EQUIFAX INC
Form DEF 14A
March 18, 2014
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant x 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))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

EQUIFAX 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):

x 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 the transaction applies:

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

(3) Per unit price or other underlying value of the 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 the 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:

Table of Contents

1550 Peachtree Street, N.W.

Atlanta, Georgia 30309

www.equifax.com

March 18, 2014

Dear Shareholder:

You are cordially invited to attend the 2014 Annual Meeting of Shareholders of Equifax Inc., which will be held on Friday, May 2, 2014, at 9:30 a.m., Eastern Daylight Time, at our headquarters at 1550 Peachtree St., N.W., Atlanta, Georgia. Details of the business to be presented at the meeting can be found in the accompanying Proxy Statement. We hope you are planning to attend the meeting. Your vote is important. Whether or not you are able to attend, I encourage you to submit your proxy as soon as possible so that your shares will be represented at the meeting.

I am pleased to report that our company delivered the best financial results since I joined the Company in 2005. Reported earnings per share and operating revenue rose by 25% and 11%, respectively. In February 2013, our Board of Directors raised the quarterly dividend by 22% to $0.22 per share and, in February 2014, by 14% to $0.25 per share, the fourth consecutive annual increase in the dividend, for a 16% compound annual growth rate over the last three years. Our cumulative total shareholder return, including reinvested dividends, for the one-, three- and five-year periods ended December 31, 2013, was 30%, 104% and 178%, respectively, compared to 32%, 57% and 128% for the S&P 500 stock index.

Our compensation program is aligned with performance that matters to shareholders. Our executive officers are compensated in a way that rewards them based on performance, both absolute and relative to our peers, that creates value for our shareholders. In 2013, we surpassed our target adjusted earnings per share performance goal and finished just under our target operating revenue goal. The proxy statement summary that follows on pages 1-4 provides highlights of our performance and 2013 compensation actions and refers you to the appropriate sections of this Proxy Statement for additional information.

On behalf of the Board of Directors and management of Equifax, I extend our appreciation for your continued support.

Sincerely,

Richard F. Smith
Chairman and Chief Executive Officer

Table of Contents

1550 Peachtree Street, N.W.

Atlanta, Georgia 30309

NOTICE OF 2014 ANNUAL MEETING OF SHAREHOLDERS

To the Shareholders of Equifax Inc.:

Notice is hereby given that the 2014 Annual Meeting of shareholders (the *Annual Meeting*) of Equifax Inc. (the *Company* or *Equifax*) will be held on Friday, May 2, 2014 at 9:30 a.m., Eastern Daylight Time, at the Company s principal executive offices located at the address shown above to consider and vote on the following items of business described in the accompanying Proxy Statement:

1. Election of the ten nominees to the Board of Directors (the *Board*) named in the Proxy Statement as Directors, each for a term of one year;

2. Ratification of Ernst & Young LLP as the Company s independent registered public accounting firm for 2014;

3. Consideration of an advisory vote to approve named executive officer compensation; and

4. Transaction of such other business as may properly come before the meeting.

You may vote if you owned shares of the Company s common stock at the close of business on March 4, 2014. Shares represented by properly executed proxies will be voted in accordance with the instructions specified therein.

We are mailing to most of our shareholders a Notice of Internet Availability of Proxy Materials (the *Notice*) instead of a paper copy of this Proxy Statement and our 2013 Annual Report. We believe that this process allows us to provide our shareholders with the information they need in a timelier manner, while reducing the costs of delivery and environmental impact of the Annual Meeting. The Notice contains instructions on how to access those documents on the Internet. The Notice also contains instructions on how to request a paper copy of our proxy materials, including the Proxy Statement, our 2013 Annual Report and a form of proxy card or voting instruction card. All shareholders who have previously requested paper copies of our proxy materials will continue to receive a paper copy of the proxy materials by mail.

Your vote is important. Whether or not you plan to attend the meeting in person, please complete, sign, date and return the proxy card or voting instruction card as instructed or vote by telephone or using the Internet as instructed on the proxy card, voting instruction card or the Notice.

By order of the Board of Directors,

Sincerely,

Dean C. Arvidson
Corporate Secretary
Atlanta, Georgia

March 18, 2014

Important Notice Regarding the Availability of Proxy Materials for the

Annual Meeting of Shareholders to be Held on May 2, 2014:

The Company s Notice of 2014 Annual Meeting of Shareholders, Proxy Statement, proxy card and 2013 Annual Report to Shareholders are available on our website at http://investor.equifax.com as well as at www.proxyvote.com.

Table of Contents

CONTENTS

Table of Contents

2014 PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in our Proxy Statement but does not contain all of the information that you should consider. You should read the entire Proxy Statement carefully before voting.

Annual Meeting of Shareholders

Time and date:	9:30 a.m., Eastern Daylight Time, on Friday, May 2, 2014
Place:	Equifax Inc., 1550 Peachtree St., N.W., Atlanta, Georgia 30309
Record date:	March 4, 2014
How to vote:	In general, you may vote either in person at the Annual Meeting or by telephone, the Internet, or mail. See *How to Vote* on page 6 for more details.
Admission:	Satisfactory proof of share ownership as of the record date is required to enter the Annual Meeting. See *Shareholders Entitled to Vote; Attendance at the Meeting* on page 5.

Voting Matters

	Board Voting Recommendation	Page Reference (for more detail)
Election of Directors	FOR EACH NOMINEE	18
Ratification of Appointment of Ernst & Young LLP as the Company s Independent Registered Public Accounting Firm for 2014	FOR	24
Advisory Vote on Executive Compensation	FOR	26

Director Nominees

Name & Occupation	Age	Director Since	Independent	Committee Memberships: Audit	Compensation, Human Resources & Management Succession	Executive	Governance	Technology
James E. Copeland, Jr. Retired CEO, Deloitte & Touche and Deloitte Touche Tohmatsu	69	2003	Ö	Chair		x		
Robert D. Daleo Retired Vice Chairman Thomson Reuters	64	2006	Ö	x	x			
Walter W. Driver, Jr. Chairman Southeast Goldman, Sachs & Co.	68	2007	Ö		x		x	
Mark L. Feidler Founding Partner, MSouth Equity Partners	57	2007	Ö	x				x
L. Phillip Humann	68	1992	Ö Independent Presiding		Chair	Chair	x	

Retired Chairman & CEO SunTrust Banks, Inc.			Director					
Robert D. Marcus Chairman & CEO Time Warner Cable Inc.	48	2013	Ö				x	
Siri S. Marshall Retired Senior Vice President, General Counsel & Secretary General Mills, Inc.	65	2006	Ö		x	x	Chair	
John A. McKinley CEO, SaferAging, Inc. & Co-Founder, LaunchBox Digital	56	2008	Ö	x		x		Chair
Richard F. Smith Chairman & CEO Equifax Inc.	54	2005						
Mark B. Templeton President & CEO Citrix Systems, Inc.	61	2008	Ö		x			x

Table of Contents

2013 Company Financial Performance and 1-, 3- and 5-Year Total Shareholder Return

- Operating revenue rose 11% to a record $2.3 billion for 2013.
- Net income from continuing operations attributable to Equifax increased 25%, to $333.4 million.
- Adjusted EPS[(1)] was $3.60, up 24% compared to Adjusted EPS of $2.91 in 2012, on a non-GAAP basis; non-GAAP Adjusted EPS for 2013 was $3.61 at our budgeted foreign exchange rates.
- We returned $118.6 million to shareholders, through $106.7 million in dividends and $11.9 million in share repurchases.
- The quarterly dividend was increased by 22% in February 2013 to $0.22 per share and, in February 2014, by 14% to $0.25, the fourth consecutive dividend increase. Over the past three years, our dividend has grown at a 16% compound annual growth rate.
- Our cumulative total shareholder return (stock price appreciation plus dividends, or TSR) was slightly below the S&P 500 index for the one-year period ended December 31, 2013, and substantially above the S&P 500 for the three- and five-year periods. Our TSR was 30%, 104% and 178%, respectively, compared to 32%, 57% and 128% for the S&P 500 index.

2013 Executive Compensation Alignment

- The 2013 compensation of our named executive officers (as set forth in the Summary Compensation Table on page 52) reflects the close alignment of Company performance and shareholder value creation. Although Company financial performance in 2013 was strong on an absolute basis as noted above, it was not as exceptional as the results achieved in 2012 and therefore total direct compensation (salary, bonus and equity award value) declined as compared to 2012.
- Most (84%) of the targeted total direct compensation for our CEO was variable, at-risk incentive and stock-based compensation tied to the achievement of internal performance targets or our stock price performance, with 68% in the form of long-term equity compensation (an average of 74% and 58%, respectively, for the other named executive officers).
- We made no 2013 base salary increases. Mr. Smith s base salary has not changed since 2008; all 2013 compensation increases were applied to his performance-based, long-term incentive opportunity. Mr. Kelley joined the Company as Chief Legal Officer in January 2013 and was not eligible for a merit salary increase in 2013. Our other named executive officers received lump sum merit payments in lieu of base salary increases ranging from 3.5% to 4.0% of base salary to reward individual performance while maintaining alignment of base salary levels to prior year levels.
- Target long-term incentive award values for our CEO were granted 57% in performance-based stock units (PSUs) and 43% in three-year time-based restricted stock units (RSUs). Other named executive officers were granted 50% in PSUs and 50% in RSUs. PSUs will vest, if at all, after three years based on the Company s TSR relative to that of the companies that comprised the S&P 500 index on the grant date. No dividend equivalents accrue on unvested PSUs or RSUs.
- Based on 2013 corporate financial performance above the target level for Adjusted EPS and below the target level for operating revenue, as well as individual performance, 2013 annual cash incentives were paid at an average of 135.9% of target for the named executive officers with Company-wide responsibilities (Messrs. Smith, Adrean and Kelley), and for the named executive officers with business unit responsibilities, at 170.5% of target for Mr. Adams and 135.2% of target for Mr. Barros.

1 Adjusted EPS is non-GAAP diluted earnings per share from continuing operations attributable to Equifax, excluding certain items to show the performance of our core operations. On a GAAP basis, diluted EPS from continuing operations attributable to Equifax was $2.69 in 2013, $2.18 in 2012 and $1.86 in 2011. We provide a reconciliation of the differences between non-GAAP Adjusted EPS and GAAP EPS in Appendix A to this Proxy Statement.

Table of Contents

Executive Compensation Governance and Practices

In addition to our executive compensation program s strong pay-for-performance focus, we believe our other policies and pay practices contribute to ensuring an alignment of executives and shareholders interests and discouraging inappropriate risk taking by our executives.

What We Do	What We Don t Do
ü Meaningful share ownership requirements for senior officers	ü No dividend equivalents paid on unearned share units ü No repricing of underwater stock options
ü Strong executive compensation recoupment (clawback) policy	ü No single-trigger change-in-control cash severance benefits ü No tax gross-ups for perquisites or new change-in-control agreements
ü Anti-hedging and pledging stock policies for officers and directors	ü No additional years of supplemental pension service credit since 2011
ü Capped annual and long-term incentive awards	
ü Independent Compensation Committee advised by independent compensation consultant	

Additional Shareholder Engagement Actions

Senior management has engaged with and received specific feedback from 19 of our top 25 shareholders, representing approximately 51% of our outstanding shares, on various topics relating to our Company including executive compensation and corporate governance practices and policies. There were no significant areas of concern noted in these discussions. We also regularly review our investors comments with the Governance Committee of our Board.

Although last year s annual meeting of shareholders and most discussions with shareholders took place after we established the 2013 executive compensation program, the Compensation Committee of our Board weighed this shareholder feedback, the increased weighting on performance-based long-term incentives for the CEO, and advice from its independent compensation consultant and concluded that our 2013 and ongoing executive compensation program is appropriately designed with challenging performance metrics and incentives and a mix of fixed and at-risk variable pay.

Corporate Governance Highlights

Director independence. The Board believes that a substantial majority of the directors should be independent. Currently, nine of ten members of the Board are independent in accordance with the applicable rules and the Board s guidelines for determining director independence.

Independent Presiding Director. The Board believes in the value of an active, independent Presiding Director. The duties of the Presiding Director include chairing executive sessions of the Board, calling meetings of the non-employee directors, reviewing and approving agenda, schedule and materials for board meetings, facilitating communication between the non-employee directors and the Chairman and CEO, meeting directly with management and non-management employees of the Company, and being available for consultation and direct communication with shareholders as appropriate.

Majority voting for directors. Under our Bylaws, if in an uncontested election for directors a nominee does not receive a majority of the votes cast for the nominee, the nominee is required to offer his or her resignation and the independent members of the Board will determine and promptly publicly announce the action to be taken with respect to the resignation offer.

Annual director terms. Each director is elected on an annual basis.

Director stock ownership. To align director interests with those of our shareholders, each director is required to own Equifax common stock with a market value of at least five times his or her annual cash retainer, within five years of becoming a director.

Enterprise risk management. Equifax has a rigorous enterprise risk management program targeting controls over operational, financial, environmental, legal/regulatory compliance, reputational, technology, security, strategic and other risks that could adversely affect the Company s business. Risks are identified, assessed, managed and monitored. The program also includes crisis management and business continuity planning. See *The Board s Role in Risk Oversight* on page 9.

No over-boarding. Directors are limited to service on five other public company boards, and none of our directors currently serves on the board of directors of more than two other publicly-held corporations.

Stock hedging and pledging policies. Our insider trading policy bars our directors, officers and employees from owning financial instruments or participating in investment strategies that hedge the economic risk of owning Equifax stock. We also prohibit officers and directors from pledging Equifax securities as collateral for loans (including margin loans).

Shareholder Proposals and Director Nominations for 2015 Annual Meeting

Notice of any proposal or director nomination that a shareholder wishes to propose for consideration at the 2015 Annual Meeting, including any proposal that a shareholder wishes to submit for inclusion in the Company s proxy materials for such meeting, must be delivered to us no later than November 18, 2014. See *Shareholder Proposals and Director Nominations for 2015 Annual Meeting* on page 72.

Table of Contents

1550 Peachtree Street, N.W.

Atlanta, Georgia 30309

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS MAY 2, 2014

GENERAL INFORMATION

Proxy Solicitation

Proxies in the form furnished are being solicited by the Board for the 2014 Annual Meeting. The accompanying notice of meeting, this Proxy Statement and the form of proxy card and Notice of Internet Availability of Proxy Materials are first being made available to shareholders on or about March 18, 2014.

Proposals to be Voted On

The following proposals will be voted on at the Annual Meeting:

Proposal 1	Election of Directors
Proposal 2	Ratification of Appointment of Independent Registered Public Accounting Firm
Proposal 3	Advisory Vote on Executive Compensation

All shares represented by proxies received will be voted in accordance with instructions contained in the proxies. In the absence of voting instructions to the contrary, shares represented by validly executed and dated proxies or voting instruction cards will be voted in accordance with the foregoing recommendations.

On or about March 18, 2014, we mailed a Notice of Internet Availability of Proxy Materials to our shareholders who have not previously requested electronic access to our proxy materials or the receipt of paper proxy materials advising them that they can access this Proxy Statement, the 2013 Annual Report and voting instructions over the Internet at *www.proxyvote.com*. You may then access these materials and vote your shares over the Internet or by telephone. The notice contains a 12-digit control number that you will need to vote your shares over the Internet or by telephone. Please keep the notice for your reference through the meeting date.

Alternatively, you may request that a printed copy of the proxy materials be mailed to you. If you want to receive a printed copy of the proxy materials, you may request one via the Internet at *www.proxyvote.com*, by calling toll-free 1-800-579-1639 or by sending an email to *sendmaterial@proxyvote.com*. There is no charge to you for requesting a copy. Please make your request for a copy on or before April 18, 2014 to facilitate timely delivery. If you previously elected to receive our proxy materials electronically, we will continue to send these materials to you via email unless you change your election.

The Company has retained AST Phoenix Advisors to assist in soliciting proxies for an annual fee not to exceed $7,500 plus expenses, and will bear the cost of soliciting proxies. Directors, officers and other Company associates also may solicit proxies by telephone or otherwise. Brokers and other nominees will be requested to solicit proxies or authorizations from beneficial owners and will be reimbursed for their reasonable expenses.

Shareholders Entitled to Vote; Attendance at the Meeting

Company shareholders of record at the close of business on March 4, 2014 are entitled to notice of, and to vote at, the meeting. As of such date, there were 121,863,151 shares of Company common stock outstanding, each entitled to one vote.

5

Table of Contents

If your shares are held in the name of a bank, broker or other holder of record (also known as *street name*) and you wish to attend the meeting, you must present proof of ownership as of the record date, such as the Notice of Internet Availability of proxy materials or the voting instruction card that is sent to you or a current bank or brokerage account statement, to be admitted. The Company also may request appropriate identification such as a valid government-issued photo identification as a condition of admission.

Quorum; Required Vote

Quorum. The holders of a majority of the shares entitled to vote at the meeting must be present in person or represented by proxy to constitute a quorum. Abstentions and shares that brokers do not have the authority to vote in the absence of timely instructions from the beneficial owners *(broker non-votes)* will be treated as present for the purposes of determining a quorum. If a quorum is not present, the meeting may be adjourned from time to time until a quorum is present.

Election of Ten Directors. Each director nominee for whom more shares are voted for than against his or her election will be elected as a director at the meeting. Under our Bylaws, if more votes are cast against than are cast for a nominee, the nominee shall offer his or her resignation. The independent members of the Board will determine and promptly publicly announce the action to be taken with respect to acceptance or rejection of the resignation offer.

All Other Proposals. For all of the other proposals described in this Proxy Statement, the proposal will be approved if more votes are cast for than are cast against the proposal. Although the vote on Proposal 3 is advisory in nature and non-binding even if approved by our shareholders, our Board and Compensation Committee will carefully review the results of the vote and, consistent with our record of shareholder engagement, will take the results into account in formulating future executive compensation policy.

Broker Non-Votes and Abstentions. Under certain circumstances, including the election of directors and matters involving executive compensation *(non-routine* matters), banks and brokers are prohibited from exercising discretionary authority for street name owners who have not provided voting instructions to the broker. In these cases, and in cases where the shareholder abstains from voting on a matter, those shares will be counted for the purpose of determining if a quorum is present but will not be included as votes cast with respect to those matters. Whether a bank or broker has authority to vote its shares on uninstructed matters is determined by stock exchange rules. We expect that brokers will be allowed to exercise discretionary authority for beneficial owners who have not provided voting instructions only with respect to Proposal 2, but not with respect to any of the other proposals to be voted on at the Annual Meeting. Broker non-votes and abstentions will have no effect on any of the proposals to be considered at the Annual Meeting.

Other Voting Matters

The Company is not aware, as of the date of this Proxy Statement, of any other matters to be voted on at the Annual Meeting. If any other matters are properly brought before the meeting for a vote, the persons named as proxies on the proxy card will vote all shares represented at the meeting (other than shares that are voted by the holder in person at the meeting) on such matters in accordance with the Board s recommendation.

How to Vote

Shareholders of record. Shareholders of record may attend and cast their votes at the meeting. In addition, shareholders of record may cast their vote by proxy and participants in the Company s benefit plans described below may submit their voting instructions by:

using the Internet and voting at the website listed on the enclosed proxy/voting instruction card (the *proxy card*);

Table of Contents

using the toll-free telephone number listed on the enclosed proxy card; or

signing, completing and returning the enclosed proxy card in the enclosed postage-paid envelope.

Votes cast through the Internet and telephone voting procedures are authenticated by use of a personal identification number. This procedure allows shareholders to appoint a proxy (or Company benefit plan participants to provide voting instructions) and to confirm that their actions have been properly recorded. Specific instructions to be followed are set forth on the enclosed proxy card. If you vote through the Internet or by telephone, you do not need to return your proxy card.

Beneficial owners. If you are the beneficial owner of shares held in street name, you have the right to direct your bank, broker or other nominee on how to vote your shares by using the voting instruction form provided to you by them, or by following their instructions for voting through the Internet or by telephone. In the alternative, you may vote in person at the meeting if you obtain a valid proxy from your bank, broker or other nominee and present it at the meeting. **In order for your shares to be voted on all matters presented at the meeting, we urge all shareholders whose shares are held in street name by a bank, brokerage firm or other nominee to provide voting instructions to such record holder.**

Participants in the Equifax Inc. 401(k) Plan and the Equifax Canada Retirement Savings Program for Salaried Employees (collectively, the Company Plans). Participants in the Company Plans may instruct the applicable plan trustee how to vote all shares of Company common stock allocated to their accounts. To allow sufficient time for the plan trustees to vote, the trustees must receive your voting instructions no later than 11:59 p.m. Eastern Time on April 30, 2014. The 401(k) Plan trustee will vote shares for which it has not received instructions in the same proportion as the shares for which it has received instructions. The Canada Retirement Savings Program trustee will only vote those plan shares for which voting instructions are received prior to this deadline. Participants in the Company Plans may not vote the shares owned through such plans after this deadline, including at the Annual Meeting.

Revocation of Proxies or Change of Instructions

A proxy given by a shareholder of record may be revoked at any time before it is voted by sending written notice of revocation to the Corporate Secretary of the Company at the address set forth below, by delivering a proxy (by one of the methods described above) bearing a later date or by voting in person at the meeting. Participants in the plans described above may change their voting instructions by delivering new voting instructions by one of the methods described above.

If you are the beneficial owner of shares held in street name, you may submit new voting instructions in the manner provided by your bank, broker or other nominee, or you may vote in person at the Annual Meeting in the manner described above under *How to Vote*.

Multiple Company shareholders who share an address may receive only one copy of this Proxy Statement and the 2013 Annual Report from their bank, broker or other nominee, unless contrary instructions are received. We will deliver promptly a separate copy of this Proxy Statement and the 2013 Annual Report to any shareholder who resides at a shared address and to which a single copy of the documents was delivered, if the shareholder makes a request by contacting the Office of Corporate Secretary, Equifax Inc., P.O. Box 4081, Atlanta, Georgia 30302, telephone (404) 885-8000. Beneficial owners sharing an address who are receiving multiple copies of this proxy statement and the 2013 Annual Report and who wish to receive a single copy in the future will need to contact their bank, broker or other nominee.

Voting Results

You can find the official results of voting at the meeting in our Current Report on Form 8-K that we will file with the Securities and Exchange Commission (SEC) within four business days after the

Table of Contents

Annual Meeting. If the official results are not available at that time, we will provide preliminary voting results in the Form 8-K and will provide the final results in an amendment to the Form 8-K as soon as they become available.

DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

General

The Board oversees, counsels and directs management in the long-term interests of the Company and our shareholders. The Board s responsibilities include:

- selecting and evaluating the performance of the Chief Executive Officer (the *CEO*) and other senior executives;
- planning for succession with respect to the position of Chairman and CEO and monitoring management s succession planning for other senior executives;
- reviewing and approving our major financial objectives, strategic and operating plans, and other significant actions;
- overseeing the conduct of our business and the assessment of our business risks to evaluate whether the business is being properly managed; and
- overseeing the processes for maintaining the integrity of our financial statements and other public disclosures, and compliance with law and ethics.

Our Board is comprised of ten members each of whom is serving an annual term expiring at the Annual Meeting. The Board has determined that nine to 12 directors is currently the appropriate size for our Board. The Board believes this range is sufficient to ensure the presence of directors with diverse experience and skills, without hindering effective decision-making or diminishing individual responsibility. The Board also believes this range is flexible enough to permit the recruitment, if circumstances so warrant, of any outstanding director candidate in whom the Board may become interested. The Governance Committee periodically reviews the size of the Board and recommends changes as appropriate.

Leadership Structure of the Board

In accordance with our Bylaws, the Board elects our CEO and our Chairman of the Board, and these positions may be held by the same person. Under the Board s Mission Statement and Guidelines on Significant Corporate Governance Issues (the *Governance Guidelines*), the Board does not have a policy, one way or another, on whether the roles of the Chairman and the CEO should be separate and, if it is to be separate, whether the Chairman should be selected from among the non-employee directors or be an employee. If the Chairman is not an independent director, however, the Governance Guidelines require that a Presiding Director shall be recommended by the Governance Committee and elected by a majority of independent directors. The Governance Committee charter provides that it shall recommend to the Board the corporate governance structure of the Company.

The Chairman of the Board is responsible for chairing Board and shareholder meetings, setting the agenda for Board meetings and providing information to the Board members in advance of meetings and between meetings. The duties of the Presiding Director as provided in the Governance Guidelines include the following:

- advising the Chairman and CEO of decisions reached, and suggestions made, at the executive sessions of the non-employee directors;

calling meetings of the non-employee directors;

presiding at each Board meeting at which the Chairman is not present;

reviewing and approving the agenda, schedule and materials for Board meetings;

Table of Contents

- facilitating communication between the non-employee directors and the Chairman and CEO;
- meeting directly with management and non-management employees of the Company; and
- being available for consultation and direct communication with shareholders as appropriate.

All directors may interact directly with the Chairman and CEO and provide input on presentations by management at Board and Committee meetings, and each has complete access to our management and employees.

The Governance Committee and the Board have determined that our current Board structure, combining the Chairman and CEO positions and utilizing a Presiding Director, is the most appropriate leadership structure for the Company and its shareholders at the present time. Combining the Chairman and CEO roles fosters clear accountability, effective decision-making, alignment with corporate strategy, direct oversight of management, full engagement of the independent directors and continuity of leadership. As the officer ultimately responsible for the day-to-day operation of the Company and for execution of its strategy, the Board believes that the CEO is the director best qualified to act as Chairman of the Board and to lead Board discussions regarding the performance of the Company.

The Company s governance practices provide for strong independent leadership and oversight, independent discussion among directors, and independent evaluation of, and communication with, members of our senior leadership team. These governance practices are reflected in the Governance Guidelines and the various charters of the Board Committees which are described below. Some of the relevant practices include:

- The annual election by the independent directors of a Presiding Director with clearly defined leadership authority and responsibilities.
- At each regularly scheduled Board meeting, the non-management directors meet in executive session and deliberate on matters such as CEO succession planning and performance.
- A substantial majority of our Board should be independent. Nine of our ten current directors are independent, which is substantially above the NYSE requirement that a majority of directors be independent. Each director is an equal participant in decisions made by the full Board. All of our Board Committees are comprised of independent directors.
- In 2011, the Company completed the phase-in of the annual election of all directors by our shareholders to enhance accountability to our shareholders.

The Board s Role in Risk Oversight

Our Board oversees an enterprise-wide risk management program which is designed to support the achievement of our organizational and strategic objectives, to identify and manage risks, to improve long-term organizational performance and to enhance shareholder value. On an annual basis, the Board performs an enterprise risk assessment with management to review the principal risks facing the Company and monitors the steps management is taking to map and mitigate these risks. The Board then sets the general level of risk appropriate for the Company through business strategy reviews. Risks are assessed throughout the business, focusing on two primary areas: (1) financial, operational and strategic risk, and (2) ethical, legal, regulatory and other compliance risks. Each business unit and corporate support unit has primary responsibility for assessing risks within their respective areas of responsibility and mitigating those risks. The CEO and our senior leadership team receive comprehensive periodic reports on the most significant risks from these units and from the head of our internal audit department.

In addition, each of our Board committees considers the risks within its areas of responsibility. For example, the Audit Committee reviews risks related to financial reporting; discusses material violations,

9

Table of Contents

if any, of Company ethics, legal, regulatory and other compliance policies; considers the Company s annual audit risk assessment which identifies internal control risks and drives the internal and external audit plan for the ensuing year; and considers the impact of risk on our financial position and the adequacy of our risk-related internal controls. The Compensation, Human Resources & Management Succession Committee (the *Compensation Committee*) reviews compensation, human resource and management succession risks, as summarized under *Management of Compensation-Related Risk* on page 49. The Governance Committee focuses on corporate governance risks, including evaluation of our leadership and risk oversight structure to ensure that it remains the optimal structure for our Company and shareholders. The Technology Committee enhances the Board s focus on technology-related risks and opportunities.

The Board believes that the administration of the Board s risk oversight function has not affected its leadership structure.

The Board s Role in CEO and Executive Succession Planning

Our Board is accountable for the development, implementation and continual review of a succession plan for the CEO and other executive officers. Board members are expected to have a thorough understanding of the characteristics necessary for a CEO to execute a long-term strategy that optimizes operating performance, profitability and shareholder value creation. As part of its responsibilities under its charter, the Compensation Committee oversees the succession planning process for the CEO and the senior leadership team. The process ensures that critical business capabilities are safeguarded, executive development is accelerated and strategic talent is leveraged to focus on current and new business imperatives. The ongoing succession process is designed to reduce vacancy, readiness and transition risks and develop strong leadership quality and executive bench strength. The specific criteria for the CEO position are aligned with our long-term growth strategy we refer to as our Growth Playbook, and succession and development plans are monitored for each of the CEO s direct reports including high potential internal CEO succession candidates, all of whom have ongoing exposure to the Board and are reviewed annually with the Board by the CEO and the Chief Human Resources Officer. The Committee and the Board also review the foregoing in executive session on a regular basis.

Meetings of the Board and its Committees

During 2013, the Board held six meetings; the Audit Committee met five times; the Compensation, Human Resources & Management Succession Committee met five times; the Governance Committee met four times; and the Technology Committee met four times. The Executive Committee did not meet; regular executive sessions of the Board were held as described under *Executive Sessions* on page 15. All director nominees attended 75% or more of the aggregate of the meetings of the Board and of the committees of the Board on which such directors served.

Attendance of Directors at 2013 Annual Meeting of Shareholders

All directors are expected to attend the Company s annual meeting of shareholders. All of the Company s directors then serving attended the 2013 annual meeting of shareholders.

Board Committees

The Board appoints committees to help carry out its duties and work on key issues in greater detail than is generally possible at Board meetings. Committees regularly review the results of their meetings with the Board. The Board has five standing committees, all of which are composed of independent directors as defined in the NYSE rules. The current members of each committee are shown on page 1 of this Proxy Statement.

Table of Contents

Each committee operates pursuant to a written charter which is available as described under *Corporate Governance Guidelines* on page 13. The charters for each of our Board committees are available on our website at: *www.equifax.com/about_equifax/corporate_governance/committee_charters/en_us.*

The ***Audit Committee*** has sole authority to appoint, review and discharge the Company s independent registered public accounting firm. The committee reviews and approves in advance the services provided by our independent registered public accounting firm, reviews and discusses the independence of that firm, oversees the internal audit function, reviews our internal accounting controls and financial reporting process, oversees our regulatory compliance program, and administers our Code of Ethics and Business Conduct. The committee reviews the Company s guidelines and policies related to enterprise risk assessment and risk management.

The committee meets separately with the internal and external auditors to ensure full and frank communications with the committee. The Board has determined that Messrs. Copeland, Daleo, Feidler and McKinley are each financially literate under NYSE rules and that Messrs. Copeland, Daleo and Feidler are each an audit committee financial expert under the rules of the SEC.

The Audit Committee has appointed Ernst & Young LLP as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2014, and is recommending that our shareholders ratify this appointment at the Annual Meeting. See Proposal 2 on page 24 and the Audit Committee Report on page 69.

The ***Compensation, Human Resources & Management Succession Committee*** (Compensation Committee) determines the compensation for our executive officers, establishes our compensation policies and practices, and reviews annual performance under our employee incentive plans. The Compensation Committee also provides assistance to the Governance Committee from time to time in connection with its review of director compensation. The Compensation Committee also advises management and the Board on succession planning and other significant human resources matters.

Role of Compensation Committee and Management in Determining Executive Compensation. The Compensation Committee reviews and makes decisions about executive policies and plans, including the amount of base salary, cash bonus and long-term incentive awarded to our named executive officers. Our Chairman and CEO and other executives may assist the Committee from time to time in its evaluation of compensation elements or program design or by providing mathematical calculations, historical information, year-over-year comparisons and clarification regarding job duties and performance. The Compensation Committee also considers the recommendations and competitive data provided by its compensation consultant and makes decisions, as it deems appropriate, on executive compensation based on its assessment of individual performance and achievement of goals both by the individual and the Company.

The CEO s performance is reviewed by the Compensation Committee with input from the other non-employee members of the Board. The CEO annually reviews the performance of each other executive officer who reports to him, including the named executive officers listed in the Summary Compensation Table on page 52. The conclusions reached and recommendations made based on these reviews, including with respect to salary adjustments and annual award amounts, are presented to the Compensation Committee for approval. Members of management play various additional roles in this process:

- The CEO makes recommendations to the Compensation Committee regarding executive salary merit increases and compensation packages for the executive officers (other than himself) based on his evaluation of the performance of the executives who report to him against their goals established in the first quarter of each year.

- The Chief Human Resources Officer and her staff provide the Compensation Committee with details of the operation of our various compensation plans, including the design of performance measures for our annual incentive plan and the design of our equity incentive program.

- The Chief Financial Officer provides information and analysis relevant to the process of establishing performance targets for our annual cash incentive plan as well as any other performance-based awards and presents information regarding the attainment of corporate financial goals for the preceding year.

- The Corporate Secretary attends meetings of the Compensation Committee to provide input on legal issues, respond to questions about corporate governance and assist in the preparation of minutes.

The Compensation Committee considers these recommendations and exercises discretion in modifying any recommended adjustments or awards to executives based on considerations it deems appropriate. Although members of our management team participate in the executive compensation process, the Compensation Committee also meets regularly in executive session without any members of the management team present. The Compensation Committee makes the final determination of the executive compensation package provided to each of our named executive officers, with input from the non-employee members of the Board in executive session with respect to CEO compensation.

Compensation Consultant Services and Independence. The Compensation Committee has the authority to engage independent advisors to assist it in fulfilling its responsibilities. The Committee has retained Meridian Compensation Partners LLC (*Meridian*), a national executive compensation consulting firm, to provide advice with respect to compensation for our named executive officers and other officers. Meridian performs services solely on behalf of the Committee and does not provide any other services to us. Management of the Company had no role in selecting the Committee s compensation consultant and had no relationship with Meridian. The Committee has assessed the independence of Meridian pursuant to SEC rules and concluded that no conflict of interest exists that would prevent Meridian from independently representing the Committee.

In 2013, Meridian performed the following services for the Committee:

- provided market benchmark information;

- advised the Committee on incentive risk assessment and proxy disclosure;

- provided regulatory and governance guidance;

- assisted the Committee in determining appropriate levels of compensation for the CEO and other executive officers; and

- attended all Committee meetings upon invitation and participated in executive sessions thereof without management present.

The ***Executive Committee*** is authorized to exercise the powers of the Board in managing our business and property during the intervals between Board meetings, subject to Board discretion and applicable law.

The ***Governance Committee*** reviews and makes recommendations to the Board regarding nominees for director; recommends to the Board, and monitors compliance with, our Governance Guidelines and other corporate governance matters; conducts an annual review of the effectiveness of our Board; makes recommendations to the Board with respect to Board and committee organization, membership and function; and exercises oversight of Board compensation. Our process for receiving and evaluating Board member nominations from our shareholders is summarized under the captions *Director Qualifications and Nomination Process* on page 14 and *Shareholder Proposals and Director Nominations for 2015 Annual Meeting* on page 72.

12

Table of Contents

The ***Technology Committee*** assesses our technology development strategies and makes recommendations to the Board as to scope, direction, quality, investment levels and execution of technology strategies; oversees the execution of technology strategies formulated by management and technology risk and opportunities; provides guidance on technology as it may pertain to, among other things, investments, mergers, acquisitions and divestitures, research and development investments, and key competitor and partnership strategies.

Corporate Governance Guidelines

The Governance Committee is responsible for overseeing the Governance Guidelines adopted by the Board and annually reviews them and makes recommendations to the Board concerning corporate governance matters. The Board may amend, waive, suspend, or repeal any of these guidelines at any time, with or without public notice, as it deems necessary or appropriate in the exercise of the Board s judgment or fiduciary duties. Among other matters, the Governance Guidelines include the following items concerning the Board:

Non-management directors shall retire at the next Board meeting following the director s 72nd birthday, unless requested by the Board to stay. Directors who are employees of the Company in the normal course resign from the Board when their employment ceases or they reach age 65, absent a Board determination that it is in the best interests of the Company for the employee to continue as a director.

Directors are limited to service on five public company boards other than our Board.

The CEO reports at least annually to the Board on succession planning and management development.

The Presiding Director and the Chair of the Governance Committee manage a process whereby the Board and its Committee members are subject to an annual evaluation and self-assessment.

Our Governance Guidelines are posted at www.equifax.com/about_equifax/governance_principals/en_us.

Code of Ethics

We have adopted codes of ethics and business conduct applicable to our directors, officers and employees, available at *www.equifax.com/about_equifax/corporate_governance/en_us*, or in print upon request to the Office of Corporate Secretary, Equifax, P.O. Box 4081, Atlanta, Georgia 30302, telephone (404) 885-8000. Any amendment or waiver of a provision of these codes of ethics or business conduct that applies to any Equifax director or executive officer will also be disclosed on our website.

Director Independence

The Board has determined that all directors, excluding Mr. Smith, are independent under the applicable NYSE and SEC rules. In making these determinations, the Board considered the types and amounts of the commercial dealings between the Company and the companies and organizations with which the directors are affiliated. Each of these transactions was significantly below the thresholds set forth in the categories of immaterial relationships described in our Director Independence Standards which are attached as Appendix B to this Proxy Statement. See *Review, Approval or Ratification of Transactions with Related Persons* on page 71.

Communicating with Directors

Shareholders and other interested parties who wish to communicate with our directors, a committee of the Board of Directors, the Presiding Director, the non-management directors as a group, or the Board generally should address their correspondence accordingly and send by mail to Equifax Inc., c/o Corporate Secretary, P.O. Box 4081, Atlanta, Georgia 30302. All concerns related to audit or accounting matters will be referred to the Audit Committee.

13

Table of Contents

Director Qualifications and Nomination Process

The Governance Committee of our Board is the standing committee responsible for selecting the slate of director nominees for election by our shareholders. The Committee recommends those nominees to the full Board for approval and often utilizes the services of a third party search firm to assist in the identification and evaluation of potential director nominees. The Committee Chair and Presiding Director are furnished with copies of the resumes provided by the search firm and review them as appropriate with the Governance Committee, the CEO and the full Board.

Our Governance Committee determines the selection criteria and qualifications for director nominees. As set forth in our Governance Guidelines, a candidate must have demonstrated accomplishment in his or her chosen field, character and personal integrity, the capacity and desire to represent the balanced, best interests of the Company and the shareholders as a whole and not primarily a special interest group, and the ability to devote sufficient time to carry out the duties of an Equifax director. The Committee and the Board consider whether the candidate is independent under the standards described above under *Director Independence.* In addition, the Committee and the Board consider all information relevant in their judgment to the decision of whether to nominate a particular candidate, taking into account the then-current composition of the Board and an assessment of the Board s collective requirements. These factors may include a candidate s educational and professional experience; reputation; industry knowledge and business experience and relevance to the Company and the Board (including the candidate s understanding of markets, technologies, financial matters and international operations); whether the candidate will complement or contribute to the mix of talents, skills and other characteristics that are needed to maintain Board effectiveness; and the candidate s ability to fulfill his or her responsibilities as a director and as a member of one or more of our standing Board committees.

Although the Committee does not have a formal diversity policy for Board membership, it considers whether a director nominee contributes or will contribute to the Board in a way that can enhance the perspective and experience of the Board as a whole through diversity in gender, ethnicity, geography and professional experience. When current Board members are considered for nomination for re-election, the Committee also takes into consideration their prior Board contributions, performance and meeting attendance records. The effectiveness of the Board s skills, expertise and background, including its diversity, is also considered as part of the Board s annual self-assessment.

The Board believes that nomination of a candidate should not be based solely on these factors noted above. The Governance Committee and the Board do not assign specific weights to particular criteria, and no particular criterion is a prerequisite for Board membership. We believe that the backgrounds and qualifications of our directors, considered as a group, should provide a complete mix of experience, knowledge and abilities that will allow the Board to fulfill its responsibilities. Our current Board is geographically diverse; there is a balance of different ages; gender diversity includes one female director; and directors have diverse industry backgrounds which include banking, investment banking, venture capital, consumer products manufacturing, accounting and consulting, information and technology, telecommunications, and legal. The backgrounds and qualifications of our current directors and nominees are further described under *Proposal 1 Election of Directors* beginning on page 18.

The Governance Committee will consider for possible nomination qualified Board candidates that are submitted by our shareholders. Shareholders wishing to make such a submission may do so by sending the following information to the Governance Committee by November 18, 2014, c/o Corporate Secretary, P.O. Box 4081, Atlanta, Georgia 30302: (1) a nomination notice in accordance with the procedures set forth in Section 1.12 of the Bylaws; (2) a request that the Governance Committee consider the shareholder s candidate for inclusion in the Board s slate of nominees for the applicable meeting; and (3) along with the shareholder s candidate, an undertaking to provide all other information the Committee or the Board may request in connection with their evaluation of the candidate. See *Shareholder Proposals and Director Nominations for 2015 Annual Meeting* on page 72. A copy of our Bylaws is available on our website at www.equifax.com/about_equifax/corporate_governance/en_us or by writing to the Corporate Secretary.

Table of Contents

Any shareholder s nominee must satisfy the minimum qualifications for any director described above in the judgment of the Governance Committee and the Board. In evaluating shareholder nominees, the Committee and the Board may consider all relevant information, including the factors described above, and additionally may consider the size and duration of the nominating shareholder s holdings in the Company; whether the nominee is independent of the nominating shareholder and able to represent the interests of the Company and its shareholders as a whole; and the interests and/or intentions of the nominating shareholder.

No candidate for director nomination was submitted to the Governance Committee by any shareholder in respect of the Annual Meeting.

Executive Sessions

The non-management directors generally meet in executive session without management at every regularly scheduled in-person Board meeting. The Presiding Director or his designee presides at Board executive sessions.

Compensation Committee Interlocks and Insider Participation

Ms. Marshall and Messrs. Daleo, Driver, Humann and Templeton were the members of the Compensation Committee during 2013. None of these directors is or has been an executive officer of the Company, or had any relationship requiring disclosure by the Company under the SEC s rules requiring disclosure of certain relationships and related party transactions. None of the Company s executive officers served as a director or a member of a compensation committee (or other committee serving an equivalent function) of any other entity, the executive officers of which served as a director of the Company or a member of the Compensation Committee during 2013.

Director Compensation

The table below sets forth the compensation received by our non-management directors during 2013:

Director Compensation Table

Name	Fees Earned or Paid in Cash ($)	Stock Awards(1)(2) ($)	Option Awards(3)	All Other Compensation(4) ($)	Total ($)
James E. Copeland, Jr.	95,000	133,089	0	100	228,189
Robert D. Daleo	92,500	133,089	0	100	225,689
Walter W. Driver, Jr.	86,250	133,089	0	320	219,659
Mark L. Feidler	88,750	133,089	0	100	221,939
L. Phillip Humann	93,750	133,089	0	100	226,939
Robert D. Marcus	12,432	167,974	0	300	180,706
Siri S. Marshall	90,000	133,089	0	130	223,219
John A. McKinley	92,500	133,089	0	320	225,909
Mark B. Templeton	86,250	133,089	0	0	219,339

(1) Represents the grant date fair value for restricted stock unit (RSU) awards made on May 2, 2013 (2,198 RSUs for each director then serving), other than Mr. Marcus whose initial RSU grant was made on November 1, 2013 (2,685 RSUs), computed in accordance with FASB ASC Topic 718.

(2) As of December 31, 2013, each current non-employee director held 2,198 shares of unvested RSUs other than Mr. Marcus, who held 2,685 shares.

(3) Prior to 2005, each non-employee director received an annual grant of a nonqualified option to purchase 7,000 shares of Company common stock with an exercise price equal to the fair market value closing price on the NYSE of the common stock on the grant date. These options became fully vested one year after the date granted and expire ten years from the date granted. As of December 31, 2013 directors with options outstanding included Mr. Copeland, 7,000, and Mr. Humann, 7,000. All director stock options were fully vested prior to 2011.

(4) Reflects the market price of annual membership to certain of our credit monitoring products.

Table of Contents

Director Fees. For 2013, director cash compensation consisted of an annual cash retainer of $75,000, and an annual cash retainer of $20,000 for the Audit Committee chair, $15,000 for the Compensation Committee chair, and $7,500 each for the chairs of the Governance and Technology Committees. An annual cash retainer is also paid equal to $10,000 for Audit Committee members, $7,500 for Compensation Committee members and $3,750 for all other Committee members.

By paying directors an annual retainer and eliminating meeting fees, the Company compensates each non-employee director for his or her role and judgment as an advisor to the Company, rather than for his or her attendance or effort at individual meetings. Directors with added responsibility are recognized with higher cash compensation as noted above. The Governance Committee believes that this additional compensation is appropriate.

Equity Awards. Each non-employee director receives an initial and an annual long-term incentive grant of restricted stock units under our shareholder-approved 2008 Omnibus Incentive Plan on the date of the annual meeting of shareholders to further align their interests with those of our shareholders and to attract and retain highly qualified directors through equity ownership. For 2013, directors received a fixed value in shares computed as of the grant date ($175,000 initial one-time grant to new directors and $135,000 annual grant). The annual grants and initial grants vest one year and three years, respectively, after the grant date with accelerated vesting in the event of the director s death, disability, retirement or a change in control of the Company. No dividend equivalents are paid on outstanding unvested restricted stock units.

Director Deferred Compensation Plan. Each non-employee director may defer receipt of up to 100% of his or her stock-based or cash retainer fees. The director is credited with a number of share units having an equivalent value at the end of each quarter based on his or her advance deferral election. Share units are equivalent to shares of the Company s common stock, except that share units have no voting rights and do not receive dividend credit. In general, amounts deferred are not paid until the director retires from the Board. However, directors may also establish sub-accounts from which amounts are to be paid on specific pre-retirement timetables established by the director. At the end of the applicable deferral period, the director receives a share of common stock for each share unit awarded. Such shares are received either in a lump sum or over a period not to exceed 15 years for retirement distributions, or up to five years for a scheduled withdrawal, as elected in advance by each director.

Director and Executive Stock Deferral Plan. Each director may defer taxes otherwise due upon the vesting of restricted stock units. Due to changes in federal tax laws, no deferral elections for stock options are currently permitted under the plan. The director is credited with a number of share units as of the vesting date based on his or her advance deferral election. In general, amounts deferred under the plan are not paid until the director retires from the Board. However, directors may also establish sub-accounts from which amounts are to be paid on specific pre-retirement timetables established by the director. Amounts deferred are paid in shares of our common stock, at the director s option, either in a lump sum or in annual installments over a period of up to 15 years for retirement distributions, or up to five years for a scheduled withdrawal. We make no contributions to this plan, but we pay all costs and expenses incurred in its administration.

Director Stock Ownership Guidelines. Our Bylaws require all directors to own our stock while serving as a director. Our stock ownership guidelines require that each non-employee director own shares of our stock having a value of at least five times the annual cash retainer, no later than the fifth anniversary of the annual meeting of shareholders at which the director was first elected to the Board.

Indemnification. Under our Articles of Incorporation and Bylaws, the directors and officers are entitled to indemnification from the Company to the fullest extent permitted by Georgia law. We have entered into indemnification agreements with each of our directors and executive officers. Those agreements do not increase the extent or scope of the indemnification provided, but do establish processes and procedures for indemnification claims.

Table of Contents

Other. Non-employee directors are reimbursed for customary and usual expenses incurred in attending Board, committee and shareholder meetings. Directors are also reimbursed for customary and usual expenses associated with other business activities related to their Board service, including participation in director education programs and memberships in director organizations. We pay premiums on directors and officers liability insurance policies that we maintain that cover our directors. We do not provide retirement benefits to non-employee directors.

EXECUTIVE OFFICERS

The executive officers of the Company and their ages and titles are set forth below. Business experience for the past five years and other information is provided in accordance with SEC rules.

Richard F. Smith (54) has been Chairman and CEO since December 2005.

Lee Adrean (62) has been Corporate Vice President and CFO since October 2006.

John J. Kelley III (53) was appointed Corporate Vice President and Chief Legal Officer effective January 1, 2013. His responsibilities include legal services, global sourcing, security and compliance, government and legislative relations, corporate governance and privacy functions. Mr. Kelley was a senior partner in the Corporate Practice Group of the law firm of King & Spalding LLP from January 1993 to December 2012, specializing in a broad range of corporate finance transactions and securities matters, advising public clients regarding SEC reporting and disclosure requirements, and other corporate governance and compliance matters.

Coretha M. Rushing (57) has been Corporate Vice President and Chief Human Resources Officer since 2006.

Paul J. Springman (68) has served as Corporate Vice President and Chief Marketing Officer since February 2004.

David C. Webb (58) became Chief Information Officer in January 2010. Prior to joining the Company, he served as Chief Operations Officer for SVB Financial Corp. since 2008.

J. Dann Adams (56) has been President, Workforce Solutions since April 2010. Previously, he was President, U.S. Consumer Information Solutions since 2007.

Rodolfo O. Ploder (53) has been President, U.S. Consumer Information Solutions since April 2010 and before that was President, International from January 2007.

Paulino Do Rego Barros, Jr. (57) has been President, International since April 2010. Prior to joining the Company, he was founder of PB&C Global Investments LLC, an international business consulting firm, and served as its President from October 2008.

Joseph M. Loughran, III (46) has been President, North America Personal Solutions since January 2010. He was Senior Vice President Corporate Development from April 2006 to December 2009.

Alejandro Gonzalez (44) has been President, North America Commercial Solutions since January 2010. He was Senior Vice President of Strategic Marketing from December 2005 to December 2009.

Nuala M. King (60) has been Senior Vice President and Controller since May 2006.

Table of Contents

PROPOSALS TO BE VOTED ON

PROPOSAL 1 ELECTION OF DIRECTORS

All members of our Board are elected to serve until the next annual meeting of shareholders and until their successors have been elected and qualified. The ten nominees for election listed below each have consented to being named in this Proxy Statement and to serve if elected. Presented below is biographical information for each of the nominees. Each nominee was elected at the 2013 Annual Meeting with the exception of Mr. Marcus, who was appointed a director by the Board effective November 1, 2013 and became a member of the Governance Committee on January 1, 2014.

Our directors have a variety of backgrounds, which reflects the Board s continuing objective to achieve a diversity of perspective, experience, knowledge, ethnicity and gender. As more fully discussed below, director nominees are considered on the basis of a range of criteria, including their business knowledge and background, reputation and global business perspective. They must also have demonstrated experience and ability that is relevant to the Board s oversight role with respect to Company business and affairs. Each director s biography includes the particular experience and qualifications that led the Board to conclude that the director should serve on the Board.

THE BOARD RECOMMENDS A VOTE FOR THE ELECTION OF EACH NOMINEE LISTED BELOW.

Nominees for Directors

James E. Copeland, Jr., 69 Retired Chief Executive Officer of Deloitte & Touche LLP and Deloitte Touche Tohmatsu, public accounting firms. Mr. Copeland served in such capacity from 1999 until his retirement in 2003. He also is a director of ConocoPhillips and Time Warner Cable, Inc., and a former director of Coca-Cola Enterprises, Inc.

Director since 2003

Independent

Chair of Audit Committee

Significant Experience/Competencies	Overview of Board Qualifications
Former Large Company CEO General Management & Business Operations Mergers & Acquisitions International Strategy Development Accounting Risk Management Finance	Mr. Copeland has invaluable expertise in the areas of audit, accounting and finance, including operating experience as the CEO of a major international accounting firm. His knowledge of the Company s structure, operations, compliance programs and risk oversight as Chairman of the Audit Committee is of particular importance to our Board. The Board also values Mr. Copeland s insight and judgment gained through years of public company board experience with companies operating in industries as diverse as oil and gas, beverages and entertainment, including experience on audit, executive, compensation and finance committees of other publicly traded companies.

Table of Contents

Robert D. Daleo, 64 Retired Vice Chairman of Thomson Reuters. Mr. Daleo was Executive Vice President and Chief Financial Officer of Thomson Reuters or its predecessors from 1997 through 2011, Vice Chairman from 2011 until his retirement in December 2012, and a member of The Thomson Corporation board of directors from 2001 to April 2008. Thomson Reuters is a global provider of integrated information solutions to business and professional customers. From 1994 to 1998, Mr. Daleo served in senior operations, planning, finance and business development positions with Thomson Reuters. Mr. Daleo currently serves on the Board of Directors of Citrix Systems, Inc.

Director since 2006

Independent

Audit Committee

Compensation Committee

Significant Experience/Competencies	Overview of Board Qualifications
Former Public Company CFO General Management & Business Operations Mergers & Acquisitions International Strategy Development Auditing Risk Management Finance	Mr. Daleo has developed extensive financial accounting and corporate finance expertise through his experience as chief financial officer of a large multinational company. The Board values his leadership and risk assessment skills which are important to our efforts to expand our global information solutions business, data acquisitions and marketing to banks and other financial institutions. Mr. Daleo also has public company board experience.

Walter W. Driver, Jr., 68 Chairman Southeast of Goldman, Sachs & Co., a global investment banking, securities and investment management firm, since January 2006. He also serves on the Goldman Sachs Board of International Advisors. Prior to joining Goldman Sachs, Mr. Driver served as Managing Partner or Chairman of King & Spalding LLP, an international law firm, from 1999 through 2005. He currently serves on the Board of Directors of Total System Services, Inc.

Director since 2007

Independent

Governance Committee

Compensation Committee

Significant Experience/Competencies	Overview of Board Qualifications
International Investment Banking Former Head of International Law Firm General Management & Business Operations Mergers & Acquisitions International Strategy Development Finance Legal, Corporate Governance and Compliance	Mr. Driver has extensive investment banking expertise in evaluating corporate acquisitions, strategies, operations and risks. The Board values his judgment, skills and experience in legal and regulatory matters gained through leadership of a major international law firm. Mr. Driver also has corporate governance experience and insight gained through his legal practice and public company directorships, including service on compensation and governance committees.

Table of Contents

Mark L. Feidler, 57 Founding Partner of MSouth Equity Partners, a private equity firm based in Atlanta, since February 2007. Mr. Feidler was President and Chief Operating Officer and a director of BellSouth Corporation, a telecommunications company, from 2005 until January 2007. He was appointed Chief Operating Officer of BellSouth Corporation in January 2005 and served as its Chief Staff Officer during 2004. From 2001 through 2003, Mr. Feidler was Chief Operating Officer of Cingular Wireless and served on the Board of Directors of Cingular from 2005 until January 2007. He also serves as Lead Director on the Board of Directors of the New York Life Insurance Company.

Director since 2007

Independent

Audit Committee

Technology Committee

Significant Experience/Competencies	Overview of Board Qualifications
Former Public Company President & COO General Management & Business Operations Mergers & Acquisitions International Strategy Development Finance	Mr. Feidler has extensive operating, financial, legal and regulatory experience through his prior position with a major regional telecommunications company, as well as expertise in private equity investments and acquisitions. This background is relevant to us as we market our products to companies in telecommunications and other vertical markets, while his private equity experience is relevant to our new product development, marketing and acquisition strategies. His public company operating experience and background in financial, accounting and risk management are an important resource for our Audit Committee and Board.

L. Phillip Humann, 68 Retired Executive Chairman of the Board of SunTrust Banks, Inc., a multi-bank holding company. Mr. Humann was Executive Chairman of the Board of SunTrust Banks, Inc. from 2007 to April 2008; Chairman and Chief Executive Officer from 2004 through 2006; Chairman, President and Chief Executive Officer from 1998 to 2004; and President from 1991 to 1998. He also is a Director of Coca-Cola Enterprises Inc. and is the Lead Director of Haverty Furniture Companies, Inc., where he was Non-Executive Chairman from May 2010 to December 2012.

Director since 1992

Independent

Presiding Director

Chair of Compensation, Human Resources & Management Succession Committee

Governance Committee

Significant Experience/Competencies	Overview of Board Qualifications
Former Public Company CEO Industry Experience General Management & Business Operations Mergers & Acquisitions International Strategy Development Finance Retail Corporate Governance & Compliance	Mr. Humann has over 41 years of experience in the banking, mortgage and financial services industry. The Board highly values his experience and insights regarding how our customers use our services and products to manage their risk and retention objectives. The Board also values his leadership skills and deep knowledge of our business and perspective gained from 21 years of service on the Board and at other public companies.

Risk Management

Banking

Table of Contents

Director since 2013

Independent

Governance Committee

Robert D. Marcus, 48 Chairman and Chief Executive Officer of Time Warner Cable Inc., a provider of video, high-speed data and voice services, since January 1, 2014. He served as its President and Chief Operating Officer from December 14, 2010 through 2013. Prior thereto, he was Senior Executive Vice President and Chief Financial Officer from January 2008 and Senior Executive Vice President from August 2005. Mr. Marcus joined Time Warner Cable Inc. from Time Warner Inc. where he had served as Senior Vice President, Mergers and Acquisitions from 2002. He was named a director of Time Warner Cable Inc. in July 2013. From 1990 to 1997, he practiced law at Paul, Weiss, Rifkind, Wharton & Garrison.

Significant Experience/Competencies	Overview of Board Qualifications
Current Public Company CEO Former Public Company CFO General Management & Business Operations Mergers & Acquisitions Finance Consumer Marketing Legal & Regulatory	Mr. Marcus has extensive operating, financial, legal and regulatory experience through his position with a major cable company, as well as expertise in mergers and acquisitions. This background is relevant to us as we market our products to data and telecommunications companies and other vertical markets. His public company operating and finance experience and background in legal and regulatory matters are an important resource for our Board.

Director since 2006

Independent

Chair of Governance Committee

Compensation, Human Resources & Management Succession Committee

Siri S. Marshall, 65 Retired Senior Vice President, General Counsel, Secretary and Chief Governance and Compliance Officer of General Mills, Inc., a global diversified foods maker and distributor, where she served in that position from 1994 until her retirement in January 2008. Ms. Marshall is currently a director of Ameriprise Financial, Inc., a diversified financial services company, and Alphatec Holdings, Inc., a medical device company specializing in spine disorders. She is also on the Board of Directors of the Yale Law School Center for the Study of Corporate Law and on the Board of Advisers of Manchester Capital Management, Inc. During the past five years, Ms. Marshall also served as a director of BioHorizons, Inc., a dental implant and biologics company, a Distinguished Advisor to the Straus Institute for Dispute Resolution, and a trustee of the Minneapolis Institute of Arts. In February 2011, Ms. Marshall received the Sandra Day O Connor Board Excellence Award from DirectWomen.

Significant Experience/Competencies	Overview of Board Qualifications
Former Public Company General Counsel, Corporate Secretary & Chief Compliance Officer General Management & Business Operations Mergers & Acquisitions International	Ms. Marshall s over 13 years of executive experience at General Mills provides a valuable perspective on our organizational management, legal, compliance, regulatory and government affairs, consumer products business and corporate governance. The Board particularly values her broad experience with other public company boards, including as a Presiding Director of a large financial institution, as well as her perspective and insight gained through her service on the executive, compensation and governance committees of other public companies and her leading role in corporate law and dispute resolution matters.

Strategy Development

Retail

Legal, Corporate Governance & Compliance

21

Table of Contents

Director since 2008 Independent Chair of Technology Committee Audit Committee	**John A. McKinley**, 56 Chief Executive Officer of SaferAging, Inc., a senior care service provider based in Washington, D.C., and Co-founder of LaunchBox Digital, a venture capital firm in Washington, D.C. Mr. McKinley was Chief Technology Officer of News Corporation from July 2010 to September 2012. He was President, AOL Technologies and Chief Technology Officer from 2003 to 2005 and President, AOL Digital Services from 2004 to 2006. Prior thereto, he served as Executive President, Head of Global Technology and Services and Chief Technology Officer for Merrill Lynch & Co., Inc., from 1998 to 2003; Chief Information and Technology Officer for GE Capital Corporation from 1995 to 1998; and Partner, Financial Services Technology Practice, for Ernst & Young International from 1982 to 1995.

Significant Experience/Competencies	**Overview of Board Qualifications**
Former Public Company CTO General Management & Business Operations Mergers & Acquisitions International Strategy Development Finance Venture Capital Technology Development, Operations & Marketing	The Board highly values Mr. McKinley s extensive background in managing complex global technology operations as Chief Technology Officer at a number of leading global companies. These skills are highly relevant to the Board s oversight of risks and opportunities in our technology operations, risk management and capital investments. The Board also values his entrepreneurial insights.

Director since 2005 Chairman and Chief Executive Officer	**Richard F. Smith**, 54 Chairman and Chief Executive Officer of Equifax since September 2005. Mr. Smith was Chief Operating Officer of GE Insurance Solutions from 2004 to August 2005; President and Chief Executive Officer of GE Property and Casualty Reinsurance from 2003 to 2004; President and Chief Executive Officer of GE Property and Casualty Reinsurance Americas of GE Global Insurance Holdings Corp. from 2001 to 2003; and President and Chief Executive Officer of GE Capital Fleet Services from 1995 to 2000.

Significant Experience/Competencies	**Overview of Board Qualifications**
Current Public Company CEO Industry Experience General Management & Business Operations Mergers & Acquisitions International Strategy Development Finance Risk Management	As Chairman and CEO, Mr. Smith leads our senior management team and brings to the Board extensive knowledge of the Company and its strategy gained through his demonstrated leadership and performance in all aspects of our business. The Board also values his management experience over a 22-year career at General Electric Co. in global leadership positions in insurance, asset management and financing.

Table of Contents

Mark B. Templeton, 61 Chief Executive Officer, President and a director of Citrix Systems, Inc., a global software development firm. He has served as Chief Executive Officer of Citrix Systems, Inc. since 1999.

	Significant Experience/Competencies	Overview of Board Qualifications
Director since 2008 Independent Compensation, Human Resources & Management Succession Committee Technology Committee	Current Public Company CEO & President General Management & Business Operations Mergers & Acquisitions International Strategy Development Finance Technology Development, Operations & Marketing	The Board highly values Mr. Templeton s operating experience, leadership and perspective in business strategy, operations, and business growth. His counsel and insight in technology opportunities, particularly in the development and global marketing of advanced technology products, has direct application to our strategic emphasis on investment in new technology products and global expansion.

Table of Contents

PROPOSAL 2 RATIFICATION OF APPOINTMENT OF ERNST & YOUNG LLP AS THE COMPANY S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2014

The Audit Committee has selected Ernst & Young LLP (Ernst &Young) as the Company s independent registered public accounting firm for fiscal year 2014, and the Board is asking shareholders to ratify that selection. Although current laws, rules, and regulations, as well as the charter of the Audit Committee, require the Audit Committee to engage, retain, and supervise the Company s independent registered public accounting firm, the Board considers the selection of the independent registered public accounting firm to be an important matter of shareholder concern and is submitting the selection of Ernst & Young for ratification by shareholders as a matter of good corporate practice. If the shareholders do not ratify the selection of Ernst & Young, the Audit Committee will review the Company s relationship with Ernst & Young and take such action as it deems appropriate, which may include continuing to retain Ernst & Young as the Company s independent registered public accounting firm.

Ernst & Young has served as our independent registered public accounting firm since 2002. A representative of Ernst & Young will be available during the meeting to make a statement if such representative desires to do so and to respond to appropriate questions.

Independent Registered Public Accounting Firm Fees

The following table sets forth the fees of Ernst & Young for services rendered to the Company for the fiscal years ended December 31, 2013 and 2012:

Audit and Non-Audit Fees

Fee Category	2013	2012
Audit Fees(1)	$ 3,989,311	$ 3,367,672
Audit-Related Fees(2)	461,541	425,070
Tax Fees(3)	998,604	1,405,336
All Other Fees(4)	20,001	1,995
Total	$ 5,469,457	$ 5,200,073

(1) Consists of fees and expenses for professional services rendered for the integrated audit of our annual consolidated financial statements and internal control over financial reporting and review of the interim consolidated financial statements included in our quarterly reports to the SEC, and services normally provided by the Company s independent registered public accounting firm in connection with statutory and regulatory filings or engagements, accounting consultations on matters addressed during the audit or interim reviews, and SEC filings, including comfort letters, consents and comment letters.

(2) Consists of fees and expenses for services that reasonably are related to the performance of the audit or review of our consolidated financial statements and are not reported under *Audit Fees*. These services include employee benefit plan audits, financial due diligence related to mergers and acquisitions, and information technology security reviews.

(3) Consists of fees and expenses for professional services related to tax planning and tax advice.

(4) Consists of fees for products and services provided by Ernst & Young which are not included in the first three categories above.

Policy on Audit Committee Pre-Approval of Audit and Non-Audit Services Performed by the Independent Registered Public Accounting Firm

The Company maintains an auditor independence policy that mandates that the Audit Committee approve the audit and non-audit services in advance. The Audit Committee has authorized its Chair to pre-approve certain permissible audit and non-audit services that arise between Audit

Committee meetings, provided the Audit Committee is informed of the decision to pre-approve the services at its next scheduled meeting. In its pre-approval of non-audit services and fees, the Audit Committee considers, among other factors, the possible effect of the performance of such services on the auditor s independence. The Audit Committee has determined that performance of services other than audit services is compatible with maintaining the independence of the Company s independent registered public accounting firm. See *Audit Committee Report* on page 69.

Table of Contents

To avoid potential conflicts of interest in maintaining auditor independence, the law prohibits a publicly traded company from obtaining certain non-audit services from its independent registered public accounting firm. In 2013 and 2012, we did not obtain any of these prohibited services from Ernst & Young. The Company uses other accounting firms for these types of non-audit services.

THE BOARD RECOMMENDS A VOTE FOR PROPOSAL 2.

25

Table of Contents

PROPOSAL 3 ADVISORY VOTE ON EXECUTIVE COMPENSATION

Summary

As we do each year, and as required by Section 14A of the Securities Exchange Act, we are seeking advisory shareholder approval of the compensation of our named executive officers *(NEOs)* as disclosed in the section of this Proxy Statement titled *Executive Compensation* beginning on page 28. Shareholders are being asked to vote on the following advisory resolution:

RESOLVED, that the shareholders advise that they approve the compensation of Equifax s named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission (which disclosure shall include the Compensation Discussion and Analysis, the compensation tables, and any related material).

The following is a summary of some of the key points of our 2013 executive compensation program.

Strong 2013 Company financial performance and total shareholder return. Our excellent financial and operating results continued in 2013:

- Operating revenue increased 11% to $2.3 billion;
- Adjusted EPS (non-GAAP) as reported in our earnings release rose 24% to $3.60 ($3.61 non-GAAP Adjusted EPS at our budgeted foreign exchange rates); and
- Our stock returned 30% to shareholders in 2013 compared to 32% for the S&P 500 Index and, over the three years ended December 31, 2013, has returned 104% on a cumulative basis, almost double the S&P 500 index return of 57%.

We emphasize pay-for-performance and tie a significant amount of our NEOs target pay to our performance. Approximately 84% of the target total direct compensation of our CEO and an average of 74% of the total targeted direct compensation of our other NEOs was variable, at-risk incentive-based and stock-based compensation tied to the achievement of internal performance targets or Company stock price performance.

Our compensation programs are strongly aligned with the long-term interests of our shareholders. Equity awards and our stock ownership guidelines serve to align the interests of our executives with those of our long-term shareholders by encouraging long-term performance. As such, equity awards are a key component of our executive compensation program. In 2013, long-term equity incentive awards represented 68% of our CEO s target total direct compensation (an average of 58% for our other NEOs). Performance-based share units (PSUs) and restricted stock units (RSUs) are designed to reward for long-term stock performance both on an absolute basis and relative to peers.

We provide competitive pay opportunities that reflect best practices and strong governance standards. The Compensation Committee reviews our executive compensation program to ensure that it provides competitive pay opportunities and demonstrates a commitment to strong corporate governance and best practices. The Committee establishes appropriate performance targets based on our strategic and operating plans. The Committee has retained an external, independent compensation consultant to ensure proper alignment of our program with our shareholders interests and current market practices, and to ensure that these programs do not create inappropriate or excessive risk that is likely to have a material adverse effect on the Company. In addition, the Committee has implemented (i) clawback provisions in our incentive plans, (ii) capped incentives, (iii) stock ownership guidelines, (iv) prohibitions on re-pricing stock options, hedging, pledging, short-selling and trading derivative Company securities, (v) double-trigger change-in-control severance, (vi) no income tax gross-ups, (vii) no excise tax gross-ups for new participants, (viii) equity compensation grant procedures, and (ix) an annual process to assess the risks related to our Company-wide compensation programs.

Table of Contents

2013 Say-on-Pay Vote and Actions Taken

In 2013, our shareholders approved the compensation of our NEOs with a 92.9% approval rating. The Compensation Committee viewed the results of this vote as significant support for our executive compensation program. No changes to our program were made specifically as a result of this vote. The Committee and the Board continued to emphasize the importance of linking pay to performance and requested additional management engagement with our largest shareholders to receive their feedback on our compensation program and corporate governance practices. There was no consistent call for any program design changes other than to continue to align pay with performance. The Compensation Committee weighed this feedback, the 2012 and 2013 changes to our long-term incentive program, the increased weighting on performance-based long-term incentives for the CEO and advice from its independent compensation consultant and concluded that our 2013 and ongoing executive compensation program is appropriately designed with challenging performance metrics and incentives and an appropriate mix of fixed and at-risk variable pay.

Board Recommendation

Our Board believes that the information provided above and within the *Executive Compensation* section of this Proxy Statement demonstrates that our executive compensation program is designed appropriately and is working to ensure that management s interests are aligned with our shareholders interests and support long-term value creation.

Although the vote is non-binding, the Board of Directors and the Compensation Committee will review the voting results in connection with their ongoing evaluation of Equifax s compensation program.

Unless the Board modifies its policy on the frequency of future say-on-pay advisory votes, the next say-on-pay vote will be held at the 2015 annual meeting of shareholders. The next advisory vote on the frequency of say-on-pay proposals is scheduled to occur at the 2017 annual meeting of shareholders.

THE BOARD RECOMMENDS A VOTE FOR ADVISORY APPROVAL OF THE RESOLUTION SET FORTH ABOVE.

Table of Contents

EXECUTIVE COMPENSATION

COMPENSATION COMMITTEE REPORT

The Compensation, Human Resources & Management Succession Committee (the *Compensation Committee*) has reviewed and discussed with management the Compensation Discussion and Analysis contained in this Proxy Statement. Based upon this review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement and incorporated by reference in the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

Compensation, Human Resources & Management Succession Committee

L. Phillip Humann, *Chair* Robert D. Daleo Walter W. Driver, Jr. Siri S. Marshall Mark B. Templeton

* * *

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis *(CD&A)* relates to each named executive officer, or NEO, identified in the Summary Compensation Table on page 52 of this Proxy Statement.

Executive Summary

The Compensation, Human Resources and Management Succession Committee (the Compensation Committee) has adopted an executive compensation program that aligns our executives interests with those of our shareholders and promotes the creation of shareholder value without encouraging excessive risk-taking. The Compensation Committee ties a majority of our executives compensation to key performance measures that contribute to or reflect shareholder value. In addition to base salary, our NEOs compensation package includes an annual cash incentive opportunity based on the Company s attainment of objective, pre-established performance metrics, and long-term equity awards consisting of performance share units (PSUs) whose value is tied to relative total shareholder return performance, and time-based restricted stock units (RSUs). Our executive compensation programs play a significant role in our ability to attract and retain the experienced, successful executive team that drives our financial results over time.

Company Performance and Executive Compensation in 2013

The Company delivered excellent financial and operating results in 2013.

- Operating revenue increased 11% to $2.3 billion.

- Net income from continuing operations increased 25%, to $333.4 million.

- Non-GAAP Adjusted EPS as reported in our earnings release was $3.60, up 24% from 2012 Adjusted EPS of $2.91; non-GAAP Adjusted EPS at our budgeted foreign exchange rates for 2013 was $3.61 (see the reconciliation of such non-GAAP financial measures to the corresponding GAAP financial measures provided in Appendix A to this Proxy Statement).

- Cumulative total shareholder return (stock price appreciation plus dividends, or TSR) was slightly below the S&P 500 index for the one-year period ended December 31, 2013, and substantially above the S&P 500 for the three- and five-year periods. Our TSR was

30%, 104% and 178%, respectively, compared to 32%, 57% and 128% for the S&P 500 stock index.

The Company increased its dividend by 22% in February 2013 and a further 14% in February 2014, the fourth consecutive annual increase, and a 16% compound annual growth rate over the last three years.

Our positive financial results for 2013 directly affected our NEOs compensation.

Annual cash incentives were paid at an average of 135.9% of target for the achievement of challenging corporate financial goals (operating revenue and Adjusted EPS).

Long-term stock-based incentives increased in value as our share price increased.

Table of Contents

Say-on-Pay Results and Other Key Executive Compensation Program Actions for 2013

In making its decisions regarding NEO compensation, the Compensation Committee considers the results of the management say-on-pay proposals which are presented to shareholders for approval annually. In 2013, 92.9% of the votes cast approved the executive compensation program. The Committee concluded that no changes to the elements of compensation for our NEOs were necessary specifically as a result of this advisory vote or discussions with our shareholders. However, the Committee did take a number of significant actions, described below, consistent with our executive compensation philosophy and discussions with shareholders. As a result, our compensation policies and decisions, explained in detail in this CD&A, continue to be focused on long-term financial performance to drive shareholder value.

Action Taken	Reason for Action
Capped the payout of future PSU awards at the target level in the event the Company s total shareholder return performance is negative over the applicable three-year performance period, even if the Company s total shareholder return, on a comparative basis, exceeds the median of the S&P 500	Continue to align executives interests with those of shareholders
Increased the percentage of performance-based stock units for the CEO from 54% to 57%	Further enhance our practices of paying for performance
Performed an extensive design, best practices and historical practices review of the total compensation program	Ensure the executive compensation program continues to be effective and aligned with shareholder value creation
Changed the price of our shares used to determine the target value of long-term incentive awards from a prior average stock price to the grant date stock price	Averaging was used in the past to mitigate the impact of short-term share price changes on the number of shares granted, particularly when stock options were a component of the program. For 2014, the Committee changed to grant date value, noting that all equity grants to the NEOs are now full value shares (PSUs and RSUs)

Compensation of Richard F. Smith, Chairman and CEO

Mr. Smith was hired on September 19, 2005, from a senior and highly compensated position as Chief Operating Officer of GE Insurance Solutions, a much larger enterprise than the Company, with the expectation that he would drive the Company at an accelerated pace to a significantly larger scale over time commensurate with his compensation incentives. Therefore, in order to recruit Mr. Smith, the Company constructed a starting compensation package that was high relative to Company peers but that was required to attract him from his 22-year career at GE.

Although from a total compensation perspective Mr. Smith began in the upper quartile of our compensation peer group, a market position he has maintained, pay increases since he was hired have been data-derived and moderate despite the Company s significant growth. Market annualized increases over this period were 2.8% for base salary, 0.7% for target annual bonus percentage, and 5.9% for long-term equity incentives, resulting in a 4.8% average annual increase in total compensation opportunities for the market and for Mr. Smith.

Table of Contents

During Mr. Smith s tenure, the Compensation Committee has also made his pay opportunities increasingly longer-term and performance-based:

- Since 2012, the Committee has applied all pay modifications to the performance-based portion of long-term incentives;
- Base salary has not increased since 2008;
- The target annual incentive has increased only five percentage points during Mr. Smith s eight-year tenure;
- In 2012, long-term incentive plan (LTI) design was changed to replace the stock option component with performance-based PSUs that reward total shareholder return (TSR) relative to the S&P 500 over a three year period, with significant penalties for underperforming; and
- The combination of these changes moved Mr. Smith s 2013 LTI mix to 57% based on PSUs and 43% in RSUs vesting over three years (60%-40% for 2014).

In addition, Mr. Smith s actual compensation has varied considerably from year to year depending on Company performance, including a more than 30% decrease in incentive payout in 2013, when corporate financial performance was around or moderately above the target level, compared to 2012 when it exceeded maximum on the two key corporate financial goals.

The Company has consistently outperformed under Mr. Smith s leadership and is well-positioned for sustainable, strong growth in the future. Since he joined the Company:

- Through the end of 2013, TSR was 122% compared to 79% for the S&P 500, generating an additional $4 billion in shareholder value, or $1.6 billion over an S&P 500-equivalent return;
- Our share price has risen 105%, from $33.64 to $69.09 at year end 2013;
- The quarterly dividend has increased 525%, from $0.04 in 2005 to $0.25 in the first quarter of 2014; and
- Critical, but less externally visible improvements in the Company s scale and operational performance occurred in the areas of talent management, process improvements, platforms for growth, product diversification, global security, regulatory compliance, dividend growth and capital structure.

Note: Proxy-reported amounts from 2005 through 2013 for Mr. Smith s LTI did not track the survey increases exactly due to 1) application of the increases less to base salary and more to performance-based LTI; 2) one-time awards made in connection with his hiring; 3) the Committee s use of an average stock price for grant purposes in years prior to 2014; 4) differences in Black-Scholes values used for decision-making and proxy reporting purposes; and 5) required use of a Monte Carlo valuation method for proxy reporting of PSUs tied to relative TSR.

Table of Contents

2013 Target Pay Mix

As illustrated in the chart below, the Company emphasizes long-term equity awards and annual performance-based cash incentives so that a substantial portion of each executive s total compensation opportunity is linked directly to the Company s stock price or otherwise driven by performance (84% of total direct compensation for our CEO and an average of 74% for the other NEOs):

*Percentages calculated using actual base salary, actual annual incentive and the grant date value of annual long-term incentive awards.

Table of Contents

Principal Components of the Executive Compensation Program

The Company s current executive compensation program is simple in design and consists of three basic components in addition to limited perquisites and provision of change in control protection:

Table of Contents

Information on Each Compensation Element

Element	Background	Key Features
Base salary	The objective of base salary is to provide sufficient competitive pay to attract and retain experienced and successful executives and to attract executives from companies larger than ourselves with the requisite experience to create scalable processes necessary to drive significant growth. This philosophy positions us for business expansion without undue cost to the Company.	The CEO s base salary has not changed since 2008.
	The base salary program is designed to reward the required day to day activities and responsibilities of each position as well as individual performance.	For other NEOs, base salary is targeted at the average of the size-adjusted median and 65th percentile of general industry survey data (and for the CFO, peer group proxy data), with adjustments as needed to reflect individual performance and responsibilities.
	We choose to pay base salary because it is an expected aspect of executive compensation in the marketplace.	
Annual cash incentive	The objective of the annual cash incentive program is to encourage and reward valuable contributions to our annual financial and operational performance objectives.	The CEO s annual cash incentive opportunity has not changed since 2011.
	The plan is designed to reward high performance and achievement of corporate and individual goals by key employees, including our NEOs.	For other NEOs, annual cash incentive is targeted at the median of the general industry survey data.
	We choose to pay annual incentive compensation to encourage actions that will result in the growth of shareholder value and to ensure a competitive compensation program given the marketplace prevalence of short-term incentive compensation.	For executives with Company-wide responsibilities, payments are based on Company revenue from continuing operations (used to measure top line business growth) and adjusted EPS (used to measure the profitability of that growth), and individual performance.
		For business unit heads, payments are based on Company Adjusted EPS, their business unit revenue and operating income, and individual performance.

Table of Contents

Element	Background	Key Features
Long-term incentive	The objective of the long-term incentive program is to retain our executives and to drive stock performance for shareholders. The program is designed to reward for stock performance on both an absolute basis and relative to peers. We choose to provide long-term incentive opportunities in order to motivate executives to achieve the above objective.	All 2013 increases in the CEO s pay opportunity were applied to the PSU component of the long-term incentive program. For other NEOs, long-term incentive award sizes are targeted to median peer group levels, adjusted to reflect individual performance. PSUs will vest, if at all, after three years with the number of shares earned based on the achievement of the Company s relative TSR over that period versus other S&P 500 companies. RSUs represent the value of a share of our common stock, and are earned and vested after three years subject to continued employment and minimum operating income thresholds.
Retirement benefits	The objective of retirement benefits is to provide post-retirement security. Such benefits are designed to directly reward continued service and indirectly reward individual performance. We choose to provide these benefits in order to attract and retain highly qualified executives.	Participation in pension and savings plans, deferral plans and a supplemental retirement plan.
Perquisites	For a discussion of the business objectives for providing perquisites, and the details of perquisites provided, see page 47.	
Provision of change-in-control protection	For a discussion of the business objectives for providing change-in-control protection, and the details of change-in-control protection provided, see pages 48, 61-68.	

How We Determine the Total Amount of Compensation

Role of the Compensation Committee, Management and Compensation Consultants in Determining Executive Compensation. For information on how the Compensation Committee works with management and independent compensation consultants in making executive pay decisions, see *Role of the Compensation Committee and Management in Determining Executive Compensation* on page 11 and *Compensation Consultant Services and Independence* on page 12.

34

Table of Contents

Benchmarking Process. We consider market pay practices when setting executive compensation. The Compensation Committee uses benchmarking to guide decision-making with respect to executive pay levels.

Chief Executive Officer

Mr. Smith joined the Company as CEO in September 2005. Since then, through the end of 2013, our revenue has grown by 60% and our cumulative TSR has outpaced the S&P 500 index by over 94%. The Compensation Committee has adjusted Mr. Smith s pay opportunities based on annual changes corresponding to the constant sample general industry market movement for chief executive officers in the Aon Hewitt Total Compensation Measurement database. For 2013, the Committee reflected the pay increase indicated by such market movement in the performance-based component of Mr. Smith s target long-term incentive opportunity. See *Compensation of Richard F. Smith, Chairman and CEO* on page 29 for additional background information on Mr. Smith s compensation.

The Committee calculated Mr. Smith s target long-term incentive opportunity for 2013 based on the prior average stock price in February 2013 when the Committee met to approve his compensation. The result at grant date stock price was a decrease for Mr. Smith of 3.3% ($6,231,221 in 2013 vs. $6,445,656 in 2012). His 2013 target long-term incentive award opportunity was granted 57% in the form of PSUs and 43% in time-vested RSUs (compared to 53% PSUs and 47% RSUs in 2012). The equity values for 2013 and 2012 for Mr. Smith as shown in the Summary Compensation Table on page 52 under the column *Stock Awards* reflect grant date fair values computed in accordance with FASB ASC Topic 718.

The table below shows the correlation between CEO total direct compensation (as reported in the Summary Compensation Table, excluding change in pension value and nonqualified deferred compensation earnings and the effect of estimated forfeitures) and the indexed cumulative total shareholder return *(TSR)* of our stock over the period 2009-2013:

Comparison of CEO Total Direct Compensation to Equifax Cumulative Five-Year TSR

	Initial	**2009**	**2010**	**2011**	**2012**	**2013**
CEO Total Pay ($000s)*	$7,456	$7,699	$8,059	$8,781	$11,663	$9,711
Indexed TSR (cumulative)	$100.00	$117.18	$136.22	$151.03	$214.32	$277.58

* Excludes annual change in pension value and uses the grant date fair value for equity awards. The annual change in pension value for Mr. Smith was $1.41 million for 2009, $1.66 million for 2010, $2.32 million for 2011, $1.78 million for 2012 and $699 thousand for 2013. See also *Pension Benefits at 2013 Fiscal Year-End* on page 58.

Other NEOs

For our other NEOs, in 2013 we conducted a detailed market review of executive pay to evaluate each element of pay competitiveness, reviewed pay practices and compared performance against market data

Table of Contents

as described below. This analysis was discussed and reviewed by the Compensation Committee with its compensation consultant. Two primary types of market data were used to compile this analysis:

- ***General industry data***, focusing on data from those companies which are similar in size to the Company, drawn from all companies in the Aon Hewitt Total Compensation by Industry database; and, for base salaries and annual incentives, also data from the Towers Watson U.S. General Industry Executive Database.

- ***Peer group proxy data***, for long-term incentives (and, for the CFO only, also for base salary) was drawn from available proxy statements and public reports for the following 14 publicly-held companies:

Alliance Data Systems Corp.	Fidelity National Financial, Inc.	Lender Processing Services, Inc.
Automatic Data Processing Inc.	Fidelity National Information Services, Inc.	Moody s Corp.
CGI Group Inc.	Fiserv Inc.	Paychex Inc.
DST Systems Inc.	FTI Consulting Inc.	Western Union Co.
Dun & Bradstreet Corp.	Intuit Inc.	

The median 2012 revenue, net income and market capitalization of these companies was $3.9 billion, $515 million and $7.5 billion, compared to the Company s 2012 operating revenue, net income and market capitalization of $2.16 billion, $272.1 million and $6.5 billion, respectively. The selected peer group companies are on average larger than Equifax in all three categories because we aim to provide sufficient competitive pay to attract and retain experienced and successful executives and to attract executives from companies larger than ourselves with the requisite experience to create scalable processes necessary to drive significant growth. This philosophy positions us for business expansion without undue cost to the Company.

This 2013 compensation peer group was unchanged from the group used in 2012. It includes companies against which we compete directly or indirectly for capital, executive talent and, in some cases, business. Because there were no publicly-held, stand-alone direct U.S. competitors across all of our businesses, we focus on similarly complex companies that compete with us in a significant aspect of our business, have similar customers, or are in the business of data and analytics-based business solutions delivered through technology. Industries represented by these companies included information and delivery systems, publishing, specialized finance, information technology consulting services, data processing and outsourced services, and application software.

- **TSR Peer Group for performance share units.** The above-named peer group companies were deemed appropriate for compensation purposes, but their stock performance does not necessarily vary based on the same economic factors as ours. For that reason, the Committee believes a broader peer group is more appropriate for evaluating TSR performance of PSUs issued under our long-term incentive program, as an expanded peer group provides a broader index for comparison and better alignment with shareholder investment choices. Therefore, the Committee uses the companies in the S&P 500 index for determining TSR for that purpose and we are a member of that index.

Use of Tally Sheets and Wealth Accumulation Analysis. In 2013, Meridian prepared for review by the Compensation Committee tally sheets relating to compensation of the NEOs. The tally sheets quantified the total compensation package, the impact of stock price change on the value of existing long-term incentives, the wealth created from prior equity grants, and amounts payable upon hypothetical employment change events. The summaries allowed the Committee to assess the cumulative impact of its past compensation decisions. As a result of viewing the tally sheets, the Committee did not deem any changes to be necessary to the structure of the total compensation package or specific NEO compensation.

Other Factors Considered in Setting Pay Opportunities for NEOs other than the CEO. The CEO and the Compensation Committee consider a number of factors in addition to the market data in determining individual pay amounts (base salaries, payout of the individual portion of short-term incentive, and yearly equity grants). Such factors include an individual s general level of performance, demonstrated success in meeting or exceeding business objectives and creating shareholder value, job market conditions, importance to our business, succession planning considerations, salary budget guidelines, and the individual s pay in the context of others at the Company. The application of discretion based on such factors may result in pay opportunities that are different from market as determined above. The Committee has not adopted a policy with regard to the relationship of compensation between or among the CEO and the other NEOs or other employees and exercises its discretion in determining actual and relative compensation levels. Overall compensation opportunities reflect our executives positions, responsibilities and tenure and are generally similar for executives who have comparable levels of responsibility (although actual payouts may differ depending on relative performance). Our CEO has ultimate responsibility for the strategic direction of the Company, and therefore is the most highly paid. CEO compensation also reflects the importance of his leadership to the successful design and execution of our business strategy.

Analysis of 2013 Compensation Opportunities

2013 Base Salary

We made no base salary increases in 2013. Mr. Smith s base salary has not changed since 2008. Mr. Kelley joined the Company as Chief Legal Officer in January 2013 and was not eligible for a merit salary increase in 2013. Our other NEOs received lump sum merit payments in lieu of base salary increases, ranging from 3.5% to 4.0% of base salary, to recognize individual performance while maintaining alignment of base salary levels with prior year levels and the baseline level for future compensation actions by the Compensation Committee.

Our executives receive a relatively small percentage of their overall targeted compensation in the form of base pay, ranging from 17% for the CEO to an average of 22% for the other NEOs in 2013. Mr. Kelley was hired by the Company in January 2013 and his base salary was approved by the Compensation Committee based on negotiation and the competitive market for highly qualified and experienced chief legal officers. In February 2013, the Compensation Committee assessed whether each NEO s base pay was sufficient to retain competent executive talent and maintain a stable management team, considering factors such as the benchmarking data described above, an internal review of the executive s position and current compensation, both individually and relative to other executive officers, experience, scope, breadth and complexity of responsibilities, retention considerations, and the individual performance as discussed below.

The Committee reviewed merit salary increases for senior executives in February 2013 based on the Compensation Committee s review of market data, adjustments for position, retention considerations, and individual performance assessments conducted by the CEO. Although no merit salary increases were approved, Messrs. Adrean, Adams and Barros received increases in the form of lump sum payments of $21,008 (4%), $14,528 (3.5%) and $15,141 (3.5%), respectively, in March 2013.

We provide Mr. Adams with a monthly relocation living allowance adjustment of $11,903, in addition to his base salary, in connection with his relocation from Atlanta to St. Louis to serve as President of our Workforce Solutions business unit as further described under *Retirement and Other Benefits* on page 46.

2013 Annual Cash Incentive Opportunities. The *target* annual cash incentive opportunities for 2013, expressed as a percentage of base salary earned (including 2013 lump sum merit payments for Messrs. Adrean, Adams and Barros), were unchanged from 2012 for the continuing NEOs including Mr. Smith. Mr. Kelley was newly hired in January 2013, and his target cash incentive opportunity was set the same as others at his executive level.

2013 Long-term Incentive Opportunities. For a discussion of the CEO s long-term incentive opportunity, please refer to the discussion on page 35. For other NEOs, as in prior years, 2013 long-term incentive opportunities were set in a range of plus or minus 25% around the market data. The CEO took 2012 individual performance and the market data into account in recommending for Compensation Committee approval of the 2013 award sizes.

Table of Contents

2013 Annual Cash Incentive Goals

Annual cash incentive awards are designed to reward short-term performance, achievement of strategic goals and individual performance objectives.

The 2013 corporate financial performance objectives for the NEOs with Company-wide responsibilities (Messrs. Smith, Adrean and Kelley) were based on the Company s revenue from continuing operations (used to measure top line business growth) and Adjusted EPS (used to measure the profitability of that growth). The financial objectives for Messrs. Adams and Barros, as business unit leaders, were focused primarily on their respective business unit revenue and operating income performance (used to measure unit growth and profitability), as well as Company Adjusted EPS (to emphasize profitability of the Company as a whole).

Establishment of Corporate-Level Financial Goals

In early 2013, the Compensation Committee established corporate financial goals required to earn a cash incentive award for 2013, as follows:

Threshold payout (25% of target payout) was initially set equal to our 2012 actual operating results ($2.965 Adjusted EPS and $2.160 billion revenue from continuing operations). These results were reset by the Committee to $3.24 Adjusted EPS and $2.175 billion revenue to reflect the impact of a significant acquisition in late 2012, two divestitures completed in early 2013, and expected changes in foreign exchange rates on our international operations. The earnings per share measure used is adjusted EPS as disclosed in the Company s public earnings releases and which excludes the effect of certain material restructuring charges, other material unusual or infrequent items, the results of discontinued operations, and adjusts for certain acquisition-related expenses and benefits.

Target payout was set based on our publicly disclosed strategic goals, long-term financial objectives and performance expectations for 2013 ($3.56 Adjusted EPS and $2.31 billion revenue from continuing operations, or 10% and 6%, respectively, above the Threshold payout level).

Maximum payout (200% of target payout) was set based on our challenging stretch goals for 2013 ($3.73 Adjusted EPS and $2.38 billion revenue from continuing operations, or 15% and 9%, respectively, above the Threshold payout level).

Pursuant to the terms of the annual incentive plan, awards are subject to certain parameters including the Committee s authority to reduce awards through the exercise of its negative discretion; an individual award limit of $5 million; and a formula or cap designed so that such awards may be deductible by the Company under Section 162(m) of the Internal Revenue Code, as described under *Consideration of Certain Tax Effects* on page 48.

Establishment of Business Unit-Level Financial Goals

The 2013 corporate and business unit objectives for Messrs. Adams and Barros were as follows:

Mr. Adams

Performance Measure	Weight	Threshold (25% payout)	Target (100% payout)	Maximum (200% payout)
Corporate Adjusted EPS	30%	$3.24	$3.56	$3.73
Workforce Solutions Adjusted Operating Revenue	30%	$442.1 million	$460.4 million	$472.3 million

		(equal to 2012 actual results)	(a 4.1% increase from 2012 actual results)	(a 6.8% increase from 2012 actual results)
Workforce Solutions Adjusted Operating Income	20%	$106.6 million (equal to 2012 actual results)	$138.1 million (a 29.5% increase from 2012 actual results)	$146.1 million (a 37.1% increase from 2012 actual results)

38

Table of Contents

Mr. Barros

Performance Measure	Weight	Threshold (25% payout)	Target (100% payout)	Maximum (200% payout)
Corporate Adjusted EPS	30%	$3.24	$3.56	$3.73
International Adjusted Operating Revenue	30%	$472.5 million	$509.3 million	$525.2 million
		(equal to 2012 actual results as restated to 2013 budgeted foreign exchange rates)	(a 7.8% increase from 2012 actual results, measured at budgeted foreign exchange rates)	(a 11.1% increase from 2012 actual results, measured at budgeted foreign exchange rates)
International Adjusted Operating Income	20%	$136.6 million	$146.5 million	$156.5 million
		(equal to 2012 actual results as restated to 2013 budgeted foreign exchange rates)	(a 7.2% increase from 2012 actual results, measured at budgeted foreign exchange rates)	(a 14.6% increase from 2012 actual results, measured at budgeted foreign exchange rates)

Establishment of Individual Performance Objectives

Individual personal objectives are specific to each executive officer position and may relate to:

- strategic growth through new product innovation, technology and analytical services, product synergies, acquisitions that provide greater geographic diversity, and expansion of data sources;
- development of scalable processes, leveraging applications, and managing expenses to ensure expense growth does not exceed revenue growth; and
- non-financial goals that are important to the Company s success, including people-related objectives such as talent management, demonstrating leadership through behavior consistent with our values, and any other business priority.

Personal objectives for the NEOs and other Company senior management are set at the start of each fiscal year and approved by the CEO. At the end of the fiscal year, the CEO uses his judgment to evaluate the performance of the other NEOs against their personal objectives, taking into account performance for the just-completed fiscal year versus predefined commitments for the fiscal year; unforeseen financial, operational and strategic issues of the Company; and any other information deemed relevant by the CEO. The Compensation Committee reviews and approves this performance evaluation and evaluates the performance of the CEO in a similar manner, with input from the full Board. For the 2013 fiscal year, individual performance rating categories and award opportunities for the NEOs were as follows:

	Needs Improvement	Achieves Expectations = 100% of Target Award	Exceeds Expectations = 150% of Target Award	Distinguished = 200% of Target Award
CEO (as a % of annual base salary)	0%	21%	31.5%	42%
Other NEOs (as a % of annual base salary)	0%	12%	18%	24%

The 2013 individual performance ratings for the NEOs ranged from exceeds expectations to distinguished, as reflected below in the 2013 AIP calculations and as described for each NEO below. All of the NEOs had objectives related to people, including talent management and succession planning; improving operational efficiencies through LEAN and Workout programs to reduce costs; disaster recovery planning; customer satisfaction; regulatory compliance; and enterprise risk management. Each NEO also had Company-wide or business unit objectives related to long-term strategic objectives.

Table of Contents

2013 Annual Cash Incentive Awards

In February 2014, the Committee reviewed executives performance against the pre-established 2013 performance goals as certified by the CFO. Awards could range from 0% of the executive s award goal (for performance below the threshold level) to 200% of the individual s award target (for performance at the maximum level).

The target incentives, maximum performance factors and weightings, along with 2013 awards for the NEOs, are set forth in the table below. A description of how 2013 incentive awards were achieved follows the table.

Named Executive Officer	Base Salary ($)(1)	Target Incentive (as Percentage of Salary) (%)	Target Incentive ($)	Maximum Incentive ($)(2)	Performance Factors and Weighting	Achievement (%)	FY2013 Incentive as Percentage of Target (%)(3)	2013 Incentive ($)
R. Smith	1,450,000	105	1,522,500	3,045,000	Corporate Results, 80% Individual Results, 20%	146.1	139.2	2,118,635
L. Adrean	546,208	60	327,725	655,449	Corporate Results, 80% Individual Results, 20%	83.5	139.2	456,046
J. Kelley	498,231	60	298,939	597,877	Corporate Results, 80% Individual Results, 20%	77.5	129.2	386,095
D. Adams	429,618	60	257,770	515,540	Corporate Results, 30% Workforce Solutions Results, 50% Individual Results, 20%	102.3	170.5	439,396
P. Barros	447,741	60	268,644	537,290	Corporate Results, 30% International Results, 50% Individual Results, 20%	81.1	135.2	363,315

(1) Base salary for Messrs. Adrean, Adams and Barros includes 2013 lump sum merit payments as shown in the Summary Compensation Table on page 52.
(2) The maximum incentive for each is 200% of Target.
(3) Percentages are rounded to the nearest tenth of a percent.

Table of Contents

Determination of Each NEO s Performance and Annual Cash Incentive

Richard F. Smith, Chairman and CEO

Objectives	Target Level	Actual Results	Actual as a % of Target[1]	2013 Incentive
Corporate Adjusted EPS[2]	$3.56	$3.61	131%	$1,292,450
Corporate Adjusted Revenue[2]	$2.31B	$2.30B	95%	$217,185
Individual Objectives	$304,500	$609,000	200%	$609,000

(1) Rounded.

(2) Corporate Adjusted EPS and Corporate Adjusted Revenue (Non-GAAP) exclude certain items affecting comparability. See Appendix A to this Proxy Statement for a reconciliation to the comparable GAAP financial measure. Adjusted EPS and Adjusted Revenue are also stated in constant dollars at budgeted foreign exchange rates for incentive measurement purposes in this table.

Mr. Smith achieved a rating of Distinguished on his individual objectives for 2013. He successfully executed the Company s strategy of broadening and deepening product offerings to improve financial performance in all five business units in a highly challenging global business environment, generating the strong financial results previously noted in this CD&A. He led the Company s efforts to continue strategically building and rebalancing its capabilities with high value acquisitions, including expanding the Company s product line in data, analytics and technology solutions for the debt collections industry through the negotiation of the $327 million acquisition of TDX Group which was completed in January 2014 (a United Kingdom company that provides businesses with technology, data and advisory solutions to improve debt liquidation and debt management) and the $22 million acquisition in December 2013 of a majority stake in Inffinix (a Mexico-based global information technology company which helps businesses streamline their collections process and improve their return on debt recovery efforts); seamless integration of the $1.0 billion acquisition of the credit reporting assets and business of CSC Credit Services, Inc.; and the divestitures of non-strategic assets including Equifax Settlement Services and Performance Assessment Network in the first quarter of 2013. Mr. Smith refined and executed the Company s long-term Growth Playbook strategy by expanding our role in client business decisions and processes through product innovation and delivering unique value to the customer; employing advanced analytics and technology to help drive client growth, security, efficiency and profitability; investing in emerging opportunities and international expansion; diversifying data sources and products; maximizing the use of analytics and decisioning technology to differentiate the Company s product offerings; implementing measures to control expense growth in line with revenue growth; driving operational efficiencies through LEAN, Workout and other continuous business process improvements; accelerating the pace of new product innovation and product transfers across the Company; driving a performance-driven culture to deliver sustained long-term business growth; retaining and developing a strong leadership team; and demonstrating exemplary leadership and values.

Table of Contents

Lee Adrean, Corporate Vice President and Chief Financial Officer

Objectives	Target Level	Actual Results	Actual as a % of Target(1)	2013 Incentive
Corporate Adjusted EPS(2)	$3.56	$3.61	131%	$278,206
Corporate Adjusted Revenue(2)	$2.31B	$2.30B	95%	$46,750
Individual Objectives	$65,545	$131,090	200%	$131,090

(1) Rounded.

(2) Corporate Adjusted EPS and Corporate Adjusted Revenue (Non-GAAP) exclude items affecting comparability. See Appendix A to this Proxy Statement for a reconciliation to the comparable GAAP financial measure. Adjusted EPS and Adjusted Revenue are also stated in constant dollars at budgeted foreign exchange rates for incentive measurement purposes in this table.

Mr. Adrean achieved a rating of Distinguished on his individual objectives for 2013. As CFO, these objectives included implementing measures to control expense growth in line with revenue growth; improving financial analytical capabilities and operational metrics to help focus management on key revenue, customer and product profitability drivers and opportunities in the business; driving direct profit improvement from product and customer profitability insights; developing the 2014 corporate budget and resource realignment efforts consistent with long-term growth objectives; overseeing and enhancing global enterprise risk management processes, including directing increased investment to data security, disaster recovery and regulatory compliance capabilities; implementing strategies to optimize the corporate tax position; supporting corporate growth initiatives; further developing global finance organization capabilities and planning and initiating the implementation of upgrades to key financial systems; supporting the Company s acquisitions and divestitures described in the previous paragraph with financial diligence and valuation analyses and financial integration; effectively managing the Company s capital structure, ratings, access to capital and allocation of capital among internal growth investments, acquisitions, and return to shareholders; and enhancing the communication of the Company s strategy and growth prospects to the investment community.

John J. Kelley III, Corporate Vice President and Chief Legal Officer

Objectives	Target Level	Actual Results	Actual as a % of Target(1)	2013 Incentive
Corporate Adjusted EPS(2)	$3.56	$3.61	131%	$253,769
Corporate Adjusted Revenue(2)	$2.31B	$2.30B	95%	$42,644
Individual Objectives	$59,788	$89,682	150%	$89,682

(1) Rounded.

(2) Corporate Adjusted EPS and Corporate Adjusted Revenue (Non-GAAP) exclude items affecting comparability. See Appendix A to this Proxy Statement for a reconciliation to the comparable GAAP financial measure. Adjusted EPS and Adjusted Revenue are also stated in constant dollars at budgeted foreign exchange rates for incentive measurement purposes in this table.

Mr. Kelley achieved a rating of Exceeds Expectations on his performance as Chief Legal Officer. His general objectives included successfully directing and improving the effectiveness and efficiency of the Company s global sourcing, legal, security, legislative and regulatory compliance operations; enhancing the quality of processes to address increasingly complex global litigation, regulatory compliance and government relations issues; and providing effective support for mergers, acquisitions and other enterprise initiatives.

Table of Contents

J. Dann Adams, President, Workforce Solutions

Workforce Solutions Business Unit

Mr. Adams 2013 financial and individual objectives are described in the following table.

Objectives	Target Level	Actual Results	Actual as a % of Target[1]	2013 Incentive
Corporate Adjusted EPS[2]	$3.56	$3.61	131%	$100,995
Workforce Solutions Revenue	$460.4M	$474.1M	200%	$154,662
Workforce Solutions Operating Income	$138.1M	$142.6M	156%	$80,631
Individual Objectives	$51,554	$103,108	200%	$103,108

(1) Rounded.

(2) Corporate Adjusted EPS (Non-GAAP) excludes certain items affecting comparability. See Appendix A to this Proxy Statement for a reconciliation to the comparable GAAP financial measure. Adjusted EPS is also stated in constant dollars at budgeted foreign exchange rates for incentive measurement purposes in this table.

Mr. Adams achieved a rating of Distinguished on his individual objectives as President, Workforce Solutions. His objectives included successfully executing on the Company s long-term growth strategy by expanding The Work Number (TWN) instant employment verification database to 55 million active records and 235 million total records; processing a record number of income and employment verifications in support of our enterprise Decision 360 strategy to combine employment, credit and wealth data to help lenders lend with greater confidence while providing access to credit for consumers; and developing unique capabilities and products across a wide spectrum of vertical markets. New markets developed in 2013 included our largest government contract to date in support of the federal Centers for Medicare & Medicaid Services by providing income verification under the Affordable Care Act. Under Mr. Adams leadership, Workforce Solutions developed new compliance tools for employers including a nationally recognized new human resources compliance management product developed through the acquisition of eThority; transforming a legacy unemployment claims business into a high value compliance partner, reducing cost to employers and helping the U.S. Department of Labor and state agencies identify and minimize improper payments; deploying the State Industry Data Exchange (SIDES) to over 33 states, to streamline unemployment claims processing, reducing employer costs and improper payments. The business unit also introduced CaseBuilder, a new software-as-a-service platform, to employers leveraging SIDES which dramatically improved the clients user experience and results and was adopted by over 1,600 clients employing 32,000 users in 2013.

Table of Contents

Paulino Do Rego Barros, Jr., President, International

International Business Unit

Mr. Barros 2013 financial and individual objectives are described in the following table.

Objectives	Target Level	Adjusted Results	Actual as a % of Target[1]	2013 Bonus
Corporate Adjusted EPS[2]	$3.56	$3.61	131%	$ 105,255
Adjusted International Revenue[3]	$ 509.3M	$ 513.8M	129%	$ 103,643
Adjusted International Operating Profit[4]	$ 146.5M	$ 150.2M	137%	$ 73,824
Individual Objectives	$ 53,729	$ 80,593	150%	$ 80,593

(1) Rounded.
(2) Corporate Adjusted EPS (Non-GAAP) excludes certain items affecting comparability. See Appendix A to this Proxy Statement for a reconciliation to the comparable GAAP financial measure.
(3) At 2013 budgeted foreign currency rates.
(4) At 2013 budgeted foreign currency rates and including a $0.6 million upward adjustment for litigation settlements in Brazil related to pre-BVS transaction operations.

Mr. Barros achieved a rating of Exceeds Expectations on his individual objectives as President, International. His objectives for International included successfully executing on the Company s long-term growth strategy with respect to International, including acquiring companies in existing and adjacent industries in various countries, and successfully leveraging new product innovation in the U.S. and key countries through the roll out of new products and services in other countries. Mr. Barros continued to effectively implement new technology platforms and solutions which support the transfer of new products and expand Equifax s presence in verticals such as Telecommunications, Financial Industry, Small and Medium Enterprises, and direct-to-consumer Personal Solutions.

Long-Term Equity Incentive Compensation

Summary

In 2013, the Company again used PSUs and RSUs as the components of its long-term incentive program.

The Committee considers individual performance relative to the prior year and the prior year s awards in granting PSUs and RSUs. The value of equity grants increases with the level of position, and for the CEO and other NEOs is the largest element of the total compensation package. In determining the value of PSU and RSU awards to executive officers, the Committee (in the case of the CEO s grant) and the CEO (in the case of recommendations for grants to other NEOs), consider numerous factors, including the benchmarking data described above, individual performance, and the Company s annual budget for equity awards and intended share run rate (a measure of actual equity-grant activity in relation to the total number of shares outstanding at the Company). Our total equity run rate for 2013 declined to 0.8% from 1.0% in 2012.

PSUs will be earned, if at all, based on the Company s total shareholder return (TSR) performance relative to the companies in the S&P 500 (as constituted on the initial grant date, subject to certain adjustments) over a three-year performance period. This metric aligns with shareholder interests as higher TSR results in higher potential returns for shareholders as well as ensuring a correlation between performance and payouts. PSUs do not accrue dividend equivalent units. The average payout results through each of the final four quarters of the performance period will determine the final result. Payouts for the PSUs awarded on February 8, 2013 will be as follows in February 2016, with straight-line interpolation between the threshold and maximum level:

PSU Performance/Payout Scale

Company TSR Percentile	PSU Payout as a % of Target
90th	200%
70th	150%
50th	100%
30th	50%
Below 30th	0%

RSUs represent a promise to issue unrestricted shares of our common stock once applicable service vesting and performance requirements (referenced in the next paragraph) are satisfied. The RSUs issued to NEOs cliff vest on the third anniversary of the grant date. The RSUs do not accrue dividend equivalent units. The value of RSUs varies directly with the market price of our common stock, but since some value is likely to be earned, they are used primarily for retention purposes.

For Section 162(m) purposes so that such compensation may be tax-deductible by the Company, the Compensation Committee made the vesting of all PSUs and RSUs awarded in 2013 subject to certain maximum payout limitations based on the Company s operating income levels on a cumulative annual basis over the applicable three-year vesting period, as described under *Consideration of Certain Tax Effects* on page 48.

Determination of 2013 Long-Term Incentive Grant Values

The Compensation Committee determined long-term incentive grant values by establishing a dollar value within the appropriate range for each NEO other than the CEO and then converting this dollar value to a number of PSUs and RSUs based on a prior average stock price of $50.87 using pre-arranged proportions for each. The CEO s mix was not pre-determined and the final mix of 57% PSUs/43% RSUs resulted from applying the full indicated pay increase to PSUs. The mix was 50% PSUs and 50% RSUs for the other NEOs. By using this approach, the number of RSUs varies from year to year based on a prior average stock price, even if the award value at grant stays consistent from year to year. The approximate 50/50 split of target grant value between PSUs and RSUs in 2013 for executives other than the CEO balanced the relative certainty and retention value offered by RSUs with the higher risk and performance leverage of PSUs.

2013 Long-Term Incentive Awards

The Committee approved equity awards to the NEOs on February 8, 2013, informed by the benchmarking data described above. The following table details the target grant value used by the Compensation Committee to determine the number of PSUs and RSUs. Actual grant date values, computed in accordance with applicable accounting standards, are disclosed in the *Grants of Plan-Based Awards in Fiscal Year 2013* table on page 54. The actual value of equity awards that may be realized by the NEOs will depend on their continued service and our future stock price performance.

February 2013 Target Grant Value for Equity Awards

Name	Target Grant Value $	Target Number of PSUs Granted	Number of RSUs Granted	2013 vs. 2012 Target Grant Value
R. Smith	$5,705,225	63,827	48,326	7.8%
L. Adrean	$1,250,000	12,286	12,286	32%
J. Kelley[(1)]	$1,000,000	9,829	9,829	N/A
D. Adams	$690,000	6,782	6,782	28%
P. Barros	$750,000	7,372	7,372	26%

(1) Upon joining the Company effective January 1, 2013, Mr. Kelley also received an initial hire equity grant of 22,000 time-based RSUs vesting in three years with a target grant value of $1,156,980. His employment offer letter included a commitment for a total equity grant value of at least $1,000,000 in 2013.

Equity Award Grant Practices

We have a written policy on equity grants designed to formalize our equity grant practices and ensure that equity awards will be made on specified dates. The Compensation Committee reviews and approves annual equity-based awards to senior executives who are reporting officers under Section 16 of the Exchange Act in the first calendar quarter of each year (around the time of their annual performance reviews) (third quarter for any Section 16 officers who are not part of the senior leadership team). In accordance with our policy and shareholder-approved 2008 Omnibus Incentive Plan, the Committee has delegated specific authority to the CEO to approve grants to non-executive officers and other eligible employees, typically in the third calendar quarter of each year following their annual talent review cycle. We may make equity awards at other times during the year for new hires or other reasons, such as a job promotion or as a result of an acquisition.

The exercise price of any stock option award is the closing price of our common stock on the date of grant, as reported by the NYSE. If a stock option grant date for a Section 16 reporting officer would fall outside an open stock trading window period, such grants are made and priced effective as of the market close on the first business day of the next quarterly trading window period. We do not backdate or grant options or restricted stock retroactively. We generally schedule Board and Committee meetings at least a year in advance and, as noted above, make annual equity awards to our NEOs at around the same time every year. We do not time our equity awards to take advantage of the release of earnings or other major announcements by us or market conditions.

Retirement and Other Benefits

Our NEOs receive retirement and other benefits as part of a competitive package. These benefits are intended to be part of a competitive retirement and benefit package necessary to attract and retain executive talent. Consistent with this objective, the longer an employee remains with the Company, the larger the benefit that is earned under the SERP described below. Service credit was frozen as of December 31, 2008 under the U.S. Retirement Income Plan, or USRIP, for non-retirement eligible employees including Messrs. Smith, Adrean and Adams. Messrs. Barros and Kelley were hired after the date on which the USRIP was closed to new hires and thus have no benefit under the USRIP (see *Defined Benefit Pension Plan* on page 55 and *Other Compensation Retirement Plan* on page 58).

We provide our NEOs with benefits available to other eligible U.S. salaried employees. These benefits include medical, dental, life and disability insurance. In addition, we maintain a defined benefit retirement plan (the USRIP) and a qualified retirement savings plan (the 401(k) Plan) that includes a discretionary Company match of the employee s pre-tax and after-tax contributions.

Mr. Adams receives a monthly relocation living allowance of $11,903, in addition to his base salary, in connection with his relocation from Atlanta to St. Louis in 2010 to serve as President, Workforce Solutions business unit. The payment of these relocation expenses mitigates personal loss and distraction when we ask our executives to move with their families to a new location for the purpose of

leading and promoting the continued success of the Company and/or our business units. These benefits appear in the *All Other Compensation* column in the Summary Compensation Table on page 52.

For NEOs and other eligible participants, we also maintain a nonqualified supplemental retirement plan, or SERP, for competitive reasons to provide enhanced retirement benefits above what is allowed under the Code through qualified retirements, as well as to attract and retain key leadership and to enable orderly and timely succession. The SERP provides a maximum annual lifetime retirement benefit of 50% of base salary and bonus, based on years of credited service and reduced by benefits from the defined benefit pension plan. A more complete description of the USRIP in effect as of December 31, 2013 and the SERP is provided under *Additional Discussion of Material Items in Summary Compensation and Grants of Plan-Based Awards Tables* on page 55 and *Pension Benefits at 2013 Fiscal Year-End* on page 58.

The NEOs and certain other executives are eligible to participate in Company tax-deferred compensation plans. These plans allow the participants to defer cash compensation and gains otherwise recognized upon the vesting of RSUs. The purpose of these plans is to give eligible employees the opportunity to defer compensation on a pre-tax basis in addition to what is allowed under our 401(k) Plan, in order to enhance their retirement savings without additional Company contributions. The deferral plans are offered to eligible employees as part of a competitive compensation program, and are described in more detail after the *Nonqualified Deferred Compensation* table on page 60. The plans are intended to promote retention of executives by providing a long-term, tax efficient savings opportunity at low cost to us. Amounts deferred under the plan are allocated to the plan investment options chosen by the executive and are adjusted daily for any gains or losses.

Perquisites

Perquisites do not reward any particular performance, but meet certain business objectives, which is why we choose to provide them. Perquisites for our executives have the following objectives:

- maximizing the value of Company-provided compensation through provision of an annual financial planning allowance;
- ensuring executives continued health and ability to render services to the Company through an annual physical program and, for the CEO, monitoring of home security;
- avoiding the executives having personal liability incidents interfere with work responsibilities by providing personal liability insurance;
- providing monthly relocation living allowances under certain circumstances, as approved by the Compensation Committee, where the executive is expected to return after a relocation assignment;
- providing life insurance coverage above the level provided to all eligible employees (currently, the CEO) to attract and retain executive-level employees; and
- for the CEO, facilitating the Company s business interests and the CEO s role as a Company representative in the community and business entertainment functions through reimbursement of club dues and event tickets.

The NEOs are eligible to receive financial planning and tax services in an annual amount of up to $50,000 for the CEO, and $10,000 for other NEOs ($12,500 in their first year for newly hired executives); comprehensive medical examinations (up to $2,200 annually for diagnostic health care services not otherwise covered by our medical plan); life insurance coverage of $10 million for the CEO and $3 million for the other NEOs (other than Messrs. Adrean and Adams, each of whom elected to terminate their participation in the executive life insurance program in the fourth quarter of 2011, and Messrs. Barros and Kelley, each of whom was hired after participation was closed to new executive

47

officers), and personal excess liability insurance ($10 million for the CEO and $5 million for the other NEOs); two club memberships for the CEO used primarily for business purposes; and home security system monitoring expenses for the CEO. The attributed costs of perquisites are included in the *All Other Compensation* column of the Summary Compensation Table on page 52 and Note 10 thereto. Since 2011, we no longer provide tax reimbursement on the value of the applicable perquisite.

Employment Contract and Change in Control Severance Agreements

We entered into an employment contract with Mr. Smith upon his hiring in 2005 but such agreements are not used with respect to the other executive officers, who are employed on an at will basis. The material provisions of Mr. Smith s agreement are discussed following the *Grants of Plan-Based Awards in Fiscal Year 2013* table on page 54 and the *Potential Payments upon Termination or Change in Control* tables beginning on page 61.

We have entered into change in control agreements with our other NEOs, which are more fully described under *Potential Payments upon Termination or Change in Control*. The objective of having such agreements is to allow the participating officers to focus on their duties during the process of an acquisition by ensuring they receive benefits in the event of a change in control of the Company. The agreements are designed to reward executives for remaining employed when their prospects for continued employment following the transaction may be uncertain. We choose to provide such protection to safeguard shareholder value in the event the transaction is not consummated, and maximize the value of the Company by increasing the possibility of retaining an intact management team. The agreements are not intended to replace or affect other compensation elements.

Consideration of Certain Tax Effects

The Compensation Committee considers the impact of federal tax laws on our compensation program, including the deductibility of compensation paid to the NEOs, as regulated by Code Section 162(m). Although our incentive compensation program is designed so that it may be deductible under Section 162(m), a portion of the CEO s base salary was in excess of the $1 million Section 162(m) limit.

For Section 162(m) purposes, the 2013 short-term incentives for Company executive officers were capped at 1.5% of 2013 operating income for the CEO and 0.5% of 2013 operating income for each other NEO, and the Compensation Committee made the vesting of all PSUs and RSUs awarded in 2013 subject to the same cap based on the Company s operating income levels on a cumulative annual basis over the applicable three-year vesting period. For the one-year period ended December 31, 2013, the AIP cap under the Section 162(m) formula was equal to $3.1 million for each NEO other than the CEO, and $9.2 million for the CEO, based on our reported GAAP operating income for 2013 of $611.2 million. The Committee used negative discretion to reduce the actual annual incentive awards paid to $2,118,635 for the CEO and to a range of $363,315 to $456,046 for the other NEOs.

If the payments to an NEO on account of his or her termination as a result of a change in control exceed certain amounts, we may not be eligible to deduct certain of the payments for federal income tax purposes. In addition, the officer could be subject to a 20% excise tax on such payments. This excise tax is in addition to the executive s normal income and payroll taxes. To offset the effect of the excise tax, we will make gross-up payments to NEOs who became eligible for the program before 2011, as reimbursement for the excise tax. In this way, the executive retains the same amount he or she would have retained had the excise tax not been imposed. As a result, however, the Company is unable to deduct a large portion of the payments. We provide these payments because, by allowing executives to recognize the full intended economic benefits of their change-in-control agreement, it ensures that such payments meet the original goals of the program. Nevertheless, we have eliminated this excise tax gross-up feature for participants entering the program after 2010 (including Messrs. Kelley and Barros).

Table of Contents

We generally have designed our compensation programs for NEOs to comply with Code Section 409A on the payment of deferred compensation so as to avoid possible adverse tax consequences that may result from noncompliance with Section 409A.

Management of Compensation-Related Risk

In establishing and reviewing the Company s executive compensation program, the Compensation Committee considers whether the program encourages unnecessary or excessive risk-taking and has concluded that it does not. The Committee reviewed our material compensation programs and noted numerous ways in which risk is effectively managed or mitigated. This evaluation for 2013, which was conducted with the assistance of management and the Committee s outside compensation consultant, covered a wide range of practices and policies. All plans were deemed to have substantial risk mitigators which, in the most material incentive plans, include a balanced mix of fixed and variable pay and short-term and long-term incentives; use of multiple performance measures including corporate, business unit and individual performance weightings in incentive plans; a portfolio of long-term equity incentives including time-based and performance-based measures; caps, discretion in payment, oversight by non-plan participants, significant stock ownership guidelines, pre-approval requirements for executive stock transactions; and the existence of policies prohibiting Company stock hedging and pledging and requiring executive incentive compensation recoupment in specified circumstances.

The Compensation Committee has also reviewed the Company s overall enterprise risks and how compensation programs for employees generally impacted individual behavior that could exacerbate these enterprise risks. Board and management processes are in place to oversee risk associated with global compensation programs and practices, including, but not limited to, regular business reviews; alignment of compensation plan goals with our annual and long-term strategic goals and performance expectations; review of enterprise risk management by the Board as part of the annual strategy and budget reviews; and other appropriate internal controls. The Committee concluded that the Company s compensation plans, programs and policies, considered as a whole, including applicable risk-mitigation features, are not reasonably likely to have a material adverse effect on the Company.

Executive Stock Ownership Guidelines

Our executive stock ownership guidelines are designed to increase our executives equity stakes in the Company to a meaningful level and reinforce alignment with shareholder interests. The guidelines provide that, within five years of assuming the CEO position, the CEO should attain an investment position in our stock equal to five times his or her base salary (including shares directly owned, 401(k) Plan shares, deferred share units and unvested RSUs). All other NEOs should attain within five years an investment position equal to three times his or her base salary. A reduction in ownership to one-half of the applicable guideline ownership level is permitted for executives age 60 or older who are eligible for retirement. Following its annual review in February 2014, the Compensation Committee determined that each NEO was currently in compliance with the guidelines or on schedule to be in compliance by the required date. The Committee has authority to waive or defer compliance with the ownership guidelines in the case of unusual stock price volatility.

Hedging and Pledging Policies

Under our Insider Trading Policy, we prohibit hedging the economic risk of ownership of our common stock through short sales or the purchase or sale of options, puts, calls, straddles, equity swaps or other derivative securities that are directly linked to Company stock, by our directors, NEOs and other executives. We also prohibit our directors, officers and employees from holding our stock in a margin account or pledging our stock as collateral for a loan.

Policy on Clawback of Incentive Compensation

In February 2010, the Compensation Committee adopted an incentive compensation clawback policy effective for incentive compensation awarded for fiscal years beginning after December 31, 2009. Under this policy, in the event of a material misstatement of the financial results, the Committee

Table of Contents

will review the facts and circumstances that led to the requirement for the restatement and will take actions it deems necessary and appropriate. The Committee will consider whether any executive officer received incentive compensation based on the original financial statements that would not have been received based on the restatement.

The Compensation Committee will also consider the accountability of any employee (including the NEOs) whose acts or omissions were responsible in whole or in part for the events that led to the restatement, and whether such acts or omissions constituted intentional misconduct. The actions the Committee could elect to take against a particular employee, depending on all the facts and circumstances as determined during its review, include requiring repayment of the difference between the incentive compensation paid and the amount that would have been paid based on the restated financial results. In the case of any employee (including an NEO) whose acts or omissions constituted intentional misconduct, the Committee may seek recoupment of all or part of any bonus or other incentive compensation paid to the employee that was based upon achievement of financial results that were subsequently restated; enforce disciplinary actions, up to and including termination; and/or pursue other remedies.

Under the terms of award agreements issued under our 2008 Omnibus Incentive Plan, employees, including the NEOs, who violate our non-compete, non-solicitation and non-disclosure policies or who engage in certain other activities detrimental to the Company may be subject to financial consequences, including cancellation of their outstanding equity awards or recovery by the Company of all gains from exercised stock options and vested restricted stock units received during the period beginning six months prior to the date of the violation. In addition, with respect to any award made for fiscal years beginning after December 31, 2009, these recovery means are also applicable to the incentive equity awards of any employee who is terminated for cause, as determined in the sole discretion of the Committee. These clawback policies are in addition to any policies or recovery rights provided under applicable law.

Beginning in 2013, the Compensation Committee required, as a condition to the grant of new equity awards to executive officers and certain other key employees, that the recipient agree to certain restrictive covenants benefiting the Company including confidentiality, non-competition, non-solicitation and assignment of inventions. The CEO s equity award agreements continued to be subject to the non-compete provision set forth in his existing employment agreement as described under *Additional Information Regarding Mr. Smith s Employment Agreement and Post-Termination Payments* beginning on page 68.

Actions Taken with Respect to 2014 Compensation

The Compensation Committee has taken certain actions with respect to 2014 executive compensation. To bring base salaries closer to the market median over time, none of the NEOs received an annual base salary increase for 2014. In February 2014, to reward their strong performance in 2013, the Committee approved lump sum cash merit payments to three NEOs in the following amounts (and percentage of annual base salary) which were paid on March 1, 2014: Mr. Kelley, $17, 850 (3.5%); Mr. Adams, $20,755 (5%); and Mr. Barros, $17,304 (4%). The Committee approved the lump sum payments in lieu of annual base salary increases in order to maintain alignment of base salary levels with prior year levels and not increase or compound baseline salary levels with respect to future compensation determinations by the Committee. For the CEO, the Compensation Committee determined that any pay increase suggested by market movement should instead increase the performance-based portion of the long-term incentive program (i.e., the PSU grants discussed below).

The Committee also established corporate financial performance goals for the annual incentive opportunity for 2014 in a manner similar to the process followed in 2013. Long-term incentive

Table of Contents

opportunities granted on February 21, 2014 to the continuing NEOs include PSUs and RSUs in a 50%-50% split (for the CEO, a 60%-40% split as compared to 57%-43% in 2013) of target grant date value, as shown below:

2014 Long-Term Incentive Awards

Name	PSUs	RSUs
R. Smith	53,576	35,686
L. Adrean	9,436	9,436
J. Kelley	7,258	7,258
D. Adams	5,263	5,263
P. Barros	5,444	5,444

The PSUs granted in February 2014 will be earned, if at all, based on the Company s TSR performance relative to the companies in the S&P 500 (as constituted on the initial grant date, subject to certain adjustments) over a three-year performance period. The average of the payout results through each of the final four quarters of the performance period will determine the final result. Subject to final certification of results and approval by the Compensation Committee, our PSU payouts in February 2017 will be calculated as follows (with straight-line interpolation between the threshold and maximum level):

PSU Performance/Payout Scale

Company TSR Percentile Relative to S&P 500[1]	PSU Payout as a % of Target
90th	200%
70th	150%
50th	100%
30th	50%
Below 30th	0%

[1]Note: The PSU design was changed in April 2013 with respect to future PSU awards, to cap the payout of such awards at target in the event Company TSR performance is negative over the applicable three-year performance period, even if the Company s TSR, on a comparative basis, exceeds the median of the S&P 500.

The Compensation Committee will continue to monitor our executive compensation program to ensure that it is consistent with the Company s objectives, provides appropriate incentives to management, and remains competitive with other companies in the industries in which we operate or with which we compete for executive talent.

Table of Contents

EXECUTIVE COMPENSATION TABLES

The following table presents information regarding compensation of the named executive officers (the *NEOs*) for services rendered during 2013, 2012, and 2011. The table includes values for contingent compensation such as unvested or unpaid stock awards and unexercised stock options. The executives may never realize the value of certain items included in the column headed Total, or the amounts realized may differ materially from those listed in the table.

SUMMARY COMPENSATION TABLE

Name and Principal Position	**Year**	**Salary[(3)] ($)** width="1%">

		Year Ended December 31,		
		204	**203**	**202**
Current:				
	Federal	$ 18,858	$ 11,444	$ (230)
	State	2,321	1,836	631
		21,179	13,280	401
Deferred, net				
	Federal	1,500	965	7,139
	State	466	561	1,599
		1,966	1,526	8,738
Provision for income taxes		$ 23,145	$ 14,806	$ 9,139

We are entitled to a deduction for federal and state tax purposes with respect to employees stock option activity. The net deduction in taxes otherwise payable arising from that deduction has been credited to additional paid-in capital. For calendar year 2004, the net deduction in tax payable arising from employees stock option activity is approximately $9.3 million.

Table of Contents

Our provision for income taxes is comprised of the following elements, all expressed as a percentage of income before provision for income taxes.

	Year Ended December 31,		
	204	203	202
Statutory Federal income tax rate	35.0%	35.0%	35.0%
State income taxes, net of Federal benefit	5.9	5.2	5.1
R&D credit, foreign sales benefit, and other	(3.3)	(1.3)	(2.8)
Effective income tax rate	37.6%	38.9%	37.3%

Our effective tax rate decreased in 2004 from 2003 due primarily to a benefit of $2.2 million from the release of certain tax accruals related to differences between our original estimates of certain prior year income tax expenses and revisions based on the elimination of contingencies from prior year tax returns. This was offset by nondeductible merger related expenses of $3.1 million in the fourth quarter of 2004.
Our net deferred income tax assets were as follows (in thousands):

	December 31,	
	2004	2003
Cumulative temporary differences		
Allowance for doubtful receivables	$ 1,700	$ 1,800
Inventories	900	900
Warranty accrual	500	800
Accrued sales promotions and commissions	300	300
Deferred revenue	1,000	3,200
Patents and intangible assets	1,700	800
Other accrued liabilities	4,600	4,900
Net deferred income tax asset	$ 10,700	$ 12,700

We believe it is more likely than not that we will generate sufficient taxable income in the future to realize our deferred income tax assets. Therefore, we have not recorded a valuation allowance against our deferred income tax assets. However, given that the laser vision correction industry is subject to economic, market and technology change, we can provide no assurance that our expectation for future taxable income will be realized. Deferred tax assets of $1.3 million and $1.4 million were recorded as non-current at December 31, 2004 and 2003 respectively.

Note 9. Commitments

We lease facilities and equipment under operating leases that expire through 2008. Our expense under these leases was $2,257,000, $2,007,000, and $1,910,000 for the years ended December 31, 2004, 2003, and 2002, respectively. Our purchase commitments include contractual obligations to purchase inventory, supplies and capital equipment. Our future minimum payments under leases and purchase commitments with non-cancelable terms in excess of one year are as follows (in thousands).

	Operating Lease Commitments		Purchase Commitments	
Year Ended December 31, 2005	$	2,181		6,273
2006		2,040		1,699
2007		1,984		
2008		868		
2009		52		
Total minimum lease payments	$	7,125	$	7,972

Note 10. Long-Term Receivables

In an effort to promote the growth of the laser vision correction industry and the use of VISX STAR Systems, in certain markets we provide long-term financing to customers for their purchase of VISX STAR Systems and Wavescan Systems. We consider a number of factors including industry practice, competition, and our evaluation of customers credit worthiness in determining when to offer such financing. We had approximately $7.6 million and $7.0 million of net receivables outstanding at December 31, 2004 and 2003, respectively, under long-term financing agreements. Revenue related to $3.3 million and $1.4 million of these receivables has been deferred at December 31, 2004 and 2003, respectively. Approximately $1.6 million and $2.6 million of these balances were due to be paid after one year, respectively, with the balance due within one year. We include the portion of receivables and long-term notes due to be paid within one year in accounts receivable and the remaining balance in long term deferred tax and other assets in the accompanying balance sheets. We defer the portion attributable to interest using a market rate of interest.

Note 11. Related Parties

In August 2001, we signed a one-year research and development agreement with Medjet Inc. (Medjet) under which we provided funding to Medjet to pursue new ophthalmic technologies and products. In addition, we signed a merger agreement with Medjet that provided us with a one-year option, for which we paid $0.5 million, to acquire all outstanding Medjet common stock in a merger transaction for $2.00 per share in cash. During the third quarter of fiscal 2002, our agreements with Medjet were amended to provide us with up to an additional eleven months to acquire all outstanding Medjet common stock in a merger transaction for $2.00 per share in cash. The closing of the potential merger was subject to Medjet s stockholder approval and to other customary conditions to closing. In August 2001, we also paid $1.3 million to purchase from a third party all outstanding shares of Medjet s Series B Convertible Preferred Stock, which are entitled to votes equivalent to 1,040,000 shares of Medjet common stock and vote together with Medjet s common stock. These shares owned by us represent 21% of Medjet s voting stock. We account for this investment under the equity method prescribed by Accounting Principles Board No. 18, The Equity Method of Accounting for Investments in Common Stock . In connection with these agreements, we also entered into a voting agreement with Dr. Eugene Gordon, founder of Medjet, under which Dr. Gordon agreed to vote all of his shares of common stock in favor of the merger, and agreed to sell all of his stock to us in the event that we offered to complete the merger. Additionally, we acquired warrants from Medjet to purchase 1,320,000 shares of Medjet common stock exercisable at $0.75 per share. We also acquired warrants from a third party to purchase 1,365,000 shares of Medjet common stock exercisable at $3.50 per share. The warrants expire during the second half of 2004. Under Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities , the warrants are treated as derivatives and measured at fair value. At each balance sheet date, the warrants are remeasured at fair value and all gains and losses are recorded in the statements of operations. The carrying value of the warrants was approximately $0, $2,000, and $2,000 at December 31, 2004, 2003 and 2002, respectively.

Under our R&D agreement with Medjet, we paid approximately $2.0 million and $1.0 million to Medjet to fund research and development work they performed during 2002 and 2001, respectively. We expensed payments made to Medjet as research, development, and regulatory expense in our financial statements.

In November 2002, we terminated our merger and research and development agreements with Medjet. In accordance with these agreements, we paid Medjet termination fees of $250,000 in the fourth quarter of 2002. Under generally accepted accounting principles, we are required to review our investment in Medjet s Series B Convertible Preferred Stock for losses that are other than temporary. We performed an impairment analysis as a result of the continued decline in market capitalization of Medjet common stock. As a result, we recorded an impairment charge equal to the carrying value of our investment of $1.3 million in 2002.

Note 12. Litigation

In and prior to 2003, we were involved in litigation in the United States and elsewhere with one of our competitors, Nidek, relating to the parties respective patent rights and Nidek s claims that our activities violated antitrust and unfair competition laws. On April 4, 2003, VISX and Nidek signed final agreements covering a global litigation settlement and a worldwide cross-license of certain of the parties respective patents. This settlement resulted in the dismissal of all litigation between the parties world wide, and involved a payment by us to Nidek of $9.0 million for the settlement of Nidek s antitrust and unfair competition claims. The settlement amount of $9.0 million was accrued at December 31, 2002 and paid in full in 2003.

In or about October 2001, VISX terminated a Development and Supply Agreement between itself and Aculight Corporation. The Agreement requires that before any party may commence litigation for any controversy or claim arising under the Agreement, such claim must first be submitted to nonbinding mediation. The parties have exchanged correspondence concerning a claim by Aculight that it is owed approximately $1.9 million in cancellation fees by virtue of VISX s termination of the Agreement. VISX denies that any amounts are owed because Aculight was in breach of certain obligations under the Agreement at the time of termination; Aculight contends that it did not breach any such obligations. Aculight demanded mediation of this dispute pursuant to the Agreement, and in January 2005, the parties scheduled mediation before Judicial Arbitration and Mediation Services (JAMS) for March 25, 2005. While it is not feasible to predict or determine with certainty the final outcome of the mediation, or any lawsuit filed by Aculight if the parties dispute is not resolved by mediation, we believe any such lawsuit would be without merit, and that the mediation or lawsuit would not be likely to give rise to any liability that would materially affect our financial condition or results of operations.

On or about November 12, 2004, two putative class action lawsuits were filed in the Superior Court of the State of California, County of Santa Clara, against VISX and the VISX board of directors. The cases were captioned William Kinchy vs. VISX, Incorporated, et al., Case No. 104CV030447 and Douglas Shearer vs. VISX, Incorporated, et al., Case No. 104CV030452. On January 27, 2005, the court ordered the two cases consolidated under the Kinchy case. On January 28, 2005, William Kinchy filed an amended complaint that alleges, among other things, that the VISX board of directors and certain executive officers breached their fiduciary duties of loyalty and due care by approving the merger agreement and the merger contemplated by the merger agreement without undertaking sufficient efforts to obtain the best offer possible for stockholders. The complaint further alleges that the consideration to be paid in the merger is unfair and inadequate, and that the defendants breached their fiduciary duties of care, loyalty and candor to VISX s public stockholders in connection with the merger. The complaint seeks an injunction prohibiting VISX from consummating the merger and rights of rescission against the merger and any of the terms of the merger agreement, as well as attorneys fees and costs. While it is not feasible to predict or determine with certainty the final outcome of these lawsuits, we believe they are without merit, and are not likely to give rise to any liability that would materially affect our financial condition or results of operations.

We are involved in various other legal proceedings and disputes that arise in the normal course of business. These matters include product liability actions, contract disputes and other matters. Based on currently available information, we believe that we have meritorious defenses to these actions and that the resolution of these cases is not likely to have a material adverse effect on our business, financial position or future results of operations.

Note 13. Acquisition of VISX, Incorporated by Advanced Medical Optics, Inc.

On November 9, 2004 we entered into a definitive merger agreement with Advanced Medical Optics, Inc. (AMO). We and AMO are working to close the transaction in the second quarter of 2005. Our stockholders are expected to receive 0.552 of a share of AMO common stock and $3.50 in cash for each share of VISX common stock they own at the completion of the merger, but this mixture of AMO common stock and cash is subject to adjustment as more fully described below. Each of our stockholders would receive cash for any fractional share of AMO common stock that the stockholder would otherwise be entitled to receive in the merger after aggregating all fractional shares to be received by the stockholder.

The merger is expected to qualify as a reorganization under the Internal Revenue Code of 1986, as amended. If neither our nor AMO s counsel is able to render an opinion at the completion of the merger that the merger qualifies as a reorganization (based on the mix of cash and stock consideration described above) within the meaning of Section 368(a) of the Internal Revenue Code, then the amount of the cash merger consideration will be reduced and the amount of the stock merger consideration will be increased, in each case to the minimum extent necessary to enable either counsel to render this opinion at the completion of the merger. Based on the number of shares of our common stock outstanding on November 8, 2004, this would occur if the trading price of AMO common stock on the closing date is below approximately $25.37.

Under circumstances specified in the merger agreement, either AMO or VISX may terminate the merger agreement. Subject to the limitations set forth in the merger agreement, the circumstances generally include the following: the other party consents to termination; the merger is not completed by June 30, 2005; a non-appealable final order of a court or other action of any governmental authority has the effect of permanently prohibiting completion of the merger; the required approval of the stockholders of each of AMO and VISX has not been obtained at its special meeting; the other party breaches its representations, warranties or covenants in the merger agreement such that its conditions to completion of the merger regarding representations, warranties or covenants would not be satisfied; the other party has not complied with the provisions of the merger agreement relating to non-solicitation and board recommendations; or if there is an increase in the stock portion of the merger consideration that would cause the total number of shares of AMO common stock to be issued by AMO in connection with the merger to constitute more than 44.9% of the outstanding shares of AMO common stock following the merger, which we currently estimate would occur if the trading price of AMO common stock falls below approximately $17.75, then the walk away right would be triggered. Additionally, if the merger is not completed under certain circumstances specified in the merger agreement, AMO or VISX may be required to pay the other expenses in the amount of $8 million or a break-up fee of $45 million.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
VISX, Incorporated:

We have audited management s assessment, included in the accompanying Management s Report on Internal Control over Financial Reporting appearing under Item 9A, that VISX, Incorporated maintained effective internal control over financial reporting as of December 31, 2004, based on criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). VISX, Incorporated s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management s assessment and an opinion on the effectiveness of the Company s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management s assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management s assessment that VISX, Incorporated maintained effective internal control over financial reporting as of December 31, 2004, is fairly stated, in all material respects, based on criteria established in *Internal Control Integrated Framework* issued by the COSO. Also, in our opinion, VISX, Incorporated maintained, in all material respects, effective internal control over financial reporting as of December 31, 2004, based on criteria established in *Internal Control Integrated Framework* issued by the COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of VISX, Incorporated and subsidiaries as of December 31, 2004 and 2003, and the related consolidated statements of operations, stockholders equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2004, and our report dated March 10, 2005 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP
Mountain View, California
March 10, 2005

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
VISX, Incorporated:

We have audited the accompanying consolidated balance sheets of VISX, Incorporated and subsidiaries as of December 31, 2004 and 2003, and the related consolidated statements of operations, stockholders equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2004. In connection with our audits of the consolidated financial statements, we also have audited the financial statement schedule listed in Item 15(a)(2). These consolidated financial statements and financial statement schedule are the responsibility of the Company s management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of VISX, Incorporated and subsidiaries as of December 31, 2004 and 2003, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2004 in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedule as of and for the three-year period ended December 31, 2004, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of internal control over financial reporting of VISX, Incorporated as of December 31, 2004, based on criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated March 10, 2005 expressed an unqualified opinion on management s assessment of, and the effective operation of, internal control over financial reporting.

/s/ KPMG LLP
Mountain View, California
March 10, 2005

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***
None.
Item 9A. ***Controls and Procedures***
Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures
Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act). Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this annual report.
Internal Control over Financial Reporting
Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. There are inherent limitations in the effectiveness of any internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective internal controls can provide only reasonable assurances with respect to financial statement preparation. Further because of changes in conditions, the effectiveness of internal controls may vary over time.

Management s Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in *Internal Control Integrated Framework,* our management concluded that our internal control over financial reporting was effective as of December 31, 2004.
KPMG LLP, an independent registered public accounting firm, has issued an attestation report on our management s assessment of the effectiveness of the Company s internal control over financial reporting as of December 31, 2004. This report is included on page 52 herein.

PART III

Item 10. ***Directors and Executive Officers of VISX***
The names of the seven members of our Board of Directors, and certain information about them, are set forth below. The term of office of director will continue until the next Annual Meeting of Stockholders or until his or her successor has been elected and qualified. There are no family relationships among any of our directors or executive officers.

Elizabeth H. Dávila **Director Since 1995**

Ms. Dávila, 60, joined the Company in 1995 and currently serves as Chairman of the Board of Directors and Chief Executive Officer. She was appointed Chairman of the Board in May 2001, and has served as Chief Executive Officer since February 2001. She also served as President from February 2001 to July 2003. She was President and Chief Operating Officer from February 1999 to February 2001, Executive Vice President and Chief Operating Officer from May 1995 to February 1999, and served as a director since December 1995. Prior to joining the Company, Ms. Dávila was at Syntex Corporation from 1977 to 1994 where she held senior management positions in its medical device, medical diagnostics, and pharmaceutical divisions. Ms. Dávila serves on the Board of Directors of Nugen Technologies, Inc. and Cholestech Corporation. She holds a masters degree in Chemistry from Notre Dame and an M.B.A. from Stanford University.

Laureen De Buono **Director Since 2003**

Ms. De Buono, 47, has been a director of the Company since March 2003. She currently serves as Chief Financial Officer of Thermage, Incorporated, a private cosmetic dermatology company. From September 2001 to March 2003, she served as Executive Vice President and Chief Financial Officer of Critical Path. She acted as a management and financial consultant from November 2000 to September 2001 for various public and private companies. From November 1999 to October 2000, she served as Chief Financial and Operating Officer of More.com. From June 1998 to October 1999, she served as Executive Vice President, Chief Operating Officer and Chief Financial Officer of Resound Corporation. From 1992 to 1998, she held several executive and corporate-level positions at Nellcor Puritan Bennett, and served as Division and Corporate Counsel of the Clorox Company from 1987 to 1992. Ms. De Buono served as a director of INVIVO Corporation from February 1998 to January 2004, at which time the company was sold to Intermagnetics Group, Incorporated. She holds a J.D. from New York University, an M.A. from Stanford University, and a B.A. from Duke University.

Glendon E. French **Director Since 1995**

Mr. French, 71, has been a director of the Company since May 1995. He served as Chairman and Chief Executive Officer of Imagyn Medical, Inc. from February 1992 until his retirement as Chief Executive Officer in December 1994. He continued to serve as Chairman of Imagyn until April 1995. From 1989 until he joined Imagyn in February 1992, Mr. French was Chairman, Chief Executive Officer and a director of Applied Immune Sciences, Inc. From 1982 to 1988, Mr. French was President of the Health and Education Services Sector of ARA Services, Inc., and from 1972 to 1982, he was President of American Critical Care (formerly a division of American Hospital Supply Corp., now known as Dupont Critical Care).

John W. Galiardo **Director Since 1996**

Mr. Galiardo, 71, has been a director of the Company since May 1996. He served as Vice Chairman of the Board of Directors of Becton Dickinson & Company from 1994 until his retirement in December 1999. Prior to 1994, he served as Vice President and General Counsel of Becton Dickinson. Mr. Galiardo joined Becton Dickinson in 1977 and was responsible for the Law and Patent Departments, Medical Affairs, Corporate Regulatory and Quality Affairs, the Environment and Safety Departments, and Government, Investor, and Public Affairs. Prior to joining Becton Dickinson, Mr. Galiardo was Assistant General Counsel of E.R. Squibb & Sons, and before that he was associated with the law firm of Dewey, Ballantine, Bushby, Palmer & Wood in New York City. Mr. Galiardo is the past Chairman of the Health Industry Manufacturers Association.

Jay T. Holmes **Director Since 1999**

Mr. Holmes, 62, has been a director of the Company since March 1999. He has been an attorney and business consultant since mid-1996. From 1981 until mid-1996, Mr. Holmes held several senior management positions at Bausch & Lomb Incorporated, the most recent being Executive Vice President and Chief Administrative Officer from 1995 to 1996 and Senior Vice President and Chief Administrative Officer from 1993 to 1995. From 1983 to 1993, Mr. Holmes was Senior Vice President, Corporate Affairs, and from 1981 to 1983 Vice President and General Counsel at Bausch & Lomb. Mr. Holmes was a member of the Board of Directors of Bausch & Lomb from 1986 until 1996. In 2004, he joined the board of OccuLogix, a company engaged in the treatment of age related macular degeneration. Mr. Holmes also serves on the Advisory Board of Directors of Rochester Gas and Electric.

Gary S. Petersmeyer **Director Since 2001**

Mr. Petersmeyer, 58, has been a director of the Company since December 2001. From October 2001 to January 2002, he acted as a consultant to Pherin Pharmaceuticals Inc., where he previously served as President, Chief Operating Officer, and director from August 2000 to October 2001. From September 1999 to August 2000 he acted as a consultant to several companies, including Inamed Corporation, which was acquired by Collagen Corporation. From 1997 to 1999, Mr. Petersmeyer served as President, Chief Executive Officer and director of Collagen Aesthetics Inc. and from 1995 to 1997 as Chief Operating Officer and director of Collagen Corporation. From 1990 to 1995, Mr. Petersmeyer held several senior management positions at Syntex Corporation, including Vice President of Managed Health Care. Mr. Petersmeyer served as President, Chief Executive Officer, and director of Beta Phase Inc. from 1986 to 1990. From 1982 to 1986, Mr. Petersmeyer served as President of the Optics Division of CooperVision and as the General Manager of its Ophthalmic Products Division. From 1976 to 1982, Mr. Petersmeyer held a series of positions in corporate development, market research, and marketing for Syntex Corporation. Mr. Petersmeyer serves as a board member of Percutaneous

Table of Contents

Systems, Incorporated. Mr. Petersmeyer also serves as an advisor to Eunoe Corporation, where he served as interim CEO in the fall of 2002, as an advisor to Roxro Pharmaceuticals Inc., and as Chairman of the Board for the Positive Coaching Alliance formed originally at Stanford University.

Richard B. Sayford **Director Since 1995**

Mr. Sayford, 74, has been a director of the Company since May 1995. He has been President of Strategic Enterprises, Inc., a private business consulting firm specializing in providing services to high technology and venture firms, since 1979. He is a founding investor of MCI Communications Co., and served as a member of the Board of Directors of MCI from 1980 until 1998. He acted as Chairman of the Board of Directors of HCA/ HealthOne, L.L.C. until March 2004. Mr. Sayford is former President of Amdahl International, Ltd. and Corporate Vice President of Amdahl Corporation. He previously held various management positions with IBM Corporation.

For information regarding our executive officers, please refer to Part I, Item 4A of this report.

Board Committees

The Board of Directors has standing Audit, Compensation and Governance Committees, and has adopted a charter for each committee. These charters are posted at the Investor Relations section of our website at www.visx.com.

Audit Committee. In 2004, the Audit Committee consisted of directors DeBuono, French, Holmes, Galiardo and Sayford. Mr. French served as chairperson of the Audit Committee through May 2004 at which time Ms. DeBuono became the chairperson. The Audit Committee, among other things, oversees engagement of the Company s independent auditors, reviews the arrangements for and scope of the audit by the Company s independent auditors, and reviews and evaluates the Company s accounting practices and its systems of internal accounting controls. The Audit Committee held ten meetings during 2004. The Board of Directors has determined that Ms. De Buono is qualified as an audit committee financial expert within the meaning of Item 401(h) of Regulation S-K promulgated under the Securities Act of 1933, as amended, and is independent within the meaning of Item 7(d)(3)(iv) of Schedule 14A of the Exchange Act. The Board of Directors has further determined that Ms. De Buono has the requisite accounting and related financial management expertise within the meaning of the listing standards of the New York Stock Exchange.

Director Compensation

Non-employee directors receive an annual retainer ($30,000) that each non-employee director may elect to convert into options or deferred phantom stock, fees for each Board of Directors meeting the non-employee director attends ($2,000), fees for attendance at a Board of Directors meeting by telephone ($250) and for each committee meeting attended ($500). Non-employee chairpersons of each committee receive an additional $250 fee for each committee meeting attended except for the non-employee chairperson of the Audit Committee who, beginning in August 2004, receives an additional $500 fee for each Audit Committee meeting attended. Non-employee directors also receive a one-time grant of options to purchase 25,000 shares of the Company s common stock upon initial election to the Board of Directors, and an automatic annual grant of options to purchase 10,000 shares of the Company s common stock. In addition, non-employee directors are reimbursed for out-of-pocket travel expenses associated with their attendance at Board of Directors and committee meetings.

Employment Arrangements and Change of Control Severance Agreements

We have entered into Change of Control Severance Agreements (the Severance Agreements) with each of the named officers included below in the Summary Compensation Table in Item 11 (the Named Officers). The Severance Agreements provide, among other things, that if a Named Officer s employment is terminated other than for cause within two years after a change of control of the Company, the Named Officer is entitled to receive a lump sum severance payment equal to three times the Named Officer s annual base salary and bonus. In addition, pursuant to the terms of the documents governing the grants of options under the Company s option plans, all outstanding unvested options as of the date of a change of control, including options held by the Named Officers, become fully vested and exercisable upon the occurrence of a change of control. If our pending merger with Advanced Medical Optics, Inc. is consummated, any Named Officer terminated other than for cause within the subsequent two year period would be entitled to the benefits afforded under their respective Severance Agreement.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires the Company s executive officers and directors and persons who own more than ten percent of the Company s common stock (collectively, Reporting Persons) to file reports of ownership and changes in ownership of the Company s common stock with the SEC. Reporting Persons are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms that they file.

Based solely on a review of the copies of reporting forms furnished to the Company, we believe all of its directors and executive officers complied during fiscal 2004 with the reporting requirements of Section 16(a), except for Alan F. Russell, Ph.D, who, as a result of an administrative error on the part of the Company, filed reports on July 6 and July 8, 2004, that did not reference the correct stock option grant. Amended forms that identified the correct option grants were filed on July 19, 2004.

Compensation Committee Interlocks and Insider Participation

The Company s Compensation Committee currently consists of directors De Buono, French, Galiardo, Holmes and Sayford, none of whom are employed by the Company. There were no compensation committee interlocks or other relationships during 2004 between the Company s Board of Directors or Compensation Committee and the board of directors or compensation committee of any other company.

Code of Business Conduct and Ethics

In 2004 we adopted a Code of Business Conduct and Ethics that incorporates guidelines designed to deter wrongdoing and to promote honest and ethical conduct and compliance with applicable laws and regulations. In addition, the Code of Business Conduct and Ethics incorporates VISX s guidelines pertaining to topics such as conflicts of interest, insider trading and workplace environment.

The full text of our Code of Business Conduct and Ethics is available at our Internet web site at www.visx.com under the Investor Relations section. A copy will be provided at no-charge to any stockholder who requests one.

Item 11. ***Executive Compensation***

Summary Compensation Table. The following table summarizes the total compensation earned by or paid to the Chief Executive Officer and the four other most highly compensated executive officers having total cash compensation for 2004 in excess of $100,000 (collectively, the Named Officers) for services rendered to the Company during each of the last three fiscal years.

		Annual Compensation		Long-Term Compensation Awards	
Name and Principal Position	**Year**	**Salary(1)**	**Bonus(2)**	**Number of Shares Underlying Options**	**All Other Compensation(3)**
Elizabeth H. Dávila	2004	$454,000	$363,000	175,000	$10,064
Chairman of the Board and	2003	453,000	364,000	225,000	9,414
Chief Executive Officer	2002	420,000	336,000	225,000	9,456
Douglas H. Post	2004	$315,000	$221,000	75,000	$ 8,515
President and Chief	2003	287,000	215,000	200,000	9,414
Operating Officer	2002	250,000	125,000	62,500	9,385
John F. Runkel, Jr.	2004	$270,000	$116,000	72,500	$ 8,228
Senior Vice President of Business	2003	270,000	150,000	37,500	9,383
Development, General Counsel	2002	250,000	100,000	30,000	9,385
Carol F.H. Harner	2004	$250,000	$107,000	18,500	$10,064

Senior Vice President,	2003	240,000	105,000	80,000	9,324
Research and Development	2002	218,000	88,000	30,000	9,289
Derek A. Bertocci(4)	2004	$234,000	$108,000	65,000	$ 8,515
Senior Vice President	2003	208,000	94,000	37,500	8,061
and Chief Financial Officer	2002	192,000	77,000	37,500	8,040

(1) No compensation is paid to officers of the Company for services rendered as directors.

(2) Includes bonuses earned in the designated year but paid the following year.

(3) Includes premiums paid by the Company for Group Term Life Insurance and, for fiscal year 2002, the Company s contribution of $7,500 under its 401(k) Plan matching program; for fiscal year 2003, the Company s contribution of $7,500 under its 401(k) Plan matching program; and, for fiscal year 2004, the Company s contribution of $7,687.50 under its 401(k) Plan matching program.

(4) Mr. Bertocci was promoted to Senior Vice President and Chief Financial Officer effective March 1, 2004.

Option Grants in Last Fiscal Year. The table below provides details regarding stock options granted to the Named Officers in 2004, and the potential realizable value of those options. The values do not take into account risk factors such as non-transferability and limits on exercisability. In assessing these values it should be kept in mind that no matter what theoretical value is placed on a stock option on the date of grant, its ultimate value will depend on the market value of the Company s stock at a future date.

Name	Number of Shares Underlying Options Granted(1)	Percent of Total Options Granted to Employees in Fiscal Year	Exercise Price per Share	Expiration Date	Grant Date Present Value(2)
Elizabeth H. Dávila	175,000	14.3%	$ 19.73	02/11/2014	$ 2,151,032.80
Douglas H. Post	75,000	6.1%	19.73	02/11/2014	921,870.95
John F. Runkel, Jr.	37,500	3.1%	19.73	02/11/2014	460,936.39
John F. Runkel, Jr.(3)	35,000	2.9%	19.85	08/19/2014	424,531.78
Carol F.H. Harner	18,500	1.5%	19.73	02/11/2014	227,395.13
Derek A. Bertocci	65,000	5.3%	19.73	02/11/2014	798,956.05

(1) Options granted in 2004 have a ten-year term and vest 25% on the first anniversary of the grant date, and ratably thereafter at the rate of 1/48 of the total grant per month for three years. The exercisability of the options is automatically accelerated upon a change in control of the Company.

(2) The fair value of each stock option is estimated on the date of grant using the Black-Scholes option pricing model in accordance with Statement of Financial Accounting Standards No. 123. The following weighted average assumptions were used to value stock options granted in 2004: risk-free interest rate of 3.03%, expected volatility of 71%, no expected dividends, and an expected life of 5.29 years beyond the vesting date for each year s vesting increment of an option.

(3)

Mr. Runkel was promoted to Senior Vice President of Business Development and General Counsel effective August 19, 2004.

Aggregate Option Exercises in Last Fiscal Year and Fiscal Year-End Values. The following table provides information with respect to option exercises in 2004 by the Named Officers and the value of such officers unexercised options as of December 31, 2004. The values for in-the-money options represent the spread between the exercise price of any such existing stock options and the year-end price of the Company s common stock.

			Number of Shares Underlying Unexercised Options at Fiscal Year-End		Value of Unexercised In-the-Money Options at Fiscal Year-End(2)	
Name	**Shares Acquired on Exercise**	**Value Realized(1)**	**Exercisable**	**Unexercisable**	**Exercisable**	**Unexercisable**
Elizabeth H. Dávila	320,000	$ 4,817,257.57	1,490,211	409,897	$ 12,736,969.97	$ 4,463,848.90
Douglas H. Post	70,000	1,042,166.09	251,436	220,523	1,890,397.43	1,552,377.15
John F. Runkel, Jr.	39,500	449,208.55	24,406	103,594	285,187.81	926,304.46
Carol F.H. Harner	0	0	126,555	79,126	528,112.67	685,750.75
Derek A. Bertocci	60,000	930,572.71	231,914	98,907	1,663,189.19	911,775.45

58

Table of Contents

(1) Market value of underlying shares at the exercise date minus the exercise price.

(2) Value of unexercised options is based on the price of the last reported sale of the Company s common stock on the New York Stock Exchange of $25.87 per share on December 31, 2004 (the last trading day for fiscal 2004), minus the exercise price.

EQUITY COMPENSATION PLAN INFORMATION

The following table gives information about the Company s common stock that may be issued upon the exercise of options, warrants and rights under all of the Company s existing equity compensation plans as of December 31, 2004.

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	(b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders(1)	6,944,778	$20.92	2,023,920
Equity compensation plans not approved by security holders(2)	1,276,427	$12.74	0
Total(3)	8,221,205	$19.65	2,023,920

(1) These plans include the 1995 Director Option and Stock Deferral Plan, the 2000 Stock Plan and the Performance Incentive Plan.

(2) The 2001 Nonstatutory Stock Option Plan (the 2001 Stock Plan) was adopted by the Company s Board of Directors on January 23, 2001. The 2001 Stock Plan permitted the grant of nonstatutory stock options to employees and consultants who were not officers of the Company. Options granted under the 2001 Stock Plan generally had a term of 10 years and vested over a period of four years following the date of grant. The Board of Directors, or a committee appointed by the Board of Directors, administer the 2001 Stock Plan. The Board of Directors could amend or terminate the 2001 Stock Plan at any time, but any such action that adversely affected any option then outstanding under the 2001 Stock Plan required the consent of the holder of the option. On the date of the Company s 2003 Annual Meeting of Stockholders, the 2001 Stock Plan was terminated for purposes of making additional grants.

(3) Included in these amounts are stock options that remain outstanding and that were granted under five terminated stock option plans.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management***

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information known to the Company regarding the beneficial ownership of the Company s common stock as of March 1, 2005 by (1) each person known to the Company to own more than 5% of the issued and outstanding common stock, (2) each of the Company s directors, (3) each of the Named Officers, and (4) all directors, nominees and officers as a group. Except as otherwise indicated, each person has sole voting and investment power with respect to all shares shown as beneficially owned, subject to community property laws where applicable.

Beneficial Owner	Common Stock Beneficially Owned	Approximate Percent Beneficially Owned
Barclays Global Investors, NA 45 Fremont Street San Francisco, CA 94105	3,662,708(1)	7.3%
Derek A. Bertocci	289,019(2)	
Elizabeth H. Dávila	1,652,606(3)	3.3%
Laureen De Buono	28,437(4)	
Glendon E. French	52,250(5)	
John W. Galiardo	106,862(6)	
Carol F.H. Harner	143,951(7)	
Jay T. Holmes	124,730(8)	
Gary S. Petersmeyer	38,900(9)	
Douglas H. Post	310,251(10)	
John F. Runkel, Jr.	45,610(11)	
Richard B. Sayford	59,050(12)	
All directors and officers as a group (16 persons)	3,206,158(13)	6.4%

Represents less than 1% of the Company s outstanding common stock.

(1) Includes 2,634,101 shares owned by Global Investors, NA, 765,007 shares owned by Barclays Global Fund Advisors, 138,100 shares owned by Barclays Global Investors, Ltd., and 25,500 shares owned by Barclays Capital Securities Limited. The number of shares beneficially owned is as of December 31, 2004, pursuant to a Schedule 13G filed by Barclays Global Investors, NA with the SEC on February 14, 2005.

(2) Mr. Bertocci s total includes options to purchase 258,995 shares that will be exercisable by April 30, 2005.

(3) Ms. Dávila s total includes options to purchase 1,621,461 shares that will be exercisable by April 30, 2005.

(4) Ms. De Buono s total includes options to purchase 28,437 shares that will be exercisable by April 30, 2005.

(5) Mr. French s total includes options to purchase 52,250 shares that will be exercisable by April 30, 2005.

(6) Mr. Galiardo s total includes options to purchase 102,862 shares that will be exercisable by April 30, 2005.

(7) Dr. Harner s total includes options to purchase 142,781 shares that will be exercisable by April 30, 2005.

(8) Mr. Holmes total includes options to purchase 121,250 shares that will be exercisable by April 30, 2005.

(9) Mr. Petersmeyer s total includes options to purchase 31,543 shares that will be exercisable by April 30, 2005.

(10) Mr. Post s total includes options to purchase 297,478 shares that will be exercisable by April 30, 2005.

(11) Mr. Runkel s total includes options to purchase 42,217 shares that will be exercisable by April 30, 2005.

(12) Mr. Sayford s total includes options to purchase 58,250 shares that will be exercisable by April 30, 2005.

(13) The total includes options to purchase an aggregate of 3,087,508 shares held by non-employee directors and officers that will be exercisable by April 30, 2005.

Item 13. ***Certain Relationships and Related Transactions***

In July 2004 we entered into an agreement with Donald L. Fagen, our Vice President of Global Sales, pursuant to which we paid Mr. Fagen a lump sum relocation bonus of $150,000 on July 16, 2004, and agreed to make retention bonus payments to Mr. Fagen in an aggregate amount of $150,000 over a period of five years.

Additionally, certain of our directors and executive officers have interests relating to or arising out of the agreement and plan of merger, dated as of November 9, 2004, as amended, by and among the Company, Advanced Medical Optics, Inc., or AMO, and Vault Merger Corporation, a wholly owned subsidiary of AMO. The merger agreement provides for the merger of Vault Merger Corporation with and into the Company, with the Company surviving as a wholly owned subsidiary of AMO. The merger remains subject to the approval of the stockholders of both the Company and AMO. The interests of our directors and executive officers described below are contingent upon completion of the merger.

Indemnification; Directors and Officers Insurance. Under the merger agreement, AMO agreed that, for a period of six years following completion of the merger, the indemnification obligations, including those in favor of our directors and executive officers, set forth in the Company s certificate of incorporation and bylaws and any Company indemnification agreements, including those between the Company and its directors and executive officers, will survive. In addition, for a period of six years from the completion of the merger, AMO will cause our existing policy of directors and officers and fiduciary liability insurance to be maintained, subject to certain limitations.

Executive Officer Severance Payments and Stock Option Acceleration. In addition to the Severance Agreements with the Named Officers described above, the Company has also entered into Severance Agreements with the following executive officers: Donald L. Fagen; Theresa A. Johnson; Catherine E. Murphy; Alan F. Russell, Ph.D.; and Joaquin V. Wolff. The Severance Agreements provide, among other things, that if the executive officer s employment is terminated other than for cause within two years after a change of control of the Company, the executive officer is entitled to receive a lump sum severance payment equal to three times the executive officer s annual base salary and bonus. If the merger with AMO is consummated, any executive officer terminated other than for cause within the subsequent two year period would be entitled to the benefits afforded under their respective Severance Agreement.

Item 14. ***Principal Accountant Fees and Services***

Fees billed to the Company by its Auditors during 2004

Audit Fees:

Audit fees billed to the Company by KPMG LLP during 2004 for review of the Company s annual financial statements and those financial statements included in the Company s quarterly reports on Form 10-Q totaled $761,000.

Audit-Related Fees:

Fees billed to the Company by KPMG LLP during 2004 for audit-related services rendered to the Company totaled $8,000.

Tax Fees:

Fees billed to the Company by KPMG LLP during 2004 for tax services totaled $449,000. This amount consists of $445,000 for tax compliance services and $4,000 for tax consulting services.

All Other Fees:

The Company did not engage KPMG LLP to provide any other services to the Company during 2004.

The Audit Committee has considered whether the non-audit services provided by KPMG LLP are compatible with maintaining the independence of KPMG LLP and has concluded that the independence of KPMG LLP is maintained and is not compromised by the services provided. In accordance with its charter, the Audit Committee approves in advance all audit and non-audit services to be provided by KPMG LLP. During fiscal year 2004, all of the services were pre-approved by the Audit Committee in accordance with this policy.

PART IV

Item 15. ***Exhibits, Financial Statement Schedules, and Reports on Form 8-K***

(a)(1) ***Financial Statements.*** The following consolidated financial statements of VISX, Incorporated and its subsidiaries are found in this Annual Report on Form 10-K for the fiscal year ended December 31, 2004:

(a)(2) ***Financial Statement Schedules.*** The following financial statement schedule is filed as part of this report:
Schedule II Valuation and Qualifying Accounts

(a)(3) ***Exhibits*** The Exhibits filed or furnished as a part of this Report are listed in the Index to Exhibits.

(b) ***Reports on Form 8-K.*** VISX filed or furnished reports on Form 8-K during the last quarter of the period covered by this report, as follows:

(1) Report on Form 8-K furnished on October 22, 2004 under Item 12 (results of operations and financial condition) covering VISX s third quarter 2004 financial results.

(2) Report on Form 8-K filed on November 10, 2004, covering the agreement and plan of merger with AMO.

(3) Report on Form 8-K filed on November 18, 2004, covering various corporate matters and the AMO merger litigation.

(4) Report on Form 8-K filed on December 6, 2004, covering an amendment to the agreement and plan of merger with AMO.

(5) Report on Form 8-K filed on December 15, 2004, covering the approval of CustomVue Hyperopia by the United States Food and Drug Administration.

(c) ***Exhibits.*** See Index to Exhibits.

(d) ***Financial Statement Schedules.*** See Item 15(a)2, above.

Table of Contents

VISX, INCORPORATED AND SUBSIDIARIES
FINANCIAL STATEMENT SCHEDULES

The following additional consolidated financial statement schedule should be considered in conjunction with VISX s consolidated financial statements. All other schedules have been omitted because the required information is either not applicable, not sufficiently material to require submission of the schedule, or is included in the consolidated financial statements or the notes thereto. All amounts are shown in thousands.

SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS

Description	Balance at Start of Period	Additions Charged to Costs and Expenses	Deductions	Balance at End of Period
Year Ended December 31, 2002				
Allowances for doubtful accounts	4,567	1,397	3,401	2,563
Year Ended December 31, 2003				
Allowances for doubtful accounts	2,563	1,686	54	4,195
Year Ended December 31, 2004				
Allowances for doubtful accounts	4,195	234	534	3,895

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VISX, INCORPORATED
a Delaware corporation
By: /s/Elizabeth H. Dávila

Elizabeth H. Dávila
Chief Executive Officer

Date: March 9, 2005

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Elizabeth H. Dávila and Derek A. Bertocci, and each of them, his or her attorneys-in-fact, each with the power of substitution, for him or her in any and all capacities, to sign any amendments to this Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting to said attorneys-in-fact, or his substitute or substitutes, the power and authority to perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that each of said attorneys-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities and Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
Principal Executive Officer:		
/s/ Elizabeth H. Dávila Elizabeth H. Dávila	Chairman of the Board and Chief Executive Officer	March 9, 2005
Principal Financial Officer:		
/s/ Derek A. Bertocci Derek A. Bertocci	Senior Vice President, Chief Financial Officer (principal financial officer)	March 9, 2005
Principal Accounting Officer:		
/s/ Martyn J. Webster Martyn J. Webster	Controller (principal accounting officer)	March 9, 2005
Directors:		
/s/ Laureen De Buono Laureen De Buono	Director	March 8, 2005
/s/ Glendon E. French	Director	

Glendon E. French	March 8, 2005

64

Table of Contents

Signature	Title	Date
/s/ John W. Galiardo John W. Galiardo	Director	March 8, 2005
/s/ Jay T. Holmes Jay T. Holmes	Director	March 8, 2005
/s/ Gary Petersmeyer Gary Petersmeyer	Director	March 8, 2005
/s/ Richard B. Sayford Richard B. Sayford	Director	March 8, 2005

INDEX TO EXHIBITS
[Item 14(c)]

Exhibit Number	Description
2.1*	Agreement and Plan of Merger by and among Advanced Medical Optics, Inc., Vault Merger Corporation, and VISX, Incorporated, dated November 9, 2004, (previously filed as Exhibit 2.1 to Current Report on Form 8-K filed on November 10, 2004)
2.2*	Amendment No. 1, dated December 3, 2004, to the Agreement and Plan of Merger by and among Advanced Medical Optics, Inc., Vault Merger Corporation and VISX, Incorporated, dated November 9, 2004 (previously filed as Exhibit 2.1 to Current Report on Form 8-K filed on December 6, 2005)
3.1*	Amended and Restated Certificate of Incorporation (previously filed as Exhibit 3 to Quarterly Report on Form 10-Q for the quarter ended September 30, 1996)
3.2*	Amended and Restated Bylaws as revised through December 12, 2001 (previously filed as Exhibit 3.1 to Current Report on Form 8-K dated December 21, 2001)
3.3*	Amendment to Amended and Restated Certificate of Incorporation, effective as of June 4, 1999 (previously filed as Exhibit 3.1 to Current Report on Form 8-K filed on November 18, 2004)
4.1*	Reference is made to Exhibits 3.1, 3.2 and 3.3
4.2*	Specimen Common Stock Certificate (previously filed as Exhibit 4.2 to Annual Report on Form 10-K, File No. 1-10694, for the fiscal year ended December 31, 1990)
4.3*	Rights Agreement dated August 3, 2000 between VISX, Incorporated and Fleet National Bank, as Rights Agent (previously filed as Exhibit 4.1 to Current Report on Form 8-K filed on August 4, 2000)
4.4*	Amendment to the Rights Agreement, dated as of April 25, 2001, between VISX, Incorporated and Fleet National Bank, as Rights Agent (previously filed as Exhibit 4.2 to Current Report on Form 8-K filed on May 1, 2001)
4.5*	Amendment No. 2 to the Rights Agreement, dated as of May 15, 2003, between VISX, Incorporated and EquiServe Trust Company, N.A., as successor Rights Agent to Fleet Bank (previously filed as Exhibit 4.3 to Current Report on Form 8-K filed on May 16, 2003)
4.6*	Third Amendment to the Rights Agreement, dated as of November 9, 2004, between VISX, Incorporated and EquiServe Trust Company, N.A., as Rights Agent (previously filed as Exhibit 4.1 to Current Report on Form 8-K filed on November 10, 2004)
10.1*	Stock Option Plan (previously filed as Exhibit 10(E) to Form S-1 Registration Statement No. 33-23844)
10.2*	1990 Stock Option Plan (previously filed as Exhibit 10.39 to Annual Report on Form 10-K, File No. 1-10694, for the fiscal year ended December 31, 1990)
10.3*	Agreement dated as of January 1, 1992, between International Business Machines Corporation and the Company (previously filed as Exhibit 10.34 to Amendment No. 1 to Form S-1 Registration Statement No. 33-46311)
10.4*	Formation Agreement dated June 3, 1992, among Summit Technology, Inc., VISX, Incorporated, Summit Partner, Inc., and VISX Partner, Inc. (previously filed as Exhibit 10.1 to Current Report on Form 8-K dated June 3, 1992)
10.5*	General Partnership Agreement of Pillar Point Partners dated June 3, 1992, between VISX Partner, Inc. and Summit Partner, Inc. (previously filed as Exhibit 10.2 to Current Report on Form 8-K dated June 3, 1992)

10.6*	License-back to VISX Agreement dated June 3, 1992, between Pillar Point Partners and the Company (previously filed as Exhibit 10.3 to Current Report on Form 8-K dated June 3, 1992)
10.7*	Lease dated July 16, 1992, as amended October 2, 1992, between the Company and Sobrato Interests, a California limited partnership (previously filed as Exhibit 10.1 to Quarterly Report on Form 10-Q for the quarter ended September 30, 1992)
10.8*	1993 Flexible Stock Incentive Plan (previously filed as Exhibit 10.28 to Annual Report on Form 10-K dated March 30, 1993)
10.9*	1993 Employee Stock Purchase Plan (previously filed as Exhibit 10.29 to Annual Report on Form 10-K dated March 30, 1993)
10.10*	Form of Subscription Agreement (previously filed as Exhibit 10.24 to Annual Report on Form 10-K for the year ended December 31, 1994)

Table of Contents

Exhibit Number	Description
10.11*	Agreement effective as of November 20, 1995, among the Company, Alcon Laboratories, Inc., and Alcon Pharmaceuticals, Ltd. (previously filed as Exhibit 10.28 to Annual Report on Form 10-K for the year ended December 31, 1995)
10.12*	Agreement and Stipulation of Settlement filed on November 20, 1995, in the Superior Court for the County of Santa Clara (previously filed as Exhibit 10.29 to Annual Report on Form 10-K for the year ended December 31, 1995)
10.13*	Second Amendment to Lease dated March 8, 1996, between the Company and Sobrato Interests, a California limited partnership (previously filed as Exhibit 10.29 to Annual Report on Form 10-K for the year ended December 31, 1995)
10.14*	1995 Stock Plan (previously filed as Exhibit 10.2 to Quarterly Report on Form 10-Q for the quarter ended June 30, 1996)
10.15*	1995 Director Option Plan (previously filed as Exhibit 10.1 to Quarterly Report on Form 10-Q for the quarter ended June 30, 1996)
10.16*	1996 Supplemental Stock Plan (previously filed as Exhibit 10.3 to Form S-8 Registration Statement No. 333-23999)
10.17*	Settlement Agreement dated June 17, 1997 (previously filed as Exhibit 99.1 to Current Report on Form 8-K dated June 17, 1997)
10.18*	Settlement and Dissolution Agreement dated June 4, 1998 (previously filed as Exhibit 99.1 to Current Report on Form 8-K filed June 23, 1998 and Current Report on Form 8-K/A filed July 28, 1999)
10.19*	2000 Stock Plan (previously filed as Exhibit 10.20 to Annual Report on Form 10-K for the year ended December 31, 2000)
10.20*	2001 Nonstatutory Stock Option Plan (previously filed as Exhibit 10.2 to Registration Statement on Form S-8 (No. 333-57524) filed on March 23, 2001)
21.1	Subsidiaries
23.1	Independent Auditors Consent
24.1	Power of Attorney (see page 64)
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer and Chief Financial Officer

* Previously filed.
Confidential Treatment has been requested and granted for certain portions of this exhibit.