals.

The objective of our long term incentive program is to develop strong executive retention through opportunities tied to appreciation of the Company s stock price over time. Superior returns to stockholders will result in significant opportunities to increase the value of executives overall equity value, while returns that fall short will significantly diminish that overall value. As such, opportunities are targeted to approximate the 75th percentile, in the aggregate.

Individual decisions may result in positioning outside of these specified ranges, particularly where the measured market reflects little differentiation between the 25th, median and 75th percentiles. Individual components may also be highly differentiated based on key requirements of a specific role, success in past roles within or outside the Company or, within our pay for performance culture, demonstrated success in an executive officer s current role. Position tenure also plays an important role in the positioning of individual pay levels.

Consistent with the aforementioned pay-for-performance influence, the Compensation Committee reviews each component of pay individually and collectively, to ensure that the compensation programs work in a unified manner to motivate and retain key executive talent.

The Compensation Committee uses market surveys and analyses prepared by outside consulting firms to stay informed of developments in the design of compensation packages generally and to benchmark our officer compensation program against those of companies with whom we compete for executive talent to ensure our compensation program is in line with current marketplace standards.

The Compensation Committee initially targets compensation for our executive officers as a group, in the aggregate, and then considers the allocation among each officer individually. The principal reference for external comparison is to proxy-named executive officers of business competitors in the Company s markets and industrial companies comparable to the Company in terms of annual revenues and market capitalization.

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The chart below compares the components of our compensation package to the targeted strategic pay positioning as described above, for each component of pay as computed by Pearl Meyer.

For 2012, aggregate base salaries for the named executive officers as a group were 98% of median competitive levels, as measured by Pearl Meyer. The aggregate target bonus opportunity was 93% of the 65^{th} percentile competitive opportunity. Combining these components provided an aggregate target total cash opportunity of 96% of the combined competitive positions. Aggregate long-term incentives approximated the 75^{th} percentile competitive level. Combining the target total cash with long term incentives provided aggregate total direct compensation of 113% of the targeted level as a group (i.e., within 10% of the sum of the median for the CEO and the 65^{th} percentile for the other named executive officers), or 3% above the targeted level.

Typically, during the first calendar quarter of each year, the chief executive officer makes a recommendation to the Compensation Committee with respect to annual salary increases and bonuses, and annual equity awards, if any, for executive officers other than himself, which is then reviewed by the Compensation Committee. The Compensation Committee annually reviews the individual performance evaluations for the named executive officers, and, usually in late February or early March, determines their compensation changes and awards after receiving input from other independent directors of the Board. As part of this process, the Compensation Committee also reviews, with respect to each named executive officer, the current value of prior equity grants, the balances in deferred compensation accounts, and the amount of compensation the executive officer would receive if he left the Company under a variety of circumstances.

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Components of Our Executive Compensation Program

The primary elements of our executive compensation program are:

Element	Form	Primary Purpose	Performance Criteria
Base salary	Cash	Provide competitive, fixed compensation to attract and retain the best possible executive talent	Achievement of Company and individual goals
Annual cash incentive bonuses	Cash	Align executive compensation with our corporate strategies and business objectives; promote the achievement of key strategic and financial performance measures by linking annual cash incentives to the achievement of corporate performance goals	Organic revenue growth, adjusted operating income as a percentage of revenue, non-financial measures (see page 18)
Long-term incentive awards	Stock options and restricted stock unit awards	Align executive compensation with our corporate strategies and business objectives; motivate the Company s officers to create long-term value for the Company s stockholders and achieve other business objectives of the Company; encourage stock ownership by the Company s officers in order to align their financial interests with the long-term interests of the Company s stockholders	Organic revenue growth, growth in adjusted earnings per share, common stock price, and with respect to 2010 grants, relative total shareholder return as compared to S&P 500 Industrials Total Return Index (see page 21)
Retirement plans	Eligibility to participate in, and receive Company contributions to, our 401(k) plan (available to all U.S. employees) and, for most executives, a supplemental deferred compensation plan	Provide competitive retirement benefits to attract and retain skilled management	N/A
Perquisites	Eligibility to receive supplemental long-term disability and life insurance, and access to emergency medical service	Provide a competitive compensation package	N/A
Severance and Change in Control Benefits	Eligibility to receive cash and other severance benefits in connection with termination under certain scenarios (see page 23)	Provide competitive benefits to attract and retain the best possible executive talent and facilitate the executive s evaluating potential business combinations	N/A

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Each year, the Compensation Committee, after reviewing information provided by compensation consultants, determines what it believes in its business judgment to be the appropriate mix of each of the various compensation components.

The Committee believes that the Company s executive compensation program supports the executive compensation objectives described above without encouraging management to take unreasonable risk with respect to Thermo Fisher s business. The Committee believes that the program s use of long-term, equity based compensation, the use of both options and restricted stock unit awards, and our stock ownership guidelines all encourage officers to take a long-term view of Thermo Fisher s performance and discourage unreasonable risk-taking. The Committee has reviewed the Company s key compensation policies and practices and concluded that any risks arising from our policies and programs are not reasonably likely to have a material adverse effect on the Company.

Compensation Consultant

In late 2011, the Committee directly engaged Pearl Meyer to assist the Committee in its review and evaluation of the compensation for the executive officers. Pearl Meyer provides no services to the Company other than to the Compensation Committee, and is therefore entirely independent of the management of the Company. In making decisions on 2012 salary changes, the setting of 2012 target annual cash incentive bonuses as a percentage of salary, and equity award decisions in February 2012, the Committee considered the market study prepared by Pearl Meyer in late 2011 (the Pearl Meyer Study), which included data from a peer group of publicly-traded companies.

Peer Group

Prior to the Pearl Meyer Study, Pearl Meyer had used three separate peer groups to benchmark the Company s compensation a core peer group representing companies most similar to Thermo Fisher in terms of size and industry; a broader industries peer group representing companies that were of similar size as compared to Thermo Fisher and that compete in broader, but generally similar, industries; and a small competitors peer group representing companies that were similar to Thermo Fisher in product or service offerings, but had annual revenues less than one-third that of Thermo Fisher.

In the Pearl Meyer Study, the three peer groups were collapsed into one balanced core peer group, retaining those that best fit either the Company s industries or size. Companies were added that could have been considered in the initial construct to provide a better fit than some of those selected in the broader industries peer group, and the peer group was better balanced for size to eliminate the need for regressed data. Pearl Meyer used the peer group set forth below in connection with analyzing executive compensation. The companies included in the new peer group are:

Agilent Technologies Inc.	Ingersoll-Rand Plc
Amgen Inc.	L 3 Communications Holdings, Inc.
Baxter International Inc.	Life Technologies Corp.
Becton, Dickinson and Company	Medtronic, Inc.
Boston Scientific Corporation	Monsanto Company
Covidien	Parker-Hannifin Corporation
Danaher Corporation	PPG Industries, Inc.
Eaton Corporation	Quest Diagnostics Incorporated
EMC Corporation	Stryker Corporation
Emerson Electric Co.	Texas Instruments Incorporated
Illinois Tool Works Inc.	Textron Inc.

Base Salary

Base salary is used to recognize the experience, skills, knowledge and responsibilities required of all our employees, including our executive officers. Generally, we believe that executive officer base salaries should be, in the aggregate, near (e.g., within 10%) the median of the range of salaries for executives in similar positions at comparable companies determined in a manner consistent with the Pearl Meyer Study, but with variations as

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dictated by individual circumstances. Base salaries are generally reviewed annually by our Compensation Committee in February and changes are effective in late March/early April of that year. In making base salary decisions, the Committee takes into account a variety of factors, including the level of the individual s responsibility, the length of time the individual has been in that position, the ability to replace the individual and the current base salary of the individual. In late February 2012, the Compensation Committee considered the market data contained in the Pearl Meyer Study and increased the salaries of our executive officers for 2012 (effective April 2012) in accordance with our standard annual compensation review. The 2012 base salaries for the named executive officers were set consistent with our philosophy of keeping salaries within 10% of these measured market medians, in the aggregate. Increases were as follows: 4.0% for Mr. Casper, 1.5% for Mr. Wilver, and 4.3% for Mr. Pesicka. Mr. Malus received a 5.4% salary increase in January 2012 in connection with his promotion to Executive Vice President. Mr. Loewald received a 30.6% increase in January 2012 in connection with his promotion to Senior Vice President, an executive officer position. Increases vary principally to reflect tenure in current position and competitive pay levels, to recognize strong individual performance and to assist the Company to retain these executives.

Base salaries were increased as reflected in the table below.

Name	Prior Base Salary	Base Salary as of April 2012
Marc N. Casper	$ 1,000,000	$ 1,040,000
Peter M. Wilver	$ 625,000	$ 634,500
Alan J. Malus	$ 650,000	$ 685,000[1]
Edward A. Pesicka	$ 575,000	$ 600,000
Thomas W. Loewald	$ 344,500	$ 450,000[2]

1 Mr. Malus received an increase in January 2012 in connection with his promotion to Executive Vice President.

2 Mr. Loewald received an increase in January 2012 in connection with his promotion to Senior Vice President, an executive officer position.

Annual Cash Incentive Award

Annual cash incentive awards for the Company s executive officers for 2012 were granted under the Company s 2008 Annual Incentive Award Plan (the 162(m) Plan), which was approved by the stockholders of the Company at its 2008 Annual Meeting of Stockholders. The 162(m) Plan was adopted to preserve the tax deductibility of the annual bonus that may be earned by executive officers of the Company. The actual amounts paid are subject to the application by the Compensation Committee of negative discretion under the 162(m) Plan, as described below.

Under the 162(m) Plan, in the first quarter of each calendar year the Compensation Committee selects a performance goal for the year. For 2012, the Committee selected the financial measure of earnings before interest, taxes and amortization, excluding the impact of restructurings, cost of revenues charges associated with acquisitions or restructurings, selling, general and administrative charges associated with acquisition transaction costs, gains/losses from the sale of a business or real estate, material asset impairment charges and other unusual or nonrecurring items (adjusted operating income). The Committee selected this financial measure, as opposed to an income measure computed under generally accepted accounting principles (GAAP), because this measure is consistent with how management measures and forecasts the Company s performance, especially when comparing such results to previous periods or forecasts. The maximum award payable in any year under the 162(m) Plan to an executive officer is $5,000,000. Each executive officer was awarded a percentage of adjusted operating income for the year, subject to the right of the Committee to lower, but not raise, the actual bonuses paid. In February 2013, the Compensation Committee elected to lower the 2012 bonuses payable under the 162(m) Plan to the amounts computed in accordance with the process described below for the Company s annual incentive program for the year based on the Compensation Committee s determinations as to the level of achievement of the supplemental performance measures under the Company s annual incentive program for 2012.

Typically, in the first quarter of each calendar year, the Compensation Committee also establishes a target incentive cash award amount under the Company s annual incentive program for each officer of the Company, including executive officers. This amount, which is a percentage of base salary, is determined by the Compensation Committee based on the salary level of the officer, the position of the officer within the Company and input from the compensation consultant. The amount actually awarded to an officer, which can range from 0 to 200% of target, varies primarily based on performance of the Company as a whole with respect to financial and non-financial measures, but is subject to adjustment based on the Committee s subjective evaluation of an officer s contributions to those results. The Committee generally sets the goals such that the target payout (100% of target bonus) represents attractive financial performance within our industry and can be reasonably expected to be achieved; and payouts above 150% of this target require outstanding performance.

For 2012, the financial measures established by the Compensation Committee under the Company s annual incentive program were (i) growth in organic revenue (reported revenue adjusted for the impact of acquisitions and divestitures and for foreign currency changes) and (ii) adjusted operating income as a percentage of revenue. The Committee selected these financial measures, as opposed to financial measures computed under generally accepted accounting principles (GAAP), because these measures are consistent with how management measures and forecasts the Company s performance, especially when comparing such results to previous periods or forecasts. For both of the financial measures, the Company s actual performance was measured relative to the Company s internal operating goals for 2012. The weighting of the financial measures and performance targets for 2012 were:

	Organic Revenue Growth (40%)	**Adjusted Operating Income as a Percentage of Revenue (30%)**
Threshold (0% payout on each measure)	- 0.25%	Varies with revenue[1]
Incremental Performance Adjustment	± 25% for each 0.75% growth	Assumes 30% adjusted operating income pull through[2] on revenues above or below baseline for organic growth achievement of 0% to 150% of baseline (-0.25% to +4.125%) and 25% pull through[1] on organic growth achievement of 150% to 200% of baseline (+4.125% to +5.75%)
Baseline (100% payout factor)	+ 2.75%	18.96% of revenue (at the baseline target organic revenue growth of 2.75%)
Maximum (200% payout factor)	+ 5.75%	Varies with revenue[1]
Actual Results	+ 3.91%	19.02% of revenue
Payout Factor	139%	84%

1 Because the payout factors linked the variation in organic revenue growth to margin expansion, the threshold and maximum (whether expressed as dollars or as a percentage) varied directly with actual revenue achievement; no single threshold or maximum performance level can be attributed to adjusted operating income as a percentage of revenue. The adjusted operating income as a percentage of revenue payout factor cannot go below zero or above 200%.

2 The payout factors recognized incremental costs required to achieve accelerated organic revenue growth, and reflected the greater difficulty in achieving margin expansion on smaller revenue; as such, the pull through (incremental operating margin as a percentage of revenue) varied at different levels of organic revenue achievement.

The remaining 30% was based on company-wide, non-financial measures relating to the achievement of customer allegiance goals, increased new product introduction, the maximization of our opportunity in China, the continuation of building a diverse workforce and employer of choice initiatives, and the achievement of merger and acquisition-related goals. The results for the non-financial goals were as follows:

Non-Financial Measure	**Achievement**
Customer Allegiance	We improved our customer allegiance score over our 2011 score (measured by a formula relating to how many of our customers would recommend us to another potential customer), we successfully completed our customer experience pilots and launched broader scale implementation, and we made significant investments and improvements in our e-business capabilities
New Product Introduction	We launched an impressive line-up of new products, but the percentage of 2012 product revenue from products designed, commercialized and introduced in the last two years did not exceed our percentage of 2011 revenue in the same category, as year-over-year improvement was challenged by weak conditions in some markets
Maximization of Opportunity in China	We had growth in China of over 20%, completed the building of our Suzhou factory and began production there, and significantly increased the use and impact of our China technology center
Building a Diverse Workforce/ Employer of Choice	We hired a diversity and inclusion leader, initiated a diversity and inclusion council, trained 500 employees on diversity and inclusion, increased our women leaders from 16% to 18%; succeeded in advancing our corporate social responsibility initiatives through the actions of our community action councils and corporate giving, as well as through increased more focused corporate giving towards science, technology, engineering and math programs
Mergers and Acquisitions	We exceeded our goal to acquire at least $200 million of annualized revenue, and successfully integrated Dionex and Phadia, with synergies on or ahead of track, though Phadia revenue has fallen short of the first year plan as a result of European market conditions

The Committee judged these goals in the context of the overall goal to develop the Company s employees, culture and assets with the primary goal of making connections across the Company s portfolio, creating value for Company stockholders and working with determination to advance the Company s position as the world leader in serving science. Taking all of these factors into account, the Committee concluded that actual achievement against the non-financial measures was at a payout of 165%.

The process described above resulted in a preliminary overall achievement calculation of 130% of target bonus for each of the named executive officers. Consistent with this overall achievement, Messrs. Casper and Wilver received a bonus at the calculated payout (130% of target). Messrs. Malus, Pesicka and Loewald (as operating executives) were awarded 125%, 130% and 125% of target bonus, respectively, to reflect the performances of the operating businesses which they manage.

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The target bonus awards and actual bonus awards for 2012 for the named executive officers were as follows:

Name	Target Bonus as a Percentage of Salary	Target Bonus Award	Actual Bonus Award
Marc N. Casper	140%	$1,456,000	$1,892,800
Peter M. Wilver	85%	$ 539,325	$ 700,000
Alan J. Malus	95%	$ 650,750	$ 813,437
Edward A. Pesicka	85%	$ 510,000	$ 663,000
Thomas W. Loewald	75%	$ 337,500	$ 421,875

In setting target bonuses for 2012, the Committee considered the Pearl Meyer Study and concluded it was appropriate to increase the target bonus for Mr. Casper from 130% of salary to 140% of salary and to leave the target bonus for Messrs. Wilver and Pesicka at the 2011 levels (85% of salary). Messrs. Malus and Loewald received increases of their target bonus opportunities in connection with their promotions in January 2012, from 85% to 95%, and 50% to 75%, respectively. Following these adjustments, the 2012 target bonus awards for our named executive officers ranged from 35% below to 26% above the targeted 65th percentile opportunity, but approximated 93% of the targeted 65th percentile opportunity in the aggregate, as defined in the Pearl Meyer Study.

Stock Option and Restricted Stock Unit Awards

Our equity award program is the primary vehicle for offering long-term incentives to our executives. We believe that equity grants provide our executives with a strong link to our long-term performance, create an ownership culture and help to align the interests of our executives with that of our stockholders. In addition, the vesting feature of our equity grants should further our goal of executive retention because this feature provides an incentive to our executives to remain in our employ during the vesting period. In determining the size of equity grants to our executives, our Compensation Committee considers the peer group information contained in the Pearl Meyer Study, Company and business unit performance, the individual performance of the executives, and prevailing market trends. The Committee also considers the recommendations of the chief executive officer with respect to awards to our executives other than the chief executive officer, and input from other independent directors of the Board with respect to awards to our chief executive officer. The Committee then decides how much of these values should be delivered by each of the long-term incentive vehicles utilized by the Company, such as stock options or restricted stock units.

We typically make an initial equity award of stock options and restricted stock units to new executives when they become executives and to newly promoted executives to reflect their new responsibilities, and annual equity grants in late February as part of our overall compensation program. Our equity awards have typically taken the form of stock options and restricted stock unit grants. Because restricted stock units have a built-in value at the time the grants are made, we generally grant significantly fewer restricted stock units than the number of stock options we would grant for a similar purpose. All grants of options and restricted stock units to our officers are approved by the Compensation Committee. The timing of the Compensation Committee meeting in late February or early March is such that the meeting occurs after we have publicly released earnings for the just-completed year. While our cash incentive program is designed to reward executives for meeting near-term (generally annual) financial and operational goals, our equity program is designed to focus on long-term performance and alignment of executive officer compensation with the long-term interests of our stockholders.

Typically, the stock options we grant to our named executive officers vest over the first four years of a seven-year option term, and time-based restricted stock unit awards vest equally over three years. Vesting normally ceases upon termination of employment, except for acceleration upon qualifying retirements, death, disability, and in the case of certain terminations for Mr. Casper (see Agreements with Named Executive Officers; Potential Payments upon Termination or Change in Control on page 34). Stock option exercise rights normally cease for officers other than Mr. Casper shortly after termination, except for in the cases of death, disability and qualifying retirement. Prior to the exercise of an option, the holder has no rights as a stockholder with respect to the shares subject to such option, including voting rights and the right to receive dividends or dividend equivalents. Prior to the distribution of shares after vesting of restricted stock units (which represent a right in the future to receive shares), the holder has no right to transfer or vote the underlying shares. Generally, holders of restricted stock units have the right to accrue dividends but do not receive them unless and until vesting and delivery of the underlying shares occur.

Our practice is to set the exercise price of stock options to equal the closing price of our Common Stock on the New York Stock Exchange on the date the grant is approved by the Compensation Committee or the Employee Equity Committee (which currently consists of Mr. Casper). Newly hired or promoted employees, other than officers, normally are granted stock options and/or restricted stock units by the Employee Equity Committee. Grants over 25,000 shares to any individual, and all grants to officers, may only be approved by the Compensation Committee.

2012 Annual Grant

On March 2, 2012, in connection with the normal compensation cycle, the Committee granted performance-based and time-based restricted stock units to the named executive officers. In setting grant levels for 2012, the Committee considered the Pearl Meyer Study. The Committee adjusted these amounts towards the 75th percentile to reflect its interest in focusing on long-term performance, as well as its judgment on matters of internal fairness, and the impact of broader economic conditions on the Company s stock price. In determining the mix of long-term incentives for 2012, the Committee considered the retentive and incentive value of the current and prior grants to these individuals and the overall weighting toward equity-based incentive compensation relative to salary and annual cash incentives, which places greater emphasis on the Company s long-term performance. The adjusted amounts were then converted to numbers of restricted stock units, with approximately 20% of the number of shares being delivered through performance-based restricted stock units (measured at the target level), and 80% through time-based restricted stock units. The Committee adopted this allocation emphasizing time-based restricted stock units for this grant because it supports our strategy of providing executives with a balanced portfolio of equity vehicles.

Equity grants made in 2011 and 2012 are reflected in the table below.

Name	Stock Options		Time-Based Restricted Stock Units		Performance-Based Restricted Stock Units (at target)	
	2011	**2012**	**2011**	**2012**	**2011**	**2012**
Marc N. Casper	185,700			145,900		36,500
Peter M. Wilver	68,200		19,400	32,150		8,000
Alan J. Malus	80,350		23,000	43,800		10,900
Edward A. Pesicka	71,250		20,300	40,150		10,000
Thomas W. Loewald	28,050		7,900	21,850		5,500

While the 2012 annual grant to Mr. Casper was significantly higher than the grant provided in 2011, the 2011 grant was impacted by the total calculated value and mix of long-term incentive grant types provided to Mr. Casper in connection with his promotion to CEO in late 2009. The scope, size and timing of that 2009 grant resulted in no grant being provided in 2010, and a smaller grant in 2011. In determining Mr. Casper s 2012 grant, the Committee intended the grant to be representative of a full, normalized, annual grant, as well as reflective of the Committee s assessment of Mr. Casper s strong performance and potential in his role as President and CEO.

The 2012 time-based restricted stock units vest in equal annual installments over the three-year period commencing on the date of grant (i.e., the first $^{1}/_{3}$ of a restricted stock unit award would vest on the first anniversary of the date of grant) so long as the executive officer is employed by the Company on each such date (subject to certain exceptions). In connection with the award of performance-based restricted stock units, the Compensation Committee adopted as performance goals growth in the measures organic revenue and adjusted earnings per share for 2012. For each of the performance goals, the Company s actual performance will be measured relative to the Company s internal operating plan for 2012. The vesting of the performance-based restricted stock units is as follows: 1/3 on the date the Compensation Committee certifies that the performance goals related to the Company s organic revenue and adjusted earnings per share have been achieved (the Performance Certification Date), 1/3 on the one-year anniversary of the Performance Certification Date, and 1/3 on the two-year anniversary of the Performance Certification Date (subject to certain exceptions).

Stock Ownership Policy

The Compensation Committee has established a stock ownership policy that the chief executive officer hold shares of Common Stock equal in value to at least four times his annual base salary and that each other executive officer hold shares of Common Stock equal in value to at least two times his annual base salary. For purposes of this policy, time-based restricted stock units, and vested but undistributed performance-based restricted stock units, are counted towards the target. All of our named executive officers are currently in compliance with this policy.

Benefits and Other Compensation

We maintain broad-based benefits that are provided to all employees, including health and dental insurance, life and disability insurance and a 401(k) plan. Executives are eligible to participate in all of our employee benefit plans, in each case on the same basis as other employees. The 401(k) plan is a tax-qualified retirement savings plan pursuant to which all U.S. based employees, including officers, are able to contribute a percentage of their annual salary up to the limit prescribed by the Internal Revenue Service (the IRS) to the 401(k) plan on a before-tax basis. The Company matches contributions made by employees to the 401(k) plan, dollar for dollar, up to the first 6% of compensation deferred by the employee to the plan. Employees were capped at contributing 6% of $250,000 for 2012 in accordance with the IRS annual compensation limit. All contributions to the 401(k) plan as well as any matching contributions are fully-vested upon contribution.

The named executive officers, in addition to certain other U.S.-based eligible executives, are also entitled to participate in the Company s Deferred Compensation Plan. Pursuant to the Deferred Compensation Plan, an eligible employee can defer receipt of his or her annual base salary and/or bonus until he or she ceases to serve as an employee of the Company or until a future date prior to his or her termination of employment with the Company. The Deferred Compensation Plan is discussed in further detail under the heading Nonqualified Deferred Compensation For 2012 on page 32. Amounts deferred under this plan can be invested in an array of mutual funds and other investment vehicles administered by a third party investment manager. The Company does not guarantee any above-market interest rates or rates of return on these deferred amounts. The Company matches 100% of the first 6% of pay that is deferred into the Deferred Compensation Plan over the IRS annual compensation limit for 401(k) purposes.

The Company provides officers with perquisites and other personal benefits that the Company and the Compensation 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. Each named executive officer has access to supplemental long-term disability and life insurance, and emergency medical service through Massachusetts General Hospital s global hospital network. Additionally, the Company provides a $3 million term life insurance policy to Mr. Casper. Attributed costs of the personal benefits described above for the named executive officers for 2012 are described in the Summary Compensation Table on page 25. None of our perquisites are subject to a tax gross-up.

Severance and Change in Control Benefits

Pursuant to our equity plans and agreements we have entered into with our executives, in the event of the termination of their employment under certain circumstances or a change in control, they are entitled to specified benefits. We have provided more detailed information about these benefits, along with estimates of their value under various circumstances, under the caption Agreements with Named Executive Officers; Potential Payments Upon Termination or Change in Control on page 34. We believe providing these benefits helps us compete for executive talent and that our severance and change in control benefits are generally in line with severance packages offered to comparable executives at other companies.

We have executive change in control retention agreements with our executives that provide cash and other severance benefits if there is a change in control of the Company and their employment is terminated by the

Company without cause or by the individual for good reason, in each case within 18 months thereafter. We also have an executive severance policy that provides severance benefits to our executives (other than Mr. Casper) in the event their employment is terminated by the Company without cause in the absence of a change in control. Mr. Casper s severance arrangements are provided in a separate agreement between him and the Company. The change in control retention agreements and executive severance arrangements are described in greater detail under the caption Agreements with Named Executive Officers; Potential Payments Upon Termination or Change in Control on page 34.

In February 2009, the Committee approved a new form of executive change in control agreements for executives joining the Company after February 2009. The new form of change in control agreement eliminates any tax gross-up provision, as the Company does not intend to extend tax gross-ups in future compensation arrangements.

The change in control retention agreements for all executives other than Mr. Casper expire in May 2013. In February 2013, the Committee approved a new form of executive change in control agreement that executives will receive when the current agreements expire. Neither Mr. Casper s nor the new form of agreement contains a tax gross-up provision, so effective upon the execution of the new agreements, none of our executives change in control retention agreements will contain a tax-gross up.

Tax and Accounting Considerations

Deductibility of Executive Compensation

The Compensation Committee considers the potential effect of Section 162(m) of the Internal Revenue Code of 1986 as amended (the Code), in designing its compensation program, but reserves the right to use its independent judgment to approve nondeductible compensation, while taking into account the financial effects such action may have on the Company. Section 162(m) limits the tax deduction available to public companies for annual compensation that is paid to the Company s chief executive officer and three other most highly paid executive officers (other than the chief financial officer) in excess of $1,000,000, unless the compensation qualifies as performance-based or is otherwise exempt from Section 162(m). Stock options, performance-based restricted stock unit awards and annual incentive cash bonuses for the executive officers are intended to qualify for the deduction.

Accounting Considerations

Accounting considerations also play an important role in the design of our executive compensation programs and policies. ASC 718 requires us to expense the cost of stock-based compensation awards. We consider the relative impact in terms of accounting cost in addition to other factors such as stockholder dilution, retentive impact, and motivational impact when selecting long-term equity incentive instruments.

Compensation Committee Report

The Compensation Committee of the Company 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

Scott M. Sperling (Chairman)

Thomas J. Lynch

Elaine S. Ullian

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Summary Compensation Table

The following table summarizes compensation for services to the Company earned during the last three fiscal years by the Company s chief executive officer, chief financial officer, and the three other most highly compensated executive officers of the Company during 2012. The executive officers listed below are collectively referred to in this proxy statement as the named executive officers.

Name and Principal Position	Year	Salary ($)(1)	Stock Awards ($)(2)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(4)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(5)	All Other Compensation ($)(6)	Total ($)
Marc N. Casper	2012	$1,030,038	$10,442,400		$1,892,800		$189,863	$13,555,101
	2011	$1,000,000		$3,064,050	$1,300,000		$152,517	$5,516,567
President and Chief								
Executive Officer	2010	$981,970			$1,610,000		$169,719	$2,761,689
Peter M. Wilver	2012	$632,134	$2,298,588		$700,000		$83,964	$3,714,686
	2011	$622,750	$1,066,418	$1,125,300	$531,250		$73,404	$3,419,122
Senior Vice President								
and Chief Financial								
Officer	2010	$611,879	$1,062,233	$1,019,359	$646,800		$79,293	$3,419,564
Alan J. Malus	2012	$685,000	$3,131,575		$813,437	$2,731	$94,611	$4,727,354
	2011	$630,000	$1,264,310	$1,325,775	$400,000	$2,769	$66,305	$3,689,159
Executive Vice								
President	2010	$564,181	$1,126,468	$1,224,302	$641,250	$10,740	$76,757	$3,643,698
Edward A. Pesicka	2012	$593,774	$2,871,088		$663,000	$2,187	$78,850	$4,208,899
	2011	$556,250	$1,115,891	$1,175,625	$488,750	$2,218	$65,977	$3,404,711
Senior Vice President	2010	$489,704	$1,126,468	$1,224,302	$510,000	$11,533	$63,182	$3,425,189
Thomas W. Loewald(7)	2012	$450,000	$1,565,788		$421,875		$63,242	$2,500,905
Senior Vice President								

(1) Reflects salary earned for the year, though a portion of such salary may have been paid early in the subsequent year.

(2) These amounts represent the aggregate grant date fair value of restricted stock unit awards made during 2012, 2011 and 2010, respectively, calculated in accordance with the Company s financial reporting practices. For information on the valuation assumptions with respect to these awards, refer to note 5 of the Thermo Fisher financial statements in the Form 10-K for the year ended December 31, 2012, as

filed with the SEC. For performance-based restricted stock unit awards made in February 2012, these amounts reflect the grant date fair value of such awards based upon the probable outcome at the time of grant. The value of these awards at the grant date assuming that the highest level of performance conditions was achieved was $3,134,438, $687,000, $936,038, $858,750 and $472,313 for Messrs. Casper, Wilver, Malus, Pesicka and Loewald, respectively. For performance-based restricted stock unit awards made in March 2010 to Messrs. Wilver, Malus and Pesicka, these amounts reflect the grant date fair value of such awards using a Monte Carlo simulation model. The value of these awards at the grant date assuming that the highest level of performance conditions was achieved was $839,350, $886,681 and $886,861 for Messrs. Wilver, Malus and Pesicka, respectively. The amounts reflected in this column do not represent the actual amounts paid to or realized by the named executive officer for these awards during fiscal years 2012, 2011 or 2010.

(3) These amounts represent the aggregate grant date fair value of stock option awards made during 2012, 2011 and 2010, respectively, calculated in accordance with the Company s financial reporting practices. For information on the valuation assumptions with respect to these awards, refer to note 5 of the Thermo Fisher financial statements in the Form 10-K for the year ended December 31, 2012, as filed with the SEC. These amounts do not represent the actual amounts paid to or realized by the named executive officer for these awards during fiscal years 2012, 2011 or 2010.

(4) Reflects compensation earned for the year but paid early in the subsequent year.

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(5) For Messrs. Malus and Pesicka, the amounts presented in this column represent the actuarial increase in the present value of their benefits under the Thermo Fisher Retirement Plan during the year. As this Retirement Plan was a pension plan maintained by Fisher prior to the Fisher Merger in 2006, and was frozen prior to the merger, only Messrs. Malus and Pesicka (former employees of Fisher) participate in the Retirement Plan.

(6) Under SEC rules and regulations, if the total value of all perquisites and personal benefits is $10,000 or more for any named executive officer, then each perquisite or personal benefit, regardless of its amount, must be identified by type. If perquisites and personal benefits are required to be reported for a named executive officer, then each perquisite or personal benefit that exceeds the greater of $25,000 or 10% of the total amount of perquisites and personal benefits for that officer must be quantified and disclosed in a footnote. The amounts presented in this column include (a) matching contributions made on behalf of the named executive officers by the Company pursuant to the Company s 401(k) Plan, (b) premiums paid by the Company with respect to long-term disability insurance for the benefit of the named executive officers, (c) with respect to Mr. Casper, premiums paid by the Company for a term life insurance policy for the benefit of Mr. Casper, (d) premiums paid by the Company with respect to supplemental group term life insurance, (e) access to emergency medical service through Massachusetts General Hospital s global hospital network, (f) matching contributions made on behalf of the named executive officers by the Company pursuant to the Company s Non-Qualified Deferred Compensation Plan and (g) a car allowance for Mr. Loewald. For 2012, the dollar value of the principal components of these benefits was (1) $15,000 each for Messrs. Casper, Wilver, Malus, Pesicka and Loewald for matching 401(k) contributions, (2) $2,513, $3,378, $3,784, $2,721 and $4,261 for Messrs. Casper, Wilver, Malus, Pesicka and Loewald, respectively, for long-term disability insurance premiums, (3) $11,875 for a term life insurance policy for Mr. Casper, (4) $160,322, $64,917, $74,906, $60,376 and $30,983 for Messrs. Casper, Wilver, Malus, Pesicka and Loewald, respectively, for matching deferred compensation plan contributions, and (5) $12,500 for a car allowance for Mr. Loewald.

(7) Mr. Loewald became an officer of the Company on January 1, 2012.

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Grants of Plan-Based Awards For 2012*

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)(2)
Name	Grant Date	Threshold ($)	Target ($)(1)	Maximum ($)	Threshold	Target	Maximum				
Marc N. Casper	3/2/2012	0	$1,456,000	$2,912,000							
	3/2/2012				0(3)	36,500(3)	54,750(3)				$2,089,625
	3/2/2012							145,900(4)			$8,352,775
Peter M. Wilver	3/2/2012	0	$539,325	$1,078,650							
	3/2/2012				0(3)	8,000(3)	12,000(3)				$458,000
	3/2/2012							32,150(4)			$1,840,588
Alan J. Malus	3/2/2012	0	$650,750	$1,301,500							
	3/2/2012				0(3)	10,900(3)	16,350(3)				$624,025
	3/2/2012							43,800(4)			$2,507,550
Edward A. Pesicka	3/2/2012	0	$510,000	$1,020,000							
	3/2/2012				0(3)	10,000(3)	15,000(3)				$572,500
	3/2/2012							40,150(4)			$2,298,588
Thomas W. Loewald	3/2/2012	0	$337,500	$675,000							
	3/2/2012				0(3)	5,500(3)	8,250(3)				$314,875
	3/2/2012							21,850(4)			$1,250,913

* All equity awards made during 2012 were granted under the Company s 2008 Stock Incentive Plan.

(1) Target awards are based on a percentage of the named executive officer s salary.

(2) These amounts represent the aggregate grant date fair value of stock option and restricted stock unit awards made during 2012, calculated in accordance with the Company s financial reporting practices. For information on the valuation assumptions with respect to these awards, refer to note 5 of the Thermo Fisher financial statements in the Form 10-K for the year ended December 31, 2012, as filed with the SEC. The amounts reflected in this column do not represent the actual amounts paid to or realized by the named executive officer for these awards during fiscal year 2012.

(3) Represents the threshold, target and maximum number of achievable shares pursuant to a performance-based restricted stock unit award. In connection with the awards of performance-based restricted stock units, the Compensation Committee adopted as performance goals growth in organic revenue and adjusted earnings per share. If 2012 organic revenue growth was between 1.5% and 3.5% (or higher), and/or 2012 adjusted earnings per share growth was between 5% and 15% (or higher), then the executives would be entitled to a number of units ranging from 0 to 150% of the target number of units granted. Organic revenue growth for 2012 of 4% and growth in adjusted earnings per share for 2012 of 19% led to an actual payout of 150% of the target number of units for each executive. One-third of the total number of units earned vested in February 2013, and the same number of restricted units will vest on both the first anniversary and the second anniversary of this vesting date so long as the executive officer is employed by the Company on each such date (subject to certain exceptions). Dividends paid by the Company after the performance conditions are met accrue on unvested restricted stock units, and will be paid out if and when the underlying

shares vest and are delivered.

(4) Represents a time-based restricted stock unit award which vests in equal annual installments over a three-year period commencing on the date of grant (i.e., the first 1/3 of the restricted stock unit grant would vest on the first anniversary of the date of grant) so long as the executive officer is employed by the Company on each such date (subject to certain exceptions). Dividends paid by the Company accrue on unvested restricted stock units, and will be paid out if and when the underlying shares vest and are delivered.

Outstanding Equity Awards at 2012 Fiscal Year-End

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable(1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock That Have Not Vested ($) @ $63.78*	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) @$63.78*
Marc N. Casper	300,000	75,000(2)		$57.58	5/15/2015				
	240,000	360,000(3)		$46.56	11/21/2019				
			100,000(4)	$46.56	11/21/2019				
	46,425	139,275(5)		$54.97	2/23/2018				
						150,000(6)	$9,567,000		
						145,900(7)	$9,305,502		
								150,000(8)	$9,567,000(9)
								54,750(10)	$3,491,955(11)
Peter M. Wilver	105,280			$43.37	11/9/2013				
	69,900			$36.10	2/26/2016				
	25,350	25,350(12)		$49.49	3/5/2017				
	4,525	13,575(13)		$49.49	3/5/2017				
	17,050	51,150(5)		$54.97	2/23/2018				
						3,634(14)	$231,777		
						12,934(15)	$824,931		
						32,150(7)	$2,050,527		
								10,600(16)	$676,068(17)
								12,000(10)	$765,360(11)
Alan J. Malus	40,000	10,000(18)		$58.40	7/10/2015				
	80,700			$36.10	2/26/2016				
	26,650	26,650(12)		$49.49	3/5/2017				
	7,250	21,750(13)		$49.49	3/5/2017				
	20,087	60,263(5)		$54.97	2/23/2018				
						3,867(14)	$246,637		
						15,334(15)	$978,003		
						43,800(7)	$2,793,564		
								11,200(16)	$714,336(17)
								16,350(10)	$1,042,803(11)
Edward A. Pesicka	62,200			$30.675	3/7/2015				
	25,000			$58.40	7/10/2015				
	64,800			$32.30	7/25/2015				
	15,980			$31.305	12/19/2015				
	80,700			$36.10	2/26/2016				
	26,650	26,650(12)		$49.49	3/5/2017				
	7,250	21,750(13)		$49.49	3/5/2017				
	17,812	53,438(5)		$54.97	2/23/2018				
						3,867(14)	$246,637		

13,534(15)	$863,199

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	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable(1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock That Have Not Vested ($) @ $63.78*	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) @$63.78*
						40,150(7)	$2,560,767		
								11,200(16)	$714,336(17)
								15,000(10)	$956,700(11)
Thomas W. Loewald	10,125	10,125(12)		$49.49	3/5/2017				
	3,625	10,875(13)		$49.49	3/5/2017				
	7,012	21,038(5)		$54.97	2/23/2018				
						1,467(14)	$93,565		
						5,267(15)	$335,929		
						21,850(7)	$1,393,593		
								4,200(16)	$267,876(17)
								8,250(10)	$526,185(11)

* Reflects the closing price of the Company s Common Stock on the New York Stock Exchange on December 31, 2012

(1) Unexercisable stock options and unvested units of restricted stock vest as described in the footnotes below and under certain circumstances described under the heading Agreements with Named Executive Officers; Potential Payments Upon Termination or Change in Control. Unexercisable stock options and unvested units of restricted stock also vest upon certain other events such as death, disability, or qualifying retirement.

(2) Represents the balance of a stock option granted on May 15, 2008, which vests on May 15, 2013, so long as Mr. Casper is employed by the Company on each such date (subject to certain exceptions).

(3) Represents the balance of a stock option granted on November 21, 2009, which vests in equal annual installments on November 21, 2013, November 21, 2014 and November 21, 2015, so long as Mr. Casper is employed by the Company on each such date (subject to certain exceptions).

(4) Represents a performance-based option grant which vests in one installment on the day the performance goal related to the Company s stock price for any 20 consecutive trading days ending during the period October 15, 2009 through November 21, 2019 has been achieved, and the performance goal related to the Company s total shareholder return between October 15, 2009 and the date the performance goal related to the Company s stock price, or later (but no later than November 21, 2019), is achieved, relative to the performance of the S&P 500 Industrials Index for the same period, so long as Mr. Casper is employed by the Company on such date (subject to certain exceptions).

(5) Represents the balance of a stock option granted on February 23, 2011 which vests in equal annual installments on February 23, 2013, February 23, 2014 and February 23, 2015, so long as the executive officer is employed by the Company on each such date (subject to certain exceptions).

(6) Represents the balance of a time-based restricted stock unit award which vests in equal annual installments on February 15, 2013, February 15, 2014 and February 15, 2015, so long as Mr. Casper is employed by the Company on each such date (subject to certain exceptions).

(7) Represents a time-based restricted stock unit award made on March 2, 2012, which vests in equal annual installments on March 2, 2013, March 2, 2014 and March 2, 2015, so long as the executive officer is employed by the Company on each such date (subject to certain exceptions).

(8) Represents the target number of achievable shares that may be earned pursuant to a performance-based restricted stock unit award made on November 21, 2009. The number of performance-based restricted stock units

to be earned (from 0 to 300,000) is based on the Company s total shareholder return for each of the applicable measurement periods, relative to the performance of the S&P 500 Industrials Index for the same period, assuming continued employment (subject to certain exceptions). From 0 to 100,000 performance-based restricted stock units will vest after each of the following three measurement periods: (1) October 15, 2009 through February 15, 2013, (2) October 15, 2009 through February 15, 2014, and (3) October 15, 2009 through February 15, 2015, assuming continued employment (subject to certain exceptions). In accordance with SEC rules, the target number of shares that may be earned is shown above because assuming the relevant measurement period ended on December 31, 2012, no shares for this measurement period would have been earned; based on the actual measurement period end date of February 15, 2013, 12% of the target number of units were earned.

(9) Represents the target payout of a performance-based restricted stock unit award made on November 21, 2009 at $63.78, the Company s closing stock price on December 31, 2012.

(10) Represents the maximum number of achievable shares that may be earned pursuant to a performance-based restricted stock unit award made on March 2, 2012. In connection with the awards of performance-based restricted stock units, the Compensation Committee adopted as performance goals a range of growth in organic revenue and adjusted earnings per share. If 2012 organic revenue growth was between 1.5% and 3.5% (or higher), and/or 2012 adjusted earnings per share growth was between 5% and 15% (or higher), then the executives would be entitled to a number of units ranging from 0 to 150% of the target number of units granted. Organic revenue growth for 2012 of 4% and growth in adjusted earnings per share for 2012 of 19% led to 150% of the target number of units for each executive being earned. One-third of the total number of units earned vested in February 2013, and the same number of restricted units will vest on both the first anniversary and the second anniversary of this vesting date so long as the executive officer is employed by the Company on each such date (subject to certain exceptions).

(11) Represents the maximum payout of a performance-based restricted stock unit award made on March 2, 2012 at $63.78, the Company s closing stock price on December 31, 2012.

(12) Represents the balance of a stock option granted on March 5, 2010 which vests in equal annual installments on March 5, 2013 and March 5, 2014, so long as the executive officer is employed by the Company on each such date (subject to certain exceptions).

(13) Represents a stock option granted on March 5, 2010 which vests in equal annual installments on March 5, 2013, March 5, 2014 and March 5, 2015, so long as the executive officer is employed by the Company on each such date (subject to certain exceptions).

(14) Represents the balance of a time-based restricted stock unit award made on March 5, 2010, which vests on March 5, 2013. Shares issuable upon the vesting of restricted stock units would be delivered to the executive on the first anniversary of the applicable vesting date (subject to certain exceptions).

(15) Represents a time-based restricted stock unit award made on February 23, 2011, which vests in equal annual installments on February 23, 2013 and February 23, 2014. Shares issuable upon the vesting of restricted stock units would be delivered to the executives on the first anniversary of the applicable vesting date (subject to certain exceptions).

(16) Represents the target number of achievable shares pursuant to a performance-based restricted stock unit award made on March 5, 2010. In connection with the awards of performance-based restricted stock units, the Compensation Committee adopted as a performance goal the measure Company stock price. The number of performance-based restricted stock units to be earned is based on the Company s total shareholder return for the applicable measurement period, relative to the performance of the S&P 500 Industrials Total Return Index for the same period. The shares would vest on the day in February 2013 the Compensation Committee certifies the performance level achieved for the measurement period (January 1, 2010 through December 31, 2012), but would not be delivered to the executive until the first anniversary of the vesting date (subject to certain exceptions). For the measurement period, the Company exceeded the minimum shareholder return specified in the award relative to the performance of the S&P 500 Industrials Total Return Index, which resulted in 45% of the target number of units being earned.

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(17) Represents the target payout of a performance-based restricted stock unit award made on March 5, 2010 at $63.78, the Company s closing stock price on December 31, 2012.

(18) Represents the balance of a stock option granted on July 10, 2008, which vests on July 10, 2013, so long as the executive officer is employed by the Company (subject to certain exceptions).

Option Exercises and Stock Vested During 2012

The following table reports information regarding stock option exercises and the vesting of stock awards during fiscal year 2012 by the Company s named executive officers. No stock appreciation rights were exercised or were outstanding during fiscal year 2012.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized On Exercise ($)(1)	Number of Shares Acquired on Vesting (#)(2)	Value Realized On Vesting ($)
Marc N. Casper	441,900	$9,202,337	50,000	$2,793,000(3)
Peter M. Wilver	127,500	$2,867,850	20,202	$1,140,790(3)
Alan J. Malus	164,740	$3,114,856	23,191	$1,309,476(3)
Edward A. Pesicka	80,800	$1,122,886	22,291	$1,258,968(3)
Thomas W. Loewald	30,680	$675,736	8,829	$498,683(4)

(1) The amounts shown in this column represent the difference between the option exercise price and the market price on the date of exercise.

(2) The amounts shown in this column includes shares that vested in 2012 but pursuant to the terms of grant will not be delivered until 2013.

(3) Represents the number of shares vesting multiplied by the market price on the date of vesting. Actual value realized on the shares described in note 2 above will be determined in 2013, when the shares are delivered.

(4) Represents the number of shares vesting multiplied by the market price on the date of vesting.

Pension Benefits

Prior to the 2006 merger of Thermo Electron Corporation and Fisher Scientific International Inc. (Fisher) (the Fisher Merger), Fisher maintained the Fisher Retirement Plan (which was renamed after the merger to the Thermo Fisher Scientific Inc. Retirement Plan, or the Retirement Plan), a broad-based, U.S. tax-qualified cash balance pension plan. Each month prior to January 1, 2006, Fisher credited each participating employee with an amount equal to 3.5% of monthly compensation, which included base salary plus certain annual bonuses and other types of compensation.

The Retirement Plan credits participants monthly with interest on their cash balances. The interest credit is equal to the balance of the participant s account as of the close of the prior calendar month multiplied by the applicable interest rate. The interest rate is set equal to the discount rate. The discount rate reflects the rate the Company would have to pay to purchase high-quality investments that would provide cash sufficient to settle its current pension obligations. The discount rate is determined based on a range of factors, including the rates of return on high-quality, fixed-income corporate bonds and the related expected duration of the obligations or, in certain instances, the Company has used a hypothetical portfolio of high-quality instruments with maturities that mirror the benefit obligation in order to accurately estimate the relevant discount rate. For 2012, the interest rate was 4.03%.

The Retirement Plan was amended, effective December 31, 2005, to discontinue future benefit accruals (other than crediting interest to outstanding account balances) as of such date. Accordingly, effective January 1, 2006, Fisher no longer credited each participating employee with an amount equal to 3.5% of the employee s monthly compensation. However, participants continue to earn interest on their previously accrued benefit (account balance). Generally, all participants who were employed as of January 1, 2006 became fully vested in their accrued benefits under the Retirement Plan as of such date. Vested participants can generally elect to receive their benefits under the Retirement Plan after separation from service in either a lump sum or an annuity.

The table below shows the present value of accumulated benefits payable to each of the named executive officers under the Retirement Plan. As the Retirement Plan was a pension plan maintained by Fisher prior to the Fisher Merger, and was frozen prior to the merger, only Messrs. Malus and Pesicka (former employees of Fisher) participate in the Retirement Plan.

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit ($)(1)	Payments During Last Fiscal Year ($)
Marc N. Casper				
Peter M. Wilver				
Alan J. Malus	Thermo Fisher Scientific Inc. Retirement Plan	14	$70,496	
Edward A. Pesicka	Thermo Fisher Scientific Inc. Retirement Plan	13	$56,461	
Thomas W. Loewald				

(1) Represents the actuarial present value of accumulated benefit as of December 31, 2012 under the Retirement Plan, based on assumptions of a 4.00% discount rate, a cash balance interest crediting rate of 4.00%, and a retirement age of 65.

Nonqualified Deferred Compensation For 2012

Name	Executive Contributions in Last FY ($)(1)	Registrant Contributions in Last FY ($)(2)	Aggregate Earnings in Last FY ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)
Marc N. Casper	$ 124,754	$124,754	$ 172,195	$367,153	$1,387,608(3)
Peter M. Wilver	$ 54,792	$ 54,792	$ 64,856		$ 549,324(4)
Alan J. Malus	$ 74,000	$ 50,100	$ 110,907		$1,344,658(5)
Edward A. Pesicka	$ 270,505	$ 49,921	$ 118,347		$1,018,332(6)
Thomas W. Loewald	$ 13,421	$ 13,421	$ 9,993		$ 106,399(7)

(1) Represents deferral of a portion of 2012 salary and/or bonus earned for 2011 performance (but paid in 2012).

(2) Represents a matching Company contribution in the deferred compensation plan with respect to 2012 salary and/or bonus earned for 2011 (but paid in 2012).

(3) Of this amount, $49,058, $45,300 and $46,754 were withheld from Mr. Casper s 2010, 2011 and 2012 salary, respectively, for deferral, and $96,600 and $78,000 were withheld from his bonus earned for 2010 and 2011 performance, respectively, for deferral, which amounts are also included in the Salary column for 2010, 2011 and 2012, respectively, and the Non-Equity Incentive Plan Compensation column for 2010

and 2011, respectively, for Mr. Casper in the Summary Compensation Table on page 25.

(4) Of this amount, $24,468, $22,655 and $22,917 were withheld from Mr. Wilver s 2010, 2011 and 2012 salary, respectively, for deferral and $38,808 and $31,875 were withheld from his bonus earned for 2010 and 2011 performance, respectively, for deferral, which amounts are also included in the Salary column for 2010, 2011 and 2012, respectively, and the Non-Equity Incentive Plan Compensation column for 2010 and 2011, respectively, for Mr. Wilver in the Summary Compensation Table on page 25.

(5) Of this amount, $180,000, $180,000 and $50,000 were withheld from Mr. Malus 2010, 2011 and 2012 salary, respectively, for deferral, and $38,475 and $24,000, were withheld from Mr. Malus bonus earned for 2010 and 2011 performance, respectively, for deferral, which amounts are also included in the Salary column for 2010, 2011 and 2012, respectively, and the Non-Equity Incentive Plan Compensation column for 2010 and 2011, respectively, for Mr. Malus in the Summary Compensation Table on page 25.

(6) Of this amount, $73,386, $138,702 and $148,317 were withheld from Mr. Pesicka s 2010, 2011 and 2012 salary, respectively, for deferral and $76,500 and $122,188 were withheld from Mr. Pesicka s bonus earned for 2010 and 2011 performance, respectively, for deferral, which amounts are also included in the Salary column for 2010, 2011 and 2012, respectively, and the Non-Equity Incentive Plan Compensation column for 2010 and 2011, respectively, for Mr. Pesicka in the Summary Compensation Table on page 25.

(7) Of this amount, $5,670 was withheld from Mr. Loewald s 2012 salary for deferral, which amount is also included in the Salary column for 2012 for Mr. Loewald in the Summary Compensation Table on page 25.

The Company maintains a deferred compensation plan for its executive officers and certain other highly compensated employees. Under the plan in effect for amounts deferred on or after January 1, 2005 through December 31, 2008 (the 2005 Deferred Compensation Plan), a participant had the right to defer receipt of his or her annual base salary (up to 90%) and/or annual incentive bonus (up to 100%) until he or she ceased to serve as an employee of the Company or until a future date while the participant continued to be an employee of the Company. The Company credited (or debited) a participant s account with the amount that would have been earned (or lost) had the deferred amounts been invested in one or more of three different funds that were available under the deferred compensation plan (an equity index fund, a bond index fund, and a money market fund) as selected by the participant. The participant did not have any actual ownership in these funds. Any gains (or losses) on amounts deferred are not taxable until deferred amounts are paid to the participant. All amounts in the participant s deferred account represent unsecured obligations of the Company. The 2005 Deferred Compensation Plan is intended to comply with Section 409A of the Code as enacted under The American Jobs Creation Act of 2004. The 2005 Deferred Compensation Plan remains in existence and applies to amounts deferred between January 1, 2005 and December 31, 2008. The Deferred Compensation Plan that the Company adopted in 2001 (the Original Deferred Compensation Plan) remains in existence and applies to amounts deferred on or before December 31, 2004. The Company has frozen the terms of the Original Deferred Compensation Plan in existence as of December 31, 2004 for account balances resulting from amounts deferred through such date.

The Original Deferred Compensation Plan provides for the payout of either all or a portion of the participant s account beginning (1) at a specified date in the future if the participant so elects (in the case of a short-term payout), (2) in the case of the participant s death or disability, or (3) upon the participant s retirement or termination from employment with the Company. In the case of the participant s death or disability, or upon the participant s termination, payment is made in a lump sum distribution. Upon retirement, the participant may elect to receive his or her distribution in a lump sum or in annual installment payments over the course of five, ten or fifteen years. Additionally, with respect to account balances existing at December 31, 2004, the executive may receive a full or partial payout from the plan for an unforeseeable financial emergency (as defined in the plan), or may withdraw all of his or her account at any time less a withdrawal penalty equal to 10% of such amount (haircut provision). The distribution provisions of the 2005 Deferred Compensation Plan are substantially similar to the provisions of the Original Deferred Compensation Plan except that the 2005 Deferred Compensation Plan does not permit haircut distributions and the time and form of payment after retirement must be elected at the time the participant makes his or her initial deferral election.

In September 2008, the Compensation Committee approved the Amended and Restated 2005 Deferred Compensation Plan, effective January 1, 2009 (the Amended and Restated Deferred Compensation Plan). Pursuant to the Amended and Restated Deferred Compensation Plan, an eligible employee can defer receipt of his or her annual base salary (up to 50%) and/or bonus (up to 50%) until he or she ceases to serve as an employee of the Company or until a future date while the participant continues to be an employee of the Company. The Amended and Restated Deferred Compensation Plan is substantially similar to the original 2005 Deferred Compensation Plan, except the Amended and Restated Deferred Compensation Plan includes a Company match of 100% of the first 6% of pay that is deferred into the Plan over the IRS annual compensation limit for 401(k) purposes.

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During the year ended December 31, 2012, participants in the Original Deferred Compensation Plan and the Amended and Restated Deferred Compensation Plan were given the opportunity to invest amounts deferred under the plans in an array of mutual funds and vehicles, administered by The Newport Group, which are similar to the investment options available in the Company s 401(k) Plan. The Original Deferred Compensation Plan and the Amended and Restated Deferred Compensation Plan allow the executive to reallocate his or her balance and future deferrals among the investment choices up to four times in any plan year. The table below shows the funds available to participants and their annual rate of return for the year ended December 31, 2012.

Name of Fund	Rate of Return (assuming reinvestment of dividends)
T. Rowe Price Retirement Income Fund	7.51%
T. Rowe Price Retirement 2005 Fund	7.51%
T. Rowe Price Retirement 2010 Fund	8.94%
T. Rowe Price Retirement 2015 Fund	10.32%
T. Rowe Price Retirement 2020 Fund	11.48%
T. Rowe Price Retirement 2025 Fund	12.51%
T. Rowe Price Retirement 2030 Fund	13.43%
T. Rowe Price Retirement 2035 Fund	14.12%
T. Rowe Price Retirement 2040 Fund	14.69%
T. Rowe Price Retirement 2045 Fund	15.15%
T. Rowe Price Retirement 2050 Fund	15.49%
T. Rowe Price Retirement 2055 Fund	15.81%
T. Rowe Price Stable Value Common Trust Fund	2.52%
Pimco Total Return Institutional	10.35%
Dodge & Cox Stock Fund	22.01%
SSgA S&P 500 Index C	15.97%
T. Rowe Price Growth Stock Trust	19.43%
Vanguard Mid Cap Index Institutional	16.01%
Jennison Institutional US Small Cap Equity	14.07%
Dodge & Cox International Stock	21.03%

Agreements with Named Executive Officers; Potential Payments Upon Termination or Change in Control

Employment, Retention and Severance Agreements

Executive Change in Control Retention Agreements

Thermo Fisher has entered into executive change in control retention agreements with its executive officers and certain other key employees that provide cash and other severance benefits if there is a change in control of the Company and their employment is terminated by the Company without cause or by the individual for good reason, as those terms are defined therein, in each case within 18 months thereafter. For purposes of these agreements, a change in control exists upon (i) the acquisition by any person of 50% or more of the outstanding Common Stock or voting securities of Thermo Fisher; (ii) the failure of the Board to include a majority of directors who are continuing directors, which term is defined to include directors who were members of the Board on the date of the agreement or who subsequent to the date of the agreement were nominated or elected by a majority of directors who were continuing directors at the time of such nomination or election; (iii) the consummation of a merger, consolidation, reorganization, recapitalization or statutory share exchange involving Thermo Fisher or the sale or other disposition of all or substantially all of the assets of Thermo Fisher unless immediately after such transaction: (a) all holders of Common Stock immediately prior to such transaction own more than 50% of the outstanding voting securities of the resulting or acquiring corporation in substantially the same proportions as their ownership immediately prior to such transaction and (b) no person after the transaction owns 50% or more of the outstanding voting securities of the resulting or acquiring corporation; or (iv) approval by stockholders of a complete liquidation or dissolution of Thermo Fisher.

The executive change in control retention agreements with Messrs. Wilver, Malus, Pesicka and Loewald provide that, upon a qualifying termination, the executive would be entitled to (A) a lump sum payment equal to (1) two multiplied by (2) the sum of (x) the higher of the executive s annual base salary as in effect immediately prior to the measurement date or the termination date, as those terms are defined therein, and (y) the higher of the executive s target bonus as in effect immediately prior to the measurement date or the termination date, and (B) a pro rata bonus for the year of termination, based on the higher of the executive s target bonus as in effect immediately prior to the measurement date or the termination date. In addition, the executive would be provided continuing medical, dental and life insurance benefits for a period of two years, after such termination. The Company would also provide outplacement services through an outside firm to the executive up to an aggregate of $20,000. For Messrs. Wilver, Malus and Pesicka, the agreements contain a modified gross-up provision, such that the executive does not receive a tax gross-up unless the total payments exceed 110% of the maximum amount allowable without being treated as excess parachute payments under the Code. In the event that the total payments under the agreements are between 100% and 110% of the maximum amount of total payments the executive could receive without being treated as receiving any excess parachute payments, the executive s payments will be cutback so that the total payments he receives will not cause him to be treated as receiving any excess parachute payments.

In February 2009, the Company s Compensation Committee approved a new form of executive change in control agreement for executives joining the Company after February 2009 (the 2009 Form). The new form of change in control agreement eliminated any tax gross-up provision, as the Company does not intend to extend tax gross-ups in future compensation arrangements. Mr. Loewald became an executive officer in 2012, and thus his executive change in control agreement does not contain a tax gross-up provision.

The change in control retention agreements for all executives other than Marc Casper expire in May 2013. In February 2013, the Company s Compensation Committee approved a new form of executive change in control agreement that executives will receive when the current agreements expire. The new form of agreement does not contain a tax gross-up provision, so effective upon the execution of the new agreements, none of our executives change in control retention agreements will contain a tax-gross up.

In November 2009, in connection with his appointment as President and Chief Executive Officer of the Company, Mr. Casper signed a new change in control agreement that was substantially similar to his old agreement. The agreement provides that, upon a qualifying termination, he would be entitled to (A) a lump sum payment equal to (1) two multiplied by (2) the sum of (x) the higher of Mr. Casper s annual base salary as in effect immediately prior to the change in control date or the date of termination, as those terms are defined therein, and (y) the higher of Mr. Casper s target bonus as in effect immediately prior to the change in control date or the date of termination, and (B) a pro rata bonus for the year of termination, based on the higher of Mr. Casper s target bonus as in effect immediately prior to the change in control date or the date of termination. In addition, Mr. Casper would be provided continuing medical, dental and life insurance benefits for a period of two years, after such termination. The Company would also provide outplacement services through an outside firm to Mr. Casper up to an aggregate of $20,000. Mr. Casper s new change in control agreement with the Company provides that he would not receive any tax gross-up payment (or modified tax gross-up payment) in the event that total payments exceeded the maximum amount allowable without being treated as excess parachute payments under the Code.

Executive Severance Policy

The Company maintains an executive severance policy for executives that provides that, in the event an executive officer s employment is terminated by the Company without cause (as such term is defined therein), he would be entitled to a lump sum severance payment equal to the sum of (A) 1.5 times his annual base salary then in effect for an executive officer (and 1.0 times his annual base salary then in effect for other executives), and (B) 1.5 times his target bonus for the year in which the date of termination occurs, for an executive officer (and 1.0 times his target bonus for other executives), except that if the executive receives benefits under the executive change in control retention agreement described above, he would not be entitled to also receive benefits under the executive severance policy. In addition, for 18 months after the date of termination, the executive would be provided medical, dental and life insurance benefits at least equal to those he would have received had his employment not been terminated, or if more favorable, to those in effect generally during such period with respect to peer executives of the Company. Finally, the executive would be entitled to up to $20,000 of outplacement services until the earlier of 12 months following his termination or the date he secures full-time employment. Messrs. Wilver, Malus, Pesicka and Loewald are eligible to receive benefits under the Company s executive severance policy.

In February 2010, the Company adopted an amendment to the executive severance policy in order to comply with an Internal Revenue Service ruling. The Company adopted the amendment in order to preserve the tax deductibility of the Company s annual performance-bonuses to executive officers. The amendment provides that an executive officer who is terminated during the year without cause (as defined in the policy) would receive, in addition to the amounts described above, a pro rata bonus for that year, based on his or her target bonus. That pro rata bonus would not be paid until March of the following year, when the other officer bonuses would be paid, and only if the performance goals established pursuant to the Company s 2008 Annual Incentive Award Plan (or similar provision of any applicable shareholder-approved successor plan) applicable to the other officers were met.

Executive Severance Agreement

In November 2009, in connection with his appointment as President and Chief Executive Officer of the Company, Mr. Casper signed a restated executive severance agreement with the Company. The agreement provides that, in the event his employment is terminated by the Company without cause or by him for good reason (as such terms are defined therein), he would be entitled to a lump sum severance payment equal to the sum of (A) two (2) times his annual base salary then in effect, and (B) two (2) times his target bonus for the year in which the date of termination occurs, except that if Mr. Casper receives benefits under his executive change in control retention agreement described above, he would not be entitled to also receive benefits under his executive severance agreement. In addition, for two years after the date of termination, Mr. Casper would be provided medical, dental and life insurance benefits at least equal to those he would have received had his employment not been terminated, or if more favorable, to those in effect generally during such period with respect to peer executives of the Company. Finally, Mr. Casper would be entitled to up to $20,000 of outplacement services until the earlier of 12 months following his termination or the date he secures full-time employment.

In February 2010, the Company and Mr. Casper also amended Mr. Casper s severance agreement in order to comply with the Internal Revenue Service ruling referred to above, providing that, in the case of involuntary termination without cause or good reason termination of his employment (as each of those terms is defined in his agreement), Mr. Casper would only receive his pro rata bonus for the year of termination if the performance goals established pursuant to the Company s 2008 Annual Incentive Award Plan (or similar provision of any applicable shareholder-approved successor plan) applicable to the other officers were met, and that pro rata bonus would not be paid until March of the following year, when the other officer bonuses would be paid.

Treatment of Equity

Upon death, disability, or a qualifying retirement of Messrs. Wilver, Malus, Pesicka and Loewald, outstanding stock options and certain restricted stock unit awards will vest. In the event that any of these individuals is terminated by the Company without cause or by the individual for good reason, as those terms are defined in the executive change in control agreements, within 18 months of a qualifying change in control, each outstanding stock option and time-based restricted stock unit award granted to an executive officer will vest.

In the case of Mr. Casper, in the event he is (i) terminated without cause or he leaves voluntarily for good reason, as those terms are defined in his severance agreement, or (ii) terminated without cause or he

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leaves voluntarily for good reason within 18 months of a qualifying change in control, as those terms are defined in his executive change in control agreement, certain portions of his unvested equity grants will vest.

Noncompetition Agreements

The Company has entered into noncompetition agreements with its executive officers and certain key employees. The terms of the noncompetition agreement provide that during the term of the employee s employment with the Company, and for a period of eighteen (18) months in the case of Messrs. Wilver, Malus, Pesicka and Loewald, and twenty-four (24) months in the case of Mr. Casper, thereafter, the employee will not compete with the Company. The agreement also contains provisions that restrict the employee s ability during the term of the employee s employment with the Company and for a period of eighteen (18) months after termination (or twenty-four (24) months in the case of Mr. Casper), to solicit or hire employees of the Company or to solicit customers of the Company.

Tables

The tables below reflect the amount of compensation payable to each of the named executive officers of the Company in the event of termination of such executive s employment or a change in control of the Company. The amount of compensation payable to each named executive officer upon voluntary resignation, involuntary termination for cause, involuntary termination without cause, or voluntarily for good reason (in the case of Mr. Casper only), involuntary termination without cause or voluntarily for good reason within 18 months of a change in control, upon a change in control without termination, and in the event of disability or death of the executive is shown below. The amounts shown assume that such termination was effective as of December 31, 2012, and thus include amounts earned through such time and are estimates of the amounts which would be paid out to the executives upon such event. The actual amounts to be paid out can only be determined at the time of such event.

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Marc N. Casper

The following table shows the potential payments upon termination or a change in control of the Company for Marc Casper, the Company s President and Chief Executive Officer.

	Voluntary Resignation Without Good Reason 12/31/12(1)	Involuntary For Cause 12/31/12(1)	Involuntary Without Cause or by Executive for Good Reason 12/31/12(1)	Involuntary Without Cause or by Executive for Good Reason (with CIC) 12/31/12(1)	CIC Without Termination 12/31/12	Disability 12/31/12(1)	Death 12/31/12(1)
INCREMENTAL BENEFITS DUE TO TERMINATION EVENT OR CHANGE IN CONTROL							
Cash Severance							
Base Salary	$0	$0	$2,080,000	$2,080,000	$0	$0	$0
Bonus	$0	$0	$2,912,000	$2,912,000	$0	$0	$0
Pro-rata Bonus	$1,456,000(2)	$0	$1,300,000(3)	$1,456,000(4)	$0	$1,300,000(3)	$1,300,000(3)
Total Cash Severance	*$1,456,000*	*$0*	*$6,292,000*	*$6,448,000*	*$0*	*$1,300,000*	*$1,300,000*
Benefits & Perquisites							
Health and Welfare Benefits(5)	$0	$0	$54,651	$54,651	$0	$0	$0
Outplacement	$0	$0	$20,000	$20,000	$0	N/A	N/A
Total Benefits & Perquisites	*$0*	*$0*	*$74,651*	*$74,651*	*$0*	*$0*	*$0*
280G Tax Gross-Up	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Long-Term Incentives							
Gain of Accelerated Stock Options	$0	$0	$2,940,404	$7,891,213	$0	$7,891,213	$7,891,213
Value of Accelerated Restricted Stock Units(6)	$0	$0	$7,454,798	$21,200,472	$0	$10,018,244	$10,018,244
Value of Accelerated Performance Restricted Stock Units(6)	$0	$0	$0	$0	$0	$4,352,985	$4,352,985
Total Value of Accelerated Equity Grants	*$0*	*$0*	*$10,395,202*	*$29,091,685*	*$0*	*$22,262,442*	*$22,262,442*
Total Value: Incremental Benefits	***$1,456,000***	***$0***	***$16,761,853***	***$35,614,336***	***$0***	***$23,562,442***	***$23,562,442***

(1) In all termination scenarios, the named executive officer retains vested amounts in the Company s deferred compensation plan. These amounts are described in the Aggregate Balance at Last FYE column of the Nonqualified Deferred Compensation table on page 32.

(2) Represents an assumed target bonus award for 2012.

(3) Represents bonus paid in 2012 for 2011 performance.

(4) Represents target bonus for 2012.

(5) Includes for the two-year period (a) premiums of $29,365 with respect to medical and dental insurance, and (b) premiums of $25,286 paid by the Company for life insurance.

(6) Based on the closing price of the Company s Common Stock on the New York Stock Exchange on December 31, 2012 of $63.78.

Peter M. Wilver

The following table shows the potential payments upon termination or a change in control of the Company for Peter Wilver, the Company s Senior Vice President and Chief Financial Officer.

	Voluntary Resignation Without Good Reason 12/31/12(1)	Involuntary For Cause 12/31/12(1)	Involuntary Without Cause 12/31/12(1)	Involuntary Without Cause or by Executive for Good Reason (with CIC) 12/31/12(1)	CIC Without Termination 12/31/12	Disability 12/31/12(1)	Death 12/31/12(1)
INCREMENTAL BENEFITS DUE TO TERMINATION EVENT OR CHANGE IN CONTROL							
Cash Severance							
Base Salary	$0	$0	$951,750	$1,269,000	$0	$0	$0
Bonus	$0	$0	$808,988	$1,078,650	$0	$0	$0
Pro-rata Bonus	$539,325(2)	$0	$539,325(3)	$539,325(3)	$0	$539,325(2)	$539,325(2)
Total Cash Severance	*$539,325*	*$0*	*$2,300,063*	*$2,886,975*	*$0*	*$539,325*	*$539,325*
Benefits & Perquisites							
Health and Welfare Benefits	$0	$0	$20,642(4)	$27,745(5)	$0	$0	$0
Outplacement	$0	$0	$20,000	$20,000	$0	N/A	N/A
Total Benefits & Perquisites	*$0*	*$0*	*$40,642*	*$47,745*	*$0*	*$0*	*$0*
280G Tax Gross-Up	N/A	N/A	N/A	$0	$0	N/A	N/A
Long-Term Incentives							
Gain of Accelerated Stock Options(6)	$0	$0	$0	$1,006,870	$0	$1,006,870	$1,006,870
Value of Accelerated Restricted Stock Units(6)	$0	$0	$0	$3,617,474	$0	$3,617,474	$3,617,474
Value of Accelerated Performance Restricted Stock Units	$0	$0	$0	$0	$0	$0	$0
Total Value of Accelerated Equity Grants	*$0*	*$0*	*$0*	*$4,624,344*	*$0*	*$4,624,344*	*$4,624,344*
Total Value: Incremental Benefits	***$539,325***	***$0***	***$2,340,705***	***$7,559,064***	***$0***	***$5,163,669***	***$5,163,669***

(1) In all termination scenarios, the named executive officer retains vested amounts in the Company s deferred compensation plan. These amounts are described in the Aggregate Balance at Last FYE column of the Nonqualified Deferred Compensation table on page 32.

(2) Represents an assumed target bonus award for 2012.

(3) Represents target bonus for 2012.

(4) Includes for the 1.5 year period (a) premiums of $20,584 with respect to medical and dental insurance, and (b) premiums of $58 paid by the Company for life insurance.

(5) Includes for the two-year period (a) premiums of $27,668 with respect to medical and dental insurance, and (b) premiums of $77 paid by the Company for life insurance.

(6) Based on the closing price of the Company s Common Stock on the New York Stock Exchange on December 31, 2012 of $63.78.

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Alan J. Malus

The following table shows the potential payments upon termination or a change in control of the Company for Alan Malus, the Company s Executive Vice President.

	Voluntary Resignation Without Good Reason 12/31/12(1)	Involuntary For Cause 12/31/12(1)	Involuntary Without Cause 12/31/12(1)	Involuntary Without Cause or by Executive for Good Reason (with CIC) 12/31/12(1)	CIC Without Termination 12/31/12	Disability 12/31/12(1)	Death 12/31/12(1)
INCREMENTAL BENEFITS DUE TO TERMINATION EVENT OR CHANGE IN CONTROL							
Cash Severance							
Base Salary	$0	$0	$1,027,500	$1,370,000	$0	$0	$0
Bonus	$0	$0	$976,125	$1,301,500	$0	$0	$0
Pro-rata Bonus	$650,750(2)	$0	$650,750(3)	$650,750(3)	$0	$650,750(2)	$650,750(2)
Total Cash Severance	*$650,750*	*$0*	*$2,654,375*	*$3,322,250*	*$0*	*$650,750*	*$650,750*
Benefits & Perquisites							
Health and Welfare Benefits	$0	$0	$20,636(4)	$27,713(5)	$0	$0	$0
Outplacement	$0	$0	$20,000	$20,000	$0	N/A	N/A
Total Benefits & Perquisites	*$0*	*$0*	*$40,636*	*$47,713*	*$0*	*$0*	*$0*
280G Tax Gross-Up	N/A	N/A	N/A	$0	$0	N/A	N/A
Long-Term Incentives							
Gain of Accelerated Stock Options(6)	$0	$0	$0	$1,276,353	$0	$1,276,353	$1,276,353
Value of Accelerated Restricted Stock Units(6)	$0	$0	$0	$4,713,406	$0	$4,713,406	$4,713,406
Value of Accelerated Performance Restricted Stock Units	$0	$0	$0	$0	$0	$0	$0
Total Value of Accelerated Equity Grants	*$0*	*$0*	*$0*	*$5,989,759*	*$0*	*$5,989,759*	*$5,989,759*
Total Value: Incremental Benefits	***$650,750***	***$0***	***$2,695,011***	***$9,359,722***	***$0***	***$6,640,509***	***$6,640,509***

(1) In all termination scenarios, the named executive officer retains vested amounts in the Fisher Retirement Plan and the Company s deferred compensation plan. These amounts are described under Pension Benefits, and in the Aggregate Balance at Last FYE column of the Nonqualified Deferred Compensation table, respectively, on pages 31 and 32.

(2) Represents an assumed target bonus award for 2012.

(3) Represents target bonus for 2012.

(4) Includes for the 1.5 year period (a) premiums of $18,332 with respect to medical and dental insurance, and (b) premiums of $2,304 paid by the Company for life insurance.

(5) Includes for the two-year period (a) premiums of $24,641 with respect to medical and dental insurance, and (b) premiums of $3,072 paid by the Company for life insurance.

(6) Based on the closing price of the Company s Common Stock on the New York Stock Exchange on December 31, 2012 of $63.78.

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Edward A. Pesicka

The following table shows the potential payments upon termination or a change in control of the Company for Edward Pesicka, the Company s Senior Vice President.

	Voluntary Resignation Without Good Reason 12/31/12(1)	Involuntary For Cause 12/31/12(1)	Involuntary Without Cause 12/31/12(1)	Involuntary Without Cause or by Executive for Good Reason (with CIC) 12/31/12(1)	CIC Without Termination 12/31/12	Disability 12/31/12(1)	Death 12/31/12(1)
INCREMENTAL BENEFITS DUE TO TERMINATION EVENT OR CHANGE IN CONTROL							
Cash Severance							
Base Salary	$0	$0	$900,000	$1,200,000	$0	$0	$0
Bonus	$0	$0	$765,000	$1,020,000	$0	$0	$0
Pro-rata Bonus	$510,000(2)	$0	$510,000(3)	$510,000(3)	$0	$510,000(2)	$510,000(2)
Total Cash Severance	*$510,000*	*$0*	*$2,175,000*	*$2,730,000*	*$0*	*$510,000*	*$510,000*
Benefits & Perquisites							
Health and Welfare Benefits	$0	$0	$21,798(4)	$29,277(5)	$0	$0	$0
Outplacement	$0	$0	$20,000	$20,000	$0	N/A	N/A
Total Benefits & Perquisites	*$0*	*$0*	*$41,798*	*$49,277*	*$0*	*$0*	*$0*
280G Tax Gross-Up	N/A	N/A	N/A	$0	$0	N/A	N/A
Long-Term Incentives							
Gain of Accelerated Stock Options(6)	$0	$0	$0	$1,162,425	$0	$1,162,425	$1,162,425
Value of Accelerated Restricted Stock Units(6)	$0	$0	$0	$4,308,403	$0	$4,308,403	$4,308,403
Value of Accelerated Performance Restricted Stock Units	$0	$0	$0	$0	$0	$0	$0
Total Value of Accelerated Equity Grants	*$0*	*$0*	*$0*	*$5,470,828*	*$0*	*$5,470,828*	*$5,470,828*
Total Value: Incremental Benefits	***$510,000***	***$0***	***$2,216,798***	***$8,250,105***	***$0***	***$5,980,828***	***$5,980,828***

(1) In all termination scenarios, the named executive officer retains vested amounts in the Fisher Retirement Plan and the Company s deferred compensation plan. These amounts are described under Pension Benefits, and in the Aggregate Balance at Last FYE column of the Nonqualified Deferred Compensation table, respectively, on pages 31 and 32.

(2) Represents an assumed target bonus award for 2012.

(3) Represents target bonus for 2012.

(4) Includes for the 1.5 year period (a) premiums of $19,746 with respect to medical and dental insurance, and (b) premiums of $2,052 paid by the Company for life insurance.

(5) Includes for the two-year period (a) premiums of $26,541 with respect to medical and dental insurance, and (b) premiums of $2,736 paid by the Company for life insurance.

(6) Based on the closing price of the Company s Common Stock on the New York Stock Exchange on December 31, 2012 of $63.78.

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Thomas W. Loewald

The following table shows the potential payments upon termination or a change in control of the Company for Thomas Loewald, the Company s Senior Vice President.

	Voluntary Resignation Without Good Reason 12/31/12(1)	Involuntary For Cause 12/31/12(1)	Involuntary Without Cause 12/31/12(1)	Involuntary Without Cause or by Executive for Good Reason (with CIC) 12/31/12(1)	CIC Without Termination 12/31/12	Disability 12/31/12(1)	Death 12/31/12(1)
INCREMENTAL BENEFITS DUE TO TERMINATION EVENT OR CHANGE IN CONTROL							
Cash Severance							
Base Salary	$0	$0	$675,000	$900,000	$0	$0	$0
Bonus	$0	$0	$506,250	$675,000	$0	$0	$0
Pro-rata Bonus	$337,500(2)	$0	$337,500(3)	$337,500(3)	$0	$337,500(2)	$337,500(2)
Total Cash Severance	*$337,500*	*$0*	*$1,518,750*	*$1,912,500*	*$0*	*$337,500*	*$337,500*
Benefits & Perquisites							
Health and Welfare Benefits	$0	$0	$23,402(4)	$31,438(5)	$0	$0	$0
Outplacement	$0	$0	$20,000	$20,000	$0	N/A	N/A
Total Benefits & Perquisites	*$0*	*$0*	*$43,402*	*$51,438*	*$0*	*$0*	*$0*
280G Tax Gross-Up	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Long-Term Incentives							
Gain of Accelerated Stock Options(6)	$0	$0	$0	$485,435	$0	$485,435	$485,435
Value of Accelerated Restricted Stock Units(6)	$0	$0	$0	$2,173,878	$0	$2,173,878	$2,173,878
Value of Accelerated Performance Restricted Stock Units	$0	$0	$0	$0	$0	$0	$0
Total Value of Accelerated Equity Grants	*$0*	*$0*	*$0*	*$2,659,313*	*$0*	*$2,659,313*	*$2,659,313*
Total Value: Incremental Benefits	***$337,500***	***$0***	***$1,562,152***	***$4,623,251***	***$0***	***$2,996,813***	***$2,996,813***

(1) In all termination scenarios, the named executive officer retains vested amounts in the Company s deferred compensation plan. These amounts are described in the Aggregate Balance at Last FYE column of the Nonqualified Deferred Compensation table on page 32.

(2) Represents an assumed target bonus award for 2012.

(3) Represents target bonus for 2012.

(4) Includes for the 1.5 year period (a) premiums of $21,846 with respect to medical and dental insurance, and (b) premiums of $1,555 paid by the Company for life insurance.

(5) Includes for the two-year period (a) premiums of $29,365 with respect to medical and dental insurance, and (b) premiums of $2,074 paid by the Company for life insurance.

(6) Based on the closing price of the Company s Common Stock on the New York Stock Exchange on December 31, 2012 of $63.78.

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DIRECTOR COMPENSATION

The Compensation Committee periodically reviews director compensation and makes recommendations to the Board for changes when deemed appropriate. The Board then acts on any such recommendation by the Compensation Committee.

Cash Compensation

Each non-management director (except Mr. Manzi) receives an annual retainer of $100,000. The chairpersons of each of the Audit, Compensation, and Nominating and Corporate Governance Committees, as well as the chairpersons of the Strategy and Finance Committee of the Board (the Strategy Committee), which Committee consists of Ms. Lewent (Chair), Messrs. Casper and Parrett and Dr. Jacks, and the Science and Technology Committee of the Board, which Committee consists of Dr. Jacks (Chair) and Mr. Casper, receive additional compensation for their services in those positions. The chairman of the Audit Committee receives an additional annual retainer of $25,000, and the chairpersons of the Compensation, Nominating and Corporate Governance, Strategy and Finance, and Science and Technology Committees receive an additional annual retainer of $15,000.

Mr. Manzi serves as Chairman of the Board. As Chairman of the Board, Mr. Manzi receives an annual retainer of $270,000. Mr. Casper, as an employee of the Company, receives no additional compensation from the Company for service as a director. Payment of the annual retainers during 2012 was made quarterly. Directors are reimbursed for out-of-pocket expenses incurred in attending Board and committee meetings.

Prior to February 26, 2013, each non-management director (except Mr. Manzi) received an annual retainer of $80,000, the chairman of the Audit Committee received an additional annual retainer of $20,000, and the chairpersons of the Compensation, Nominating and Corporate Governance, Corporate Social Responsibility, Strategy and Finance, and Science and Technology Committees received an additional annual retainer of $10,000. Mr. Manzi received an annual retainer of $250,000.

Deferred Compensation Plan for Directors

The Company maintains a deferred compensation plan for its non-management directors (the Directors Deferred Compensation Plan). Under the Directors Deferred Compensation Plan, a participant may elect to defer receipt of his or her annual retainer. Amounts deferred under the Directors Deferred Compensation Plan are valued at the end of each quarter as units of Common Stock and, when payable under the plan, may only be paid in shares of Common Stock. Additional credits are made to a participant s account for cash and stock dividends that he or she would have received had the participant been the owner of such Common Stock on the record dates for payment of such dividends. The Common Stock and cash credited to a participant s account are paid to the participant within 60 days after the end of the fiscal year in which the participant ceases to serve as a director unless the participant makes a timely election to defer the distribution in accordance with the requirements of Section 409A of the Code. The participant does not have any actual ownership of the Common Stock until the Common Stock is distributed to the participant. As of December 31, 2012, a total of 283,789 shares of Common Stock were available for issuance under the Directors Deferred Compensation Plan, of which deferred units equal to 18,234 shares of Common Stock were accumulated.

Fisher Retirement Plan for Non-Employee Directors

Fisher maintained a Retirement Plan for non-employee directors, pursuant to which a director who retires from the board of directors with at least five years of service is eligible to receive an annual retirement benefit for the remainder of the director s lifetime and his or her spouse s lifetime. The annual retirement benefit for a director who retires with five years of service is equal to 50% of the director s fee in effect at the date of the director s retirement from the Fisher board. For directors with more than five years of service, the annual benefit is increased by 10% of the director s fee in effect at the date of the director s retirement for each additional year of service, up to 100% of such fee for 10 or more years of