

HENRY SCHEIN INC
Form DEF 14A
April 02, 2013

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**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
 Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 Definitive Proxy Statement
 Definitive Additional Materials
 Soliciting Material Pursuant to §240.14a-12

HENRY SCHEIN, INC.

(Name of Registrant as Specified in its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON MAY 14, 2013

Dear Stockholder:

You are cordially invited to attend the 2013 Annual Meeting of Stockholders (the Annual Meeting) of Henry Schein, Inc. (the Company or Henry Schein), to be held at 12:30 p.m., on Tuesday, May 14, 2013 at The Carlyle Hotel, 35 East 76th Street, New York, New York 10021.

The Annual Meeting will be held for the following purposes:

1. to consider the election of fourteen directors of the Company for terms expiring in 2014;
2. to consider and act upon a proposal to amend the Company's Section 162(m) Cash Bonus Plan to extend the term of the plan to December 31, 2017 and to re-approve the performance goals thereunder;
3. to consider and act upon a proposal to amend and restate the Company's Amended and Restated 1994 Stock Incentive Plan to, among other things, increase the aggregate share reserve and extend the term of the plan to May 14, 2023;
4. to consider the approval, by non-binding vote, of the 2012 compensation paid to the Company's Named Executive Officers (as defined in the proxy statement) (commonly known as a say-on-pay proposal);
5. to ratify the selection of BDO USA, LLP as the Company's independent registered public accounting firm for the fiscal year ending December 28, 2013; and
6. to transact such other business as may properly come before the meeting or any adjournments or postponements thereof.

Only stockholders of record at the close of business on March 15, 2013 are entitled to notice of and to vote at the meeting or any adjournments or postponements thereof.

The Company is pleased to take advantage of the Securities and Exchange Commission rules that allow issuers to furnish proxy materials to their stockholders on the Internet. The Company believes the rules allow it to provide its stockholders with the information they need, while lowering the costs of delivery and reducing the environmental impact of the Annual Meeting. Accordingly, stockholders of record at the close of business on March 15, 2013 will receive a Notice Regarding the Availability of Proxy Materials and may vote at the Annual Meeting and any adjournment or postponement of the meeting.

To assure your representation at the Annual Meeting, you are urged to cast your vote, as instructed in the Notice Regarding the Availability of Proxy Materials, over the Internet or by telephone as promptly as possible. You may also request a paper proxy card to submit your vote by mail, if you prefer. Any stockholder of record attending the Annual Meeting may vote in person, even if he or she previously voted over the Internet, by telephone or returned a completed proxy card.

Whether or not you expect to attend the meeting in person, your vote is very important. Please cast your vote regardless of the number of shares you hold. I believe that you can be proud, excited and confident to be a stockholder of Henry Schein. I look forward to discussing our plans for the Company's future at the Annual Meeting, and I hope to see you there.

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STANLEY M. BERGMAN
Chairman and Chief Executive Officer

Melville, New York

April 2, 2013

HENRY SCHEIN, INC.

135 DURYEA ROAD

MELVILLE, NEW YORK 11747

PROXY STATEMENT

The Board of Directors of Henry Schein, Inc. (the "Company") has fixed the close of business on March 15, 2013 as the record date for determining the holders of the Company's common stock, par value \$0.01, entitled to notice of, and to vote at, the 2013 Annual Meeting of Stockholders (the "Annual Meeting"). As of that date, 87,596,226 shares of common stock were outstanding, each of which entitles the holder of record to one vote. The Notice of Annual Meeting, this proxy statement and the form of proxy are being made available to stockholders of record of the Company on or about April 2, 2013. A copy of our 2012 Annual Report to Stockholders is being made available with this proxy statement, but is not incorporated herein by reference.

The presence, in person or by proxy, of the holders of a majority of the outstanding shares of common stock entitled to vote is necessary to constitute a quorum in connection with the transaction of business at the Annual Meeting. Abstentions and broker non-votes (*i.e.*, proxies from brokers or nominees indicating that such persons have not received instructions from the beneficial owner or other persons entitled to vote shares as to a matter with respect to which the brokers or nominees do not have discretionary power to vote) are counted as present for purposes of determining the presence or absence of a quorum for the transaction of business.

At the Annual Meeting, a "FOR" vote by a majority of votes cast is required for the election of directors (Proposal 1). A "FOR" vote by a majority of votes cast means that the number of shares voted "FOR" exceeds the number of votes "AGAINST". Abstentions and broker non-votes shall not constitute votes "FOR" or votes "AGAINST" a director, and thus will have no effect on the outcome of Proposal 1. Proposals 2 through 5 each require the affirmative "FOR" vote of the holders of a majority of the outstanding shares of common stock present in person or represented by proxy and entitled to vote on the matter. Broker non-votes will have no effect on the outcome of Proposals 2 through 5, but abstentions will have the same effect as a vote "AGAINST" each such proposal.

We engaged Innisfree M&A Incorporated to act as proxy solicitor in connection with the Annual Meeting, for a fee of approximately \$15,000 (subject to increase if additional services are requested), plus reasonable expenses. We will pay all expenses of this proxy solicitation. In addition to this proxy solicitation, proxies may be solicited in person or by telephone or other means (including by our directors or employees without additional compensation). We will reimburse brokerage firms and other nominees, custodians and fiduciaries for costs incurred by them in distributing proxy materials to the beneficial owners of shares held by such persons as stockholders of record.

If your shares of common stock are registered directly in your name with the Company's transfer agent, you are considered, with respect to those shares, the stockholder of record. In accordance with rules and regulations adopted by the Securities and Exchange Commission ("SEC"), instead of mailing a printed copy of our proxy materials to each stockholder of record, we may furnish proxy materials to our stockholders on the Internet. If you received a Notice Regarding the Availability of Proxy Materials (the "Notice of Internet Availability") by mail, you will not receive a printed copy of these proxy materials. Instead, the Notice of Internet Availability will instruct you as to how you may access and review all of the important information contained in these proxy materials. The Notice of Internet Availability also instructs you as to how you may submit your proxy on the Internet. If you received a Notice of Internet Availability by mail and would like to receive a printed copy of our proxy materials, including a proxy card, you should follow the instructions for requesting such materials included in the Notice of Internet Availability.

If your shares are held in an account at a brokerage firm, bank, broker-dealer or other similar organization, then you are the beneficial owner of shares held in "street name," and the Notice of Internet Availability was forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares held in your account.

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Shares of common stock held in a stockholder's name as the stockholder of record may be voted in person at the Annual Meeting. Shares of common stock held beneficially in street name may be voted in person only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares giving you the right to vote the shares.

Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. If you are a stockholder of record, you may vote by submitting a proxy electronically via the Internet, by telephone or if you have requested a paper copy of these proxy materials, by returning the proxy card or voting

instruction card. If you hold shares beneficially in street name, you may vote by submitting voting instructions to your broker, trustee or nominee.

Whether or not you are able to attend the Annual Meeting, you are urged to complete and return your proxy or voting instructions, which are being solicited by the Company's Board of Directors and which will be voted as you direct on your proxy or voting instructions when properly completed. In the event no directions are specified, such proxies and voting instructions will be voted FOR the nominees for election to the Board of Directors, FOR the amendment to the Company's Section 162(m) Cash Bonus Plan, FOR the amendment and restatement of the Company's 1994 Stock Incentive Plan, FOR the say-on-pay proposal, FOR the ratification of BDO USA, LLP (BDO USA) as the Company's independent registered public accountants for the fiscal year ending December 28, 2013 and in the discretion of the proxy holders as to other matters that may properly come before the Annual Meeting.

You may revoke or change your proxy or voting instructions at any time before the Annual Meeting. To revoke your proxy, send a written notice of revocation or another signed proxy with a later date to the Corporate Secretary of the Company at Henry Schein, Inc., 135 Duryea Road, Melville, New York 11747 before the beginning of the Annual Meeting. You may also automatically revoke your proxy by attending the Annual Meeting and voting in person. Attendance at the Annual Meeting will not in and of itself constitute revocation of a proxy. To revoke your voting instructions, submit new voting instructions to your broker, trustee or nominee; alternatively, if you have obtained a legal proxy from your broker or nominee giving you the right to vote your shares, you may attend the Annual Meeting and vote in person. All shares represented by a valid proxy received prior to the Annual Meeting will be voted.

PROPOSAL 1**ELECTION OF DIRECTORS**

The Board of Directors has approved the fourteen persons named below as nominees for election at the Annual Meeting to serve as directors until the 2014 Annual Meeting of Stockholders and until their successors are elected and qualified. Each director will be elected by the vote of the majority of the votes cast with respect to that director's election, where a majority of the votes cast means that the number of shares voted FOR a director must exceed the number of votes cast AGAINST that director. Any executed proxies returned to the Company will be voted for the election of all of such persons except to the extent the proxy is specifically marked to withhold such authority with respect to one or more of such persons. All of the nominees for director currently serve as directors and were elected by the stockholders at the 2012 Annual Meeting of Stockholders, except for Carol Raphael who was appointed as a director by the Board of Directors in August 2012. All of the nominees have consented to be named and, if elected, to serve. In the event that any of the nominees is unable or declines to serve as a director at the time of the Annual Meeting, the proxies may be voted in the discretion of the persons acting pursuant to the proxy for the election of other nominees. Set forth below is certain information, as of March 15, 2013, concerning the nominees:

| Name | Age | Position |
|---------------------------|------------|---|
| Barry J. Alperin | 72 | Director |
| Gerald A. Benjamin | 60 | Executive Vice President, Chief Administrative Officer, Director |
| Stanley M. Bergman | 63 | Chairman, Chief Executive Officer, Director |
| James P. Breslawski | 59 | President, Chief Operating Officer, Chief Executive Officer of Henry Schein Global Dental, Director |
| Paul Brons | 71 | Director |
| Donald J. Kabat | 77 | Director |
| Philip A. Laskawy | 71 | Director |
| Karyn Mashima | 59 | Director |
| Norman S. Matthews | 80 | Director |
| Mark E. Mlotek | 57 | Executive Vice President, Chief Strategic Officer, Director |
| Steven Paladino | 55 | Executive Vice President, Chief Financial Officer, Director |
| Carol Raphael | 70 | Director |
| Bradley T. Sheares, Ph.D. | 56 | Director |
| Louis W. Sullivan, M.D. | 79 | Director |

BARRY J. ALPERIN has been a director since 1996. Mr. Alperin, who is retired, served as Vice Chairman of Hasbro, Inc. from 1990 through 1995, as Co-Chief Operating Officer of Hasbro from 1989 through 1990 and as Senior Vice President or Executive Vice President of Hasbro from 1985 through 1989. He was a director of Hasbro from 1985 through 1996. Prior to joining Hasbro, Mr. Alperin practiced law in New York City for 20 years, dealing with corporate, public and private financial transactions, corporate mergers and acquisitions, compensation issues and securities law matters. The Company values Mr. Alperin's financial expertise and his extensive experience in corporate and securities laws and corporate governance matters. Additionally, as the Company continues to grow through strategic acquisitions, the Board of Directors values Mr. Alperin's experience leading Hasbro's mergers and acquisitions and global expansion efforts. Mr. Alperin currently serves as a director of Fiesta Restaurant Group, Inc. (and is Chairman of its finance committee and a member of its audit and corporate governance and nominating committees) and is a director of two privately held corporations, K NEX Industries, Inc., a toy manufacturer, and Weeks Marine, Inc., a marine construction company (and its subsidiary McNally Construction Co., Inc.). During the past five years, Mr. Alperin served on the Board of Directors of K-Sea Transportation Partners L.P. and The Hain Celestial Group, Inc. He serves as a trustee and member of the Executive Committee of The Caramoor Center for Music and the Arts, President Emeritus and a Life Trustee of The Jewish Museum in New York City and is a past President of the New York Chapter of the American Jewish Committee where he also served as Chair of the audit committee of the national organization. Mr. Alperin also formerly served as Chairman of the Board of Advisors of the Tucker Foundation at Dartmouth College, was President of the Board of the Stanley Isaacs Neighborhood Center in New York City, was a trustee of the Hasbro Children's Foundation, was President of the Toy Industry Association and was a member of the Columbia University Medical School Health Sciences Advisory Council.

GERALD A. BENJAMIN has been with the Company since 1988, in his current position as Executive Vice President and Chief Administrative Officer since 2000 and a director since 1994. He is also a member of our Executive Management Committee. Prior to holding his current position, Mr. Benjamin was Senior Vice President of Administration and Customer Satisfaction since 1993. Mr. Benjamin was Vice President of Distribution Operations from 1990 to 1992 and Director of Materials Management from 1988 to 1990. Before joining us in 1988, Mr. Benjamin was employed at Estée Lauder, Inc. holding various management positions over his 13-year tenure, including Director of Materials Planning and Control. Mr. Benjamin brings experience to the Company's Board of Directors in the areas of global services, human resources, operations and leadership. Mr. Benjamin oversees operations at Henry Schein's distribution centers in North America, Europe, Australia and New Zealand, including over 4 million square feet of

distribution space. Mr. Benjamin also has guided our human resources and organizational development as the Company has grown to include over 15,000 employees in 25 countries around the world.

STANLEY M. BERGMAN has been with the Company since 1980, including as our Chairman and Chief Executive Officer since 1989 and as a director since 1982. He is also a member of our Executive Management Committee. Mr. Bergman held the position of President of the Company from 1989 to 2005. Mr. Bergman held the position of Executive Vice President from 1985 to 1989 and Vice President of Finance and Administration from 1980 to 1985. Mr. Bergman brings to the Company's Board of Directors management and leadership experience. Mr. Bergman is a well known, highly regarded leader in the global health care industry. He has expansive knowledge of the health care industry and macro-economic global conditions, maintains strategic relationships with chief executives and other senior management in the health care industry throughout the world and brings a unique and valuable perspective to the Board of Directors. During his tenure, Mr. Bergman has led the Company from sales of \$600 million in 1995 to \$8.9 billion in 2012. Mr. Bergman is active in numerous dental industry and professional associations, including the American Dental Association (where he served on the Oversight Committee of the Future of Dentistry Project and was awarded honorary membership) and The Forsyth Institute, the premiere oral health research institution in the United States. Mr. Bergman is also a Certified Public Accountant.

JAMES P. BRESLAWSKI has been with the Company since 1980, in his current position as our President and Chief Operating Officer since 2005 and as a director since 1992. He is also a member of our Executive Management Committee and the Chief Executive Officer of our Henry Schein Global Dental Group. Mr. Breslawski held the position of Executive Vice President and President of U.S. Dental from 1990 to 2005, with primary responsibility for the North American Dental Group. Between 1980 and 1990, Mr. Breslawski held various positions with us, including Chief Financial Officer, Vice President of Finance and Administration and Corporate Controller. Mr. Breslawski is responsible for the Company's Global Dental and North American Medical businesses. Mr. Breslawski brings to the Company's Board of Directors management and leadership experience. The Board of Directors is aided by Mr. Breslawski's understanding of the health care business and his keen business acumen, leadership ability and interpersonal skills. Mr. Breslawski has served as Chairman of the Board of the American Dental Trade Association and President of the Dental Dealers of America. He is also a member of the Leadership Council, School of Dental Medicine at Harvard University, a former board member of the Dental Life Network (formerly the National Foundation of Dentistry for the Handicapped), a former member of the Board of Governors for St. John's University and a former trustee of Long Island University. Mr. Breslawski is also a Certified Public Accountant.

PAUL BRONS has been a director since 2005. Between 1994 and 2002, Mr. Brons served as an executive board member of Akzo Nobel, N.V. From 1965 to 1994, Mr. Brons held various positions with Organon International BV, including President from 1983 to 1994 and Deputy President from 1979 to 1983. From 1975 to 1979, Mr. Brons served as the General Manager of the OTC operations of Chefaro. Both Organon and Chefaro operated within the Akzo Nobel group. Mr. Brons brings to the Company's Board of Directors knowledge of the human and animal health pharmaceutical industry (a segment of our medical and animal health businesses) and experience with international business operations and relations. The Board of Directors is also aided by Mr. Brons' knowledge of European business culture and his strategic focus on European health care issues. Mr. Brons was honored in 1996 by Her Majesty the Queen with the decoration of Knight of the Order of Lion of the Kingdom of the Netherlands, the country's highest civilian order, conferred for his meritorious achievements for Akzo Nobel and other international activities. During the past five years, Mr. Brons served on the Board of Directors of Almirall S.A., an international pharmaceutical company. Mr. Brons previously served as Chairman of the Supervisory Boards of Akzo Nobel Netherlands, of Organon BioSciences Netherlands and of IBM Netherlands. He was also a member of the Board of Directors of the European Federation of Pharmaceutical Industry Associations.

DONALD J. KABAT has been a director since 1996. Mr. Kabat was the Chief Financial Officer of Central Park Skaters, Inc. from 1992 to 1995 and the President of D.J.K. Consulting Services, Inc. from 1995 to 2006. From 1970 to 1992, Mr. Kabat was a partner in Andersen Consulting (now known as Accenture PLC Ireland), where he practiced a broad array of specialty services including organization, profit improvement, process re-engineering and cost justification studies. With his prior experience as a Certified Public Accountant and partner at a global accounting firm, Mr. Kabat brings to the Company's Board of Directors strong skills in corporate finance, accounting and risk management. During his consulting career with Andersen Consulting, Mr. Kabat helped launch an entirely new practice specialty called Change Management Services, which focused on human resource management encompassing methods to maintain continuous alignment of strategy, operations, culture and rewards. He was the recipient of the Bravos award for outstanding contribution to the Change Management practice. He has made numerous speeches, written articles and contributed chapters to specialized books (e.g., *Budgeting: Key to Planning and Control*; *Management Controls for Professional Firms* and *The Change Management Handbook*.). Mr. Kabat also serves on the boards, and chairs committees, of several not-for-profit organizations.

PHILIP A. LASKAWY has been a director since 2002 and has served as our Lead Director since 2012. Mr. Laskawy joined the accounting firm of Ernst & Young LLP in 1961 and served as a partner in the firm from 1971 to 2001, when he retired. Mr. Laskawy served in various senior management positions at Ernst & Young, including Chairman and Chief Executive Officer, to which he was

appointed in 1994. Mr. Laskawy currently serves on the Board of Directors of General Motors Corporation (and is a member of its finance and risk committee), Lazard Ltd. (and is Chairman of its compensation committee and is a member of its audit committee) and Loews Corporation (and is a member of its audit committee). Mr. Laskawy is also the Non-Executive Chairman of Federal National Mortgage Association (Fannie Mae) (and Chairman of its executive committee). As a Certified Public Accountant with over 50 years of experience, Mr. Laskawy brings to the Company's Board of Directors exceptional skills in corporate finance and accounting, corporate governance, compliance, disclosure and international business conduct. Mr. Laskawy served on the American Institute of Certified Public Accountants to review and update rules regarding auditor independence. In 2006 and 2007, he served as Chairman of the International Accounting Standards Committee Foundation, which was created by the SEC and sets accounting standards in more than 100 countries, and he served as a member of the 1999 Blue Ribbon Committee on Improving the Effectiveness of Corporate Audit Committees. Mr. Laskawy also serves on the boards of non-profit organizations. During the past five years, Mr. Laskawy served on the Board of Directors of The Progressive Corporation and Discover Financial Services.

KARYN MASHIMA has been a director since 2008. Ms. Mashima, a private consultant, served as the Senior Vice President, Strategy and Technology of Avaya Inc. from 2000 to January 2009. Prior to holding such position at Avaya, Ms. Mashima held similar positions with the Enterprise Communications unit of Lucent Technologies and AT&T from 1994 to 2000. Ms. Mashima was Vice President of Marketing at Proteon Technologies, Inc. from 1992 to 1994 and Vice President of Marketing at Network Equipment Technologies, Inc. from 1990 to 1992. From 1984 to 1990, Ms. Mashima was Product and Marketing Manager at Hewlett-Packard Company. From 1981 to 1984, Ms. Mashima was employed at Xerox Corp., where her last position was Product Manager of Xerox's Office Systems division. Ms. Mashima brings to the Company's Board of Directors extensive executive experience with respect to technology strategies, business planning, market assessment, product development and competitive analysis. With technology (including value-added services) being one of the Company's key business groups, the Board of Directors values Ms. Mashima's insight regarding future technological needs of the Company, particularly as the health care industry expands into electronic health records. Additionally, Ms. Mashima has extensive experience in mergers and acquisitions and international business operations and relations. Ms. Mashima is a recognized industry leader, and frequently presents at major industry conferences. She was named a Woman of Influence for 2005 by NJBiz magazine and to the First Annual List of Tech Women to Watch by the executive search firm Christian & Timbers. Ms. Mashima is a member of Women's Corporate Directors International.

NORMAN S. MATTHEWS has been a director since 2002. Since 1989, Mr. Matthews has worked as an independent consultant and venture capitalist. From 1978 to 1988, Mr. Matthews served in various senior management positions for Federated Department Stores, Inc., including President from 1987 to 1988. Mr. Matthews currently serves on the Board of Directors of Duff & Phelps Corp., Spectrum Brands, Inc. (as Chairman of its nominating and governance committee) and as Chairman of the Board of The Children's Place Retail Stores, Inc. Mr. Matthews brings to the Company's Board of Directors extensive experience in strategic marketing and sales with over 30 years of experience as a senior business leader in marketing and merchandising at large public companies and valuable expertise in compensation programs and strategy. Mr. Matthews is director emeritus of Sunoco, Inc., Toys R Us, Inc. and Federated Department Stores, Inc. and a trustee emeritus at the American Museum of Natural History. During the past five years, Mr. Matthews served on the Board of Directors of Finlay Fine Jewelry Corporation, Finlay Enterprises, Inc. and The Progressive Corporation. In 2005, Mr. Matthews was named as one of eight outstanding directors by the Outstanding Directors Exchange (an annual award voted on by peer directors and awarded to an outstanding director for the key role he played during a crisis, business transformation or turnaround).

MARK E. MLOTEK has been with the Company since 1994, in his current position as our Executive Vice President and Chief Strategic Officer since 2004 and as a director since 1995. He is also a member of our Executive Management Committee. Prior to his current position, Mr. Mlotek was Senior Vice President of Corporate Business Development from 2000 to 2004 and Vice President, General Counsel and Secretary from 1994 to 1999. Prior to joining us, Mr. Mlotek was a partner in the law firm of Proskauer Rose LLP, the Company's principal law firm and one of the largest firms in the nation, specializing in mergers and acquisitions, corporate reorganizations and tax law from 1989 to 1994. As the Company continues to grow through strategic acquisitions, the Board of Directors values Mr. Mlotek's extensive legal, merger and acquisition and business development experience as well as his drive for innovation and his entrepreneurial spirit. Mr. Mlotek also manages the Company's important supplier partnership arrangements and strategic planning function.

CAROL RAPHAEL has been a director since August 2012. Ms. Raphael served as the President and Chief Executive Officer of Visiting Nurse Service of New York from 1989 to 2011. Prior to Visiting Nurse Service of New York, Ms. Raphael held executive positions at Mt. Sinai Medical Center and in New York City government. In March 2013, Ms. Raphael was appointed by President Obama as a member of the Commission on Long-Term Care. Ms. Raphael chairs the New York eHealth Collaborative. Ms. Raphael is the Chair of the Long-Term Quality Alliance, a member of the National Quality Forum Coordinating Committee, where she chairs its Post Acute/Long-Term Care Workgroup, and is a strategic advisor to the National Committee on Quality Assurance. As a nationally recognized industry leader, Ms. Raphael brings to the Company's Board of Directors extensive knowledge and experience in health care policy, home health care (particularly chronic, long-term and end-of-life care), economics and management, nursing and health information technology. Ms. Raphael's strategic insights into the health care needs of an aging patient group and her invaluable

experience advancing the adoption of health information technology will assist the Company in its strategic plan for growth. Ms. Raphael currently serves on several non-profit boards, including Primary Care Development Corporation, Pace University, the Medicare Rights Center and the New York City Citizens Budget Commission and as Vice-Chair of AARP's board. Ms. Raphael is also a member of several advisory boards, including the Harvard School of Public Health's Health Policy Management Executive Council, the New York City Age-Friendly Commission and the New York University School of Nursing Advisory Board. Ms. Raphael previously served on the Boards of Lifetime Blue Cross/Blue Shield, Future Health and the American Foundation for the Blind and was an Advanced Leadership Fellow at Harvard University in 2012. Ms. Raphael co-edited the book *Home Based Care for the New Century*, was a Visiting Fellow at the Kings Fund in the United Kingdom and was listed in *Crain's New York Business 50 Most Powerful Women in New York City*.

STEVEN PALADINO has been with the Company since 1987, in his current position as our Executive Vice President and Chief Financial Officer since 2000 and as a director since 1992. He is also a member of our Executive Management Committee. Prior to holding his current position, Mr. Paladino was Senior Vice President and Chief Financial Officer from 1993 to 2000, from 1990 to 1992 Mr. Paladino served as Vice President and Treasurer and from 1987 to 1990 served as Corporate Controller. Before joining us, Mr. Paladino was employed as a Certified Public Accountant for seven years, most recently with the international accounting firm of BDO Seidman LLP (now known as BDO USA, LLP). Mr. Paladino brings to the Company's Board of Directors extensive financial, accounting and industry expertise. Mr. Paladino's responsibilities with the Company include the corporate oversight and strategic direction of business units as well as direct responsibility for corporate financial services. These corporate financial services include financial reporting, financial planning, treasury, investor relations, internal audit and taxation. Mr. Paladino also has responsibility for Henry Schein Financial Services which provides financial business solutions to our customers and also works with the corporate business development group on mergers and acquisition activities. Mr. Paladino's skills in corporate finance and accounting, the depth and breadth of his exposure to complex financial issues and his long-standing relationships with the financial community are valued by the Board of Directors.

BRADLEY T. SHEARES, PH.D has been a director since 2010. Dr. Sheares served as Chief Executive Officer of Reliant Pharmaceuticals, Inc., from 2007 through its acquisition by GlaxoSmithKline plc in 2007. Prior to joining Reliant, Dr. Sheares served as President of U.S. Human Health for Merck & Co. from 2001 until 2006. As a member of Merck's management committee, Dr. Sheares had responsibility for formulating global business strategies, operations management and the development and implementation of corporate policies. He is also a director of Honeywell International (and is a member of its management development and compensation committee and retirement plan committee) and is a director and Chairman of the compensation committees at both The Progressive Corporation and Covance Inc. As the former Chief Executive Officer of Reliant Pharmaceuticals and with 20 years in the pharmaceutical industry (a segment of our medical and animal health businesses), Dr. Sheares brings to the Company's Board of Directors extensive health care knowledge and experience in sales, marketing, brand management, research and development, complex regulatory and legal issues, risk management and mergers and acquisitions. As a director of numerous other public companies, Dr. Sheares has been involved in succession planning, compensation, employee management and the evaluation of acquisition opportunities. During the past five years, Dr. Sheares served on the Board of Directors of IMS Health Incorporated.

LOUIS W. SULLIVAN, M.D. has been a director since 2003. Dr. Sullivan is President Emeritus of Morehouse School of Medicine. From 1981 to 1989 and from 1993 to 2002, Dr. Sullivan was President of Morehouse School of Medicine. From 1989 to 1993, Dr. Sullivan served as U.S. Secretary of Health and Human Services. Dr. Sullivan currently serves as Chairman of the Board of Directors of BioSante Pharmaceuticals, Inc. (as Chair of its compensation committee and as a member of its audit and finance committee and nominating and corporate governance committee) and serves on the Board of Directors of United Therapeutics Corporation (as a member of its compensation committee, nominating and governance committee and scientific committee) and Emergent BioSolutions Inc. (as Chair of its compensation committee and as a member of its nominating and corporate governance committee). As the Company continues to develop relationships with medical, dental and veterinary universities and seeks to be awarded governmental bids, Dr. Sullivan's extensive experience in government and governmental relations, in-depth knowledge of health care and health care policy and inside view of health care in academia is extremely beneficial to the Board of Directors. Dr. Sullivan served as Chair of the President's Commission on Historically Black Colleges and Universities from 2002 to 2009, and was Co-chair of the President's Commission on HIV and AIDS from 2001 to 2006. Dr. Sullivan is the founding dean of Morehouse School of Medicine, the founding president of the Association of Minority Health Professions Schools and is a member of the boards of numerous charitable organizations. Dr. Sullivan is the recipient of more than 50 honorary degrees. During the past five years, Dr. Sullivan served on the Board of Directors of Inhibitex, Inc.

Each director will be elected by the vote of the majority of the votes cast with respect to that director's election, where a majority of the votes cast means that the number of shares voted FOR a director must exceed the number of votes cast AGAINST that director.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSED NOMINEES FOR DIRECTOR.

CORPORATE GOVERNANCE

Board of Directors Meetings and Committees

During the fiscal year ended December 29, 2012 (fiscal 2012), the Board of Directors held six meetings. The Board of Directors has an Audit Committee, Compensation Committee, Nominating and Governance Committee and a Strategic Advisory Committee. During fiscal 2012, the Audit Committee held four meetings, the Compensation Committee held seven meetings, the Nominating and Governance Committee held two meetings and the Strategic Advisory Committee held four meetings. During fiscal 2012, each director attended at least 75% of the meetings of the Board of Directors and committees on which such directors served. Each of the committees of the Board of Directors acts pursuant to a separate written charter adopted by the Board of Directors.

Independent Directors

The Board of Directors has affirmatively determined that Messrs. Alperin, Brons, Kabat, Laskawy and Matthews, Mses. Mashima and Raphael and Drs. Sheares and Sullivan are independent, as defined under Rule 5605(a)(2) of The NASDAQ Stock Market (NASDAQ). In determining Ms. Mashima's independence, the Board of Directors considered her significant other's employment with the Company's independent registered public accounting firm. He is a non-audit principal of such firm.

Independent directors, as defined under NASDAQ's Rule 5605(a)(2), meet at regularly scheduled executive sessions without members of Company management present.

Audit Committee

The Audit Committee currently consists of Messrs. Kabat (Chairman), Alperin and Laskawy. All of the members of the Audit Committee are independent directors as defined under NASDAQ's Rule 5605(a)(2). The Board of Directors has determined that each of the members of the Audit Committee are audit committee financial experts, as defined under the rules of the SEC and, as such, each satisfy the requirements of NASDAQ's Rule 5605(c)(2)(A).

The Audit Committee oversees (i) our accounting and financial reporting processes, (ii) our audits and (iii) the integrity of our financial statements on behalf of the Board of Directors, including the review of our consolidated financial statements and the adequacy of our internal controls. In fulfilling its responsibility, the Audit Committee has direct and sole responsibility, subject to stockholder approval, for the appointment, compensation, oversight and termination of the independent registered public accounting firm for the purpose of preparing or issuing an audit report or related work. Additionally, the Audit Committee oversees those aspects of risk management and legal and regulatory compliance monitoring processes, which may impact our financial reporting. The Audit Committee has the authority to retain, terminate and set the terms of its relationship with any outside advisors who assist the committee in carrying out its responsibilities. The Audit Committee meets at least four times each year and periodically meets separately with management, internal auditors and the independent registered public accounting firm to discuss the results of their audit or review of the Company's consolidated financial statements, their evaluation of our internal controls, the overall quality of the Company's financial reporting, our critical accounting policies and to review and approve any related party transactions. We maintain procedures for the receipt, retention and the handling of complaints, which the Audit Committee established. The Audit Committee operates under a charter available on our Internet website at www.henryschein.com, under the About Henry Schein-Corporate Governance caption.

Compensation Committee

The Compensation Committee currently consists of Messrs. Alperin (Chairman), Kabat and Matthews. The Compensation Committee reviews and approves (i) all incentive and equity-based compensation plans in which officers or employees may participate, (ii) the Company's employee and executive benefits plans, and all related policies, programs and practices and (iii) arrangements with executive officers relating to their employment relationships with the Company, including, without limitation, employment agreements, severance agreements, supplemental pension or savings arrangements, change in control agreements and restrictive covenants. In addition, the Compensation Committee has overall responsibility for evaluating and approving the Company's compensation and benefit plans, policies and programs. Each member of the Compensation Committee is an independent director as defined under NASDAQ's Rule 5605(a)(2), non-employee director as defined under the SEC's rules and outside director as defined under Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code). The Compensation Committee may form subcommittees, consisting of members of the Committee, and delegate authority to such subcommittees as it deems appropriate. The Compensation Committee operates under a charter available on our Internet website at www.henryschein.com, under the About Henry Schein-Corporate Governance caption.

Use of Outside Advisors

In making its determinations with respect to executive compensation, the Compensation Committee has historically engaged the services of an independent compensation consultant, Pearl Meyer & Partners. Pearl Meyer & Partners has also assisted the Compensation Committee with several special projects, including advice on director compensation and the Company's Long-Term Incentive Program (LTIP).

The Compensation Committee retains Pearl Meyer & Partners directly, although in carrying out assignments Pearl Meyer & Partners also interacts with Company management when necessary and appropriate in order to obtain compensation and performance data for the executives and the Company. In addition, Pearl Meyer & Partners may, in its discretion, seek input and feedback from management regarding its consulting work product prior to presentation to the Compensation Committee in order to confirm alignment with the Company's business strategy, identify data questions or other similar issues, if any.

The Compensation Committee, with the assistance and independent advice of Pearl Meyer & Partners, annually reviews competitive compensation data prepared by Towers Watson, a professional services/human resources consulting company which provides a number of services to the Company.

The Compensation Committee has the authority to retain, terminate and set the terms of its relationship with any outside advisors who assist the committee in carrying out its responsibilities.

Nominating and Governance Committee

The Nominating and Governance Committee currently consists of Messrs. Laskawy (Chairman) and Alperin and Dr. Sullivan. The purpose of the Nominating and Governance Committee is to identify individuals qualified to become Board of Directors members, recommend to the Board of Directors the persons to be nominated by the Board of Directors for election as directors at the annual meeting of stockholders, determine the criteria for selecting new directors and oversee the evaluation of the Board of Directors. In addition, the Nominating and Governance Committee reviews and reassesses our corporate governance procedures and practices and recommends any proposed changes to the Board of Directors for its consideration. The Nominating and Governance Committee has the authority to retain, terminate and set the terms of its relationship with any outside advisors who assist the committee in carrying out its responsibilities. All of the members of the Nominating and Governance Committee are independent directors as defined under NASDAQ's Rule 5605(a)(2). The Nominating and Governance Committee operates under a charter available on the Company's Internet website at www.henryschein.com, under the "About Henry Schein-Corporate Governance" caption.

The Nominating and Governance Committee will consider for nomination to the Board of Directors candidates suggested by stockholders, provided that such recommendations are delivered to the Company, together with the information required to be filed in a proxy statement with the SEC regarding director nominees and each such nominee's consent to serve as a director if elected, no later than the deadline for submission of stockholder proposals. Our policy is to consider nominations to the Board of Directors from stockholders who comply with the procedures set forth in the Company's Amended and Restated Certificate of Incorporation, as amended, for nominations at the Company's Annual Meeting of Stockholders and to consider such nominations using the same criteria it applies to evaluate nominees recommended by other sources. To date, we have not received any recommendations from stockholders requesting that the Nominating and Governance Committee consider a candidate for inclusion among the Committee's slate of nominees in the Company's proxy statement.

In evaluating director nominees, the Nominating and Governance Committee currently considers the following factors:

the needs of the Company with respect to the particular talents, expertise and diversity of its directors;

the knowledge, skills, reputation and experience of nominees, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board of Directors;

familiarity with businesses similar or analogous to the Company; and

experience with accounting rules and practices, and corporate governance principles.

The Nominating and Governance Committee, in accordance with its charter, seeks to create a Board of Directors that is strong in its collective knowledge and has a diversity of not only skills and experience, but also diversity in gender, culture and geography. The Nominating and

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Governance Committee assesses the effectiveness of its diversity policies by annually reviewing the nominees for director to the Company's Board of Directors to determine if such nominees satisfy the Company's then-current needs. The Nominating and Governance Committee may also consider such other factors that it deems are in the best interests of the Company

and its stockholders. The Nominating and Governance Committee determined that the nominees for election at the Annual Meeting to serve as directors satisfy the Company's current needs.

The Nominating and Governance Committee identifies nominees by evaluating the current members of the Board of Directors willing to continue in service. Current members of the Board of Directors with skills and experience that are relevant to the Company's business and who are willing to continue in service are considered for re-nomination, balancing the value of continuity of service by existing members of the Board of Directors with that of obtaining a new perspective. If any member of the Board of Directors does not wish to continue in service or if the Nominating and Governance Committee or the Board of Directors decides not to re-nominate a member for re-election, the Nominating and Governance Committee identifies the desired skills and experience of a new nominee, and discusses with the Board of Directors suggestions as to individuals that meet the criteria. In addition, the Nominating and Governance Committee has the authority to retain third party search firms to evaluate or assist in identifying or evaluating potential nominees.

With the goal of increasing the effectiveness of the Board of Directors and its relationship to management, the Nominating and Governance Committee evaluates the Board of Directors' performance as a whole. The evaluation process, which occurs at least annually, includes a survey of the individual views of all directors, which are then shared with the full Board of Directors. In addition, each of the committees of the Board of Directors performs a similar annual self-evaluation.

Strategic Advisory Committee

The Strategic Advisory Committee currently consists of Messrs. Matthews (Chairman), Brons and Laskawy, Ms. Mashima and Drs. Sheares and Sullivan. The purpose of the Strategic Advisory Committee is to provide advice to the Board of Directors and to our management regarding the monitoring and implementation of our corporate strategic plan, as well as general strategic planning. All of the members of the Strategic Advisory Committee are independent directors as defined under NASDAQ's Rule 5605(a)(2). The Strategic Advisory Committee operates under a charter available on our Internet website at www.henryschein.com, under the "About Henry Schein-Corporate Governance" caption.

Board of Directors Leadership Structure

Since 1989, the Company has employed a traditional board leadership model, with our Chief Executive Officer also serving as Chairman of our Board of Directors. We believe this traditional leadership structure benefits our Company. A combined Chairman/CEO role helps provide strong, unified leadership for our management team and Board of Directors. Our customers, stockholders, suppliers and other business partners have always viewed our Chairman/CEO as a visionary leader in our industry, and we believe that having a single leader for the Company is good for our business.

We also believe that strong, independent Board of Director leadership is a critical aspect of effective corporate governance. Accordingly, in March 2012, the Board of Directors amended the Company's Corporate Governance Guidelines and designated Mr. Laskawy to serve as Lead Director. As specified in our Corporate Governance Guidelines the role and duties of the Lead Director include:

presiding at all executive sessions of the independent directors and calling meetings of the independent directors;

acting as a liaison among the members of the Board of Directors, Chief Executive Officer and management;

coordinating information sent to the Board of Directors;

coordinating meeting agendas and schedules for the Board of Directors to assure that there is sufficient time for discussion of all agenda items;

conferring with the Chief Executive Officer, as appropriate; and

being available for consultation with our stockholders, as appropriate.

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(See Corporate Governance Guidelines set forth below.)

We believe that a single leader serving as Chairman and Chief Executive Officer, together with an experienced Lead Director, is the best governance model for our Company and our stockholders.

Our Board of Directors committees, each comprised solely of independent directors and each with a separate Chairman, are the Audit, Compensation, Nominating and Governance and Strategic Advisory Committees. The Chairman of the Audit Committee oversees the accounting and financial reporting processes, legal and compliance matters relating to financial reporting and the

Company's risk management processes. The Chairman of the Compensation Committee oversees the annual performance evaluation of our Chairman/CEO and senior management. The Chairman of the Nominating and Governance Committee monitors matters such as the composition of the Board of Directors and its committees, Board performance and best practices in corporate governance and is also responsible for overseeing succession planning. The Chairman of the Strategic Advisory Committee oversees and monitors the implementation of our corporate strategic plan as well as general strategic planning.

Our directors bring a broad range of leadership experience to the boardroom and regularly contribute to the thoughtful discussion involved in effectively overseeing the business and affairs of the Company. We believe the atmosphere of our Board of Directors is collegial, that all Board members are well engaged in their responsibilities, and that all Board members express their views and consider the opinions expressed by other directors. We do not believe that appointing an independent Board Chairman would improve the performance of the Board of Directors.

The Board of Directors is responsible for selecting the Chairman/CEO. The Chairman/CEO establishes the agenda for each Board of Directors meeting (in coordination with the Chairman of the Nominating and Governance Committee/Lead Director) and presides at Board of Directors and stockholders meetings. The Chairman of the Nominating and Governance Committee/Lead Director takes input from the other independent directors when setting the agenda for the independent sessions.

On an annual basis, as part of our governance review and succession planning, the Nominating and Governance Committee evaluates our leadership structure to ensure that it remains the optimal structure for our Company and our stockholders. We recognize that different board of directors leadership structures may be appropriate for companies with different histories and cultures, as well as companies with varying sizes and performance characteristics. We believe our current leadership structure where our Chief Executive Officer serves as Chairman of the Board of Directors, our Board is comprised of experienced independent directors, including a Lead Director, our Board committees are led by independent directors and our independent directors hold regular meetings in executive session is most appropriate and remains the optimal structure for our Company and our stockholders and has contributed to our Company's compounded growth rates for sales and net income since becoming a public company in 1995.

Board of Directors Role in Oversight of Risk

Risk oversight is provided by a combination of our full Board of Directors and by the Board's committees (the Audit, the Compensation, the Nominating and Governance and the Strategic Advisory Committees, each of which is made up entirely of independent directors). The Audit Committee takes the lead risk oversight role, focusing primarily on risk management related to monitoring and controlling the Company's financial risks (*i.e.*, the Committee oversees those aspects of risk management and legal and regulatory compliance monitoring processes, which may impact the Company's financial reporting) as well as related to financial accounting and reporting risks. The Compensation Committee focuses primarily on human capital matters such as executive compensation plans and executive agreements. The Nominating and Governance Committee focuses on succession planning, director nomination criteria and candidate identification as well as on evaluation of our corporate governance procedures and practices including performance evaluation of our Board of Directors and executive management. Finally, the Strategic Advisory Committee focuses primarily on the Company's strategic and business development plans including the risks associated with those plans.

Additionally, the Company holds periodic Risk Summits, where the Company's management team discusses a wide range of risks that may impact the Company, including, without limitation, (i) financial accounting/reporting risks including credit and liquidity risks, (ii) legal and regulatory risks, (iii) operational risks, including human capital, supply chain, information/communication systems and security and (iv) market risks, including customer demand and supplier relationships. The Risk Summit is attended by members of the Board of Directors.

The Company's Executive Management Committee has responsibility to oversee and actively manage material risks to the Company (including, without limitation, strategic, development, business, operational, human, financial and regulatory risks) as an integral part of the Company's business planning, succession planning and management processes. Various members of the management team provide quarterly reports to the Audit Committee on select risk management topics and the Chairman of the Audit Committee reports on these topics to the full Board of Directors.

The Company's management has a longstanding commitment to employing and imbedding sound risk management practices and disciplines into its business planning and management processes throughout the Company to better enable achievement of the Company's strategic, business, operational, financial and compliance objectives as well as to achieve and maintain a competitive advantage in the marketplace.

Stockholder Communications

Stockholders who wish to communicate with the Board of Directors may do so by writing to the Corporate Secretary of the Company at Henry Schein, Inc., 135 Duryea Road, Melville, New York 11747. The office of the Corporate Secretary will receive the correspondence and forward it to the Chairman of the Nominating and Governance Committee/Lead Director or to any individual director or directors to whom the communication is directed, unless the communication is unduly hostile, threatening, illegal, does not reasonably relate to the Company or its business or is similarly inappropriate.

Our policy is to encourage our Board of Directors members to attend the Annual Meeting of Stockholders, and twelve of the thirteen directors then standing for election attended the 2012 Annual Meeting of Stockholders.

Corporate Governance Guidelines

The Board of Directors has adopted Corporate Governance Guidelines, a copy of which is available on our Internet website at www.henryschein.com, under the About Henry Schein-Corporate Governance caption. Our Corporate Governance Guidelines address topics such as (i) role of the Board of Directors, (ii) director responsibilities, (iii) Board of Directors composition, (iv) definition of independence, (v) lead director, (vi) committees, (vii) selection of Board of Directors nominees, (viii) orientation and continuing education of directors, (ix) executive sessions of independent directors, (x) management development and succession planning, (xi) Board of Directors compensation, (xii) attendance of directors at the Annual Meeting of Stockholders, (xiii) Board of Directors access to management and independent advisors, (xiv) annual evaluation of Board of Directors and committees, (xv) submission of director resignations and (xvi) communicating with the Board of Directors.

Among other things, the Company's Corporate Governance Guidelines provide that it is the Board of Directors' policy to periodically review issues related to the selection and performance of the Chief Executive Officer. At least annually, the Chief Executive Officer must report to the Board of Directors on the Company's program for management development and on succession planning. In addition, the Board of Directors and Chief Executive Officer shall periodically discuss the Chief Executive Officer's recommendations as to a successor in the event of the sudden resignation, retirement or disability of the Chief Executive Officer.

The Company's Corporate Governance Guidelines also provide that it is the Board of Directors' policy that, in light of the increased oversight and regulatory demands facing directors, directors must be able to devote sufficient time to carrying out their duties and responsibilities effectively. Accordingly, directors should not serve on more than five other boards of public companies in addition to the Company's Board of Directors.

Code of Ethics

In addition to our Worldwide Business Standards applicable to all employees, we have adopted a Code of Ethics for Senior Financial Officers that applies to our Chief Executive Officer, Chief Financial Officer, Controller (if any) and Vice President of Corporate Finance (if any), or persons performing similar functions. The Code of Ethics is posted on our Internet website at www.henryschein.com, under the About Henry Schein-Corporate Governance caption. We intend to disclose on our website any amendment to, or waiver of, a provision of the Code of Ethics that applies to the Chief Executive Officer, Chief Financial Officer, Controller (if any) and Vice President of Corporate Finance (if any), or persons performing similar functions.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table presents certain information regarding beneficial ownership of our common stock (excluding restricted stock units) as of March 15, 2013 by (i) each person we know is the beneficial owner of more than 5% of the outstanding shares of common stock, (ii) each director of the Company, (iii) each nominee for director of the Company, (iv) our Chief Executive Officer, our Chief Financial Officer and each of the other three most highly paid executive officers serving as of December 31, 2012 (the Named Executive Officers) and (v) all directors and executive officers as a group.

| Names and Addresses ¹ | Shares Beneficially Owned | |
|--|---------------------------|------------------|
| | Number | Percent of Class |
| Barry J. Alperin ² | 62,087 | * |
| Gerald A. Benjamin ³ | 88,044 | * |
| Stanley M. Bergman ⁴ | 658,955 | 0.8% |
| James P. Breslawski ⁵ | 198,196 | * |
| Paul Brons ⁶ | 45,439 | * |
| Donald J. Kabat ⁷ | 44,763 | * |
| Stanley Komaroff ⁸ | 73,114 | * |
| Philip A. Laskawy ⁹ | 65,148 | * |
| Karyn Mashima ¹⁰ | 19,415 | * |
| Norman S. Matthews ¹¹ | 67,191 | * |
| Mark E. Mlotek ¹² | 63,028 | * |
| Steven Paladino ¹³ | 125,509 | * |
| Carol Raphael ¹⁴ | 750 | * |
| Bradley T. Sheares, Ph.D. ¹⁵ | 740 | * |
| Louis W. Sullivan, M.D. ¹⁶ | 71,415 | * |
| FMR LLC ¹⁷ | 6,455,093 | 7.3% |
| T. Rowe Price Associates, Inc. ¹⁸ | 6,403,492 | 7.2% |
| BlackRock, Inc. ¹⁹ | 5,191,730 | 5.9% |
| Directors and Executive Officers as a Group (20 persons) ²⁰ | 1,872,745 | 2.1% |

* Represents less than 0.5%.

¹ Unless otherwise indicated, the address for each person is c/o Henry Schein, Inc., 135 Duryea Road, Melville, New York 11747.

² Represents (i) 13,772 shares owned directly and over which he has sole voting and dispositive power, (ii) outstanding options to purchase 44,575 shares that either are exercisable or will become exercisable within 60 days and (iii) 3,740 shares held in his Non-Employee Director Deferred Compensation Plan account. Additionally, Mr. Alperin holds 10,598 restricted stock units that vest more than 60 days from March 15, 2013.

³ Represents (i) 24,360 shares owned directly and over which he has sole voting and dispositive power, (ii) outstanding options to purchase 60,785 shares that either are exercisable or will become exercisable within 60 days and (iii) 2,899 shares held in a 401(k) Plan account.

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Additionally, Mr. Benjamin holds 42,527 restricted stock units that vest more than 60 days from March 15, 2013.

⁴ Represents (i) 13,360 shares that Mr. Bergman owns directly and over which he has sole voting and dispositive power, (ii) 4,409 shares held in a 401(k) Plan account, (iii) 630,462 shares over which Marion Bergman, Mr. Bergman's wife, has shared voting and dispositive power as co-trustee of the Bergman Family 2010 Trust 2, (iv) 724 shares owned indirectly by Mr. Bergman's wife over which Mr. Bergman has shared voting and dispositive power and (v) 10,000 shares over which Mr. Bergman has sole voting and dispositive power, as sole trustee of the Edward J. Bergman Trust for the benefit of one of Mr. Bergman's children. Additionally, Mr. Bergman holds 163,396 restricted stock units that vest more than 60 days from March 15, 2013. Including his restricted stock units, Mr. Bergman beneficially owns 0.9% of the outstanding shares of common stock of the Company.

⁵ Represents (i) 81,976 shares owned directly and over which he has sole voting and dispositive power, (ii) outstanding options to purchase 112,757 shares that either are exercisable or will become exercisable within 60 days and (iii) 3,463 shares held in a 401(k) Plan account. Additionally, Mr. Breslawski holds 46,526 restricted stock units that vest more than 60 days from March 15, 2013.

⁶ Represents (i) 8,364 shares owned directly and over which he has sole voting and dispositive power and (ii) outstanding options to purchase 37,075 shares that either are exercisable or will become exercisable within 60 days. Additionally, Mr. Brons holds 10,598 restricted stock units that vest more than 60 days from March 15, 2013.

⁷ Represents (i) 1,000 shares held indirectly over which Mr. Kabat and his wife are co-trustees for the benefit of his wife and over which Mr. Kabat has shared voting and dispositive power, (ii) outstanding options to purchase 42,075 shares that either are exercisable or will become exercisable within 60 days and (iii) 1,688 shares held in his Non-Employee Director Deferred Compensation Plan account. Additionally, Mr. Kabat holds 10,598 restricted stock units that vest more than 60 days from March 15, 2013.

⁸ Represents (i) 18,637 shares owned directly and over which he has sole voting and dispositive power, (ii) outstanding options to purchase 54,086 shares that either are exercisable or will become exercisable within 60 days and (iii) 391 shares held in a 401(k) Plan account. Additionally, Mr. Komaroff holds 41,159 restricted stock units that vest more than 60 days from March 15, 2013.

⁹ Represents (i) 11,235 shares owned directly and over which he has sole voting and dispositive power, (ii) 4,000 shares owned indirectly by Mr. Laskawy's wife over which he has shared voting and dispositive power, (iii) outstanding options to purchase 37,075 shares that either are exercisable or will become exercisable within 60 days and (iv) 12,838 shares held in his Non-Employee Director Deferred Compensation Plan account. Additionally, Mr. Laskawy holds 10,598 restricted stock units that vest more than 60 days from March 15, 2013.

¹⁰ Represents (i) 7,937 shares owned directly and over which she has sole voting and dispositive power, (ii) outstanding options to purchase 8,987 shares that either are exercisable or will become exercisable within 60 days and (iii) 2,491 shares held in her Non-Employee Director Deferred Compensation Plan account. Additionally, Ms. Mashima holds 10,598 restricted stock units that vest more than 60 days from March 15, 2013.

¹¹ Represents (i) 21,035 shares owned directly and over which he has sole voting and dispositive power, (ii) 9,400 shares owned indirectly by Mr. Matthews's wife and Peter Banks, as trustees of a trust for the benefit of Mr. Matthews's wife over which he has shared voting and dispositive power, (iii) outstanding options to purchase 22,075 shares that either are exercisable or will become exercisable within 60 days and (iv) 14,681 shares held in his Non-Employee Director Deferred Compensation Plan account. Additionally, Mr. Matthews holds 10,598 restricted stock units that vest more than 60 days from March 15, 2013.

¹² Represents (i) 13,015 shares owned directly and over which he has sole voting and dispositive power, (ii) 800 shares owned indirectly by Mr. Mlotek's children over which he has shared voting and dispositive power, (iii) outstanding options to purchase 47,161 shares that either are exercisable or will become exercisable within 60 days and (iv) 2,052 shares held in a 401(k) Plan account. Additionally, Mr. Mlotek holds 41,159 restricted stock units that vest more than 60 days from March 15, 2013.

¹³ Represents (i) 45,749 shares owned directly and over which he has sole voting and dispositive power, (ii) outstanding options to purchase 76,409 shares that either are exercisable or will become exercisable within 60 days and (iii) 3,351 shares held in a 401(k) Plan account. Additionally, Mr. Paladino holds 42,527 restricted stock units that vest more than 60 days from March 15, 2013.

¹⁴ Represents 750 shares owned directly and over which she has sole voting and dispositive power. Additionally, Ms. Raphael holds 4,491 restricted stock units that vest more than 60 days from March 15, 2013.

¹⁵ Represents 740 shares owned directly and over which he has sole voting and dispositive power. Additionally, Mr. Sheares holds 10,598 restricted stock units that vest more than 60 days from March 15, 2013.

¹⁶ Represents (i) 10,389 shares owned directly and over which he has sole voting and dispositive power, (ii) outstanding options to purchase 52,075 shares that either are exercisable or will become exercisable within 60 days and (iii) 8,951 shares held in his Non-Employee Director Deferred Compensation Plan account. Additionally, Dr. Sullivan holds 10,598 restricted stock units that vest more than 60 days from March 15, 2013.

¹⁷ The principal office of FMR LLC is 82 Devonshire Street, Boston, Massachusetts 02109. The foregoing information regarding the stock holdings of FMR LLC and its affiliates is based on a Schedule 13G filed by FMR LLC with the SEC on February 14, 2013.

¹⁸ The principal office of T. Rowe Price Associates, Inc. (Price Associates) is 100 East Pratt Street, Baltimore, Maryland 21202. These securities are owned by various individual and institutional investors which Price Associates serves as investment adviser, with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act of 1934, as amended, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities. The foregoing information regarding the stock holdings of Price Associates and its affiliates is based on an amended Schedule 13G filed by Price Associates with the SEC on February 8, 2013.

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¹⁹ The principal office of BlackRock, Inc. is 40 East 52nd Street, New York, New York 10022. The foregoing information regarding the stock holdings of BlackRock, Inc. is based on an amended Schedule 13G filed by BlackRock, Inc. with the SEC on February 8, 2013.

²⁰ Includes (i) with respect to all directors and Named Executive Officers, (a) 927,705 shares, directly or indirectly, beneficially owned, including restricted common stock, (b) 60,954 shares held in 401(k) Plan accounts and in Non-Employee Director Deferred Compensation Plan accounts, as applicable and (c) outstanding options to purchase 595,135 shares that either are exercisable or will become exercisable within 60 days and (ii) with respect to all executive officers that are not Named Executive Officers or directors, (a) 100,240 shares, directly or indirectly, beneficially owned, including restricted common stock, (b) 7,869 shares held in 401(k) Plan accounts and (c) outstanding options to purchase 180,842 shares that either are exercisable or will become exercisable within 60 days. Additionally, (i) all directors and Named Executive Officers collectively hold 466,569 restricted stock units that vest more than 60 days from March 15, 2013 and (ii) all executive officers that are not Named Executive Officers or directors collectively hold 93,568 restricted stock units that vest more than 60 days from March 15, 2013. Including these restricted stock units, directors and executive officers as a group beneficially own 2.8% of the outstanding shares of common stock of the Company.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Our executive officers and directors are required under the Securities Exchange Act of 1934 (the Exchange Act) to file reports of ownership of common stock of the Company with the SEC. Copies of those reports must also be furnished to the Company. Based solely on a review of the copies of reports furnished to the Company and written representations that no other reports were required, the Company believes that during fiscal 2012 the executive officers and directors of the Company timely complied with all applicable filing requirements, except for one late report filed on behalf of Ms. Raphael with respect to a grant of restricted stock units awarded to her by the Company in connection with her election as a member of the Board of Directors.

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

The Company's compensation program consists of four main components: (i) base salary; (ii) annual incentive compensation opportunity; (iii) equity-based awards and (iv) other benefits and perquisites. A major portion of total compensation is based on annual and long-term performance-based awards. In 2012, the sum of time-based and performance-based restricted stock unit awards, annual incentive compensation (under the heading Non-Equity Incentive Plan Compensation in the Summary Compensation Table) and bonus, if any, represented between 73% and 76% of total compensation for the Named Executive Officers. Mr. Bergman's long term equity-based incentive awards consist solely of performance-based restricted stock units. The combination of incentives is designed to balance annual operating objectives and Company earnings performance with longer-term stockholder value creation.

In fiscal 2012, the Company had record net sales of \$8.9 billion (an increase of 4.8% compared with the fiscal year ended December 31, 2011 (fiscal 2011)) and growth in diluted EPS of 8.8% compared with fiscal 2011.

Base Salary. In 2012, based on the Company's performance and competitive market data with respect to base salary pay practices, the Company increased the base salaries for the Named Executive Officers by a weighted average of 2.5%.

Annual Incentive Compensation. The components of the Company's annual incentive compensation (*i.e.*, PIP (as defined below) bonus) which are set by the Compensation Committee annually, are designed to reward the achievement of pre-established goals. Each executive officer's PIP bonus (other than Mr. Bergman's) is based on three weighted components: (i) the Company's corporate financial (*i.e.*, EPS) goal, (ii) the executive officer's specific business unit financial goals and (iii) the executive officer's individual performance goals. Mr. Bergman's annual incentive compensation (paid under the Company's 162(m) Cash Bonus Plan and PIP) is based on three weighted components: (i) the Company's corporate financial (*i.e.*, EPS) goal, (ii) the average performance of the Company's other executive officers with respect to their business unit financial goals under the PIP and (iii) the average performance of the Company's other executive officers with respect to their individual performance goals under the PIP.

- Ø The Company retained the 2011 levels in determining target amounts for the PIP bonuses to the Named Executive Officers in 2012.
- Ø In March 2013, the Compensation Committee approved a clawback policy whereby the Company has the right to recoup from the participant, including the Named Executive Officers, and the participant is required to repay to the Company, an amount equal to the PIP cash bonus paid to the participant if the participant engages in a competitive activity (as defined in the award agreement) or violates a non-disclosure, non-solicitation of employees or other restrictive covenant between the participant and the Company on or after the payment date but on or prior to the first anniversary of such payment date. This policy is effective beginning with the 2013 PIP.

Equity-Based Awards. The Company allocates equity-based awards in the form of restricted stock/units that cliff vest at the end of four years for time-based awards and three years for performance-based awards.

- Ø Named Executive Officers receive 65% of their equity-based awards in the form of performance-based restricted stock/units and 35% of their awards in the form of time-based restricted stock/units, except for Mr. Bergman who receives 100% of his equity-based awards in the form of performance-based restricted stock/units.

- Ø Awards of performance-based restricted stock/units granted to participants, including the Named Executive Officers, are tied to growth of the Company's earnings per share. Therefore, when the Company successfully achieves its target diluted earnings per share (EPS), participants, including the Named Executive Officers, are paid at target levels. When the Company's performance exceeds the target EPS, participants, including the Named Executive Officers,

receive additional shares with respect to their awards of restricted stock/units. When the Company's performance does not meet the target EPS, shares paid to participants, including the Named Executive Officers, are reduced.

- Ø For the Named Executive Officers (other than Mr. Bergman), the value of their 2012 LTIP restricted stock units awards remained unchanged as compared to the value of such Named Executive Officers' 2011 LTIP restricted stock units awards, except for a one-time additional amount granted to them in 2012. Mr. Bergman did not receive the one-time grant but instead received a 12.5% increase in the value of his 2012 LTIP restricted stock unit award compared to the value of his 2011 LTIP restricted stock unit award.

- Ø Effective with LTIP awards granted on or after March 1, 2013, the Compensation Committee approved a clawback policy whereby the Company has the right to recoup from the participant, including the Named Executive Officers, and the participant is required to repay the Company, an amount equal to the fair market value of the aggregate shares of restricted stock/units payable to the participant if the participant engages in a competitive activity (as defined in the award agreement) or violates a non-disclosure, non-solicitation of employees or other restrictive covenant between the participant and the Company on or after the payment date but on or prior to the first anniversary of such payment date.

Elimination of Tax Gross-Ups. As of January 1, 2012, the Company does not provide any tax gross-ups to our Named Executive Officers.

Other Benefits and Perquisites. The Company provides a modest program commensurate with competitive practices that is generally consistent with the benefits provided to other employees.

Compensation Objectives and Strategy

The Company's executive officer compensation program is designed to attract and retain the caliber of officers needed to ensure the Company's continued growth and profitability and to reward them for their performance, the Company's performance and for creating long term value for stockholders. The primary objectives of the program are to:

align rewards with performance that creates stockholder value;

support the Company's strong team orientation;

encourage high potential team players to build a career at the Company; and

provide rewards that are cost-efficient, competitive with other organizations and fair to employees and stockholders.

The Company's executive compensation programs are approved and administered by the Compensation Committee of the Board of Directors. Working with management and outside advisors, the Compensation Committee has developed a compensation and benefits strategy that rewards performance, promotes appropriate conduct, and reinforces a culture that the Compensation Committee believes will drive long-term success.

The compensation program rewards team accomplishments while promoting individual accountability. The Company has a robust planning and goal-setting process that is fully integrated into the compensation system, enhancing a strong relationship between individual efforts, business unit financial results and Company financial results with executive officer financial rewards.

A major portion of total compensation is placed at risk through annual and long-term incentives. As shown in the Summary Compensation Table, in 2012 the sum of restricted stock unit awards, annual incentive compensation (under the heading "Non-Equity Incentive Plan Compensation" in the Summary Compensation Table) and bonus, if any, represented between 73% and 76% of the total compensation for the Named Executive Officers. The combination of incentives is designed to balance annual operating objectives and Company earnings performance with longer-term stockholder value creation.

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We seek to provide competitive compensation that is commensurate with performance. We target compensation at the median of the market, and calibrate both annual and long-term incentive opportunities to generate less-than-median awards when goals are not fully achieved and greater-than-median awards when goals are exceeded. (See Pay Levels and Benchmarking set forth below.)

We seek to promote a long-term commitment to the Company by our senior executives. We believe that there is great value to the Company in having a team of long-tenure, seasoned managers. Our team-focused culture and management processes are designed to foster this commitment. The vesting schedules attached to restricted stock, restricted stock unit and option awards reinforce this long-term orientation.

Role of the Compensation Committee

General

The Compensation Committee provides overall guidance for our executive compensation policies and determines the amounts and elements of compensation for our executive officers. The Compensation Committee's function is more fully described in its charter which has been approved by our Board of Directors. The charter is available on our Internet website at www.henryschein.com, under the "About Henry Schein-Corporate Governance" caption.

When considering decisions concerning the compensation of our executive officers, other than the Chief Executive Officer, the Compensation Committee asks for Mr. Bergman's recommendations, including his detailed evaluation of each executive's performance.

Use of Outside Advisors

In making its determinations with respect to executive compensation, the Compensation Committee has historically engaged the services of Pearl Meyer & Partners, an independent compensation consultant. Pearl Meyer & Partners advised the Compensation Committee with respect to certain executive compensation matters for fiscal 2012, including assisting it in its review and determination of the peer group used for benchmarking compensation. The Compensation Committee has assessed the independence of Pearl Meyer & Partners pursuant to the SEC rules and concluded that no conflict of interest exists that would prevent it from serving as an independent consultant to the Compensation Committee.

The Role of Say-on-Pay Votes of Our Stockholders

The Company provides its stockholders with the opportunity to cast an annual advisory vote on executive compensation ("say-on-pay proposal"). At the Company's annual meeting of stockholders held on May 15, 2012, 97% of the votes cast on the say-on-pay proposal at the meeting were voted in favor of the proposal. The Compensation Committee evaluated these results and concluded that this vote reflects our stockholders' support of the Company's approach to executive compensation. Accordingly, in 2012, the Company did not change its approach to executive compensation or make any significant changes to its executive compensation program based on stockholder feedback. The Compensation Committee expects to continue to consider the outcome of the Company's say-on-pay votes and other shareholder discussions when making future compensation decisions for the Named Executive Officers.

Compensation Structure

Pay Elements Overview

The Company utilizes four main components of compensation:

Base Salary – fixed pay that takes into account an individual's role and responsibilities, experience, expertise and individual performance;

Annual Incentive Compensation – variable pay that is designed to reward attainment of annual business goals, with target award goals generally expressed as a percentage of base salary;

Equity-Based Awards – stock-based awards including restricted stock/units; and

Other Benefits and Perquisites – includes medical, dental and life insurance benefits, retirement savings, car allowances and, in the case of Mr. Bergman, certain additional services.

Pay Elements Details

Base Salary

The Compensation Committee annually reviews executive officer salaries and makes adjustments, as warranted, based on individual responsibilities and performance, Company performance in light of market conditions and competitive practice. Salary adjustments are generally

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approved and implemented during the first quarter of the calendar year (typically in March). In 2012, based on the Company's performance and competitive market data with respect to base salary pay practices, the Company increased the base salaries for the Named Executive Officers by a weighted average of 2.5%.

Annual Incentive Compensation

Annual incentive compensation for each of the Company's executive officers is paid under the Performance Incentive Plan ("PIP") for such year. The components of the PIP are designed to reward the achievement of pre-established corporate financial, business unit financial and individual performance goals. At the beginning of each year, the Chief Executive Officer recommends to the Compensation Committee which executive officers should participate in the PIP for that year and, following review and approval by the Compensation Committee, such officers are notified of their participation. The Chief Executive Officer recommends to the Compensation Committee the PIP's performance goals and target payout for executive officers (other than himself), subject to the Compensation Committee's review and approval, and sets such goals and target payout for participants who are not executive officers.

PIP targets and goals for 2012 for the Named Executive Officers were established at the beginning of 2012. For the Named Executive Officers (other than Mr. Bergman), the performance goals under the 2012 PIP were based on (i) the Company's 2012 earnings per share measured against pre-established standards, as may be adjusted pursuant to the terms of the 2012 PIP (the "2012 Company Financial/EPS Target"), (ii) achievement of financial goals in their respective business units ("Business Financial Goals") and (iii) achievement of individual objectives ("Individual Performance Goals").

For 2012, the Company retained the 2011 levels in setting the target amounts for the PIP bonuses to the Named Executive Officers in 2012.

Annual Incentive Compensation for Named Executive Officers (other than CEO)

The weight (as a percentage of the PIP target payout) for each component of the PIP awards for the Named Executive Officers (other than Mr. Bergman) are as follows:

| | Business Financial Goals | 2012 Company Financial/EPS Target | Individual Performance Goals |
|---|---------------------------------|--|-------------------------------------|
| James P. Breslawski | | | |
| President and Chief Operating Officer | 55% | 30% | 15% |
| Steven Paladino | | | |
| Executive Vice President and Chief Financial Officer | | | |
| (Principal Financial Officer) | 20% | 60% | 20% |
| Gerald A. Benjamin | | | |
| Executive Vice President and Chief Administrative Officer | 40% | 40% | 20% |
| Stanley Komaroff | | | |
| Senior Advisor | 10% | 50% | 40% |

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Business Financial Goals and Individual Performance Goals vary for each Named Executive Officer as the goals reflect each executive's specific role and function. Financial measures included in such goals are calculated based on generally accepted accounting principles and adjusted in a manner similar to adjustments made to the Company's EPS as described below. For each Named Executive Officer (other than Mr. Bergman whose annual incentive compensation is described below), the Business Financial Goals and Individual Performance Goals are as follows:

Mr. Breslawski:

Business Financial Goals (55%). This goal measures actual achievement against target of pre-tax income after capital charge attributable to certain business units for which Mr. Breslawski is responsible.

Individual Performance Goals (15%). The key individual goals relate to overseeing, supporting and, where applicable, implementing: (i) strategies to maximize gross profit and reduce expenses in responsible business units; (ii) strategic planning; (iii) new technology offerings; (iv) business development; (v) policies and procedures to advance business efficiencies including allocation of resources and (vi) vendor relations, human resources initiatives and internal organizational design.

Mr. Paladino:

Business Financial Goals (20%). These goals measure actual achievement against target of net income attributable to the Company's financial services group and of expense budget for the Company's corporate finance group.

Individual Performance Goals (20%). The key individual goals relate to supporting and, where applicable, overseeing or implementing: (i) capital resource efficiencies; (ii) mergers and acquisitions; (iii) internal controls; (iv) accounting processes; (v) financial reporting to align with new global business units; (vi) investor relations; (vii) financial services group key priorities and (viii) information security enhancements.

Mr. Benjamin:

Business Financial Goals (40%). These goals measure actual achievement of targeted expense budgets for the Company's global services group.

Individual Performance Goals (20%). The key individual goals relate to supporting and, where applicable, overseeing or implementing: (i) strategies to maximize gross profit; (ii) human capital strategic plans; (iii) key initiatives, including distribution initiatives; (iv) business development; (v) new global organizational structure; (vi) information security enhancements; (vii) compensation matters and (viii) social responsibility matters.

Mr. Komaroff:

Business Financial Goals (10%). These goals measure actual achievement of targeted expense budgets for the Company's legal department and compliance and regulatory department.

Individual Performance Goals (40%). The key individual goals relate to leadership of legal, regulatory, business development and corporate leadership matters and joint venture relationships.

In March 2012, the Compensation Committee set the 2012 Company Financial/EPS Target at \$4.21, representing the target goal designed to result in a PIP award payout equal to 100%. Pursuant to the 2012 PIP, the Compensation Committee may adjust the 2012 Company Financial/EPS Target for (i) acquisitions and new business ventures not initially considered when developing the target, as well as any gain, loss or expense related to the disposal of a business or discontinued operations, (ii) certain capital transactions (including capital stock repurchases), (iii) changes in a designated foreign exchange rate outside a pre-established range, (iv) unforeseen events or circumstances affecting the Company and (v) changes in accounting principles or in applicable laws or regulations.

Also, the Compensation Committee or the Chief Executive Officer (solely with respect to non-executive officers) may award all or a portion of a PIP award upon the attainment of any goals (including the applicable predefined goals). In addition, the Compensation Committee or the Chief Executive Officer (solely with respect to non-executive officers) may grant discretionary awards. To account for the impact of acquisitions, acquisition expenses, foreign exchange rate changes and certain capital transactions that occurred during fiscal 2012 (including capital stock repurchases) the Compensation Committee adjusted the 2012 Company Financial/EPS Target from \$4.21 to \$4.26. Our 2012 EPS from continuing operations was \$4.32, which resulted in a payout of 119.8% of the EPS Target portion of the PIP award based on a pre-established weighted formula set by the Compensation Committee under the 2012 PIP.

The Compensation Committee believes that the Business Financial Goals and Individual Performance Goals are designed to motivate management to achieve challenging, but attainable goals for talented executives. The Compensation Committee sets the targets for PIP awards such that incentive compensation is paid at less-than-median of the market awards when Business Financial Goals or Individual Performance Goals are not fully achieved and greater-than-median awards when goals are exceeded. The maximum payout percentage under the PIP for all employees (including the Named Executive Officers) is 200% for the Company/Financial EPS Target and the Business Financial Goals and 115% for the Individual Performance Goals.

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During the first quarter of 2013, the Chief Executive Officer reviewed the relevant financial and operating performance achievements of the Company and its business units, as well as the individual performance of the participating officers (other than himself), against the PIP performance goals that had been previously established, and submitted proposed PIP awards for the participating officers to the Compensation Committee for approval.

In March 2013, the Compensation Committee approved a clawback policy whereby the Company has the right to recoup from the participant, including the Named Executive Officers, and the participant is required to repay to the Company, an amount equal to the PIP cash bonus paid to the participant if the participant engages in a competitive activity (as defined in the award agreement) or

violates a non-disclosure, non-solicitation of employees or other restrictive covenant between the participant and the Company on or after the payment date but on or prior to the first anniversary of such payment date. This policy is effective beginning with the 2013 PIP.

PIP awards for the Named Executive Officers appear in the Summary Compensation Table in the column captioned Non-Equity Incentive Plan Compensation. Messrs. Paladino and Benjamin were paid a discretionary annual bonus in fiscal 2012. (See Summary Compensation Table in the column captioned Bonus.)

Annual Incentive Compensation for CEO

Mr. Bergman's annual incentive compensation has two components: (i) pre-established performance goals set under the Company's Section 162(m) Cash Bonus Plan and (ii) pre-established performance goals set under the PIP.

Mr. Bergman's 2012 award under the Section 162(m) Cash Bonus Plan was based on the Company's 2012 Company Financial/EPS Target (weighted at 75% of his total award under both plans) and the average performance of the Company's other executive officers with respect to their Business Financial Goals (weighted at 12 1/2% of his total award under both plans). The Compensation Committee determined Mr. Bergman was eligible for a \$1,992,900 bonus under the Section 162(m) Cash Bonus Plan with respect to 2012 performance.

Mr. Bergman's 2012 award under the PIP was based on the average performance for Individual Performance Goals of the Company's other executive officers (weighted at 12 1/2% of his total award under both plans). Such bonus is designed to further motivate Mr. Bergman to facilitate the individual performance of the Company's executive officers and is consistently with the Company's strong team-based approach. The Compensation Committee determined Mr. Bergman was eligible for a \$249,600 bonus under the PIP with respect to 2012 performance.

Such achievements, under both the Section 162(m) Cash Bonus Plan and the 2012 PIP, generated a total bonus amount of \$2,242,500.

Equity-Based Awards

The Company and the Compensation Committee believe that equity-based awards are an important factor in aligning the long-term financial interest of the officers and stockholders. The Compensation Committee continually evaluates the use of equity-based awards and intends to continue to use such awards in the future as part of designing and administering the Company's compensation program. Beginning March 2009, equity-based awards were granted solely in the form of restricted stock/units. In 2006, 2007 and 2008, the Compensation Committee granted equity incentives with a mix of 50% options and 50% restricted stock/units. The stated percentages were based on value, with values for options being based on the Black-Scholes option pricing model. Prior to 2006, the Compensation Committee granted equity incentives solely in the form of options. For all option awards, the exercise price has always been the grant date closing market price per share and a time-based vesting schedule has been generally used, vesting in four equal annual installments beginning on the first anniversary of the grant date, provided that no termination of service had occurred.

The current method of allocating the equity-based awards solely to restricted stock/units is designed to use fewer shares as compared to appreciation-based awards (such as stock options) while continuing to provide long-term incentives with a strong retention component to participants. Performance-based restricted stock/units vest 100% on the third anniversary of the grant date (three year cliff vesting) and time-based restricted stock/units vest 100% on the fourth anniversary of the grant date (four year cliff vesting), in each case provided that no termination of service had occurred. Furthermore, based on a comparative review of similar companies, the Compensation Committee modified the vesting of equity grants made on or after March 2010 under the Company's LTIP if termination of employment is due to retirement (solely with respect to restricted stock units), death, disability or change in control (as defined in the 1994 Stock Incentive Plan) to allow for pro-rated or accelerated vesting. (See Pay Levels and Benchmarking set forth below.) For all participants, other than executive officers, the restricted stock/units are allocated as 50% performance-based awards and 50% time-based awards. Mr. Bergman receives his awards of restricted stock/units as 100% performance-based awards. Executive officers (other than Mr. Bergman) receive 65% of their awards in the form of performance-based restricted stock/units and 35% of their awards in the form of time-based restricted stock/units. All grants are issued on the date they are approved by the Compensation Committee, except with respect to new hires where the grant date is a fixed date after the date on which such grant is approved by the Compensation Committee.

Awards of restricted stock/units granted to the Named Executive Officers use performance-based vesting and vest at the end of three years if certain Company performance goals are met, provided that no termination of service has occurred. Performance goals are tied solely to growth of the Company's EPS. At the time the goal is set, it is substantially uncertain that the goal will be achieved. Prior to 2009, these performance goals were based on the Company's long-term earnings growth objectives of earnings per share

growth in the mid-teens (as a percentage) per year. For awards of performance-based restricted stock/units granted after 2009, we continue to tie the performance goals solely to the Company's EPS but at lower growth rates to reflect economic conditions. For performance-based restricted stock granted on or after March 1, 2010, the Compensation Committee set the maximum payout at 200%.

Pursuant to the LTIP, the Compensation Committee is required to adjust the EPS performance goal for (i) acquisitions and new business ventures not initially considered when developing the target, as well as any gain, loss or expense related to the disposal of a business or discontinued operations, (ii) certain capital transactions (including capital stock repurchases) and (iii) changes in accounting principles or in applicable laws or regulations.

Additionally, beginning with performance-based restricted stock/units granted on or after March 2, 2012 the Compensation Committee is required to adjust the EPS performance goal for changes in a designated foreign exchange rate outside a pre-established range.

To account for the impact of acquisitions, acquisition expenses and certain capital transactions (including capital stock repurchases) and, solely with respect to the 2012 LTIP grant, changes in a designated foreign exchange rate outside a pre-established range, the Compensation Committee increased the three year EPS performance goal for the performance-based restricted stock/units granted in 2010 by 0.5%, granted in 2011 by 1.1% and granted in 2012 by 1.7%, respectively.

For the Named Executive Officers (other than Mr. Bergman), the value of their 2012 LTIP restricted stock units awards remained unchanged as compared to the value of such Named Executive Officers' 2011 LTIP restricted stock units awards, except for a one-time additional amount granted to them in 2012. Mr. Bergman did not receive the one-time grant but instead received a 12.5% increase in the value of his 2012 LTIP restricted stock unit award compared to the value of his 2011 LTIP restricted stock unit award. On March 2, 2012, Mr. Bergman was granted 30,771 restricted stock units with a grant date fair value of \$2,250,000, Mr. Breslawski was granted 17,095 restricted stock units with a grant date fair value of \$1,250,000, each of Messrs. Paladino and Benjamin was granted 16,411 restricted stock units with a grant date fair value of \$1,200,000 and Mr. Komaroff was granted 15,043 restricted stock units with a grant date fair value of \$1,100,000. Each such grant was made under the Company's 1994 Stock Incentive Plan. Mr. Bergman's grant was 100% performance-based restricted stock units with three year cliff vesting and Messrs. Breslawski, Paladino, Benjamin and Komaroff's grants were 65% performance-based restricted stock units with three year cliff vesting and 35% time-based restricted stock units with four year cliff vesting.

On March 9, 2012, the performance-based restricted stock/units granted under the 2009 LTIP vested with an achievement of 110% of the EPS performance goal and a payout awarded in shares of Company common stock equal to 214% of the original number of shares/units underlying the award granted and not otherwise forfeited. The three-year cumulative EPS target for the performance-based restrictive stock/units granted under the 2009 LTIP was \$9.81 (as adjusted) and the actual three-year cumulative EPS was \$10.76 (as adjusted).

Effective with LTIP awards granted on or after March 1, 2013, the Compensation Committee (i) eliminated the single trigger acceleration of restricted stock/units upon a change of control and provide that restricted stock/units granted on or after such date will vest automatically upon a participant's termination of employment without cause occurring within two years after the change of control and (ii) approved a clawback policy whereby the Company has the right to recoup from the participant, including the Named Executive Officers, and the participant is required to repay to the Company, an amount equal to the fair market value of the aggregate shares of restricted stock/units payable to the participant if participant engages in a competitive activity (as defined in the award agreement) or violates a non-disclosure, non-solicitation of employees or other restrictive covenant between the participant and the Company on or after the payment date but on or prior to the first anniversary of such payment date.

On March 1, 2013, Mr. Bergman was granted 28,140 restricted stock units with a grant date fair value of \$2,500,000, Mr. Breslawski was granted 11,256 restricted stock units with a grant date fair value of \$1,000,000 and each of Messrs. Paladino, Benjamin and Komaroff was granted 10,130 restricted stock units with a grant date fair value of \$900,000. Each such grant was made under the Company's 1994 Stock Incentive Plan. Mr. Bergman's grant was 100% performance-based restricted stock units with three year cliff vesting and Messrs. Breslawski, Paladino, Benjamin and Komaroff's grants were 65% performance-based restricted stock units with three year cliff vesting and 35% time-based restricted stock units with four year cliff vesting.

On March 8, 2013, the performance-based restricted stock/units granted under the 2010 LTIP vested with an achievement of 104% of the EPS performance goal and a payout awarded in shares of Company common stock equal to 156.5% of the original number of shares/units underlying the award granted and not otherwise forfeited. The three-year cumulative EPS performance goal for the performance-based restrictive stock/units granted under the 2010 LTIP was \$11.13 (as adjusted) and the actual three-year cumulative EPS was \$11.55.

Other Benefits and Perquisites

The Company's executive compensation program also includes other benefits and perquisites. These benefits include annual matching contributions to executive officers' 401(k) Plan accounts, annual allocations to the Company's Supplemental Executive Retirement Plan (SERP) accounts, health benefits, automobile allowances and life insurance coverage. The Company also maintains a deferred compensation plan (the Deferred Compensation Plan) under which the Named Executive Officers may participate. The Company does not make any contributions to the Deferred Compensation Plan and all amounts outstanding under the Deferred Compensation Plan consist solely of participant contributions. The Company annually reviews these other benefits and perquisites and makes adjustments as warranted based on competitive practices and the Company's performance.

A portion of the administrative services provided to Mr. Bergman have been determined to be non-business related and such portion is included in his taxable income as additional compensation. The administrative services include clerical and secretarial assistance designed primarily to minimize the amount of time Mr. Bergman devotes to administrative matters other than Company business, to provide opportunities for Mr. Bergman to undertake, among other things, philanthropic causes, social responsibility activities and non-business-related leadership roles. The Compensation Committee has approved these other benefits and perquisites as a reasonable component of the Company's executive officer compensation program in light of historical and competitive practices. (See the All Other Compensation column in the Summary Compensation Table.)

From time to time, the Company utilizes hourly leased aircraft to efficiently optimize management's time for business travel. If seating is available, the Company permits an executive's spouse or other family members to accompany the executive on the flight. If the aircraft is used for personal purposes, the value of aircraft usage is imputed to the executive as income, unless such amount is reimbursed to the Company by the executive.

Pay Mix

We utilize the particular elements of compensation described above because we believe that it provides a well-proportioned mix of secure compensation, retention value and at-risk compensation which produces short-term and long-term performance incentives and rewards without encouraging inappropriate risk-taking by our executive officers. By following this approach, we provide the executive a measure of security with a minimum expected level of compensation, while motivating the executive to focus on business metrics that will produce a high level of short-term and long-term performance for the Company and long-term wealth creation for the executive, as well as reducing the risk of recruitment of top executive talent by competitors. The mix of metrics used for our annual incentive program (*i.e.*, the PIP and the Section 162(m) Cash Bonus Plan) and our annual LTIP likewise provides an appropriate balance between short-term financial performance and long-term financial and stock performance.

For executive officers, the mix of compensation is weighted heavily toward at-risk pay (performance-based annual incentives and long-term incentives). Maintaining this pay mix results fundamentally in a pay-for-performance orientation for our executives, which is aligned with our stated compensation philosophy of providing compensation commensurate with performance, while targeting pay at approximately the 50th percentile of the competitive market.

Pay Levels and Benchmarking

Pay levels for executive officers are determined based on a number of factors, including the individual's roles and responsibilities within the Company, the individual's experience and expertise, the pay levels for peers within the Company, pay levels in the marketplace for similar positions and performance of the individual and the Company as a whole. The Compensation Committee is responsible for approving pay levels for the executive officers. In determining the pay levels, the Compensation Committee considers all forms of compensation and benefits.

The Compensation Committee assesses competitive market compensation using a number of sources. One of the data sources used in setting competitive market levels for the executive officers is the information publicly disclosed by a peer group of the Company, which is reviewed annually and may change from year to year. The peer group of companies is set by the Compensation Committee and consists of companies engaged in the distribution and/or manufacturing of healthcare products or industrial equipment and supplies. The Compensation Committee determines the peer group of companies based on the following considerations, among other things: (i) Standard Industrial Classification or SIC codes; (ii) Global Industry Classification System or GICS; (iii) companies identified by Hoover's, Inc. as our peer companies; (iv) companies listed as peers by our current list of peer companies and (v) company size, including, among other things size by market capitalization, revenue and number of employees. Based on such analysis, the Compensation Committee determined the peer group of companies for fiscal 2012 to be AmerisourceBergen Corporation, Dentsply International Inc., MSC Industrial Direct Co., Inc., MWI Veterinary Supply, Inc., Omnicare, Inc., Owens & Minor, Inc., Patterson Companies, Inc., PSS World Medical, Inc. and W.W. Grainger, Inc. At management's direction, Towers Watson, a professional services/human resources consulting company, prepares the peer group analysis and comparative data for companies with

revenues between \$6 billion and \$10 billion for the Company. This information is shared with the Compensation Committee and the Compensation Committee reviews such information with its independent compensation consultant, Pearl Meyers & Partners.

After consideration of the data collected on external competitive levels of compensation and internal relationships within the executive group, the Compensation Committee makes decisions regarding individual executives' target total compensation goals based on the need to attract, motivate and retain an experienced and effective management team.

Relative to the competitive market data, the Compensation Committee generally intends that the base salary, target annual incentive compensation and equity-based compensation for each executive will be at the median of the competitive market.

As noted above, notwithstanding the Company's overall pay positioning objectives, pay goals for specific individuals vary based on a number of factors such as scope of duties, tenure, institutional knowledge and/or difficulty in recruiting a new executive. Actual total compensation in a given year will vary above or below the target compensation levels based primarily on the attainment of operating goals and the creation of stockholder value.

Conclusion

The level and mix of compensation that is finally decided upon is considered within the context of both the objective data from our competitive assessment of compensation and performance, as well as discussion of the subjective factors as outlined above. The Compensation Committee believes that each of the compensation packages is within the competitive range of practices when compared to the objective comparative data even where subjective factors have influenced the compensation decisions.

Post Termination and Change in Control

The Company believes that a strong, motivated management team is essential to the best interests of the Company and its stockholders. To that end, we have employment agreements with Mr. Bergman and Mr. Komaroff and we have had change in control agreements with the Named Executive Officers, other than Mr. Bergman, since 2003, which were recently amended to, among other things, eliminate the gross-up for excise taxes imposed by Section 4999 of the Code. These agreements provide for certain payments to be made upon termination of employment under certain circumstances, including if the executive's employment is terminated by the Company without cause or by the executive for good reason within two years following a change in control of the Company. (See Employment Agreements and Post Termination and Change in Control Arrangements under Executive and Director Compensation for a discussion of these agreements.) As of January 1, 2012, the Company does not provide any tax gross-ups to our Named Executive Officers.

Stock Ownership Policy

The Company believes that, to align the interests of the executive officers and directors of the Company with the stockholders of the Company, the executive officers and directors of the Company should have a financial stake in the Company. The Board of Directors adopted a policy requiring each executive officer to own equity in the Company equal to a minimum of three times such executive officer's annual base salary. Newly appointed executive officers will have five years from the date of their appointment to comply with the stock ownership policy. The Board of Directors will evaluate whether exceptions should be made for any executive officer on whom this requirement would impose a financial hardship or for other appropriate reasons as determined by the Board of Directors. Equity includes: shares of any class of capital stock; shares of vested restricted stock; unexercised vested options; vested shares of common stock held in such executive officer's 401(k) Plan account; warrants or rights to acquire shares of capital stock; and securities that are convertible into shares of capital stock; provided that an amount equal to at least 20% of such executive officer's annual base salary must be owned by such executive officer in the form of shares of common stock. The Stock Ownership Policy for non-employee directors of the Company is set forth under Executive and Director Compensation-Director Compensation for Fiscal 2012-Stock Ownership Policy.

Further, as a guideline, executive officers may only sell up to one-half of the equity value above the ownership requirement.

The Company also prohibits hedging or other derivative transactions by its executive officers.

Impact of Tax and Accounting

As a general matter, the Compensation Committee considers the various tax and accounting implications of compensation vehicles employed by the Company.

When determining amounts of long-term incentive grants to executives and employees, the Compensation Committee examines the accounting cost associated with the grants. Under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718, grants of options, restricted stock/units and other share-based payments result in an accounting charge for the Company. The accounting charge is equal to the fair value of the instruments being issued. For restricted stock/units, the cost is equal to the fair value of the stock on the date of grant multiplied by the number of shares/units granted. For options, the cost is equal to the Black-Scholes value on the date of grant multiplied by the number of shares or units granted. This expense is amortized over the requisite service period, or vesting period of the instruments. Although the Company has begun to utilize restricted stock/units, the Compensation Committee is mindful of the fact that, with respect to options, the accounting charge is not reversible should the option expire with a market price less than the exercise price. Additionally, the Compensation Committee may grant compensation that does not constitute performance-based compensation under Section 162(m) of the Code if it considers it appropriate and in the best interest of the Company. Grants under the Company's Section 162(m) Cash Bonus Plan, option grants and awards of performance-based restricted stock/units are generally intended to be performance-based under Section 162(m) of the Code; although grants under the PIP are tied to the Company's performance, these are not intended to meet the requirements under Section 162(m) of the Code.

Section 162(m) of the Code generally prohibits any publicly held corporation from taking a federal income tax deduction for compensation paid in excess of \$1,000,000 in any taxable year to certain Named Executive Officers. Exceptions are made for qualified performance-based compensation, among other things. It is the Compensation Committee's policy to maximize the effectiveness of our executive compensation plans, however, the Compensation Committee reserves the right to make adjustments that may result in the payment of non-deductible compensation.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management and based on the review and discussions, the Compensation Committee recommended to the Company's Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference into the Company's annual report on Form 10-K.

THE COMPENSATION COMMITTEE

Barry J. Alperin, Chairman
 Donald J. Kabat
 Norman S. Matthews

EXECUTIVE AND DIRECTOR COMPENSATION

Executive Officers

Our executive officers and their ages and positions as of March 15, 2013 are:

| Name | Age | Position |
|---------------------|-----|---|
| Gerald A. Benjamin | 60 | Executive Vice President, Chief Administrative Officer, Director |
| Stanley M. Bergman | 63 | Chairman, Chief Executive Officer, Director |
| James P. Breslawski | 59 | President, Chief Operating Officer, Chief Executive Officer of Henry Schein Global Dental, Director |
| Leonard A. David | 64 | Senior Vice President, Chief Compliance Officer |
| James Harding | 57 | Senior Vice President, Corporate Chief Technology Officer |
| Stanley Komaroff | 77 | Senior Advisor |
| Mark E. Mlotek | 57 | Executive Vice President, Chief Strategic Officer, Director |
| Steven Paladino | 55 | Executive Vice President, Chief Financial Officer, Director |
| Michael Racioppi | 58 | Senior Vice President, Chief Merchandising Officer |
| Lonnie Shoff | 54 | President, Global Healthcare Specialties |
| Michael Zack | 60 | President, International Group |

The biographies for Messrs. Benjamin, Bergman, Breslawski, Mlotek and Paladino follow the table listing our directors under Proposal 1 Election of Directors set forth above. Biographies for our other executive officers are:

LEONARD A. DAVID has been with the Company since 1990, and in his current position as Senior Vice President and Chief Compliance Officer since 2006. He is also a member of our Executive Management Committee. Mr. David joined the Company as

General Counsel and subsequently held the position of head of Human Resources, Regulatory Affairs and Security. As Chief Compliance Officer, Mr. David manages the Regulatory Affairs and Security Groups and leads the global compliance function, focusing on corporate integrity, governance and business ethics. In this role, Mr. David interacts closely with virtually every infrastructure and business division within the Company. Prior to joining us, Mr. David was a practicing attorney in New York and New Jersey specializing in corporate and commercial law. His perspective on compliance and regulatory matters is particularly informed by his own and the Company's concern with global health care.

JAMES HARDING has been with the Company since 2000, and in his current position as Senior Vice President and Corporate Chief Technology Officer since 2005. He is also a member of our Executive Management Committee. Mr. Harding is responsible for ensuring that information technology remains a competitive advantage for the Company, internally and externally. In this capacity, Mr. Harding leads our Technology Group. Mr. Harding was formerly Chief Information Officer at Olsten Corporation, a leading health care and staffing services company. Prior to Olsten, Mr. Harding worked for 20 years at Mobil Oil Corporation in various capacities including Chief Information Officer of the Americas Marketing & Refining Division and Director of Global IT Architecture.

STANLEY KOMAROFF has been with the Company since 2003 as Senior Advisor and a member of our Executive Management Committee, concentrating in business development and acquisitions, international matters, and legal and regulatory affairs. Prior to joining the Company, Mr. Komaroff served as an advisor on legal and board-related issues and provides a wealth of experience in the corporate, commercial and health care worlds. Mr. Komaroff was formerly the Chairman of Proskauer Rose LLP, the Company's principal law firm and one of the largest firms in the nation, and he led the firm through a period of significant growth. Prior to being elected as Chairman of the firm, Mr. Komaroff was the Chair of its Corporate Department. As a general corporate and securities lawyer, Mr. Komaroff has extensive experience in mergers and acquisitions and international transactions. Mr. Komaroff has been active in civic and philanthropic matters. Mr. Komaroff serves on the Board of Directors of the Westhampton Beach Performing Arts Center. For more than 10 years, Mr. Komaroff was a member of the New York State Hospital Review and Planning Council, having received multiple gubernatorial appointments to this position. Mr. Komaroff is a member of the Board of Trustees of Continuum Health Partners, one of the largest consortiums of hospitals and health care facilities in the New York metropolitan area, and a trustee of its constituent hospitals, Beth Israel Medical Center and St. Luke's-Roosevelt Hospital Center. Mr. Komaroff is also a former Board member of The Edmond de Rothschild Foundation, Overseas Shipholding Group, Inc. and the New York City Economic Development Corporation.

MICHAEL RACIOPPI has been with the Company since 1992, and in his current position as Senior Vice President, Chief Merchandising Officer since 2008. He is also a member of our Executive Management Committee. Prior to holding his current position, Mr. Racioppi served as President of the Medical Group since 2000 and was Vice President of the Company since 1994, with primary responsibility for the Medical Group, Marketing and Merchandising departments. Mr. Racioppi served as Vice President and as Senior Director, Corporate Merchandising from 1992 to 1994. He currently serves on the board of National Distribution and Contracting and he previously served on the board of the Healthcare Distribution Management Association and the Health Industry Distributors Association. Before joining the Company, he was employed by Ketchum Distributors, Inc. as the Vice President of Purchasing and Marketing.

LONNIE SHOFF has been President of our Global Healthcare Specialties Group since 2009, and also is a member of our Executive Management Committee. In this position, Ms. Shoff directs our Global Dental Specialties business; Global Exclusive Brands; North American animal health business; North American and international dental handpiece repair businesses; and a growing portfolio of joint ventures. Prior to joining us, Ms. Shoff was with Roche Diagnostics, where she held a series of positions of increasing responsibility in the United States and Switzerland over the past 20 years, focusing on applied science, molecular diagnostics, global business development, and marketing and business management. Most recently, Ms. Shoff served as Senior Vice President and General Manager, Applied Science, leading the U.S. commercial operations for this \$350 million group. Ms. Shoff has managed the life cycles of more than 2,500 products, launched several novel technologies, and nurtured ventures from seed funding through product launch. While at Roche Diagnostics, Ms. Shoff also built a Global Internal Venturing Program, which the London School of Business praised in its book, *Inventing: Why Big Companies Must Think Small*.

MICHAEL ZACK has been responsible for our International Group since 1989 when he joined the Company, and currently holds the position of President of the International Group. He is also a member of our Executive Management Committee. Under his leadership, the International Group has grown to include operations in 23 countries outside of North America. Before joining the Company, Mr. Zack was employed by Polymer Technology (a subsidiary of Bausch & Lomb) as Vice President of International Operations from 1984 to 1989. Prior to this, Mr. Zack was employed by Gruenenthal GmbH, a German pharmaceutical company, as Manager of International subsidiaries from 1975 to 1984. As part of his various foreign assignments at Gruenenthal, Mr. Zack worked and lived in Tehran, Iran; Quito, Ecuador; Lima, Peru; Madrid, Spain; and Bogotá, Colombia, before being transferred to Boston, Massachusetts. Mr. Zack is the representative of the Dental Trade Alliance to International Dental Manufacturers and is fluent in six languages.

Summary Compensation Table for Fiscal 2012, Fiscal 2011 and Fiscal 2010

| Name and Principal Position | Year | Salary (\$) | Bonus ¹ (\$) | Stock Awards ² (\$) | Option Awards ³ (\$) | Non-Equity and Incentive Plan Compensation ⁴ (\$) | Change in Pension Value and Nonqualified Deferred Compensation ⁵ (\$) | All Other Compensation (\$) | Total (\$) |
|---|------|----------------|----------------------------|-----------------------------------|------------------------------------|---|---|--------------------------------|---------------|
| | | | | | | | | | |
| Stanley M. Bergman | 2012 | \$1,201,923 | \$0 | \$2,250,000 | \$0 | | | | |
| Chairman and Chief Executive Officer (Principal Executive Officer) | 2011 | \$1,173,077 | \$0 | \$7,000,000 ⁶ | \$0 | | | | |
| | 2010 | \$1,150,000 | \$0 | \$960,000 | \$0 | | | | |