

INTUIT INC

Form DEF 14A

November 22, 2017

TABLE OF CONTENTS

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

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 under § 240.14a-12

INTUIT 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.

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

(1)

Title of each class of securities to which transaction applies:

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Aggregate number of securities to which transaction applies:

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

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Form, Schedule or Registration Statement No.:

(3)
Filing Party:

(4)
Date Filed:

TABLE OF CONTENTS

Notice of 2018 Annual
Meeting of Stockholders
and Proxy Statement
Thursday, January 18, 2018

TABLE OF CONTENTS

Our core company attributes:

Customer-Obsessed, Design-Inspired,
Technology-Powered

Mission:

Powering Prosperity Around the World

The customers we serve:

Small Business,
Self-Employed
and Consumers

The benefits

we deliver:

More Money, No Work, Complete Confidence

The partners who help us deliver those benefits:

Accountants, Developers, Financial Institutions, Mega Platforms, Educational Institutions, Governments

Our durable

advantage:

Personalized Experiences, Trusted Open Platform, Indispensable Connections

TABLE OF CONTENTS

Notice of Annual
Meeting of Stockholders

Agenda Item

For more
information

1.
Elect the ten directors nominated by our Board and named in this Proxy Statement. Page 23

2.
Approve our executive compensation (on a non-binding basis). Page 30

3.
Approve (on a non-binding basis) how often the stockholders will be asked to approve our executive compensation. Page 69

4.
Approve the material terms of the performance goals under the Intuit Inc. Senior Executive Incentive Plan. Page 70

5.
Ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending July 31, 2018. Page 73

HOW TO VOTE

Note: If you hold your shares through a broker, bank or other nominee, you must instruct your nominee how to vote the shares held in your

account. The nominee can give you a voting instruction form. If you do not provide voting instructions, your nominee may vote only on Proposal 5.

Annual Meeting of Stockholders

Thursday, January 18, 2018

8:00 a.m. Pacific Standard Time

Intuit's offices at

2750 Coast Avenue, Building 6,

Mountain View, California 94043

Live Webcast:

If you are not able to attend the Meeting in person, you may join a live webcast by visiting <http://investors.intuit.com> on Thursday, January 18, 2018 at 8:00 a.m. Pacific Standard Time.

Your vote is important.

Please vote as promptly as possible.

Important Notice Regarding the Availability of Proxy Materials for Annual Meeting of Stockholders to Be Held on January 18, 2018 (the "Meeting"). Both the proxy statement and Intuit's Annual Report on Form 10-K for the fiscal year ended July 31, 2017 are available electronically at <http://investors.intuit.com/financial-information> and www.proxyvote.com.

investors.intuit.com/financial-information and www.proxyvote.com.

By order of the Board of Directors,

Laura A. Fennell

Executive Vice President,

General Counsel & Corporate Secretary

Mountain View, California

November 22, 2017

TABLE OF CONTENTS

A Letter to
Our Stockholders

“As new participants enter the Intuit ecosystem, the value increases for everyone, unleashing the power of many for the prosperity of one.”

November 22, 2017

Dear Fellow Intuit Stockholders:

I am pleased to report that Intuit is stronger than ever, and we are re-imagining ourselves for a new tomorrow. As technology evolves and the expectations of our customers change, Intuit continues to re-invent itself. From desktop, to the web, to mobile and now to the cloud, Intuit has grown and thrived by harnessing emerging technology and applying it to improve our customers’ financial lives.

Intuit’s next chapter is embodied in our new mission: Powering Prosperity Around the World. To deliver on our mission, we have adopted a strategy that is built on unlocking the power of the One Intuit Ecosystem.

This strategy is designed to deliver the benefits that matter most in our customers’ lives when choosing our products — finding more money, with the least amount of work, and doing so with complete confidence that it has been done correctly and with maximum benefit for the customer.

To achieve these outcomes, we have worked to create indispensable connections between the many products and people that our customers interact with on a regular basis. These interactions create important insights and data that we steward on their behalf, that when matched with our advanced technology and user-friendly design, deliver deeply personalized experiences through a trusted platform. As new participants enter the Intuit ecosystem, the value increases for everyone, unleashing the power of many for the prosperity of one.

Strong Financial and Operating Performance in 2017 Positions Us for the Future

Intuit had another strong year in fiscal 2017, exceeding our financial guidance, while continuing to innovate and improve our product experiences. These results are a testament to Intuit’s transformation into a global platform company, powering our One Intuit Ecosystem strategy. Together with our disciplined and balanced approach to capital allocation, this strategy sets the stage for Intuit’s next chapter of growth.

Continued Success Begins with Our “Customer Obsession”

Intuit operates as a 34-year-old start-up, with 8,200 employees who are trained and empowered to execute as entrepreneurs. Every employee in the company is trained in our two core innovation capabilities — Customer-Driven Innovation and Design for Delight — enabling them to deliver awesome benefits for our customers.

The process begins with an understanding of our customers and the unique environments in which they work. Every Intuit employee conducts “follow-me-home” visits with our customers, immersing themselves in the challenges our customers face every day, and infusing our organization with fresh excitement and new ideas for solving them.

Those insights are translated into success when we harness our design-inspired, technology-powered solutions to solve their toughest problems. Ultimately, it translates into innovations that delight our customers and partners, increasing loyalty, word-of-mouth, new user growth and shareholder value.

TABLE OF CONTENTS

“We’re proud of our diversity and inclusion at all levels of the company because we believe a wide range of backgrounds and life experiences enables innovation to thrive.”

We Are Powering Prosperity Through Our Culture of Social Responsibility

Our mission inspires us to leave the world a better place than we found it. We are committed to applying our people, our products and our position as a good corporate citizen to contribute to our society. For example, our employees have a passion for sustainability that runs through the core of our business. We are proud to have achieved carbon neutrality for our worldwide operations through a three-pronged strategy of boosting energy efficiency internally, investing in renewable energy, and buying carbon offsets.

Innovations Are Driven By Our Talented and Diverse Global Workforce

In a highly competitive talent market, we continue to attract top talent, while also maintaining a low attrition rate in Silicon Valley. For sixteen consecutive years, Intuit has been ranked as one of the 100 best companies to work for by Fortune Magazine, and we also ranked 8th on Fortune’s inaugural Future 50 list of companies that are considered to be the best prepared to thrive in the future. We believe this is because we foster a culture where all employees are empowered to act as entrepreneurs and challenged to do the best work of their lives. We’re proud of our diversity and inclusion at all levels of the company because we believe a wide range of backgrounds and life experiences enables innovation to thrive.

Our Culture Is Shared by Our Board

We are also extremely proud of the diversity of our Board of Directors. Our directors’ varying tenures, ages, genders, ethnic backgrounds and work experiences invigorate the Board’s oversight and dialogue. The most recent addition to the Board is Deborah Liu, who brings deep industry expertise in product development and global markets that aligns with Intuit’s long-term strategy. The Board has also nominated Tom Szkutak, former Amazon.com CFO. Tom brings a wealth of financial and global experience from Amazon.com and General Electric. Our directors’ active engagement in Intuit’s strategy positions us well for long-term success.

Our Board deeply values your perspectives, and we enjoyed engaging with many of you throughout the year. Our relationship with our shareholders is an important part of our Board’s corporate governance responsibilities, and we are committed to including our shareholders’ perspectives in boardroom discussions.

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On behalf of our Board of Directors, the executive team and the entire Intuit organization, thank you for being an Intuit shareholder and for your support of Intuit.

Brad D. Smith
Chairman, President and Chief Executive Officer
Intuit Inc.

TABLE OF CONTENTS

Table of Contents

| | |
|---|----|
| <u>2018 Proxy Summary</u> | 1 |
| <u>Corporate Governance</u> | 8 |
| <u>Board Responsibilities and Structure</u> | 9 |
| <u>Director Independence</u> | 11 |
| <u>Board Evaluation Process</u> | 12 |
| <u>Board Committees and Charters</u> | 13 |
| <u>Compensation Committee Interlocks and Insider Participation</u> | 15 |
| <u>Compensation Risk Assessment</u> | 15 |
| <u>Stockholder Engagement Process</u> | 16 |
| <u>Corporate Social Responsibility</u> | 17 |
| <u>Director Compensation</u> | 18 |
| <u>Overview of Our Compensation Program for Our Non-Employee Directors</u> | 18 |
| <u>Director Stock Ownership Requirement</u> | 19 |
| <u>Director Summary Compensation Table</u> | 20 |
| <u>Equity Grants to Directors During Fiscal Year 2017</u> | 21 |
| <u>Outstanding Equity Awards for Directors at Fiscal Year-End 2017</u> | 22 |
| <u>Transactions with Related Persons</u> | 22 |
| <u>Proposal No. 1 — Election of Directors</u> | 23 |
| <u>Qualifications of Directors</u> | 23 |
| <u>Stockholder Recommendations of Director Candidates</u> | 23 |
| <u>Our Board Nominees</u> | 24 |
| <u>Proposal No. 2 — Advisory Vote to Approve Executive Compensation</u> | 30 |
| <u>Compensation and Organizational Development Committee Report</u> | 31 |
| <u>Compensation Discussion and Analysis (separate Table of Contents)</u> | 32 |
| <u>Executive Summary</u> | 33 |
| <u>Executive Compensation Tables</u> | 55 |
| <u>Fiscal Year 2017 Summary Compensation Table</u> | 55 |
| <u>Grants of Plan-Based Awards During Fiscal Year 2017</u> | 57 |
| <u>Outstanding Equity Awards at Fiscal 2017 Year-End</u> | 59 |
| <u>Option Exercises and Stock Vested During Fiscal Year 2017</u> | 62 |
| <u>Non-Qualified Deferred Compensation for Fiscal Year 2017</u> | 63 |
| <u>Potential Payments upon Termination of Employment or Change in Control</u> | 64 |
| <u>Equity Compensation Plan Information</u> | 68 |
| <u>Proposal No. 3 — Advisory Vote on Frequency of Executive Compensation Votes</u> | 69 |
| <u>Proposal No. 4 — Approval of Material Terms of the Performance Goals under the Intuit Inc. Senior Executive Incentive Plan</u> | 70 |
| <u>Proposal No. 5 — Ratification of Selection of Independent Registered Public Accounting Firm</u> | 73 |

| | |
|---|------------|
| <u>Audit and Risk Committee Report</u> | <u>75</u> |
| <u>Stock Ownership Information</u> | <u>76</u> |
| <u>Security Ownership Table</u> | <u>76</u> |
| <u>Section 16(a) Beneficial Ownership Reporting Compliance</u> | <u>77</u> |
| <u>Information About the Meeting, Voting and Proxies</u> | <u>78</u> |
| <u>Appendix A — Information Regarding Non-GAAP Financial Measures</u> | <u>A-1</u> |
| <u>Appendix B — Senior Executive Incentive Plan</u> | <u>B-1</u> |

TABLE OF CONTENTS

Proxy Summary

This summary highlights information contained elsewhere in this proxy statement. It does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting. We have first released this proxy statement to Intuit stockholders beginning on November 22, 2017.

Stockholders of Intuit as of the record date are entitled to vote. Each share of Intuit common stock is entitled to one vote for each director nominee and one vote for each of the other proposals.

AGENDA

| Proposal | Board Recommendation | For more information |
|---|-------------------------------------|----------------------|
| <u>1.</u> <u>Election of directors</u> | <u>FOR</u> <u>(all nominees)</u> | <u>Page 23</u> |
| <u>2.</u> <u>Advisory vote to approve Intuit's executive compensation (say-on-pay)</u> | <u>FOR</u> | <u>Page 30</u> |
| <u>3.</u> <u>Advisory vote on the frequency of future say-on-pay votes</u> | <u>ONE YEAR</u> | <u>Page 69</u> |
| <u>4.</u> <u>Approval of the material terms of the performance goals under the Intuit Inc. Senior Executive Incentive Plan</u> | <u>FOR</u> | <u>Page 70</u> |
| <u>5.</u> <u>Ratification of selection of Ernst & Young LLP as independent registered public accounting firm</u> | <u>FOR</u> | <u>Page 73</u> |

We will also consider any other matters that may properly be brought before the Meeting (and any postponements or adjournments of the Meeting). As of the date of this proxy statement, we have not received notice of any such matters.

TABLE OF CONTENTS

2017 Performance Highlights

We delivered a strong year in fiscal 2017, exceeding our guidance, growing QuickBooks Online subscribers 58%, accelerating the growth of our Small Business online ecosystem revenue, and increasing Consumer Tax revenue 9%. We also refreshed our company strategy, which is built on the strength of our One Intuit Ecosystem — a connected, one-stop destination that helps customers make their financial lives easier. This evolving strategy capitalizes on our tens of millions of active customers and the vast amounts of data we steward on their behalf. When matched with our technology and machine learning capabilities, we are able to deliver deeply personalized experiences through a trusted open platform, creating indispensable connections between people and products. As each customer enters the Intuit ecosystem, the value increases for everyone. We expect this strategy to power the next chapter of our growth.

Key highlights from fiscal 2017 include the following:

| | | |
|--|--|--|
| Revenue of \$5.2B up 10% from FY16 | GAAP operating income of \$1.4B up 12% from FY16 | GAAP diluted EPS of \$3.72 up from \$3.69 in FY16 |
| Repurchased over \$830M of Intuit common stock | Increased our dividend 13% to \$1.36 per share | Grew total QuickBooks Online subscribers 58% to over 2.3 million |

What’s New in Our Proxy?

We have significantly changed our proxy this year, in design, presentation and content. We have made these changes in order to assist you, our investors, in understanding our compensation programs and governance practices, as well as recent decisions and changes we have made with respect to these programs and practices. We have also made an effort to simplify and clarify what we say. Finally, we’ve added some new

items — like the letter from our CEO — to help give you a broader understanding of our company and our perspectives on these programs. We hope that this new presentation will make it easier for you to understand the information in this proxy so you can cast your vote with confidence.

TABLE OF CONTENTS

Board Highlights

Our Board of Directors is committed to excellence in its governance practices, including Board composition. The Board and its Nominating and Governance Committee believe that a diverse, experienced and vibrant board is of the utmost importance for reaching sound decisions that drive stockholder value. As evidence of this commitment to a diversity of perspectives, our Board is currently comprised of ten directors of varying tenures, ages, genders, ethnic backgrounds and professional experiences, including, most recently, Deborah Liu, a recognized influential leader in mobile advertising who currently leads Facebook’s developer and commerce business, who joined the Board of Directors in July 2017. In addition, in October 2017, the Board of Directors nominated Thomas Szkutak, former CFO of Amazon.com, Inc., for election to the Board at this Meeting. The Board remains committed to ongoing refreshment to ensure a constructive blend of institutional knowledge and fresh viewpoints, and if elected, Mr. Szkutak will be our fifth new director in the last five years.

BOARD OVERVIEW

The following charts reflect the tenure, age and gender of the nominees for our Board of Directors:

EXPERIENCE AND EXPERTISE

The following chart reflects the experience and expertise of the nominees for our Board of Directors:

TABLE OF CONTENTS

BOARD NOMINEES AND COMMITTEE MEMBERSHIP

The following table provides summary information about each director nominee, including their current committee memberships.

| Director (Age) & Principal Occupation | Director Since | Other Public Company Boards | Independent | Committee Memberships(1) |
|---------------------------------------|----------------|-----------------------------|-------------|--------------------------|
| Incumbent Nominees | | | | |