SKYWORKS SOLUTIONS, INC.
Form DEF 14A
April 03, 2017

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

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

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under §240.14a-12

SKYWORKS SOLUTIONS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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

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(3) Filing Party:

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April 3, 2017

Dear Stockholder:

I am pleased to invite you to attend the 2017 Annual Meeting of stockholders of Skyworks Solutions, Inc. to be held at 2:00 p.m., local time, on Wednesday, May 10, 2017, at the Hilton Boston/Woburn, 2 Forbes Road, Woburn, Massachusetts (the "Annual Meeting"). We look forward to your participation in person or by proxy. The attached Notice of Annual Meeting of Stockholders and Proxy Statement describe the matters that we expect to be acted upon at the Annual Meeting.

If you plan to attend the Annual Meeting, please check the designated box on the enclosed proxy card. Or, if you utilize our telephone or Internet proxy submission methods, please indicate your plans to attend the Annual Meeting when prompted to do so. If you are a stockholder of record, you should bring the top half of your proxy card as your admission ticket and present it upon entering the Annual Meeting. If you are planning to attend the Annual Meeting and your shares are held in "street name" by your broker (or other nominee), you should ask the broker (or other nominee) for a proxy issued in your name and present it at the meeting.

Whether or not you plan to attend the Annual Meeting, and regardless of how many shares you own, it is important that your shares be represented at the Annual Meeting. Accordingly, we urge you to complete the enclosed proxy and return it to us promptly in the postage-prepaid envelope provided, or to complete and submit your proxy by telephone or via the Internet in accordance with the instructions on the proxy card. If you do attend the Annual Meeting and wish to vote in person, you may revoke a previously submitted proxy at that time by voting in person at the meeting.

Sincerely yours,

David J. Aldrich
Chairman of the Board and Executive Chairman

Skyworks Solutions, Inc.

20 Sylvan Road
Woburn, MA 01801
(781) 376-3000

5221 California Avenue
Irvine, CA 92617
(949) 231-3000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON WEDNESDAY, MAY 10, 2017

To the Stockholders of Skyworks Solutions, Inc.:

The 2017 Annual Meeting of stockholders of Skyworks Solutions, Inc., a Delaware corporation (the "Company"), will be held at 2:00 p.m., local time, on Wednesday, May 10, 2017, at the Hilton Boston/Woburn, 2 Forbes Road, Woburn, Massachusetts (the "Annual Meeting") to consider and act upon the following proposals:

1. To elect nine individuals nominated to serve as directors of the Company with terms expiring at the 2018 Annual Meeting of stockholders and named in the Proxy Statement;

2. To ratify the selection by the Company's Audit Committee of KPMG LLP as the independent registered public accounting firm for the Company for fiscal year 2017;

3. To approve, on an advisory basis, the compensation of the Company's named executive officers;

4. To approve, on an advisory basis, the frequency of future advisory votes on the compensation of the Company's named executive officers; and

5. To transact such other business as may properly come before the Annual Meeting.

Only stockholders of record at the close of business on March 16, 2017, are entitled to notice of and to vote at the Annual Meeting. **To ensure your representation at the Annual Meeting, we urge you to submit a proxy promptly in one of the following ways whether or not you plan to attend the Annual Meeting**: (a) by completing, signing, and dating the accompanying proxy card and returning it in the postage-prepaid envelope enclosed for that purpose; (b) by completing and submitting your proxy using the toll-free telephone number listed on the proxy card; or (c) by completing and submitting your proxy via the Internet by visiting the website address listed on the proxy card. The Proxy Statement accompanying this notice describes each of the items of business listed above in more detail. Our Board of Directors recommends: a vote "**FOR**" the election of the nominees for director named in Proposal 1 of the Proxy Statement; a vote "**FOR**" Proposal 2, ratifying the selection of KPMG LLP as the independent registered public accounting firm of the Company for fiscal year 2017; a vote "**FOR**" Proposal 3, approving, on an advisory basis, the compensation of the Company's named executive officers; and a vote for every "**ONE YEAR**" with respect to Proposal 4, the advisory vote on the frequency of future advisory votes on the compensation of the Company's named executive officers.

By Order of the Board of Directors,

ROBERT J. TERRY
Vice President, General Counsel and Secretary

Irvine, California
April 3, 2017

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Skyworks Solutions, Inc.

20 Sylvan Road
Woburn, MA 01801
(781) 376-3000

5221 California Avenue
Irvine, CA 92617
(949) 231-3000

Proxy Statement
2017 Annual Meeting of Stockholders

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General Information

How do we refer to Skyworks in this Proxy Statement?

The terms "Skyworks," "the Company," "we," "us," and "our" refer to Skyworks Solutions, Inc., a Delaware corporation, and its consolidated subsidiaries.

When and where is our Annual Meeting?

The Company's 2017 Annual Meeting of stockholders is to be held on Wednesday, May 10, 2017, at the Hilton Boston/Woburn, 2 Forbes Road, Woburn, Massachusetts, at 2:00 p.m., local time, or at any adjournment or postponement thereof (the "Annual Meeting").

What is the purpose of the Annual Meeting?

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

1. The election of the nine nominees named in this Proxy Statement to our Board of Directors to serve until the 2018 Annual Meeting of stockholders.

2. The ratification of the selection of KPMG LLP as our independent registered public accounting firm for the fiscal year ending September 29, 2017 ("fiscal year 2017").

3. The approval, on a non-binding basis, of the compensation of our Named Executive Officers, as described below under "*Compensation Discussion and Analysis*," and in the executive compensation tables and accompanying narrative disclosures in this Proxy Statement.

4. The approval, on a non-binding basis, of the frequency of future advisory votes on the compensation of the Company's named executive officers.

The stockholders will also act on any other business that may properly come before the meeting.

What is included in our proxy materials?

The Company's Annual Report, which includes financial statements and "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" for the fiscal year ended September 30, 2016 ("fiscal year 2016"), is being mailed together with this Proxy Statement to all stockholders of record entitled to vote at the Annual Meeting. This Proxy Statement and form of proxy are being first mailed to stockholders on or about April 3, 2017. The Proxy Statement and the Company's Annual Report are available at *http://www.skyworksinc.com/annualreport*.

Who can vote at our Annual Meeting?

Only stockholders of record at the close of business on March 16, 2017 (the "Record Date"), are entitled to notice of and to vote at the Annual Meeting. As of March 16, 2017, there were 184,491,592 shares of Skyworks' common stock issued and outstanding. Pursuant to Skyworks' Restated Certificate of Incorporation and Third Amended and Restated By-laws ("By-laws"), and applicable Delaware law, each share of common stock entitles the holder of record at the close of business on the Record Date to one vote on each matter considered at the Annual

Meeting.

Is my vote important?

Yes. Your vote is important no matter how many shares you own. Please take the time to vote in the way that is easiest and most convenient for you, and cast your vote as soon as possible.

How do I vote if I am a stockholder of record?

As a stockholder of record, you may vote in one of the following three ways whether or not you plan to attend the Annual Meeting: (a) by completing, signing, and dating the accompanying proxy card and returning it in the postage-prepaid envelope enclosed for that purpose, (b) by completing and submitting your proxy using the toll-free telephone number listed on the proxy card, or (c) by completing and submitting your proxy via the Internet at the website address listed on the proxy card. If you attend the Annual Meeting, you may vote in person at the Annual Meeting even if you have previously submitted your proxy by mail, telephone, or via the Internet (and your vote at the Annual Meeting will automatically revoke your previously submitted proxy, although mere attendance at the meeting without voting in person will not have that result).

How do I vote if I am a beneficial owner of shares held in "street name"?

If your shares are held on your behalf by a third party such as your broker or another person or entity who holds shares of the Company on your behalf and for your benefit, which person or entity we refer to as a "nominee," and your broker (or other nominee) is the stockholder of record of such shares, then you are the beneficial owner of such shares and we refer to those shares as being held in "street name." As the beneficial owner of your "street name" shares, you are entitled to instruct your broker (or other nominee) as to how to vote your shares. Your broker (or other nominee) will provide you with information regarding how to instruct your broker (or other nominee) as to the voting of your "street name" shares.

How do I vote if I am a participant in the Skyworks 401(k) Savings and Investment Plan?

If you are a participant in the Skyworks 401(k) Savings and Investment Plan (the "401(k) Plan"), you will receive an instruction card for the Skyworks shares you own through the 401(k) Plan. That instruction card will serve as a voting instruction card for the trustee of the 401(k) Plan, and your 401(k) Plan shares will be voted as you instruct.

Can I change my vote after I have voted?

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before it is voted at the Annual Meeting. Proxies may be revoked by (a) delivering to the Secretary of the Company, before the taking of the vote at the Annual Meeting, a written notice of revocation bearing a later date than the proxy, (b) duly completing a later-dated proxy relating to the same shares and presenting it to the Secretary of the Company before the taking of the vote at the Annual Meeting, or (c) attending the Annual Meeting and voting there in person (although attendance at the Annual Meeting will not in and of itself constitute a revocation of a proxy). Any written notice of revocation or subsequent proxy should be delivered to the Company's executive offices at Skyworks Solutions, Inc., 5221 California Avenue, Irvine, CA 92617, Attention: Secretary, or hand delivered to the Secretary of the Company, before the taking of the vote at the Annual Meeting.

Can I attend the Annual Meeting?

If you plan to attend the Annual Meeting, please be sure to indicate your intent to attend by checking the designated box on your proxy card if you are submitting a proxy via mail, or by indicating when prompted if you are submitting a proxy through either Skyworks' telephone or Internet proxy submission procedures. In either case, save the admission ticket attached to your proxy (the top half) and bring that with you to the Annual Meeting. If your shares are held in "street name" by your broker (or other nominee), you should consult your instruction card to determine how to indicate your intent to attend the Annual Meeting. If your instruction card does not provide any such indication, you should contact your broker (or other nominee) to determine what you will need to do to be able to attend and vote at the Annual Meeting. In order to be admitted to the Annual Meeting, you will need to present your admission ticket or the appropriate documentation from your broker (or other nominee), as well as provide valid picture identification, such as a driver's license or passport.

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If I vote by proxy, how will my vote be cast?

The persons named as attorneys-in-fact in this Proxy Statement, Liam K. Griffin and Robert J. Terry, were selected by the Board of Directors and are officers of the Company. As attorneys-in-fact, Messrs. Griffin and Terry will vote any shares represented at the meeting by proxy. Each executed proxy card returned by a stockholder of record or proxy vote recorded via telephone or the Internet by a stockholder of record in the manner provided on the proxy card prior to the taking of the vote at the Annual Meeting will be voted. Where a choice has been specified in an executed proxy with respect to the matters to be acted upon at the Annual Meeting, the shares represented by the proxy will be voted in accordance with the choices specified.

How will my shares be voted if I do not give specific voting instructions when I deliver my proxy?

If you are a stockholder of record and deliver a proxy but do not give specific voting instructions, then the proxy holders will vote your shares as recommended by the Board of Directors.

If your shares are held in "street name," your broker (or other nominee) is required to vote those shares in accordance with your instructions. If you do not give instructions to your broker (or other nominee), your broker (or other nominee) will only be entitled to vote your shares with respect to "discretionary" matters, as described below, but will not be permitted to vote the shares with respect to "non-discretionary" matters. If you beneficially own shares that are held in "street name" by your broker (or other nominee), we strongly encourage you to provide instructions to your broker (or other nominee) as to how to vote on the election of directors and all of the Proposals by signing, dating, and returning to your broker (or other nominee) the instruction card provided by your broker (or other nominee).

If you are a participant in the 401(k) Plan, the trustee of the 401(k) Plan will not vote your 401(k) Plan shares if the trustee does not receive voting instructions from you by 11:59 p.m. Eastern Time on May 5, 2017, unless otherwise required by law.

What is a "broker non-vote"?

A "broker non-vote" occurs when your broker (or other nominee) submits a proxy for your shares (because the broker (or other nominee) has either received instructions from you on one or more proposals, but not all, or has not received instructions from you but is entitled to vote on a particular "discretionary" matter) but does not indicate a vote "**FOR**" a particular proposal because the broker (or other nominee) either does not have authority to vote on that proposal and has not received voting instructions from you or has "discretionary" authority on the proposal but chooses not to exercise it. "Broker non-votes" are not counted as votes "**FOR**" or "**AGAINST**" the proposal in question or as abstentions, nor are they counted to determine the number of votes present for the particular proposal. We do, however, count "broker non-votes" for the purpose of determining a quorum for the Annual Meeting. If your shares are held in "street name" by your broker (or other nominee), please check the instruction card provided by your broker (or other nominee) or contact your broker (or other nominee) to determine whether you will be able to vote by telephone or via the Internet.

What vote is required for each matter?

Election of Directors. Pursuant to the Company's By-laws, a nominee will be elected to the Board of Directors if the votes cast "**FOR**" the nominee's election at the Annual Meeting exceed the votes cast "**AGAINST**" the nominee's election (as long as the only director nominees are those individuals set forth in this Proxy Statement). Abstentions and "broker non-votes" will not count as votes "**FOR**" or "**AGAINST**." If the shares you own are held in "street name," your broker (or other nominee), as the record holder of your shares, is required to vote your shares according to your instructions. Because Proposal 1 constitutes an uncontested election of directors (an election where the number of nominees for election as directors is equal to or less than the number of directors to be elected), it is *not* considered to be a "discretionary" matter for certain brokers. **If you do not instruct your broker how to vote with respect to this item, your broker may not vote your shares with respect to the election of directors.** In such case, a "broker

non-vote" may occur, which will have no effect on the outcome of Proposal 1.

Ratification of Independent Registered Public Accounting Firm. The affirmative vote of a majority of the shares present in person, or represented by proxy at the Annual Meeting, and entitled to vote on such matter at the Annual Meeting, is required to approve Proposal 2. Proposal 2 involves a matter on which a broker (or other nominee) *does* have "discretionary" authority to vote. **If you do not instruct your broker how to vote with respect to this item, your broker may still vote your shares with respect to this proposal in its discretion.** With respect to Proposal 2, a vote of "**ABSTAIN**" will have the same effect as a vote of "**AGAINST**."

Say-on-Pay Vote. The affirmative vote of a majority of the shares present in person, or represented by proxy at the Annual Meeting, and entitled to vote on such matter at the Annual Meeting, is required to approve Proposal 3. Proposal 3 is *not* considered to be a "discretionary" matter for certain brokers. **If you do not instruct your broker how to vote with respect to this item, your broker may not vote your shares with respect to this proposal.** In such case, a "broker non-vote" may occur, which will have no effect on the outcome of Proposal 3. Votes that are marked "**ABSTAIN**" are counted as present and entitled to vote with respect to Proposal 3 and will have the same impact as a vote that is marked "**AGAINST**" for purposes of Proposal 3.

Say-on-Frequency Vote. The affirmative vote of a majority of the shares present in person, or represented by proxy at the Annual Meeting, and entitled to vote on such matter at the Annual Meeting, is required to approve one of the three frequency options under Proposal 4. If none of the frequency alternatives (one year, two years, or three years) receives such a majority vote, we will consider the frequency that receives the highest number of votes by stockholders to be the frequency that has been selected by stockholders. However, because this vote is advisory and not binding on us or the Board of Directors, the Board of Directors may decide that it is in our and our stockholders' best interests to hold an advisory vote on executive compensation more or less frequently than the alternative approved by our

stockholders. Proposal 4 is *not* considered to be a "discretionary" matter for certain brokers. **If you do not instruct your broker how to vote with respect to this item, your broker may not vote your shares with respect to this proposal.** In such case, a "broker non-vote" may occur, which will have no effect on the outcome of Proposal 4. Votes that are marked "**ABSTAIN**" are counted as present and entitled to vote with respect to Proposal 4 but will not count as a vote for any of the three frequency alternatives.

How does the Board of Directors recommend that I vote?

The Board of Directors recommends that you vote:

FOR the election of each of the nine director nominees (Proposal 1).

FOR the ratification of the selection of KPMG LLP as our independent registered public accounting firm for fiscal year 2017 (Proposal 2).

FOR the approval, on a non-binding basis, of the compensation of our Named Executive Officers, as described below under "*Compensation Discussion and Analysis*," and in the executive compensation tables and accompanying narrative disclosures (Proposal 3).

For every **ONE YEAR** with respect to the advisory vote on the frequency of future advisory votes on the compensation of the Company's named executive officers (Proposal 4).

How will the votes cast at our Annual Meeting be counted?

An automated system administered by the Company's transfer agent tabulates the votes at the Annual Meeting. The vote on each matter submitted to stockholders will be tabulated separately.

Where can I find the voting results of our Annual Meeting?

We expect to announce the preliminary voting results at our Annual Meeting. The final voting results will be reported in a Current Report on Form 8-K that will be filed with the Securities and Exchange Commission (the "SEC") within four business days after the end of our Annual Meeting and will be posted on our website.

Will my vote be kept confidential?

Yes. We will keep your vote confidential unless (1) we are required by law to disclose your vote (including in connection with the pursuit or defense of a legal or administrative action or proceeding), or (2) there is a contested election for the Board of Directors. The inspector of elections will forward any written comments that you make on the proxy card to management without providing your name, unless you expressly request on your proxy card that your name be disclosed.

What is the quorum requirement for our Annual Meeting?

The holders of a majority of the issued and outstanding stock of the Company present either in person or by proxy at the Annual Meeting constitute a quorum for the transaction of business at the Annual Meeting. Shares that abstain from voting on any proposal and "broker non-votes" will be counted as shares that are present for purposes of determining whether a quorum exists at the Annual Meeting. If a "broker non-vote" occurs with respect to any shares of the Company's common stock on any matter, then those shares will be treated as not present and not entitled to vote with respect to that matter (even though those shares are considered entitled to vote for purposes of determining whether a quorum exists because they are entitled to vote on other matters) and will not be voted.

When will Skyworks next hold an advisory vote on the frequency of say-on-pay votes?

Following the Annual Meeting, the next advisory vote on the frequency of say-on-pay votes is expected to be held at our 2023 Annual Meeting of stockholders.

What is "householding"?

Some brokers (or other nominees) may be participating in the practice of "householding" proxy statements and annual reports. This means that only one copy of this Proxy Statement and our Annual Report may have been sent to multiple stockholders in your household. If you are a stockholder and your household or address has received only one Annual Report and one Proxy Statement, the Company will promptly deliver a separate copy of the Annual Report and the Proxy Statement to you, upon your written request to Skyworks Solutions, Inc., 5221 California Avenue, Irvine, CA 92617, Attention: Investor Relations, or oral request to Investor Relations at (949) 231-3223. If you would like to receive separate copies of our Annual Report and Proxy Statement in the future, you should direct such request to your broker (or other nominee). Even if your household or address has received only one Annual Report and one Proxy Statement, a separate proxy card should have been provided for each stockholder account. Each individual proxy card should be signed, dated, and returned in the enclosed postage-prepaid envelope (or completed and submitted by telephone or via the Internet, as described on the proxy card). If your household has received multiple copies of our Annual Report and Proxy Statement, you can request the delivery of single copies in the future by contacting your broker (or other nominee), or the Company at the address or telephone number above.

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Proposal 1:
Election of Directors

Election of Directors

Under this Proposal 1, you are being asked to consider nine nominees for election to our Board of Directors (all of our currently serving directors) to serve until the 2018 Annual Meeting of stockholders and until their successors are elected and qualified or until their earlier resignation or removal. The names of the nine nominees for election as directors, their current positions and offices, the year such nominees were first elected as directors of the Company and their Board committee memberships are set forth in the table below. Each nominee for election has agreed to serve if elected, and the Board of Directors knows of no reason why any nominee should be unable or unwilling to serve. If a nominee is unable or unwilling to serve, the attorneys-in-fact named in this Proxy Statement will vote any shares represented at the meeting by proxy for the election of another individual nominated by the Board of Directors, if any. No nominee or executive officer is related by blood, marriage, or adoption to any other director, nominee, or executive officer. No arrangements or understandings exist between any director or person nominated for election as a director and any other person pursuant to which such person is to be selected as a director or nominee for election as a director.

Nominee	Position(s) with the Company	First Year of Service	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
David J. Aldrich	Chairman of the Board and Executive Chairman	2000			
David J. McLachlan	Lead Independent Director	2000	M		M
Kevin L. Beebe	Director	2004	M	M	
Timothy R. Furey	Director	1998		M	M
Liam K. Griffin	President, Chief Executive Officer, and Director	2016			
Balakrishnan S. Iyer	Director	2002	M		C
Christine King	Director	2014		C	
David P. McGlade	Director	2005		M	M
Robert A. Schriesheim	Director	2006	C		

"C" indicates Chair and "M" indicates Member of the respective committee

Immediately below this proposal is biographical information about each of the director nominees, including information regarding each nominee's business experience for the past five years, and the names of other public companies for which each nominee has served as a director during the past five years. The information presented below regarding the specific experience, qualifications, attributes, and skills of each nominee led our Nominating and Corporate Governance Committee and our Board of Directors to conclude that he or she should serve as a director. In addition, we believe that all of our nominees have integrity, business acumen, good judgment, knowledge of our business and industry, experience in one or more areas relevant to our business and strategy, and the willingness to devote the time needed to be an effective director.

Majority Vote Standard for Election of Directors

A nominee for election as a director in an uncontested election (an election where the number of nominees for election as directors is equal to or less than the number of directors to be elected) will be elected if the number of votes cast "**FOR**" such nominee's election exceed the number of votes cast "**AGAINST**" the nominee's election. In a contested election (in which the number of nominees for election as directors exceeds the number of directors to be elected at such meeting), directors are elected by a plurality of all votes cast in such election.

The election of directors at this Annual Meeting will be uncontested. As a result, each nominee for election as a director at the Annual Meeting will only be elected if the votes cast "**FOR**" such nominee exceed the number of votes cast "**AGAINST**" such nominee. As required by our corporate governance guidelines, which are available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com*, each incumbent director who is a nominee for election as a director at the Annual Meeting submitted to the Board of Directors an irrevocable resignation that would become effective if the votes cast "**FOR**" such nominee's election do not exceed the votes cast "**AGAINST**" such nominee's election and our Board of Directors determines to accept his or her resignation. Upon such resignation by a nominee and pursuant to the procedures set forth in the corporate governance guidelines, the Nominating and Corporate Governance Committee will evaluate the best interests of our Company and stockholders and will recommend to our Board of Directors the action to be taken with respect to the resignation. The Board of Directors will then decide whether to accept, reject, or modify the Nominating and Corporate Governance Committee's recommendation, and the Company will publicly disclose such decision by the Board of Directors with respect to the director nominee.

Shares represented by all proxies received by the Board of Directors that are properly completed, but do not specify a choice as to the election of directors and are not marked as to withhold authority to vote for the nominees, will be voted "**FOR**" the election of all nine of the nominees.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS
A VOTE "*FOR*" THE ELECTION OF EACH OF THE NINE NOMINEES IN PROPOSAL 1**

Nominees for Election

David J. Aldrich, age 60, has served as Chairman of the Board and Executive Chairman since May 2016. Previously, he served as Chairman of the Board and Chief Executive Officer from May 2014 to May 2016 and as President and Chief Executive Officer and as a director from April 2000 to May 2014. From September 1999 to April 2000, Mr. Aldrich served as President and Chief Operating Officer. From May 1999 to September 1999, he served as Executive Vice President, and from May 1996 to May 1999, he served as Vice President and General Manager of the semiconductor products business unit. Mr. Aldrich joined the Company in 1995 as Vice President, Chief Financial Officer and Treasurer. Prior to joining Skyworks, he held senior management positions at Adams-Russell Company and M/A-COM, Inc. Mr. Aldrich has also served since February 2007 as a director of Belden Inc. (a publicly traded designer and manufacturer of cable products and transmission solutions).

We believe that Mr. Aldrich is qualified to serve as a director because of his leadership experience, his strategic decision making ability, his knowledge of the semiconductor industry and his in-depth knowledge of Skyworks' business. Mr. Aldrich brings to the Board of Directors his thorough knowledge of Skyworks' business, strategy, people, operations, competition, financial position, and investors. Further, as a result of his service as a director for Belden Inc., a multinational public company, Mr. Aldrich provides the Board of Directors with another organizational perspective and other cross-board experience.

David J. McLachlan, age 78, has been a director since 2000 and Lead Independent Director since May 2014. He served as Chairman of the Board from May 2008 to May 2014. Mr. McLachlan served as a senior advisor to the Chairman and Chief Executive Officer of Genzyme Corporation (a publicly traded biotechnology company) from 1999 to 2004. He also was the Executive Vice President and Chief Financial Officer of Genzyme from 1989 to 1999. Prior to joining Genzyme, Mr. McLachlan served as Vice President and Chief Financial Officer of Adams-Russell Company (an electronic component supplier and cable television franchise owner). He previously served as a director of Dyax Corp. until January 2016, when it was acquired by Shire plc.

We believe that Mr. McLachlan, the current Lead Independent Director, is qualified to serve as a director because he possesses a broad range of business experience as a result of his service as both chief financial officer and director for several public companies. In particular, Mr. McLachlan has in-depth experience handling complex accounting and finance issues for a broad range of companies. He has also served on the boards and audit and governance committees of other public companies (including as chairman of the audit committee), and serves as a designated "audit committee financial expert" for Skyworks' Audit Committee.

Kevin L. Beebe, age 58, has been a director since January 2004. Since November 2007, he has been President and Chief Executive Officer of 2BPartners, LLC (a partnership that provides strategic, financial, and operational advice to private equity investors and management). In 2014, Mr. Beebe became a founding partner of Astra Capital Management (a private equity firm based in Washington, D.C.). Previously, beginning in 1998, he was Group President of Operations at ALLTEL Corporation (a telecommunications services company). From 1996 to 1998, Mr. Beebe served as Executive Vice President of Operations for 360° Communications Co. (a wireless communication company). He has held a variety of executive and senior management positions at several divisions of Sprint, including Vice President of Operations and Vice President of Marketing and Administration for Sprint Cellular, Director of Marketing for Sprint North Central Division, Director of Engineering and Operations Staff and Director of Product Management and Business Development for Sprint Southeast Division, as well as Staff Director of Product Services at Sprint Corporation. Mr. Beebe began his career at AT&T/Southwestern Bell as a Manager. Mr. Beebe also serves as chairman of the board of directors of NII Holdings, Inc. (a publicly traded provider of wireless telecommunications services in Latin America), and as a director for SBA Communications Corporation (a publicly traded operator of wireless communications towers in North, South, and Central America), Syniverse Technologies, Inc. (a privately held provider of support services for wireless carriers), and Logix Communications (a privately held provider of facilities-based communications services).

We believe that Mr. Beebe is qualified to serve as a director because of his two decades of experience as an operating executive in the wireless telecommunications industry. For example, as Group President of Operations at ALLTEL, he was instrumental in expanding ALLTEL's higher margin retail business, which significantly enhanced ALLTEL's competitive position in a dynamic, consolidating industry. In addition, as Chief Executive Officer of 2BPartners, LLC, Mr. Beebe continues to gain a broad range of business experience and to build business relationships by advising leading private equity firms that are transacting business in the global capital markets. Mr. Beebe provides cross-board experience by serving as a director for several public and private companies (including service on both audit and governance committees). Further, Mr. Beebe has served as a director of Skyworks since 2004 and has gained significant familiarity with Skyworks' business.

Timothy R. Furey, age 58, has been a director since 1998. He has been Chief Executive Officer of MarketBridge (a privately owned digital marketing software and services firm) since 1991. MarketBridge provides digital marketing, predictive analytics, and sales effectiveness solutions to Fortune 1000 companies in the software, communications, financial services, life sciences, and consumer products sectors. Mr. Furey also serves as Managing Partner of the Technology Marketing Group (which advises and invests in emerging growth companies in the social media, mobile, and marketing automation markets). Prior to 1991, Mr. Furey worked with the Boston Consulting Group, Strategic Planning Associates, Kaiser Associates, and the Marketing Science Institute.

We believe that Mr. Furey is qualified to serve as a director because his experience as Chief Executive Officer of MarketBridge, as well as his engagements with MarketBridge's clients (many of which are Fortune 1000 companies), provide him with a broad range of knowledge regarding business operations and growth strategies. In addition, Mr. Furey has extensive knowledge regarding Skyworks' business, which he has acquired through over 18 years of service on the Board of Directors.

Liam K. Griffin, age 50, is President and Chief Executive Officer and a director of the Company. Prior to his appointment as Chief Executive Officer and to the board of directors in May 2016, he had served as President since May 2014. He served as Executive Vice President and Corporate General Manager from November 2012 to May 2014, Executive Vice President and General Manager, High Performance Analog from May 2011 to November 2012, and Senior Vice President, Sales and Marketing from August 2001 to May 2011. Previously, Mr. Griffin was employed by Vectron International, a division of Dover Corp., as Vice President of Worldwide Sales from 1997 to 2001 and as Vice President of North American Sales from 1995 to 1997. His prior experience included positions as a Marketing Manager at AT&T Microelectronics, Inc. and Product and Process Engineer at AT&T Network Systems. Mr. Griffin also serves as a director of Vicor Corp. (a publicly traded designer, developer, manufacturer and marketer of modular power components and complete power systems).

We believe that Mr. Griffin is qualified to serve as a director because of his breadth of leadership experience and in-depth understanding of Skyworks' business gained through serving in several different executive positions at Skyworks over the past 15 years. Mr. Griffin brings to the Board of Directors strong relationships with Skyworks' key customers, investors, employees, and other stakeholders, as well as a deep understanding of the semiconductor industry and its competitive landscape. His service as a director for Vicor Corp. gives Mr. Griffin added perspective regarding the challenges confronting public technology companies.

Balakrishnan S. Iyer, age 60, has been a director since June 2002. He served as Senior Vice President and Chief Financial Officer of Conexant Systems, Inc., from October 1998 to June 2003. Prior to joining Conexant, Mr. Iyer served as Senior Vice President and Chief Financial Officer of VLSI Technology Inc. Prior to that, he was Corporate Controller for Cypress Semiconductor Corp. and Director of Finance for Advanced Micro Devices, Inc. Mr. Iyer serves on the boards of directors of Power Integrations, Inc., and IHS Markit Ltd. (each a publicly traded company). He served as a director of Conexant from February 2002 until April 2011, as a director of Life Technologies Corp. from July 2001 until February 2014, when it was acquired by Thermo Fisher Scientific Inc., as a director of IHS Inc. from December 2003 until July 2016, when it completed a merger with Markit Ltd., and as a director of QLogic Corporation from June 2003 until August 2016, when it was acquired by Cavium, Inc.

We believe that Mr. Iyer is qualified to serve as a director because his experience as an executive officer of companies in the technology industry provides him with leadership, strategic, and financial experience. Through his experiences as a director at the public companies listed above (including as a member of certain audit, governance, and compensation committees) he provides the Board of Directors with significant financial expertise as a designated "audit committee financial expert" for Skyworks' Audit Committee, bringing specific application to our industry, as well as a broad understanding of corporate governance topics.

Christine King, age 67, has been a director since January 2014. Ms. King served as Executive Chairman of QLogic Corporation (a publicly traded developer of high performance server and storage networking connectivity products) from August 2015 until August 2016, when it was acquired by Cavium, Inc. Previously, she served as a director and as Chief Executive Officer of Standard Microsystems Corporation (a publicly traded developer of silicon-based integrated circuits utilizing analog and mixed-signal technologies) from 2008 until the company's acquisition in 2012 by Microchip Technology, Inc. Prior to Standard Microsystems, Ms. King was Chief Executive Officer of AMI Semiconductor, Inc., a publicly traded company, from 2001 until it was acquired by ON Semiconductor Corp. in 2008. From 1973 to 2001, Ms. King held various engineering, business, and management positions at IBM Corp., including Vice President of Semiconductor Products. Ms. King currently serves as a director of Cirrus Logic, Inc., and IDACORP, Inc. (each a publicly traded company), and as a director of Idaho Power Company (a subsidiary of IDACORP). She previously served as a director of QLogic Corporation, Analog Devices, Inc., and Atheros Communications, Inc., prior to its acquisition by Qualcomm, Inc.

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We believe that Ms. King is qualified to serve as a director because of her extensive management and operational experience in the high tech and semiconductor industries. In particular, through her experience as Executive Chairman of QLogic and as Chief Executive Officer of Standard Microsystems and AMI Semiconductor, as well as her service as a director of other public companies, Ms. King provides the Board of Directors with significant strategic, operational, and financial expertise.

David P. McGlade, age 56, has been a director since February 2005. He has served as Executive Chairman of Intelsat S.A. (a publicly traded worldwide provider of satellite communication services) since April 2015, prior to which he served as Chairman and Chief Executive Officer. Mr. McGlade joined Intelsat in April 2005 and was the Deputy Chairman of Intelsat from August 2008 until April 2013. Previously, Mr. McGlade served as an Executive Director of mmO2 PLC and as the Chief Executive Officer of O2 UK (a subsidiary of mmO2), a position he held from October 2000 until March 2005. Before joining O2 UK, Mr. McGlade was President of the Western Region for Sprint PCS.

We believe that Mr. McGlade is qualified to serve as a director because of his 32 years of experience in the telecommunications business, which have allowed him to acquire significant operational, strategic, and financial business acumen. Most recently, as a result of his work as the Chief Executive Officer of Intelsat, Mr. McGlade gained significant leadership and operational experience, as well as knowledge about the global capital markets.

Robert A. Schriesheim, age 56, has been a director since May 2006. He served as Executive Vice President and Chief Financial Officer of Sears Holdings from August 2011 to October 2016. From January 2010 to October 2010, Mr. Schriesheim was Chief Financial Officer of Hewitt Associates, Inc. (a global human resources consulting and outsourcing company that was acquired by Aon Corporation). From October 2006 until December 2009, he was the Executive Vice President and Chief Financial Officer of Lawson Software, Inc. (a publicly traded ERP software provider). From August 2002 to October 2006, he was affiliated with ARCH Development Partners, LLC (a seed stage venture capital fund). Before joining ARCH, Mr. Schriesheim held executive positions at Global TeleSystems, SBC Equity Partners, Ameritech, AC Nielsen, and Brooke Group Ltd. Mr. Schriesheim currently serves as a director of Houlihan Lokey Inc. (a publicly traded financial services firm) and NII Holdings, Inc. (a publicly traded provider of wireless telecommunications services in Latin America), and previously served as a director of Lawson Software until its sale in July 2011. In addition, from 2004 until 2007, he was also a director of Dobson Communications Corp. (a former publicly traded wireless services communications company that was acquired by AT&T Inc.) and from 2007 until 2009 he served as a director of MSC Software Corp. (a former publicly traded provider of integrated simulation solutions for designing and testing manufactured products that was acquired by Symphony Technology Group).

We believe that Mr. Schriesheim is qualified to serve as a director because of his extensive knowledge of the capital markets, experience with corporate financial capital structures, and long history of evaluating and structuring merger and acquisition transactions within the technology sector. Mr. Schriesheim also has significant experience, as a senior executive and director in both public and private companies in the technology sector, leading companies through major strategic and financial corporate transformations while doing business in the global marketplace. He also serves as a designated "audit committee financial expert" for Skyworks' Audit Committee.

In addition to the information presented above regarding each director's specific experience, qualifications, attributes and skills that led our Board of Directors to conclude that he or she should serve as a director, we also believe that each of our directors has a reputation for integrity, honesty and adherence to high ethical standards. They have each demonstrated business acumen, an ability to exercise sound judgment, and a commitment of service to Skyworks.

Corporate Governance

Board of Director Meetings

The Board of Directors met eight (8) times during fiscal year 2016. During fiscal year 2016 (or the portion thereof during which the director served), each director attended at least 75% of the aggregate of the total number of meetings of the Board of Directors and the total number of meetings held by all committees of the Board of Directors on which he or she served. The Company's policy with respect to directors' attendance at the Annual Meeting is available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com* (see corporate governance guidelines). At the 2016 Annual Meeting, each director then in office was in attendance, with the exception of Mr. Schriesheim.

Director Independence

Each year, the Board of Directors reviews the relationships that each director has with the Company and with other parties. Only those directors who do not have any of the categorical relationships that preclude them from being independent within the meaning of the applicable Listing Rules of the NASDAQ Stock Market LLC (the "NASDAQ Rules") and who the Board of Directors affirmatively determines have no relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, are considered to be independent directors. The Board of Directors has reviewed a number of factors to evaluate the independence of each of its members. These factors include its members' current and historic relationships with the Company and its competitors, suppliers, and customers; their relationships with management and other directors; the relationships their current and former employers have with the Company; and the relationships between the Company and other companies of which a member of the Company's Board of Directors is a director or executive officer. After evaluating these factors, the Board of Directors has determined that a majority of the members of the Board of Directors, namely, Kevin L. Beebe, Timothy R. Furey, Balakrishnan S. Iyer, Christine King, David J. McLachlan, David P. McGlade, and Robert A. Schriesheim, do not have any relationships that would interfere with the exercise of independent judgment in carrying out their responsibilities as directors and that each such director is an independent director of the Company within the meaning of applicable NASDAQ Rules.

Corporate Governance Guidelines

The Board of Directors has adopted corporate governance practices to help fulfill its responsibilities to the stockholders in overseeing the work of management and the Company's business results. These guidelines are intended to ensure that the Board of Directors has the necessary authority and practices in place to review and evaluate the Company's business operations, as needed, and to make decisions that are independent of the Company's management. In addition, the guidelines are intended to align the interests of directors and management with those of the Company's stockholders. A copy of the Company's corporate governance guidelines is available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com*.

In accordance with these corporate governance guidelines, independent members of the Board of Directors of the Company met in executive session without management present four (4) times during fiscal year 2016. Mr. McLachlan, the Lead Independent Director, served as presiding director for these meetings.

Stockholder Communications

Our stockholders may communicate directly with the Board of Directors as a whole or to individual directors by letter addressed directly to such individual or individuals at the following address: c/o Skyworks Solutions, Inc., 20 Sylvan Road, Woburn, MA 01801. The Company will forward to each director to whom such communication is

addressed, and to the Chairman of the Board in his capacity as representative of the entire Board of Directors, any mail received at the Company's corporate office to the address specified by such director and the Chairman of the Board.

Code of Ethics

We have adopted a written code of business conduct and ethics that applies to our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. We make available our code of business conduct and ethics through our website at *http://www.skyworksinc.com*. We intend to disclose any amendments to, or waivers from, our code of business conduct and ethics that are required to be publicly disclosed by posting any such amendment or waivers on our website pursuant to SEC requirements and NASDAQ Rules.

Executive Officer and Director Stock Ownership Requirements

As described in detail below under "*Compensation Discussion and Analysis*," we have adopted Executive Officer and Director Stock Ownership programs that require our executive officers (including those Named Executive Officers who are still currently serving as executive officers) and non-employee directors to hold a significant equity interest in Skyworks with the objective of more closely aligning the interests of our executive officers and directors with those of our stockholders. All of our Named Executive Officers who remain executive officers of the Company and all of our directors have met the stock ownership guidelines as of the date hereof, with the exception of Messrs. Griffin and Sennesael (each of whom has until the third anniversary of the date he assumed his current position to meet the stock ownership guidelines). Based on the vesting schedule of certain RSUs, Mr. Griffin is expected to meet his ownership guidelines prior to the date of the Annual Meeting.

Board Leadership Structure

Our Board of Directors selects the Company's Chairman of the Board and Chief Executive Officer in the manner it determines to be in the best interests of the Company. In May 2014, our Board of Directors appointed Mr. Aldrich, who had previously served as the Company's President and Chief Executive Officer, to serve as Chairman of the Board and Chief Executive Officer, and in May 2016, our Board of Directors appointed Mr. Aldrich to serve as Chairman of the Board and Executive Chairman. At the time of Mr. Aldrich's appointment as Chairman of the Board in May 2014, our Board of Directors appointed Mr. McLachlan, the prior Chairman of the Board and an independent director within the meaning of applicable NASDAQ Rules (see above under "*Director Independence*"), as the Lead Independent Director. At the time of Mr. Aldrich's appointment as Executive Chairman in May 2016, our Board of Directors appointed Mr. Griffin to serve as President and Chief Executive Officer and elected Mr. Griffin to serve as a director. Mr. McLachlan's duties as Lead Independent Director, as set forth in our corporate governance guidelines, include the following:

- Presiding at all meetings of the Board of Directors at which the Chairman of the Board is not present, including executive sessions of the independent directors;
- Calling meetings of the independent directors, as he deems appropriate, and assuring that the independent directors meet independently at least twice each year;
- Providing leadership to the Board of Directors if circumstances arise in which the Chairman of the Board may be, or may be perceived to be, in conflict with the interests of the Company and its stockholders with regard to a particular matter;

- Facilitating communications and serving as a liaison, when necessary, between the independent directors and the Chairman of the Board and/or the Chief Executive Officer;

- Consulting with the Chairman of the Board in the preparation of the schedules, agendas, and information provided to the Board of Directors for each meeting, and ensuring that there is sufficient time at each meeting for discussion of all agenda items;

- Retaining independent advisors on behalf of the Board of Directors as the Board of Directors or the independent directors may deem necessary or appropriate; and

- Being available for consultation and direct communication upon the reasonable request of major stockholders.

Committees of the Board of Directors

The Board of Directors has a standing Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee.

Audit Committee

We have established an Audit Committee consisting of the following individuals, each of whom the Board of Directors has determined is "independent" within the meaning of applicable NASDAQ Rules and meets the criteria for independence set forth in Rule 10A-3(b)(1) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"): Messrs. Schriesheim (Chairman), Beebe, Iyer, and McLachlan.

The primary responsibility of the Audit Committee is the oversight of the quality and integrity of the Company's financial statements, the Company's internal financial and accounting processes, and the independent audit process. Additionally, the Audit Committee has the responsibilities and authority necessary to comply with Rule 10A-3 under the Exchange Act. The Audit Committee meets privately with the independent registered public accounting firm, reviews their performance and independence from management, and has the sole authority to retain and dismiss the independent registered public accounting firm. These and other aspects of the Audit Committee's authority are more particularly described in the Company's Audit Committee Charter, which the Board of Directors adopted and is reviewed annually by the committee and is available on the Investor Relations portion of our website at *http://www.skyworksinc.com.*

The Audit Committee has adopted a formal policy concerning approval of audit and non-audit services to be provided to the Company by its independent registered public accounting firm, KPMG LLP. The policy requires that all services provided by KPMG LLP, including audit services and permitted audit-related and non-audit services, be preapproved by the Audit Committee. The Audit Committee preapproved all audit and non-audit services provided by KPMG LLP for fiscal year 2016. The Audit Committee met nine (9) times during fiscal year 2016.

Audit Committee Financial Expert

The Board of Directors has determined that each of Messrs. Schriesheim (Chairman), Iyer, and McLachlan, meets the qualifications of an "audit committee financial expert" under SEC rules and the qualifications of "financial sophistication" under the applicable NASDAQ Rules, and qualifies as "independent" as defined under the applicable NASDAQ Rules. The Board of Directors has also determined that Ms. King and Mr. McGlade each would meet the qualifications of an "audit committee financial expert" under current SEC rules and the qualifications of "financial sophistication" under current NASDAQ Rules if appointed to serve on the audit committee in the future.

Compensation Committee

We have established a Compensation Committee consisting of the following individuals, each of whom the Board of Directors has determined is "independent" within the meaning of applicable NASDAQ Rules: Ms. King (Chairman) and Messrs. Furey, Beebe, and McGlade. The Compensation Committee met five (5) times during fiscal year 2016. The functions of the Compensation Committee include establishing the appropriate level of compensation, including short and long-term incentive compensation of the Chief Executive Officer, all other executive officers, and any other officers or employees who report directly to the Chief Executive Officer. The Compensation Committee also administers Skyworks' equity-based compensation plans. The Compensation Committee's authority to grant equity awards to the Company's executive officers may not be delegated to the Company's management or others. The Board of Directors has adopted a written charter for the Compensation Committee, and it is available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com.*

The Compensation Committee has engaged Aon/Radford Consulting ("Aon/Radford") to assist it in determining the components and amounts of executive compensation. The consultant reports directly to the Compensation Committee, through its Chairman, and the Compensation Committee retains the right to terminate or replace the consultant at any time.

The process and procedures followed by the Compensation Committee in considering and determining executive and director compensation are described below under "*Compensation Discussion and Analysis*."

Nominating and Corporate Governance Committee

We have established a Nominating and Corporate Governance Committee consisting of the following individuals, each of whom the Board of Directors has determined is "independent" within the meaning of applicable NASDAQ Rules: Messrs. Iyer (Chairman), Furey, McGlade, and McLachlan. The Nominating and Corporate Governance Committee met three (3) times during fiscal year 2016. The Nominating and Corporate Governance Committee is responsible for evaluating and recommending individuals for election or reelection to the Board of Directors and its committees, including any recommendations that may be submitted by stockholders, the annual self-evaluations of the Board of Directors and its committees, and the evaluation and recommendation of the corporate governance policies. These and other aspects of the Nominating and Corporate Governance Committee's authority are more particularly described in the Nominating and Corporate Governance Committee Charter, which the Board of Directors adopted and is available on the Investor Relations portion of the Company's website at *http://www.skyworksinc.com.*

Director Nomination Procedures

The Nominating and Corporate Governance Committee evaluates director candidates in the context of the overall composition and needs of the Board of Directors, with the objective of recommending a group that can best manage the business and affairs of the Company and represent the interests of the Company's stockholders using its diversity of experience. The committee seeks directors who possess certain minimum qualifications, including the following:

- A director must have substantial or significant business or professional experience or an understanding of technology, finance, marketing, financial reporting, international business, or other disciplines relevant to the business of the Company.

A director (other than an employee-director) must be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Board of Directors or of a Board committee.

The committee also considers the following qualities and skills, among others, in its selection of directors and as candidates for appointment to the committees of the Board of Directors:

- economic, technical, scientific, academic, financial, accounting, legal, marketing, or other expertise applicable to the business of the Company;
- leadership or substantial achievement in their particular fields;
- demonstrated ability to exercise sound business judgment;
- integrity and high moral and ethical character;
- potential to contribute to the diversity of viewpoints, backgrounds, or experiences of the Board of Directors as a whole;
- capacity and desire to represent the balanced, best interests of the Company as a whole and not primarily a special interest group or constituency;
- ability to work well with others;
- high degree of interest in the business of the Company;
- dedication to the success of the Company;
- commitment to the responsibilities of a director; and
- international business or professional experience.

The committee does not have a formal policy with respect to diversity, but believes that our Board of Directors, taken as a whole, should embody a diverse set of skills, experiences, and backgrounds in order to better inform its decisions. The committee will also take into account the fact that a majority of the Board of Directors must meet the independence requirements of the applicable NASDAQ Rules. The Company expects that a director's existing and future commitments will not materially interfere with such director's obligations to the Company. For candidates who are incumbent directors, the committee considers each director's past attendance at meetings and participation in and contributions to the activities of the Board of Directors. The committee identifies candidates for director nominees in consultation with the Chief Executive Officer of the Company and the Chairman of the Board of Directors, through the use of search firms or other advisors or through such other methods as the committee deems to be helpful to identify candidates. Once candidates have been identified, the committee confirms that the candidates meet all of the minimum qualifications for director nominees set forth above through interviews, background checks, or any other means that the committee deems to be helpful in the evaluation process. The committee then meets to discuss and evaluate the qualities and skills of each candidate, both on an individual basis and taking into account the overall composition and needs of the Board of Directors. Based on the results of the evaluation process, the committee recommends candidates for director nominees for election to the Board of Directors.

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Stockholder Nominees

The Nominating and Corporate Governance Committee will consider director candidates recommended by stockholders provided such stockholders follow the procedures set forth below. The committee does not intend to alter the manner in which it evaluates candidates, including the criteria set forth above, based on whether the candidate was recommended by a stockholder or otherwise. Stockholders who wish to nominate director candidates for election at the 2018 Annual Meeting, but who are not to be included in the Company's proxy materials pursuant to the proxy access provisions in our By-laws, may do so in accordance with the provisions of our By-laws by submitting a written recommendation to the Secretary of the Company at the address below no earlier than the close of business on January 10, 2018, and no later than the close of business on February 9, 2018. In the event that the 2018 Annual Meeting is held more than thirty (30) days before or after the first anniversary of the Company's 2017 Annual Meeting, then the required notice must be delivered in writing to the Secretary of the Company at the address below no earlier than 120 days prior to the date of the 2018 Annual Meeting and no later than the later of 90 days prior to the 2018 Annual Meeting or the 10th day following the day on which the public announcement of the date of the 2018 Annual Meeting is first made by the Company. For nominees for election to the Board of Directors proposed by stockholders to be considered, the recommendation for nomination must be in writing and must include the following information:

- name of the stockholder, whether an entity or an individual, making the recommendation;
- a written statement disclosing such stockholder's beneficial ownership of the Company's capital stock;
- name of the individual recommended for consideration as a director nominee;
- a written statement from the stockholder making the recommendation stating why such recommended candidate would be able to fulfill the duties of a director;
- a written statement from the stockholder making the recommendation stating how the recommended candidate meets the independence requirements established by the SEC and the applicable NASDAQ Rules;
- a written statement disclosing the recommended candidate's beneficial ownership of the Company's capital stock; and
- a written statement disclosing relationships between the recommended candidate and the Company that may constitute a conflict of interest.

A stockholder (or a group of up to twenty stockholders) who has owned at least three percent of the Company's outstanding shares of common stock continuously for at least three years, and has complied with the other requirements in the Company's By-laws, may nominate and include in the Company's proxy materials a number of director nominees up to the greater of two individuals or 20% of the Board of Directors. Written notice of a proxy access nomination for inclusion in our proxy statement for the 2018 Annual Meeting of stockholders must be submitted to the Secretary of the Company at the address below no earlier than the open of business on December 11, 2017, and no later than the close of business on January 10, 2018. In the event that the 2018 Annual Meeting is held more than thirty (30) days before, or more than sixty (60) days after, the first anniversary of the Company's 2017 Annual Meeting, then the required notice must be delivered in writing to the Secretary of the Company at the address below no earlier than 150 days prior to the date of the 2018 Annual Meeting and no later than the later of 120 days prior to the 2018 Annual Meeting or the 10th day following the day on which the public announcement of the date of the 2018 Annual Meeting is first made by the Company.

Written notice of proxy access nominations and written recommendations for nomination may be sent to the Secretary of the Company via U.S. mail or expedited delivery service to Skyworks Solutions, Inc., 20 Sylvan Road, Woburn, Massachusetts 01801.

Role of the Board of Directors in Risk Oversight

Our Board of Directors oversees our risk management processes directly and through its committees. Our management team is responsible for risk management on a day-to-day basis. The role of our Board of Directors and its committees is to oversee the risk management activities of our management team. They fulfill this duty by discussing with management the policies and practices utilized by management in assessing and managing risks and providing input on those policies and practices. In general, our Board of Directors oversees risk management activities relating to business strategy, capital allocation, organizational structure, certain operational risks, and acquisitions; our Audit Committee oversees risk management activities related to financial controls and legal and compliance risks; our Compensation Committee oversees risk management activities relating to our compensation policies and practices as well as management succession planning; and our Nominating and Corporate Governance Committee oversees risk management activities relating to Board composition. Each committee reports to the Board of Directors on a regular basis, including reports with respect to the committee's risk oversight activities as appropriate. In addition, since risk issues often overlap, committees from time to time request that the Board of Directors discuss particular risks.

Our Compensation Committee does not believe that any risks arising from our employee compensation policies and practices are reasonably likely to have a material adverse effect on our company. Our Compensation Committee believes that any such risks are mitigated by:

- The multiple elements of our compensation packages, including base salary, our annual short-term incentive compensation plan and (for our executive officers and other key employees) equity awards that vest (or are issuable) over multiple years and are intended to motivate employees to take a long-term view of our business.

- The structure of our short-term incentive compensation plan (described in greater detail in this Proxy Statement under "*Compensation Discussion and Analysis*"), which is based on (i) a number of different financial and operating performance metrics to avoid employees placing undue emphasis on any particular performance metric at the expense of other aspects of our business, and (ii) performance targets that we believe are appropriately aggressive yet will not require undue risk-taking to achieve. Further, the structure of the short-term incentive compensation plan aids in driving sustained long-term financial performance as the goals and targets from the prior year's plan are significant factors used in determining goals for the current year's plan.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee of the Board of Directors currently consists of, and during fiscal year 2016 consisted of, Ms. King and Messrs. Beebe, Furey, and McGlade. Mr. Furey served as chairman of the committee until May 11, 2016, when Ms. King succeeded him as chairman of the committee. No member of this committee was at any time during fiscal year 2016 an officer or employee of the Company, was formerly an officer of the Company or any of its subsidiaries, or had any employment relationship with the Company or any of its subsidiaries. No executive officer of the Company has served as a director or member of the compensation committee (or other committee serving an equivalent function) of any other entity, one of whose executive officers served as a director of or member of the Compensation Committee.

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Certain Relationships and Related Person Transactions

Other than compensation agreements and other arrangements described below under "*Information About Executive and Director Compensation*," since October 3, 2015, there has not been a transaction or series of related transactions to which the Company was or is a party involving an amount in excess of $120,000 and in which any director, executive officer, holder of more than five percent (5%) of any class of our voting securities, or any member of the immediate family of any of the foregoing persons, had or will have a direct or indirect material interest. In January 2008, the Board of Directors adopted a written related person transaction approval policy that sets forth the Company's policies and procedures for the review, approval or ratification of any transaction required to be reported in its filings with the SEC. The Company's policy with regard to related person transactions is that all related person transactions between the Company and any related person (as defined in Item 404 of Regulation S-K) or their affiliates, in which the amount involved is equal to or greater than $120,000, be reviewed by the Company's General Counsel and approved in advance by the Audit Committee. In addition, the Company's code of business conduct and ethics requires that employees discuss with the Company's Compliance Officer any significant relationship (or transaction) that might raise doubt about such employee's ability to act in the best interest of the Company.

Proposal 2:
Ratification of Independent Registered Public Accounting Firm

The Audit Committee has selected KPMG LLP as the Company's independent registered public accounting firm for fiscal year 2017 and has further directed that management submit the selection of the independent registered public accounting firm for ratification by the stockholders at the Annual Meeting. KPMG LLP was the independent registered public accounting firm for the Company for fiscal year 2016, and has been the independent registered public accounting firm for the Company and its predecessor, Alpha Industries, Inc., since 1975. We are asking the stockholders to ratify the selection of KPMG LLP as the Company's independent registered public accounting firm for fiscal year 2017.

Representatives of KPMG LLP are expected to attend the Annual Meeting. They will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate stockholder questions.

Stockholder ratification of the selection of KPMG LLP as the Company's independent registered public accounting firm is not required by the Company's By-laws or other applicable legal requirements. However, the Audit Committee is submitting the selection of KPMG LLP to the stockholders for ratification as a matter of good corporate practice. The affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting and entitled to vote on such matter at the Annual Meeting is required to approve the selection of KPMG LLP as the Company's independent registered public accounting firm. In the event stockholders fail to ratify the appointment, the Audit Committee may reconsider this appointment. Even if the appointment is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit Committee determines that such a change would be in the Company's and stockholders' best interests.

Audit Fees

KPMG LLP provided audit services to the Company consisting of the annual audit of the Company's 2016 consolidated financial statements contained in the Company's Annual Report on Form 10-K and reviews of the financial statements contained in the Company's Quarterly Reports on Form 10-Q for fiscal year 2016. The following table summarizes the fees of KPMG LLP billed to the Company for the last two fiscal years.

Fee Category	Fiscal Year 2016 ($)	% of Total (%)	Fiscal Year 2015 ($)	% of Total (%)
Audit Fees(1)	1,769,135	94	1,624,175	96
Audit-Related Fees				
Tax Fees(2)	76,300	4	66,800	4
All Other Fees(3)	43,650	2	1,650	
Total Fees	**1,889,085**	**100**	**1,692,625**	**100**

(1) Audit fees consist of fees for the audit of our annual financial statements, review of the interim financial statements included in our quarterly reports on Form 10-Q, statutory audits and related filings in various foreign locations and audit procedures related to acquisition activity during fiscal years 2016 and 2015. Fiscal year 2016 and 2015 audit fees included fees for services incurred in connection with rendering an opinion under Section 404 of the Sarbanes-Oxley Act. Fiscal year 2015 audit fees also included fees for the review of registration statement auditor consents to incorporate by reference prior year financial statement opinions in Form S-8 filings.

(2) Tax fees consist of fees for tax compliance, tax advice and tax planning services. Tax compliance services, which primarily relate to the review of our U.S. tax returns and certain trade and customs forms, accounted for $72,500 and $60,000 of the total tax fees for fiscal year 2016 and 2015, respectively.

(3) All other fees for fiscal year 2016 relate to fees incurred for conflict mineral reporting compliance and licenses to accounting and research software. All other fees for fiscal year 2015 relate to fees incurred for licenses to accounting and research software.

In 2003, the Audit Committee adopted a formal policy concerning approval of audit and non-audit services to be provided to the Company by its independent registered public accounting firm, KPMG LLP. The policy requires that all services provided by KPMG LLP, including audit services and permitted audit-related and non-audit services, be preapproved by the Audit Committee. The Audit Committee preapproved all audit and non-audit services provided by KPMG LLP during fiscal year 2016 and our fiscal year ended October 2, 2015 ("fiscal year 2015").

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "*FOR*"
THE RATIFICATION OF THE SELECTION OF KPMG LLP
AS THE INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM OF THE COMPANY FOR FISCAL YEAR 2017**

Report of the Audit Committee

The Audit Committee of Skyworks' Board of Directors is responsible for providing independent, objective oversight of Skyworks' accounting functions and internal controls. The Audit Committee is composed of four directors, each of whom is independent within the meaning of applicable NASDAQ Rules and meets the criteria for independence set forth in Rule 10A-3(b)(1) under the Exchange Act. The Audit Committee operates under a written charter approved by the Board of Directors.

Management is responsible for the Company's internal control and financial reporting process. The Company's independent registered public accounting firm is responsible for performing an independent audit of Skyworks' consolidated financial statements in accordance with generally accepted auditing standards and for issuing a report concerning such financial statements. The Audit Committee's responsibility is to monitor and oversee these processes.

In connection with these responsibilities, the Audit Committee met with management and representatives of KPMG LLP, the Company's independent registered public accounting firm, and reviewed and discussed the audited financial statements for fiscal year 2016, results of the internal and external audit examinations, evaluations of the Company's internal controls, and the overall quality of Skyworks' financial reporting. The Audit Committee also discussed with the independent registered public accounting firm the matters required to be discussed by Auditing Standard No. 16, "Communications with Audit Committees," issued by the Public Company Accounting Oversight Board. In addition, the Audit Committee has received the written disclosures and the letter from its independent registered public accounting firm required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with the independent registered public accounting firm the independent registered public accounting firm's independence from the Company and its management, including the matters in the written disclosures and letter that were received by the committee from such firm.

Based upon the Audit Committee's review and discussions described above, the Audit Committee recommended that the Board of Directors include the audited consolidated financial statements in the Company's Annual Report on Form 10-K for fiscal year 2016, as filed with the SEC.

THE AUDIT COMMITTEE

Kevin L. Beebe
Balakrishnan S. Iyer
David J. McLachlan
Robert A. Schriesheim, Chairman

Proposal 3:
Advisory Vote on the Compensation of Our Named Executive Officers ("Say-on-Pay Vote")

We are providing our stockholders with the opportunity to vote to approve, on a non-binding basis, the compensation of our Named Executive Officers as described below under "*Information About Executive and Director Compensation*" pursuant to Section 14A of the Exchange Act. At our 2016 Annual Meeting of stockholders, approximately 96% of the votes cast by our stockholders were in favor of the compensation of the Company's named executive officers as disclosed in the proxy statement delivered to our stockholders in connection with the 2016 Annual Meeting.

As we describe below under "*Compensation Discussion and Analysis*," our executive compensation program embodies a pay-for-performance philosophy that supports our business strategy and aligns the interests of our executives with our stockholders. In addition, our Board of Directors believes that the Company's financial performance over the last fiscal year demonstrates that our executive compensation program was designed appropriately and is working effectively to support long-term value creation.

Our Board of Directors is asking stockholders to approve a non-binding advisory vote on the following resolution:

> RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation paid to the Company's named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables, and any related material disclosed in this Proxy Statement.

As an advisory vote, this proposal is not binding and will not overrule any decision by the Company or the Board of Directors (or any committee thereof), nor will it create or imply any change or addition to the fiduciary duties of the Company or the Board of Directors (or any committee thereof). However, our Compensation Committee and Board of Directors value the opinions expressed by our stockholders in their vote on this proposal and will consider the outcome of the vote when making future compensation decisions for Named Executive Officers. Unless the Board of Directors modifies its policy on the frequency of future say-on-pay votes, the next non-binding say-on-pay vote will be held at our 2018 Annual Meeting of stockholders.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS BY VOTING "*FOR*" PROPOSAL 3

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Proposal 4:
Advisory Vote on the Frequency of Future Advisory Votes on the Compensation of Our Named Executive Officers ("Say-on-Frequency Vote")

Pursuant to Section 14A of the Exchange Act, we are providing our stockholders with the opportunity to vote, on a non-binding basis, on the frequency of future advisory votes on the compensation of the Company's named executive officers, which is commonly referred to as "say-on-frequency." Stockholders may indicate whether they would prefer that we conduct future advisory say-on-pay votes once every one, two, or three years, or they may abstain from casting a vote on this Proposal 4.

We last held an advisory say-on-frequency vote at our 2011 Annual Meeting of stockholders, in which approximately 80% of the votes cast by our stockholders were in favor of the Company holding advisory say-on-pay votes every year. Following such vote in 2011, the Board of Directors determined that the Company would hold advisory say-on-pay votes on an annual basis until the Board of Directors determines that a different frequency for such votes is in the best interests of the Company's stockholders. We continue to believe that advisory say-on-pay votes should be conducted on an annual basis, to allow stockholders to express their views on the compensation of our named executive officers and to react to emerging trends in compensation.

As an advisory vote, this proposal is not binding and will not overrule any decision by the Company or the Board of Directors (or any committee thereof), nor will it create or imply any change or addition to the fiduciary duties of the Company or the Board of Directors (or any committee thereof). However, our Compensation Committee and Board of Directors value the opinions expressed by our stockholders in their votes on this proposal and will consider the outcome of the vote when making future decisions regarding the frequency of say-on-pay votes.

Section 14A of the Exchange Act requires that the say-on-frequency vote be held at least once every six years. Following the Annual Meeting, the next advisory say-on-frequency vote is expected to be held at our 2023 Annual Meeting of stockholders.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE TO HOLD FUTURE ADVISORY SAY-ON-PAY VOTES EVERY "ONE YEAR"

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Information About Executive and Director Compensation

Summary and Highlights

Financial Performance

For fiscal year 2016, we achieved record net revenue of approximately $3.3 billion, operating margin of approximately 34% on a GAAP basis (approximately 38% on a non-GAAP basis), and diluted earnings per share of $5.18 on a GAAP basis ($5.57 on a non-GAAP basis).[1]

During fiscal year 2016, we returned approximately $727 million to shareholders through repurchasing eight million shares of our common stock for $526 million and through payments of $201 million in cash dividends, which together represented a 102% increase over the $360 million returned to shareholders during fiscal year 2015.

Our ending cash and cash equivalents balance increased 4% to $1,084 million in fiscal year 2016 from $1,044 million in fiscal year 2015. This was the result of a 10% increase in cash from operations to $1,096 million in fiscal year 2016 due to higher net income partially offset by changes in working capital. In addition, during fiscal year 2016, we invested approximately $189 million in capital expenditures and $132 million related to business acquisition activity.

Total stockholder return ("TSR") for the five-year period ending September 30, 2016, was 336%, compared with a weighted average TSR of 201% for the 12 publicly traded semiconductor companies in our peer group (which consists of the Comparator Group, as described below, excluding Altera, Broadcom, and Freescale, all of which were acquired during fiscal year 2016) and a weighted average TSR of 143% for the companies in the S&P 500 Semiconductors Index.

Compensation Program Alignment with Long-Term Interests of Stockholders

We emphasize pay-for-performance and tie a significant amount of our Named Executive Officers' annual compensation to our performance in the form of incentive-based compensation, with the majority being in equity-based compensation. We believe that through the combination of our equity-based incentive compensation program and executive stock ownership guidelines, the interests of our executives are strongly aligned with those of our long-term stockholders namely, increasing stockholder value over time.

The table below shows the target total direct compensation mix for fiscal year 2016 for Mr. Griffin, who was our Chief Executive Officer at the end of fiscal year 2016, for Mr. Aldrich, who was our Executive Chairman at the end of fiscal year 2016, and the average for the other Named Executive Officers. The target total direct compensation mix for fiscal year 2016 reflects actual salary, target short-term incentive award, and the grant date fair value of stock option, performance share, and restricted stock unit awards,

[1] Please see table on page 69 for a full reconciliation of non-GAAP results to GAAP results.

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including long-term stock-based awards granted in connection with a Named Executive Officer's promotion or commencement of employment.

	Base Salary	Short-Term Incentive	Long-Term Stock Incentive
Chief Executive Officer	9%	11%	80%
Executive Chairman	10%	16%	74%
Average of Other Named Executive Officers	15%	11%	74%

We provide short-term incentive compensation to motivate executives to achieve key near-term (i.e., a year or less) financial and/or operational objectives. Because the Company failed to achieve the nominal non-GAAP operating income performance goal in fiscal year 2016, no short-term compensation awards were paid to the Named Executive Officers.

We provide longer-term equity-based compensation in the form of performance share awards and stock options to incentivize our executive officers to achieve goals each year that we believe will result in significant increases in stockholder value over the longer term, thereby aligning their interests with those of our stockholders.

- Stock options closely align the long-term interests of our executives with those of our stockholders because the recipient will only realize a return on the option if our stock price increases over the life of the option. In addition, awards of stock options align with our growth strategy and provide significant financial upside if our growth objectives are achieved, while placing a significant portion of our executives' compensation at risk if our objectives are not achieved.

- Shares are received under performance share awards only upon satisfaction of "performance" and "continued employment" conditions (i.e., to receive all shares earned based on actual performance, the executive would typically need to remain employed for three years following the grant of a performance share award). Based on the Company's non-GAAP operating margin achieved and TSR percentile ranking obtained during fiscal year 2016, each Named Executive Officer earned 36.9% of the "target" number of shares under the performance share awards granted in November 2015.

The Compensation Committee of our Board of Directors, with assistance from its independent compensation consultant, annually reviews our executive compensation program to ensure that it is competitive with the companies in our industry with which we compete for executive talent. We generally target the median of our comparison group for our base salary and short-term incentive compensation levels. For fiscal year 2016, we granted equity-based incentive awards with a target incentive level at approximately the median of our comparison group, with the opportunity to earn above the target incentive levels based on performance. We feel that this level of executive compensation, with its emphasis on long-term results, alignment with stockholder interests, and long-term retention, enables us to attract and retain the executive talent necessary to meet our business objectives.

Corporate Governance and Compensation Best Practices

As part of its commitment to strong corporate governance and best practices, our Compensation Committee has engaged an independent compensation consultant, Aon/Radford, to perform an annual comprehensive analysis of our executive compensation practices and pay levels, using analytical tools such as market data, tally sheets, compensation history, and walk-away analysis for each executive.

- We have adopted Executive Officer and Director Stock Ownership programs that require our executive officers and non-employee directors to hold a significant equity interest in the Company with the objective of more closely aligning the interests of our executive officers and directors with those of our stockholders.

- We prohibit our directors, officers, and employees from hedging or pledging their economic interests in Company securities and from engaging in any short-term, speculative securities transactions, including purchasing securities on margin, engaging in short sales, or buying or selling put or call options.

- Equity awards granted to our Named Executive Officers under the 2015 Long-Term Incentive Plan are not subject to automatic accelerated vesting solely upon a change in control of the Company.

- None of the Named Executive Officers is entitled to any future excise tax gross-up payment in connection with a change in control of the Company.

Compensation Discussion and Analysis

This Compensation Discussion and Analysis section discusses the compensation policies and programs for our Chief Executive Officer, our Chief Financial Officer and our three next most highly paid executive officers during fiscal year 2016 as determined under the rules of the SEC. We refer to this group of executive officers as our "Named Executive Officers." For fiscal year 2016, our Named Executive Officers were:

- David J. Aldrich, Executive Chairman (served as Chief Executive Officer until May 11, 2016);

- Liam K. Griffin, President and Chief Executive Officer (assumed role as Chief Executive Officer on May 11, 2016);

- Kris Sennesael, Senior Vice President and Chief Financial Officer (assumed role as Chief Financial Officer on August 29, 2016);

- Donald W. Palette, Former Executive Vice President and Chief Financial Officer (retired as Chief Financial Officer and as an executive officer effective as of August 29, 2016);

- Bruce J. Freyman, Former Executive Vice President, Worldwide Operations (retired as Executive Vice President, Worldwide Operations and as an executive officer effective as of February 2, 2017);

- Peter L. Gammel, Chief Technology Officer; and

- Mark V.B. Tremallo, Former Vice President, General Counsel and Secretary (retired as General Counsel and as an executive officer effective as of November 10, 2016).

Approach for Determining Form and Amounts of Compensation

The Compensation Committee, which is composed solely of independent directors within the meaning of applicable NASDAQ Rules, outside directors within the meaning of Section 162 of the Internal Revenue Code ("IRC"), and non-employee directors within the meaning of Rule 16b-3 under the Exchange Act, is responsible for determining all components and amounts of compensation to be paid to our Named Executive Officers, as well as any other executive officers or employees who report directly to the Chief Executive Officer. The Compensation Committee sets compensation for the Named Executive Officers, including base salary, short-term incentives, and long-term stock-based incentives, at levels generally intended to be competitive with the compensation of comparable executives in semiconductor companies with which the Company competes for executive talent.

Compensation Program Objectives

The objectives of our executive compensation program are to attract, retain and motivate highly qualified executives to operate our business, and to link the compensation of those executives to improvements in the Company's financial performance and increases in stockholder value. Accordingly, the Compensation Committee's goals in establishing our executive compensation program include:

- ensuring that our executive compensation program is competitive with a group of companies in the semiconductor industry with which we compete for executive talent;
- providing a base salary that serves as the foundation of a compensation package that attracts and retains the executive talent needed to achieve our business objectives;
- providing short-term variable compensation that motivates executives and rewards them for achieving Company financial performance targets;
- providing long-term stock-based compensation that aligns the interest of our executives with stockholders by rewarding them for long-term increases in stockholder value; and
- ensuring that our executive compensation program is perceived as fundamentally fair to all of our employees.

Retention of Compensation Consultant

The Compensation Committee has engaged Aon/Radford to assist in determining the components and amount of executive compensation. Aon/Radford reports directly to the Compensation Committee, through its chairperson, and the Compensation Committee retains the right to terminate or replace the consultant at any time. The consultant advises the Compensation Committee on such compensation matters as are requested by the Compensation Committee. The Compensation Committee considers the consultant's advice on such matters in addition to any other information or factors it considers relevant in making its compensation determinations. In fiscal year 2016, Aon/Radford received $149,615 for survey data and compensation consulting services to the Compensation Committee.

The Compensation Committee has considered the relationships that Aon/Radford has with the Company, the members of the Compensation Committee and our executive officers, as well as the policies that Aon/Radford has in place to maintain its independence and objectivity, and has determined that Aon/Radford's work for the Compensation Committee has not raised any conflicts of interest. Company management has separately engaged Aon Risk Solutions, an affiliate of Aon/Radford, for risk management and insurance brokerage services. The Company paid $400,000 to Aon Risk Solutions in fiscal year 2016 for those services. The Company's management did not seek the Compensation Committee's approval for the engagement of Aon Risk Solutions.

Role of Chief Executive Officer

The Compensation Committee also considers the recommendations of the Chief Executive Officer regarding the compensation of the other Named Executive Officers and each of his other direct reports. These recommendations include an assessment of each individual's responsibilities, experience, performance and

contribution to the Company's performance, and also generally take into account internal factors such as historical compensation and level in the organization, in addition to external factors such as the current environment for attracting and retaining executives.

Establishment of Comparator Group Data

In determining compensation for each of the Named Executive Officers, the committee utilizes "Comparator Group" data for each position. For fiscal year 2016, the Compensation Committee approved Comparator Group data consisting of a 50/50 blend of (i) Aon/Radford survey data of 20 semiconductor companies (where sufficient data was not available in the Aon/Radford semiconductor survey data for a given executive position, the Comparator Group data also included survey data regarding high-technology companies), and (ii) the "peer" group data for 15 publicly traded semiconductor companies with which the Company competes for executive talent:

*Altera	*Freescale Semiconductor	*Micron Technology
*Analog Devices	*Linear Technology	*NVIDIA
*Applied Materials	*Marvell Technology Group	*Qorvo
*Avago Technologies	*Maxim Integrated Products	*Texas Instruments
*Broadcom	*Microchip Technology	*Xilinx

Use of Comparator Group Data

The Compensation Committee annually compares the components and amounts of compensation that we provide to our Chief Executive Officer and other Named Executive Officers with the components and amounts of compensation provided to their counterparts in the Comparator Group and uses this comparison data as a guideline in its review and determination of base salaries, short-term incentives, and long-term stock-based compensation awards, as discussed in further detail below under "*Components of Compensation*." In addition, in setting fiscal year 2016 compensation, the Compensation Committee sought and received input from Aon/Radford regarding the base salaries for the Chief Executive Officer and each of the other executive officers, the incentive targets relating to the short-term incentive program for executive officers, and the individual stock-based compensation awards for executive officers, as well as the related vesting schedules.

After reviewing the data and considering the input, the Compensation Committee established (and the full Board of Directors was advised of) the base salary, short-term incentive target, and long-term stock-based compensation award for each Named Executive Officer. In establishing individual compensation, the Compensation Committee also considered the input of the Chief Executive Officer, as well as the individual experience and performance of each executive.

In determining the compensation of Mr. Aldrich for his service as Chief Executive Officer for fiscal year 2016, the Compensation Committee focused on (i) competitive levels of compensation for chief executive officers who are leading a company of similar size and complexity, (ii) the importance of retaining a chief executive officer with the strategic, financial, and leadership skills necessary to ensure our continued growth and success, (iii) our Chief Executive Officer's role relative to the other Named Executive Officers, (iv) input from the full Board of Directors on our Chief Executive Officer's performance, and (v) the considerable length of Mr. Aldrich's service to the Company. Aon/Radford advised the Compensation Committee that the base salary, annual performance targets, short-term incentive target opportunity, and equity-based compensation established by the Compensation Committee for fiscal year 2016 were competitive for chief executive officers leading companies of similar size and complexity in the semiconductor industry. Mr. Aldrich was not present during the voting or deliberations of the Compensation Committee concerning his compensation. As stated above, however, the Compensation Committee did consider the

recommendations of the Chief Executive Officer regarding the compensation of the other Named Executive Officers and each of his other direct reports.

Response to Stockholder Vote on Executive Compensation at 2016 Annual Meeting

At our 2016 Annual Meeting of stockholders, approximately 96% of the votes cast approved the compensation of the Company's named executive officers as disclosed in the proxy statement delivered to our stockholders in connection with the 2016 Annual Meeting. We understood this to mean that stockholders generally approved of our compensation policies and determinations in 2016. However, the Compensation Committee still undertook a review of our compensation policies and determinations following the 2016 Annual Meeting with the assistance of Aon/Radford. After this review and consideration of evolving best practices in executive compensation by public companies generally, upon the recommendation of the Compensation Committee, we determined not to make any significant changes to our executive compensation decisions and policies. The Compensation Committee periodically reviews the goals we would like to achieve through our executive compensation practices and explores ways to modify those practices to either achieve new goals or to enhance our ability to achieve existing goals.

Components of Compensation

The key elements of compensation for our Named Executive Officers are base salary, short-term incentives, long-term stock-based incentives, 401(k) plan retirement benefits, medical, dental, vision, life and disability insurance, and financial planning benefits. Consistent with our objective of ensuring that executive compensation is perceived as fair to all employees, the Named Executive Officers do not receive any retirement benefits beyond those generally available to our full-time employees, and we do not provide medical, dental, vision, or other insurance benefits to Named Executive Officers that are different from those offered to other full-time employees.

Base Salary

Base salaries provide our executive officers with a degree of financial certainty and stability. The Compensation Committee determines a competitive base salary for each executive officer using the Comparator Group data and input provided by Aon/Radford. Based on these factors, base salaries of the Named Executive Officers for fiscal year 2016 were generally targeted at the Comparator Group median, with consideration given to role, responsibility, performance and length of service. After taking these factors into account, the base salary for each Named Executive Officer for fiscal year 2016 increased on average 6.3% from the Named Executive Officer's base salary in fiscal year 2015 (excluding Mr. Sennesael, whose employment with the Company commenced in August 2016) as a result of market-based salary adjustments recommended by Aon/Radford, with increases ranging from 3.0% to 10.0%.

When Mr. Griffin was promoted to Chief Executive Officer in May 2016, the Compensation Committee determined that his base salary would be equal to the $850,000 base salary that had been approved for Mr. Aldrich, his predecessor, for fiscal year 2016. In setting Mr. Griffin's base salary, the Compensation Committee relied on Aon/Radford's guidance on current market practices related to promotions to chief executive officer in addition to Comparator Group data, the Company's internal compensation structure, and Mr. Griffin's experience and long tenure.

Concurrently with Mr. Griffin's appointment as Chief Executive Officer and Mr. Aldrich's appointment as Executive Chairman in May 2016, the Compensation Committee determined that Mr. Aldrich's base salary would be reduced to $800,000. In determining Mr. Aldrich's base salary as Executive Chairman, the Compensation Committee relied on Aon/Radford's guidance on current market practices related to chief executive officer transitions in addition

to Comparator Group data, the Company's internal compensation structure, and Mr. Aldrich's experience and long tenure.

Mr. Sennesael was appointed Senior Vice President and Chief Financial Officer in August 2016, at which time the Compensation Committee set his base salary based on current market practices for chief financial officers in the semiconductor industry in companies with similar revenue in addition to Comparator Group data, the Company's internal compensation structure, and Mr. Sennesael's experience and existing compensation package.

Short-Term Incentives

Our short-term incentive compensation plan for executive officers is established annually by the Compensation Committee. For fiscal year 2016, the Compensation Committee adopted the 2016 Executive Incentive Plan (the "Incentive Plan"). The Incentive Plan established short-term incentive awards that could be earned annually by certain officers of the Company, including the Named Executive Officers, based on the Company's achievement of certain corporate performance goals established on an annual basis. Short-term incentive compensation is intended to motivate and reward executives by tying a significant portion of their total compensation to the Company's achievement of pre-established performance goals that are generally short-term (i.e., one year or less). Pursuant to the Incentive Plan, the Compensation Committee sets a range of short-term compensation that can be earned by each executive officer based on the Comparator Group data, which is expressed as a percentage of the executive officer's base salary and which corresponds to the level of achievement of the performance goals. The low end of that range, referred to as the "threshold" percentage, is equal to the amount of compensation payable to the executive if the level of achievement of each performance goal applicable to the executive was at the minimum set by the Compensation Committee to be eligible to receive a payment for that goal under the Incentive Plan (referred to as the "threshold" level). At the threshold payout level, the short-term compensation was designed to result in a payout less than the median short-term compensation of the Comparator Group. The middle of the range, referred to as the "target" percentage, is equal to the amount of short-term compensation payable to the executive if the level of achievement of each performance goal applicable to the executive met the expectations set by the Compensation Committee (referred to as the "target" level). Achievement of all performance goals at the "target" level would result in a short-term compensation payout equal to the "target" percentage, which is designed to be the median short-term compensation of the Comparator Group. The high end of the range, referred to as the "maximum" percentage, is equal to the amount of compensation payable to the executive if the level of achievement of each performance goal applicable to the executive reached the high-end target set by the Compensation Committee for such goal (referred to as the "maximum" level). Achievement of all performance goals at the "maximum" level would result in a short-term compensation payout at the "maximum" percentage, which is designed to be above the median short-term compensation of the Comparator Group. Absent an exercise of discretion by the Compensation Committee, the total short-term compensation paid to each executive would not exceed the "maximum" percentage and, in the event that the level of achievement of all performance goals was below the "threshold" level, no short-term compensation payment would be made to the executive. The following table shows the range of short-term compensation that each Named Executive Officer could earn in fiscal year 2016 as a percentage of such executive officer's annual base salary.

	Threshold	**Target**	**Maximum**
Chief Executive Officer and Executive Chairman(1)	80%	160%	320%
President(1)	50%	100%	200%
Chief Financial Officer	45%	90%	180%
Other Executive Officers	35%	70%	140%

(1) Effective as of May 11, 2016, at the time of Mr. Griffin's promotion from President to Chief Executive Officer, the threshold, target, and maximum levels of his short-term incentive compensation were increased from 50%, 100%, and 200% of his annual base salary, respectively, to 80%, 160%, and 320% of his annual base salary, respectively. Pursuant to the Aldrich Agreement, described below, which was entered into effective as of May 11, 2016, at the time of Mr. Aldrich's transition from Chief Executive Officer to Executive Chairman, Mr. Aldrich's short-term incentive opportunity under the Incentive Plan remained unchanged at the level for the Chief Executive Officer.

The actual total amount of short-term compensation payable to an executive depends on the level of achievement of each performance goal assigned to him. For fiscal year 2016 the Compensation Committee determined that the short-term incentive compensation payable under the Incentive Plan would be based on the Company's performance for the entire fiscal year, consistent with the Compensation Committee's approach for the prior fiscal year. The Compensation Committee established performance goals for fiscal year 2016 based on achieving revenue, non-GAAP gross margin, and non-GAAP free cash flow targets. Each of the three performance goals was weighted equally ($33^1/_3$% each) toward each Named Executive Officer's payment under the Incentive Plan. The non-GAAP gross margin performance goal is based on the Company's non-GAAP gross margin, which it calculates by excluding from GAAP gross profit share-based compensation expense and acquisition-related expenses. The non-GAAP free cash flow performance goal is based on the Company's non-GAAP free cash flow, which it calculates by deducting capital expenditures from, and making certain other adjustments to, GAAP cash from operations.

The Compensation Committee determines with respect to each performance goal the "threshold," "target" and "maximum" levels of achievement, which correspond to the matching descriptions set forth above. For Company performance goals, the levels of achievement will be consistent across the executives to which such goals apply.

Following the end of the fiscal year, the Compensation Committee determines the total amount of short-term compensation payable to each executive for such period by comparing the actual level of achievement of each performance goal assigned to such executive against the "threshold," "target," and "maximum" levels of achievement that it set for that performance goal. The Compensation Committee determines the amount of short-term compensation the executive is eligible to receive with respect to each performance goal as follows:

- If the level of achievement for that performance goal falls below the "threshold" level, then the executive will not earn any short-term compensation with respect to that performance goal (absent an exercise of discretion by the Compensation Committee).

- If the level of achievement for that performance goal is equal to the "threshold," "target" or "maximum" level, then the executive earns the product obtained by *multiplying* (i) the "threshold," "target" or "maximum" percentage, as applicable, *times* (ii) the executive's base salary during the fiscal year, *times* (iii) the weighting assigned to that performance goal.

- If the level of achievement for the performance goal falls in between either the "threshold" and "target" levels or the "target" and "maximum" levels, the executive would earn short-term compensation equal to the short-term compensation payable at the "threshold" or "target" level, respectively, *plus* a pro rata amount of the difference between the short-term compensation payable for that performance goal at, respectively, the "threshold" and "target" levels or the "target" and "maximum" levels.

- Absent an exercise of discretion by the Compensation Committee, if the level of achievement for the performance goal exceeds the "maximum" level, the executive will only earn the amount payable for achievement at the "maximum" level.

Each executive's short-term compensation under the Incentive Plan is calculated by evaluating achievement of each performance goal individually, determining the portion of the total eligible bonus earned with respect to each such performance goal, and totaling the resulting amounts.

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The target level performance goals established by the Compensation Committee under the Incentive Plan are based on the Company's historical operating results and growth rates as well as the Company's expected future results and are designed to require significant effort and operational success on the part of our executives and the Company. The maximum level performance goals established by the Compensation Committee have historically been difficult to achieve and are designed to represent outstanding performance that the Compensation Committee believes should be rewarded. Typically, financial performance goals are set with the expectation that the "target" level will be higher than the consensus analyst estimates for the Company.

The Incentive Plan stipulated that all payouts to executives under the Incentive Plan were conditioned upon the Company achieving a nominal performance goal based on non-GAAP operating income (after accounting for any incentive award payments, including those to be made under the Incentive Plan). The nominal non-GAAP operating income performance goal is based on the Company's actual non-GAAP operating income, which it calculates by excluding from GAAP operating income share-based compensation expense, acquisition-related expenses, amortization of intangibles, restructuring-related charges, litigation settlement gains, losses and expenses, and certain deferred executive compensation. The Compensation Committee retains the discretion, based on the recommendation of the Chief Executive Officer, to make payments even if the threshold performance metrics are not met or to make payments in excess of the maximum level if the Company's performance exceeds the maximum metrics. The Compensation Committee believes it is appropriate to retain this discretion in order to make short-term compensation awards in extraordinary circumstances.

The Company failed to achieve the nominal non-GAAP operating income performance goal in fiscal year 2016, with the result that no short-term compensation awards were paid to the Named Executive Officers.

Long-Term Stock-Based Compensation

The Compensation Committee generally makes long-term stock-based compensation awards to executive officers on an annual basis. Long-term stock-based compensation awards are intended to align the interests of our executive officers with our stockholders, and to reward our executive officers for increases in stockholder value over long periods of time (i.e., greater than one year). It is the Company's practice to make stock-based compensation awards to executive officers in November of each year at a prescheduled Compensation Committee meeting. For fiscal year 2016, the Compensation Committee made awards to each of the Named Executive Officers (with the exception of Mr. Sennesael) on November 9, 2015, at a regularly scheduled Compensation Committee meeting. Stock options awarded to the Named Executive Officers at the meeting had an exercise price equal to the closing sale price on the meeting date of the Company's common stock on the NASDAQ Global Select Market.

In making annual stock-based compensation awards to executive officers for fiscal year 2016, the Compensation Committee first reviewed the Comparator Group data to determine the percentage of the total number of outstanding shares of stock that companies in the Comparator Group typically made for annual awards under employee equity compensation programs. The Compensation Committee then set the number of shares of the Company's common stock that would be made available for annual equity awards at approximately the median of the Comparator Group after its evaluation of the Company's business needs for the attraction and retention of executives and employees, internal and external circumstances impacting the Company and its employees, and proxy advisor (e.g., ISS) guidelines. The Compensation Committee then reviewed the Comparator Group competitive grant data by executive position. The Compensation Committee then used that data and the Comparator Group data to determine a dollar value equivalent for the long-term equity-based award for each executive officer. Forty percent (40%) of that dollar equivalent value served as the basis for determining a number of stock options to award to the executive using an estimated Black-Scholes value, and the remaining sixty percent (60%) of the dollar equivalent value served as the basis for determining a number of performance share awards ("PSAs") for the executive using the fair market value of the Company's common stock on the date of such award and an assumption that the Company would achieve the

"target" level of performance required to earn the PSA. The Compensation Committee's rationale for awarding PSAs is to further align the executive's interest with those of the Company's stockholders by using equity awards that will vest only if the Company achieves pre-established performance metrics. A description of the PSAs, including the method by which they vest and the related performance metrics, is set forth below in the "*Grants of Plan-Based Awards Table*."

On May 11, 2016, the Compensation Committee granted to Mr. Griffin a one-time restricted stock unit ("RSU") award and stock option award in connection with his promotion to Chief Executive Officer. The number of shares subject to the equity awards granted to him by the Compensation Committee was determined based on competitive data on chief executive officer transitions, prepared by Aon/Radford. The stock option award to Mr. Griffin had an exercise price equal to the closing price of the Company's common stock on May 11, 2016. A description of the RSU and option awards granted to Mr. Griffin, including the vesting conditions thereof, is set forth below in the "*Grants of Plan-Based Awards Table*."

On August 29, 2016, the Compensation Committee granted to Mr. Sennesael a long-term stock-based compensation award in connection with the commencement of his employment with the Company, which was intended to incentivize him to accept an offer of employment with the Company and to align his performance with the goals and objectives of the executive team. The award to Mr. Sennesael consisted of an RSU award and a stock option award. The number of shares subject to the equity awards granted to him by the Compensation Committee was determined based on competitive data on new-hire awards to chief financial officers in the semiconductor industry. The stock option award to Mr. Sennesael had an exercise price equal to the closing price of the Company's common stock on August 29, 2016. A description of the RSU and option awards granted to Mr. Sennesael, including the vesting conditions thereof, is set forth below in the "*Grants of Plan-Based Awards Table*."

Other Compensation and Benefits

We provide other benefits to our executive officers that are intended to be part of a competitive overall compensation program and are not tied to any company performance criteria. Consistent with the Compensation Committee's goal of ensuring that executive compensation is perceived as fair to all stakeholders, the Company offers medical, dental, vision, life and disability insurance plans to executive officers under the same terms as such benefits are offered to other employees. Additionally, executive officers are permitted to participate in the Company's 401(k) Savings and Investment Plan and Employee Stock Purchase Plan under the same terms as other employees. The Company does not provide executive officers with any enhanced retirement benefits (i.e., executive officers are subject to the same limits on contributions as other employees, as the Company does not offer any supplemental executive retirement plan or other similar non-qualified deferred compensation plan), and they are eligible for 401(k) company-match contributions under the same terms as other employees. In fiscal year 2016, the Company offered executives the opportunity to participate in financial planning services through The Ayco Company, L.P. ("Ayco"), at a cost of up to approximately $16,000 per executive paid by the Company. In fiscal year 2016, Messrs. Aldrich, Palette, and Tremallo received financial planning services through Ayco. Mr. Aldrich, however, elected to pay personally for such services.

In prior fiscal years certain executive officers were provided an opportunity to participate in the Company's Executive Compensation Plan (the "Executive Compensation Plan"), an unfunded, non-qualified deferred compensation plan, under which participants were allowed to defer a portion of their compensation. As a result of deferred compensation legislation under Section 409A of the IRC, effective December 31, 2005, the Company no longer permits employees to make contributions to the plan. Upon retirement, as defined in the Executive Compensation Plan, or other separation from service, or, if so elected, upon any earlier change in control of the Company, a participant is entitled to a payment of his vested account balance, either in a single lump sum or in annual installments, as elected in advance by the participant. Although the Company had discretion to make additional

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contributions to the accounts of participants while the Executive Compensation Plan was active, it never did so. Mr. Aldrich is the only Named Executive Officer who participated in the Executive Compensation Plan while it was active.

Severance and Change-in-Control Benefits

None of our executive officers, including the Named Executive Officers, has an employment agreement that provides a specific term of employment with the Company. Accordingly, the employment of any such employee may be terminated at any time. We do provide certain benefits to our Named Executive Officers upon certain qualifying terminations of employment and in connection with terminations of employment under certain circumstances following a change in control. A description of the material terms of our severance and change-in-control arrangements with the Named Executive Officers can be found immediately below and further below under "*Potential Payments Upon Termination or Change in Control.*"

The Compensation Committee believes that severance protections can play a valuable role in recruiting and retaining superior talent. Severance and other termination benefits are an effective way to offer executives financial security to incent them to forego an opportunity with another company. These agreements also protect the Company as the Named Executive Officers are bound by restrictive non-compete and non-solicit covenants for up to two years after termination of employment. Outside of the change-in-control context, each Named Executive Officer is entitled to severance benefits if his employment is involuntarily terminated by the Company without cause and, in the case of the Executive Chairman and the Chief Executive Officer, if he terminates his own employment for good reason (as defined in each executive's respective agreement). In addition, provided he does not voluntarily terminate his employment with the Company before the date of the Company's 2017 annual meeting of stockholders, the Executive Chairman is entitled to certain severance benefits upon the expiration of the term of his agreement. The Compensation Committee believes that this provision facilitates his retention with the Company. The level of each Named Executive Officer's severance or other termination benefit is generally tied to his respective annual base salary and any short-term incentive earned.

Additionally, each Named Executive Officer would receive enhanced severance benefits and accelerated vesting of equity awards if his employment were terminated under certain circumstances in connection with a change in control of the Company. These benefits are described in detail further below under "*Potential Payments Upon Termination or Change in Control.*" The Compensation Committee believes these enhanced severance benefits and accelerated vesting are appropriate because the occurrence, or potential occurrence, of a change-in-control transaction would likely create uncertainty regarding the continued employment of executive officers that typically occurs in a change-in-control context, and such severance benefits and accelerated vesting encourage the Named Executive Officers to remain employed with the Company through the change-in-control process and to focus on enhancing stockholder value both before and during the process. In addition, the vesting protection helps assure the Named Executive Officers that they will not lose the expected value of their equity awards because of a change in control of the Company.

Executive Officer Stock Ownership Requirements

We have adopted Executive Stock Ownership guidelines with the objective of more closely aligning the interests of our executive officers (including those Named Executive Officers who are still currently serving as executive officers) with those of our stockholders. Under the Executive Officer Ownership guidelines, our Executive Chairman and our Chief Executive Officer are each required to hold the *lower* of (a) the number of shares with a fair market value equal to six (6) times such executive's current base salary, or (b) 160,000 or 170,000 shares, respectively; our Senior Vice President and Chief Financial Officer is required to hold the *lower* of (a) the number of shares with a fair market value equal to two and one-half ($2^1/_2$) times such executive's current base salary, or (b) 35,400 shares; and

our Chief Technology Officer is required to hold the *lower* of (a) the number of shares with a fair market value equal to two (2) times his current base salary, or (b) 25,400 shares. For purposes of the Executive Stock Ownership guidelines, the fair market value of the Company's common stock is the average closing price per share of the Company's common stock as reported on the NASDAQ Global Select Market (or if the common stock is not then traded on such market, such other market on which the common stock is traded) for the twelve (12) month period ending with the determination date. All of our Named Executive Officers who remain executive officers of the Company have met the stock ownership guidelines as of the date hereof, with the exception of Messrs. Griffin and Sennesael (each of whom has until the third anniversary of the date he assumed his current position to meet the stock ownership guidelines). Based on the vesting schedule of certain RSUs, Mr. Griffin is expected to meet his ownership guidelines prior to the date of the Annual Meeting.

Compliance with Internal Revenue Code Section 162(m)

Section 162(m) of the IRC generally disallows a tax deduction for compensation in excess of $1 million paid to our Chief Executive Officer and any of our three other most highly compensated executive officers, other than our Chief Financial Officer.

Certain compensation, including qualified performance-based compensation, will not be subject to the deduction limit if applicable requirements are met. The Compensation Committee reviews the potential effect of Section 162(m) periodically and generally seeks to structure the compensation of our executive officers in a manner that is intended to avoid disallowance of deductions under Section 162(m). However, the Compensation Committee reserves the right to use its judgment to authorize compensation payments that may be subject to the limit when the Compensation Committee believes such payments are appropriate and in the best interests of the Company and our stockholders, after taking into consideration changing business conditions and the performance of our employees.

Compensation Tables for Named Executive Officers

Summary Compensation Table

The following table summarizes compensation earned by, or awarded or paid to, our Named Executive Officers for fiscal year 2016, fiscal year 2015, and our fiscal year ended October 3, 2014 ("fiscal year 2014").

Name and Principal Position	Year	Salary ($)	Stock Awards ($)(1)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)(2)	All Other Compensation ($)(3)	Total ($)
David J. Aldrich(4)	2016	822,981	3,720,250	2,457,108		15,043	7,015,382
Executive Chairman and	2015	771,635	4,603,190	2,443,320	2,325,000	14,910	10,158,055
Former Chief Executive Officer	2014	747,769	2,474,753	1,455,384	2,220,000	14,717	6,912,623
Liam K. Griffin(5)	2016	660,404	3,465,060	2,591,488		11,751	6,728,703
President and	2015	513,558	1,752,182	932,904	927,000	11,410	4,137,054
Chief Executive Officer	2014	485,923	2,657,829	675,714	807,243	11,225	4,637,934
Kris Sennesael(6)	2016	40,865	1,880,500	926,700		78	2,848,143
Senior Vice President and							
Chief Financial Officer							
Donald W. Palette(7)	2016	457,962	1,190,480	764,434		30,721	2,443,597
Former Executive Vice President	2015	418,750	1,336,410	710,784	672,000	29,278	3,167,222
and Chief Financial Officer	2014	413,535	1,983,526	415,824	610,500	27,664	3,451,049
Bruce J. Freyman	2016	423,750	744,050	546,024		12,992	1,726,816
Former Executive Vice President,	2015	410,846	816,695	488,664	576,800	12,694	2,305,699
Worldwide Operations	2014	406,615	1,639,190	332,659	560,000	11,666	2,950,130
Peter L. Gammel	2016	379,900	818,455	546,024		18,075	1,762,454
Chief Technology Officer	2015	364,700	742,450	399,816	407,000	16,218	1,930,184
	2014	316,763	467,453	259,890	346,500	17,426	1,408,033
Mark V.B. Tremallo(8)	2016	387,596	669,645	436,819		29,554	1,523,614
Former Vice President, General	2015	363,942	742,450	399,816	401,500	27,976	1,935,684
Counsel and Secretary	2014	359,731	412,459	228,703	389,400	27,246	1,417,539

(1) The amounts in the Stock Awards and Option Awards columns represent the grant date fair values, computed in accordance with the provisions of FASB ASC Topic 718 Compensation Stock Compensation ("ASC 718"), of stock options, PSAs, and RSUs granted during the applicable fiscal year, without regard to estimated forfeiture rates. For fiscal years 2014, 2015, and 2016, assuming the highest level of performance achievement with respect to the PSAs, the grant date fair values of the Stock Awards would be as follows: Mr. Aldrich (FY 2014: $3,611,003; FY 2015: $6,493,260; FY 2016: $5,842,500), Mr. Griffin (FY 2014: $3,213,329; FY 2015: $2,471,628; FY 2016: $4,483,740), Mr. Palette (FY 2014: $2,324,401; FY 2015: $1,885,140; FY 2016: $1,869,600), Mr. Freyman (FY 2014: $1,916,940; FY 2015: $1,152,030; FY 2016: $1,168,500), Mr. Gammel (FY 2014: $682,078; FY 2015: $1,047,300; FY 2016: $1,285,350) and Mr. Tremallo (FY 2014: $601,834; FY 2015: $1,047,300; FY 2016: $1,051,650). For a description of the assumptions used in calculating the fair value of equity awards in 2016 under ASC 718, see Note 9 of the Company's financial statements included in the Company's Annual Report on Form 10-K filed with the SEC on November 22, 2016.

(2) Reflects amounts paid to the Named Executive Officers pursuant to the executive incentive plan adopted by the Compensation Committee for each year indicated. For fiscal year 2016, no short-term compensation awards were paid. For fiscal years 2014 and 2015, the portion of the respective executive incentive plan attributable to Company performance above the "target" performance metric was paid in the form of unrestricted common stock of the Company as follows: Mr. Aldrich (FY 2014: $1,110,000; FY 2015: $1,162,500), Mr. Griffin (FY 2014: $403,622; FY 2015: $463,500), Mr. Palette (FY 2014: $305,250; FY 2015: $336,000), Mr. Freyman (FY 2014: $280,000; FY 2015: $288,400), Mr. Gammel (FY 2014: $173,250; FY 2015: $203,500), and Mr. Tremallo

(FY 2014: $194,700; FY 2015: $200,750). The number of shares awarded in lieu of cash was based on the fair market value of the Company's common stock on November 10, 2014, with respect to fiscal year 2014, and on November 9, 2015, with respect to fiscal year 2015, which are the respective dates that the payments under the respective executive incentive plans were approved by the Compensation Committee.

(3) "All Other Compensation" includes the Company's contributions to the executive's 401(k) Plan account, the cost of group term life insurance premiums, financial planning services, and dividend accruals on unvested shares of restricted stock (which became payable when the underlying shares vested).

(4) Mr. Aldrich served as Chief Executive Officer until May 11, 2016, when he was appointed to serve as Executive Chairman.

(5) Mr. Griffin served as President until May 11, 2016, when he was appointed to serve as President and Chief Executive Officer.

(6) Mr. Sennesael began his employment with the Company, and assumed the role of Chief Financial Officer, on August 29, 2016.

(7) Mr. Palette retired as Chief Financial Officer effective as of August 29, 2016. He remains employed by the Company in a non-executive transition capacity, as discussed below.

(8) Mr. Tremallo retired as Vice President, General Counsel and Secretary effective as of November 10, 2016. He remains employed by the Company in a non-executive transition capacity, as discussed below.

Grants of Plan-Based Awards Table

The following table summarizes all grants of plan-based awards made to the Named Executive Officers in fiscal year 2016, including incentive awards payable under our Fiscal Year 2016 Executive Incentive Plan.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)						
Name	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**All Other Stock Awards: Number of Stock Or Units (#)(3)**	**All Other Option Awards: Number of Securities Underlying Options (#)(4)**	**Exercise or Base Price of Option Awards ($/Sh) (5)**	**Grant Date Fair Value of Stock and Option Awards ($)**
David J. Aldrich		664,242	1,328,485	2,656,970							
	11/9/2015				25,000	50,000	100,000				3,720,250(6)
	11/9/2015								90,000	84.89	2,457,108(7)
Liam K. Griffin		431,515	863,030	1,726,061							
	11/9/2015				12,000	24,000	48,000				1,785,720(5)
	11/9/2015								43,000	84.89	1,173,952(6)
	5/11/2016							26,000			1,679,340(8)
	5/11/2016								73,000	64.59	1,417,536(6)
Kris Sennesael	8/29/2016							25,000			1,880,500(9)
	8/29/2016								40,000	75.22	926,700(6)
Donald W. Palette		207,900	415,800	831,600							
	11/9/2015				8,000	16,000	32,000				1,190,480(5)

	11/9/2015							28,000	84.89	764,434(6)
Bruce J. Freyman		148,750	297,500	595,000						
	11/9/2015				5,000	10,000	20,000			744,050(5)
	11/9/2015							20,000	84.89	546,024(6)
Peter L. Gammel		133,350	266,700	533,400						
	11/9/2015				5,500	11,000	22,000			818,455(5)
	11/9/2015							20,000	84.89	546,024(6)
Mark V.B. Tremallo		136,500	273,000	546,000						
	11/9/2015				4,500	9,000	18,000			669,645(5)
	11/9/2015							16,000	84.89	436,819(6)

(1) The amounts shown represent the potential value of awards earned under the Incentive Plan. The amounts actually paid to the Named Executive Officers under the Incentive Plan are shown above in the "*Summary Compensation Table*" under "*Non-Equity Incentive Plan Compensation.*" For a more complete description of the Incentive Plan, please see description above under "*Components of Compensation Short-Term Incentives*."

(2) The amounts shown represent shares potentially issuable pursuant to PSAs granted on November 9, 2015, under the Company's Amended and Restated 2005 Long-Term Incentive Plan (the "FY16 PSAs"). The FY16 PSAs have both "performance" and "continued employment" conditions that must be met in order for the executive to receive shares underlying the award.

The "performance" condition guides the initial eligibility of the grantee to receive shares under the PSA and compares the non-GAAP operating margin achieved (related to fifty percent (50%) of the shares underlying the award) and the total stockholder return, or TSR, percentile ranking achieved with respect to our peer group (related to the other fifty percent (50%) of the shares underlying the award) during the performance period against a range of pre-established targets. The peer group for purposes of the TSR percentile ranking metric includes each of the companies in the Comparator Group and excludes any such company that during fiscal year 2016 is acquired by or merged with (or enters into an agreement to be acquired by or merged with) another entity. The Compensation Committee determines the "threshold" or minimum level of performance that would be acceptable to the Company to justify a payout. The "maximum" level represents a best-case performance scenario. The middle of the range is referred to by the Company as the "target" level and represents the expected performance of the Company. The number of shares issuable under the FY16 PSAs corresponds to the level of achievement of the performance goals. The "target" number of shares is determined with reference to the competitive level of long-term equity compensation determined by the Compensation Committee in the manner described above. Performance at the "threshold" level results in an issuance of a number of shares equal to one-half ($^1/_2$) the "target" number of shares, and performance at the "maximum" level results in the issuance of a number of shares equal to two (2) times the "target" number of shares. Performance in between either the "threshold" and "target" levels or the "target" and "maximum" levels results in an issuance of a number of shares between the number of shares issuable under the FY16 PSAs at, respectively, the "threshold" and "target" levels or the "target" and "maximum" levels.

The "continued employment" condition of the FY16 PSAs provides that, to the extent that the non-GAAP operating margin and TSR percentile ranking performance metrics are met for the fiscal year, then twenty-five percent (25%) of the total shares for which the performance metric was met would be issuable to the executive on the first anniversary of the grant date, twenty-five percent (25%) of such shares would be issuable to the executive on the second anniversary of the grant date, and the remaining fifty percent (50%) of such shares would be issuable to the executive on the third anniversary of the grant date, provided that the executive remains employed by the Company through each such vesting date. In the event of termination by reason of death or permanent disability, the holder of an FY16 PSA (or his estate) would receive any shares that would have been issuable thereunder during the remaining term of the award (i.e., earned but unissued shares).

(3) Represents shares underlying RSU awards granted under the Company's 2015 Long-Term Incentive Plan. The RSU award vests over four years at a rate of twenty-five percent (25%) per year commencing one year after the date of grant and on each subsequent anniversary of the grant date for the following three years, provided the executive remains employed by the Company through each such vesting date.

(4) The options vest over four years at a rate of twenty-five percent (25%) per year commencing one year after the date of grant and on each subsequent anniversary of the grant date for the following three years, provided the executive remains employed by the Company through each such vesting date. Options may not be exercised more than three months after the executive ceases to be employed by the Company, except in the event of certain qualifying terminations of employment, including by reason of death or permanent disability, in which event the option may be exercised for specific periods following the termination of employment (but in no case shall the period of exercisability be extended beyond the expiration of the option's maximum term).

(5) Stock options awarded to executive officers have an exercise price equal to the closing price of the Company's common stock on the grant date.

(6) Reflects the grant date fair value of the FY16 PSAs granted on November 9, 2015, computed in accordance with the provisions of ASC 718, using (a) a Monte Carlo simulation (which weights the probability of multiple potential outcomes) to value the portion of

the award related to TSR percentile ranking, and (b) a price of $84.89 per share, which was the closing sale price of the Company's common stock on the NASDAQ Global Select Market on November 9, 2015, to value the portion of the award related to non-GAAP operating margin, assuming performance at the "target" level. For a description of the assumptions used in calculating the fair value of equity awards granted in fiscal year 2016 under ASC 718, see Note 9 of the Company's financial statements included in the Company's Annual Report on Form 10-K filed with the SEC on November 22, 2016.

(7) Reflects the grant date fair value of the stock options, computed in accordance with the provisions of ASC 718 using the Black-Scholes model of option valuation based on the applicable date of grant. The actual value, if any, the executive may realize will depend on the excess of the stock price over the exercise price on the date the option is exercised. For a description of the assumptions used in calculating the fair value of equity awards granted in fiscal year 2016 under ASC 718, see Note 9 of the Company's financial statements included in the Company's Annual Report on Form 10-K filed with the SEC on November 22, 2016.

(8) Reflects the grant date fair value of the RSUs granted on May 11, 2016, computed in accordance with the provisions of ASC 718 using a price of $64.59 per share, which was the closing sale price of the Company's common stock on the NASDAQ Global Select Market on May 11, 2016.

(9) Reflects the grant date fair value of the RSUs granted on August 29, 2016, computed in accordance with the provisions of ASC 718 using a price of $75.22 per share, which was the closing sale price of the Company's common stock on the NASDAQ Global Select Market on August 29, 2016.

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Proxy Statement

Outstanding Equity Awards at Fiscal Year End Table

The following table summarizes the unvested stock awards and all stock options held by the Named Executive Officers as of the end of fiscal year 2016.

	Option Awards				Stock Awards	
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock that Have Not Vested (#)**	**Market Value of Shares or Units of Stock that Have Not Vested ($)(1)**
David J. Aldrich	17,709	45,075(2)	20.02	11/8/2019	90,000(8)	6,852,600
	50,715	70,000(3)	25.25	11/7/2020	93,000(9)	7,081,020
	27,500	82,500(4)	60.97	11/10/2021	18,449(10)	1,404,707
	0	90,000(5)	84.89	11/9/2022		
Liam K. Griffin	12,500	0	19.08	11/10/2018	44,000(8)	3,350,160
	15,000	15,000(2)	20.02	11/8/2019	35,400(9)	2,695,356
	16,250	32,500(3)	25.25	11/7/2020	8,856(10)	674,296
	10,500	31,500(4)	60.97	11/10/2021	17,500(11)	1,332,450
	0	43,000(5)	84.89	11/9/2022	26,000(12)	1,979,640
	0	73,000(6)	64.59	5/11/2023		
Kris Sennesael	0	40,000(7)	75.22	8/29/2023	25,000(13)	1,903,500
Donald W. Palette	0	10,500(2)	20.02	11/8/2019	27,000(8)	2,055,780
	0	20,000(3)	25.25	11/7/2020	27,000(9)	2,055,780
	0	24,000(4)	60.97	11/10/2021	5,904(10)	449,531
	0	28,000(5)	84.89	11/9/2022	30,000(14)	2,284,200
Bruce J. Freyman	11,250	0	19.08	11/10/2018	22,000(8)	1,675,080
	9,000	9,000(2)	20.02	11/8/2019	16,500(9)	1,256,310
	8,000	16,000(3)	25.25	11/7/2020	3,689(10)	280,880
	5,500	16,500(4)	60.97	11/10/2021	25,000(14)	1,903,500
	0	20,000(5)	84.89	11/9/2022		
Peter L. Gammel	500	0	24.32	6/10/2018	17,000(8)	1,294,380
	2,500	0	19.08	11/10/2018	15,000(9)	1,142,100
	2,400	2,400(2)	20.02	11/8/2019	4,057(10)	308,900
	6,250	12,500(3)	25.25	11/7/2020		
	4,500	13,500(4)	60.97	11/10/2021		
	0	20,000(5)				