

Stock Plan System Project

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Project Rationale

- Existing Stock Plan System carried SOX and financial reporting risks
 - > was non-compliant with FAS 123R and IRS section 423
 - > lacked functionality to administer Restricted Stock programs
- Existing ESPP enrollment tool would no longer be supported as a result of HR outsourcing; plus there was no ESPP enrollment tool for international employees
- Existing IT support model was not sustainable for the existing stock plan system
- Increased staffing requirements to maintain manual processes, for SOX and equity plan compliance, and to administer new plan offerings
- Low level of customer (program participant) satisfaction

Implementation Framework

Customer	Single point of access for all global employees Homogenous global user interface Enhanced quality and quantity of information
Cost	One-time implementation cost Reduced maintenance/operating costs in steady-state Model scalable with lower enhancement costs
Capability	Web based platform/interface Uniform global service offering Integrated Systems Architecture
Competency	Staffing Best-in-class technology Industry & technical expertise
Control	Data integrity Disaster recovery/backup systems Global compliance: Sox, Securities, Labor, Exchange Control, Tax

Benefits

- Improved process flows – automated straight-through processing
- Improved SOX controls – fewer manual key control points
- Operational scalability – number of resources required is independent of volume of trades/enrollees or program changes
- System scalability – incremental functions easy to implement
- Enhanced customer (employees) experience
- Reduce cycle time for daily operations
 - > Report generation
 - > # of data touch-points