

BRISTOL MYERS SQUIBB CO
Form PRE 14A
March 09, 2010
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SCHEDULE 14A INFORMATION

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

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
 Definitive Proxy Statement
 Definitive Additional Materials (as permitted by Rule 14a-6(e)(2))
 Soliciting Material Pursuant to §240.14a-12

Bristol-Myers Squibb Company

(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)(4) and 0-11
- (1) Title of each class of securities to which transaction applies:
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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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March 22, 2010

NOTICE OF DEAR FELLOW STOCKHOLDER:

2010 ANNUAL You are cordially invited to attend the Annual Meeting of Stockholders of Bristol-Myers Squibb Company at the company's offices located in Plainsboro, New Jersey, on Tuesday, May 4, 2010, at 10:00 a.m.

MEETING AND These materials include the Notice of Annual Meeting and the Proxy Statement. The Proxy Statement describes the business to be transacted at the meeting and provides other information about the company that you should know when you vote your shares.

PROXY STATEMENT

TUESDAY, MAY 4, 2010 The principal business of the Annual Meeting will be the election of directors, the ratification of the appointment of an independent registered public accounting firm the consideration of three amendments to our Amended and Restated Certificate of Incorporation and the consideration of three stockholder proposals. We will also review the status of the company's business at the meeting.

AT 10:00 A.M. Last year, over 86% of the outstanding shares were represented at the Annual Meeting. It is important that your shares be represented whether or not you attend the meeting. Registered stockholders can vote their shares via the Internet or by using a toll-free telephone number. Instructions for using these convenient services appear in the Proxy Statement. If you are receiving a hard copy of the proxy materials, you can also vote your shares by marking your votes on the proxy card, signing and dating it and mailing it promptly using the envelope provided. Proxy votes are tabulated by an independent agent and reported at the Annual Meeting. The tabulating agent maintains the confidentiality of the proxies.

BRISTOL-MYERS

SQUIBB COMPANY

Please follow the instructions in the Proxy Statement on how to attend the Annual Meeting. Admission to the Annual Meeting will be by ticket only. **Please bring photo identification.**

777 SCUDDERS MILL RD.

PLAINSBORO We have provided space on the proxy card for comments from our registered stockholders. We urge you to use it to let us know your feelings about the company or to bring a particular matter to our attention. If you hold your shares through an intermediary or received the proxy materials electronically, please feel free to write directly to us.

NEW JERSEY

JAMES M. CORNELIUS

Chairman of the Board and

Chief Executive Officer

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345 Park Avenue

New York, New York 10154-0037

**NOTICE OF ANNUAL MEETING
OF STOCKHOLDERS**

Notice is hereby given that the 2010 Annual Meeting of Stockholders will be held at Bristol-Myers Squibb Company, 777 Scudders Mill Road, Plainsboro, New Jersey, on Tuesday, May 4, 2010, at 10:00 a.m. for the following purposes as set forth in the accompanying Proxy Statement:

to elect to the Board of Directors the eleven persons nominated by the Board, each for a term of one year;

to ratify the appointment of Deloitte & Touche LLP as the company's independent registered public accounting firm for 2010;

to approve three amendments to our Amended and Restated Certificate of Incorporation;

to consider three stockholder proposals, if presented at the meeting; and

to transact such other business as may properly come before the meeting or any adjournments thereof.

Holders of record of our common and preferred stock at the close of business on March 11, 2010, will be entitled to vote at the meeting.

By Order of the Board of Directors

SANDRA LEUNG

Secretary

Dated: March 22, 2010

YOUR VOTE IS IMPORTANT

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Regardless of the number of shares you own, your vote is important. If you do not attend the Annual Meeting to vote in person, your vote will not be counted unless a proxy representing your shares is presented at the meeting. To ensure that your shares will be voted at the meeting, please vote in one of these ways:

- (1) GO TO WWW.PROXYVOTE.COM and vote via the Internet;
- (2) CALL THE TOLL-FREE TELEPHONE NUMBER (800) 690-6903 (this call is toll-free in the United States); or
- (3) MARK, SIGN, DATE AND PROMPTLY RETURN the enclosed proxy card in the postage-paid envelope.

If you do attend the Annual Meeting, you may revoke your proxy and vote by ballot.

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GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Why am I receiving these materials?

This Proxy Statement is being delivered to all stockholders of record as of the close of business on March 11, 2010 in connection with the solicitation of proxies on behalf of the Board of Directors for use at the Annual Meeting of Stockholders on May 4, 2010. Although the Annual Report and Proxy Statement are being delivered together, the Annual Report should not be deemed to be part of the Proxy Statement.

What is Notice and Access and how does it affect me?

The SEC has adopted a Notice and Access model which permits us to provide proxy materials to our stockholders electronically by posting the proxy materials on a publicly accessible website. Delivering proxy materials electronically will save us money by reducing printing and mailing costs. Accordingly, we have decided that all stockholders who hold fewer than 1,000 shares of our common and preferred stock will receive a Notice of Internet Availability of Proxy Materials. This Notice will provide instructions on how to access our proxy materials online and, if you prefer receiving a paper copy of the proxy materials, how you can request one. Employees and pension plan participants who have given consent to receive materials electronically will receive a link to access our proxy materials by email. If you hold 1,000 or more shares and have not previously elected to receive materials electronically or if you are a pension plan participant who did not provide consent to receive materials electronically, you will be mailed a paper copy of the proxy materials. We encourage all of our stockholders who currently receive paper copies of the proxy materials to elect to view future proxy materials electronically if they have Internet access. You can do so by following the instructions when you vote your shares online or, if you are a beneficial holder, by asking your bank, broker or other holder of record how to receive proxy materials electronically.

What is householding and how does it work?

Householding is a procedure we adopted whereby stockholders of record who have the same last name and address and who receive the proxy materials by mail will receive only one copy of the proxy materials unless we have received contrary instructions from one or more of the stockholders. This procedure reduces printing and mailing costs. If you wish to receive a separate copy of the proxy materials, now or in the future, at the same address, or if you are currently receiving multiple copies of the proxy materials at the same address and wish to receive a single copy, you may contact us by writing to Stockholder Services, Bristol-Myers Squibb Company, 345 Park Avenue, New York, New York 10154, or by calling us at (212) 546-3309.

If you are a beneficial owner (your shares are held in the name of a bank, broker or other holder of record), the bank, broker or other holder of record may deliver only one copy of the Proxy Statement and Annual Report, or Notice of Internet Availability of Proxy Materials, to stockholders who have the same address unless the bank, broker or other holder of record has received contrary instructions from one or more of the stockholders. If you wish to receive a separate copy of the Proxy Statement and Annual Report, or Notice of Internet Availability of Proxy Materials, now or in the future, you may contact us at the address or phone number above and we will promptly deliver a separate copy. Beneficial owners sharing an address who are currently receiving multiple copies of the Proxy Statement and Annual Report, or Notice of Internet Availability of Proxy Materials, and wish to receive a single copy in the future, should contact their bank, broker or other holder of record to request that only a single copy be delivered to all stockholders at the shared address in the future.

Who can attend the Annual Meeting?

Only stockholders of Bristol-Myers Squibb as of the record date, March 11, 2010, their authorized representatives and guests of Bristol-Myers Squibb may attend the Annual Meeting. Admission will be by ticket only. A form of government-issued photograph identification will be required to enter the

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meeting. Large bags, backpacks, briefcases, cameras, recording equipment and other electronic devices will not be permitted in the meeting, and attendees will be subject to security inspections. Our offices are wheelchair accessible. We will provide, upon request, wireless headsets for hearing amplification.

How do I receive an admission ticket?

If you are a registered stockholder (your shares are held in your name) and plan to attend the meeting, you should bring either the Notice of Internet Availability of Proxy Materials or the top portion of the proxy card, both of which will serve as your admission ticket.

If you are a beneficial owner (your shares are held in the name of a bank, broker or other holder of record) and plan to attend the meeting, you can obtain an admission ticket in advance by writing to Stockholder Services, Bristol-Myers Squibb Company, 345 Park Avenue, New York, New York 10154. Please be sure to enclose proof of ownership, such as a bank or brokerage account statement. Stockholders who do not obtain tickets in advance may obtain them upon verification of ownership at the Registration Desk on the day of the Annual Meeting.

We may also issue tickets to other individuals at our discretion.

Who is entitled to vote?

All holders of record of our \$0.10 par value common stock and \$2.00 convertible preferred stock at the close of business on March 11, 2010 will be entitled to vote at the 2010 Annual Meeting. Each share is entitled to one vote on each matter properly brought before the meeting.

How do I vote if I am a registered stockholder?

Proxies are solicited to give all stockholders who are entitled to vote on the matters that come before the meeting the opportunity to do so whether or not they attend the meeting in person. If you are a registered holder, you can vote your shares by proxy in one of the following manners:

- (i) via Internet at www.proxyvote.com;
- (ii) by telephone at (800) 690-6903;
- (iii) by mail, if you received a paper copy of the proxy materials; or
- (iv) in person at the Annual Meeting.

Choosing to vote via Internet or calling the toll-free number listed above will save us expense. In order to vote online or via telephone, have the voting form in hand and either call the number or go to the website and follow the instructions. If you vote via the Internet or by telephone, please do not return a signed proxy card.

If you received a paper copy of the proxy materials and choose to vote by mail, mark your proxy card enclosed with the Proxy Statement, date and sign it, and mail it in the postage-paid envelope.

If you wish to vote in person, you can vote your shares in person at the Annual Meeting.

How do I specify how I want my shares voted?

If you are a registered stockholder, you can specify how you want your shares voted on each proposal by marking the appropriate boxes on the proxy card. The individuals named as proxies on the proxy card will vote your shares in accordance with your instructions. Please review the voting instructions and read the entire text of the proposals and the positions of the Board of Directors in the Proxy Statement prior to marking your vote.

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If your proxy card is signed and returned without specifying a vote or an abstention on a proposal, it will be voted according to the recommendation of the Board of Directors on that proposal. That recommendation is shown for each proposal on the proxy card.

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How do I vote if I am a beneficial stockholder?

If you are a beneficial stockholder, you have the right to direct your broker or nominee on how to vote the shares. You should complete a voting instruction card which your broker or nominee is obligated to provide you. If you wish to vote in person at the meeting, you must first obtain from the record holder a proxy issued in your name.

Under the rules of the New York Stock Exchange (NYSE), brokers that have not received voting instructions from their customers ten days prior to the meeting date may vote their customers' shares in the brokers' discretion on the proposals regarding routine matters, which in most cases includes the ratification of the appointment of the independent registered public accounting firm.

Under NYSE rules, the election of directors and the approval of any management or stockholder proposals are considered non-discretionary items, which means that your broker cannot vote your shares on these proposals.

What items will be voted upon at the Annual Meeting?

At the Annual Meeting, the following items will be voted upon:

- (i) the election to the Board of Directors the eleven persons nominated by the Board, each for a term of one year;
- (ii) the ratification of the appointment of our independent registered public accounting firm;
- (iii) three amendments to our Amended and Restated Certificate of Incorporation; and
- (iv) three stockholder proposals, if presented at the meeting.

We do not know of any other matter that may be brought before the meeting. However, if other matters are properly presented for action, it is the intention of the named proxies to vote on them according to their best judgment.

What are the Board of Directors' voting recommendations?

For the reasons set forth in more detail later in the Proxy Statement, our Board of Directors recommends a vote FOR the election of each director, FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2010, FOR each of the three amendments to our Amended and Restated Certificate of Incorporation and AGAINST each of the three stockholder proposals.

How many votes are needed to have the proposals pass?

Director Elections: A majority of votes cast with respect to each director's election at the meeting is required to elect each director. A majority of the votes cast means that the number of votes cast for a director must exceed the number of votes cast against that director in order for the director to be elected. Abstentions will not be counted as votes cast for or against the director and broker non-votes will have no effect on this proposal.

Ratification of our Auditors: The affirmative vote of a majority of the shares present in person or by proxy and entitled to vote on the matter is required for the ratification of the appointment of our independent registered public accounting firm. Broker non-votes will be counted as shares present and entitled to vote. Abstentions will be counted as votes against this proposal and broker non-votes will have no effect on this proposal.

Special Stockholder Meetings: The affirmative vote of the holders of a majority of our outstanding shares entitled to vote on the matter is required to approve the Certificate of Amendment to our Amended and Restated Certificate of Incorporation to permit 25% of the holders of our outstanding voting shares to call a special meeting. Abstentions and broker non-votes will be counted as votes against this proposal.

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Removal of Supermajority Voting Provision – common stockholders: The affirmative vote of the holders of 75% of our outstanding shares is required to approve the Certificate of Amendment to our Amended and Restated Certificate of Incorporation to eliminate the supermajority voting provision applicable to our common stockholders. Abstentions and broker non-votes will be counted as votes against this proposal.

Removal of Supermajority Voting Provisions – preferred stockholders: Both the affirmative vote of the holders of a majority of our outstanding shares entitled to vote on the matter and the affirmative vote of the holders of at least two-thirds of our outstanding shares of preferred stock is required to approve the Certificate of Amendment to our Amended and Restated Certificate of Incorporation to eliminate the supermajority voting provisions applicable to preferred stockholders. Abstentions and broker non-votes will be counted as votes against the proposal.

Stockholder Proposals: The affirmative vote of the holders of a majority of our outstanding shares present in person or by proxy and entitled to vote on the matter is required for the approval of each of the three stockholder proposals. Abstentions will be counted as votes against these items and broker non-votes will have no effect on this proposal.

How are the votes counted?

In accordance with the laws of Delaware, our Restated Certificate of Incorporation and our Bylaws, for all matters being submitted to a vote of stockholders, only proxies and ballots that indicate votes FOR, AGAINST or ABSTAIN on the proposals or that provide the designated proxies with the right to vote in their judgment and discretion on the proposals are counted to determine the number of shares present and entitled to vote. Broker non-votes are not counted as shares present and entitled to vote but will be counted for purposes of determining quorum (whether enough votes are present to hold the Annual Meeting).

Can I change my vote after I return the proxy card, or after voting by telephone or electronically?

If you are a stockholder of record, you can revoke your proxy at any time before it is voted at the meeting by taking one of the following three actions:

- (i) by giving timely written notice of the revocation to the Secretary of Bristol-Myers Squibb;
- (ii) by casting a new vote by telephone or by the Internet; or
- (iii) by voting in person at the Annual Meeting.

If you are a beneficial owner of shares, you may submit new voting instructions by contacting your bank, broker or other holder of record. You may also vote in person at the Annual Meeting if you obtain a legal proxy.

All shares that have been properly voted and not revoked will be voted at the Annual Meeting.

How do I designate my proxy?

If you wish to give your proxy to someone other than the Directors Proxy Committee, you may do so by crossing out the names of all three Proxy Committee members appearing on the proxy card and inserting the name of another person. The signed card must be presented at the meeting by the person you have designated on the proxy card.

Who counts the votes?

An independent agent tabulates the proxies and the votes cast at the meeting. In addition, independent inspectors of election certify the results of the vote tabulation.

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Is my vote confidential?

Yes, any information that identifies a stockholder or the particular vote of a stockholder is kept confidential.

Who will pay for the costs involved in the solicitation of proxies?

We will pay all costs of preparing, assembling, printing and distributing the proxy materials. We have retained Georgeson Shareholder Communications Inc. to assist in soliciting proxies for a fee of \$25,000, plus reasonable out-of-pocket expenses. We may solicit proxies on behalf of the Board of Directors through the mail, in person, and by telecommunications. We will, upon request, reimburse brokerage firms and others for their reasonable expenses incurred for forwarding solicitation material to beneficial owners of stock.

CORPORATE GOVERNANCE AND BOARD MATTERS

Our business is managed under the direction of our Board of Directors pursuant to the Delaware General Corporation Law and our Bylaws. The Board has responsibility for establishing broad corporate policies and for the overall performance of our company. The Board is kept advised of company business through regular written reports and analyses and discussions with the Chairman and CEO and other officers of Bristol-Myers Squibb, by reviewing materials provided to them and by participating in Board and Board Committee meetings.

The Board of Directors has adopted Corporate Governance Guidelines that govern its operation and that of its Committees. From time to time, our Board revises the Corporate Governance Guidelines in response to changing regulatory requirements, evolving best practices and the concerns of our stockholders and other constituents. Our Corporate Governance Guidelines may be viewed on our website at www.bms.com/ourcompany/governance.

The Committee on Directors and Corporate Governance continually reviews corporate governance issues and is responsible for identifying and recommending the adoption of corporate governance initiatives. At this Annual Meeting, upon the recommendation of the Committee and the Board, we are asking our stockholders to amend our Amended and Restated Certificate of Incorporation to:

eliminate all supermajority voting provisions and

permit stockholders holding at least 25% of our outstanding voting stock to call special meetings of stockholders.

In addition, our Compensation and Management Development Committee regularly reviews compensation issues and recommends adoption of policies and procedures that strengthen our compensation practices. The Compensation Discussion and Analysis beginning on page 25 discusses many of these policies and procedures.

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Listed below are some of the significant corporate governance initiatives we have adopted:

Advisory Vote on Executive Compensation

We have agreed to adopt an advisory vote on executive compensation (say on pay) at our 2011 Annual Meeting of Stockholders.

Director Elections

Our directors are annually elected by our stockholders.

Our directors must receive a majority of the votes cast in uncontested elections to be elected.

We have a director resignation policy that requires a current director to tender his or her resignation to the Board if such director does not receive a majority of the votes cast. The Committee on Directors and Corporate Governance will recommend to the full Board whether to accept the resignation or whether to take other action.

Stockholder Rights Plans

We do not currently have a stockholder rights plans (poison pill).

All stockholder rights plans must be approved by a minimum of two-thirds of the Board.

All stockholder rights plans must expire one year after Board adoption unless approved by our stockholders.

Related Party Transactions

We have adopted related party transaction policies and procedures that require the Committee on Directors and Corporate Governance to review and approve related party transactions. These policies and procedures are described in greater detail beginning on page 19 of this Proxy Statement.

Political Contributions

We currently disclose on a semi-annual basis all political contributions to political committees, parties or candidates on both state and federal levels that are made by our company or our employee political action committee. In addition, we disclose the amount of our dues or other payments made to trade associations to which we give \$100,000 or more that can be attributed to political contributions. Such disclosure may be viewed on our website.

Our Committee on Directors and Corporate Governance provides oversight of our political contributions and annually reviews our political contribution policy.

Board's Role in Strategic Planning and Risk Oversight

Our Board meets regularly to discuss the strategic direction and the issues and opportunities facing our company in light of trends and developments in the biopharmaceutical industry and general business environment. Our Board has been instrumental in determining our strategy to combine the best of biotechnology with pharmaceuticals to become a best-in-class next generation biopharmaceutical company. Throughout the year, our Board provides guidance to management regarding our strategy and helps to refine our operating plans to implement our strategy. Each year, typically during the second quarter, the Board holds an extensive meeting with senior management

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dedicated to discussing and reviewing our long-term operating plans and overall corporate strategy. A discussion of key risks to the plans and strategy as well as risk mitigation plans and activities is led by the Chairman and Chief Executive Officer as part of the meeting. The involvement of the Board in setting our business strategy is critical to the determination of the types and appropriate levels of risk undertaken by the company. As stated in our Corporate Governance Guidelines, our Board is responsible for risk oversight as part of its fiduciary duty of care to effectively monitor business operations. Our Board administers its risk oversight function as a whole and through its Board Committees. For example, the Audit Committee regularly discusses with management our major risk exposures, their potential financial impact on our company and our risk mitigation strategies. In addition, the Audit Committee participates in regular reviews of our process to assess and manage enterprise risk management, including those related to market/environmental, strategic, financial, operational, legal, compliance and reputational risks. In addition, each of the other standing Board committees (the Compensation and Management Development Committee, the Committee on Directors and Corporate Governance and the Science and Technology Committee), regularly meet to discuss the short-term and long-term objectives and to provide oversight for risks relating to the applicable committee's areas of responsibility.

Director Independence

It is the policy of our Board that a substantial majority of its members be independent from management and the Board has adopted independence standards that meet, and in some areas exceed, the listing standards of the New York Stock Exchange. In accordance with our Corporate Governance Guidelines, our Board undertook its annual review of director independence. Our Board considered any and all commercial and charitable relationships of directors, including transactions and relationships between each director or any member of his or her immediate family and Bristol-Myers Squibb and its subsidiaries, which are described more fully below. Following the review, our Board determined, by applying the independence standards contained in the Corporate Governance Guidelines, that each of our directors and each director nominee for election at this Annual Meeting is independent of Bristol-Myers Squibb and its management in that none has a direct or indirect material relationship with our company, except for James M. Cornelius and Lamberto Andreotti. Messrs. Cornelius and Andreotti are not considered independent directors because of Mr. Cornelius' employment as Chief Executive Officer and Mr. Andreotti's employment as President, Chief Operating Officer and CEO-Designate of our company.

In determining that each of Lewis B. Campbell, Louis J. Freeh, Laurie H. Glimcher, M.D., Michael Grobstein, Leif Johansson, Alan J. Lacy, Vicki L. Sato, Ph.D., Togo D. West, Jr. and R. Sanders Williams, M.D. is independent, the Board considered the following relationships under our categorical standards (see Exhibit A):

Drs. Glimcher, Sato and Williams and Mr. Lacy are directors or trustees of companies that received payment from the company for property or services in an amount which did not exceed the greater of \$1 million or 2% of such other company's consolidated gross revenues. The Board determined that for each such transaction, the director did not initiate or negotiate the transaction and that the transaction was entered into in the ordinary course of business.

Drs. Glimcher, Sato and Williams, or one of their immediate family members, are or were employed by educational or medical institutions with which we engage in ordinary course business transactions. The director did not initiate or negotiate any transaction with such institution and the payments made did not exceed the greater of \$1 million or 2% of such institution's consolidated gross revenues.

Mr. West is a trustee of a charitable organization or non-profit organization to which the company, or the Bristol-Myers Squibb Foundation, made a charitable contribution, which, in the aggregate, did not exceed the greater of \$1 million or 2% of that organization's consolidated gross revenues.

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Board Leadership Structure

Our CEO, James M. Cornelius, also currently serves as the Chairman of the Board of Directors. Our Board determined that it was appropriate to combine the roles of Chairman and CEO to help guide the company through its transition to a next generation biopharmaceutical company. As previously announced, Mr. Cornelius will retire as our CEO on May 4, 2010 and become our Non-Executive Chairman. Lamberto Andreotti will become our new CEO on that date. The Board has determined that it is appropriate to separate the roles of the Chairman and the CEO at this time in view of the completion of our transformation into a next generation biopharmaceutical company and Mr. Cornelius's retirement as CEO. Mr. Cornelius will coach and mentor Mr. Andreotti as he transitions into his new role as CEO. The Board has determined to maintain a Lead Independent Director at this time because Mr. Cornelius does not meet the New York Stock Exchange standards of independence due to his service as Chief Executive Officer of the company. The independent directors have elected Lewis B. Campbell, the current Chair of the Compensation and Management Development Committee, to serve as the Lead Independent Director. The Lead Independent Director is selected annually by the independent directors. The Lead Independent Director's responsibilities include, among others, presiding at the meetings of independent directors, approving meeting agendas and meeting schedules, approving and advising the Chairman as to the quality, quantity and timeliness of information sent to the Board and serving as the principal liaison and facilitator between the independent directors and the Chairman. A more detailed description of the roles and responsibilities of the Lead Independent Director is available on our website at www.bms.com/ourcompany/governance.

Meetings of our Board

Our Board meets on a regularly scheduled basis during the year to review significant developments affecting Bristol-Myers Squibb and to act on matters requiring Board approval. It also holds special meetings when important matters require Board action between scheduled meetings. Members of senior management regularly attend Board meetings to report on and discuss their areas of responsibility. In 2009, the Board of Directors met 13 times. The average aggregate attendance of directors at Board and committee meetings was over 93%. No director attended fewer than 75% of the aggregate number of Board and committee meetings during the period he or she served. In addition, our independent directors met in non-management director sessions six times during 2009 to discuss such topics as our independent directors determined, including the evaluation of the performance of our Chief Executive Officer. Mr. Campbell, our Lead Independent Director, presided over these sessions.

Annual Meeting of Stockholders

All of the 2009 nominees for director attended our 2009 Annual Meeting of Stockholders. Directors are strongly encouraged, but not required, to attend the Annual Meeting of Stockholders.

Committees of our Board

Our Bylaws specifically provide for an Audit Committee, Compensation and Management Development Committee and Committee on Directors and Corporate Governance, which are composed entirely of independent directors. Our Board of Directors has determined, in its judgment, that all members of the Audit Committee are financially literate and that, all members of the Audit Committee meet additional, heightened independence criteria applicable to directors serving on audit committees under the New York Stock Exchange listing standards. In addition, our Board has determined that Michael Grobstein and Alan J. Lacy each qualify as an audit committee financial expert under the applicable SEC rules.

Our Bylaws also authorize the establishment of additional committees of the Board and, under this authorization, our Board of Directors established the Science and Technology Committee. Our Board has appointed individuals from among its members to serve on these four committees and each

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committee operates under a written charter adopted by the Board, as amended from time to time. These charters are published on our website at www.bms.com/ourcompany/governance. Each of these Board committees has the resources and authority appropriate to discharge its responsibilities, including the authority to retain consultants or experts to advise the committee.

On January 20, 2009, the Board established an IPO Committee to determine and approve the terms of the partial initial public offering of Mead Johnson Nutrition Company. The members of the IPO Committee were Messrs. Grobstein, Cornelius and Campbell. The IPO Committee met twice and upon the completion of the partial IPO of Mead Johnson, the Committee was dissolved.

The table below indicates the current members of the Audit Committee, Compensation and Management Development Committee, Committee on Directors and Corporate Governance and Science and Technology Committee, the primary responsibilities of each committee and the number of meetings held in 2009:

Committee	Current Members	Primary Responsibilities	No. of Meetings 9
Audit	Michael Grobstein (Chair) Lewis B. Campbell Louis J. Freeh Laurie H. Glimcher, M.D. Leif Johansson Alan J. Lacy	<p>overseeing and monitoring the quality of our accounting and auditing practices;</p> <p>appointing, compensating and providing oversight of our independent registered public accounting firm for the purpose of preparing or issuing audit reports and related work regarding our financial statements and the effectiveness of our internal control over financial reporting;</p> <p>assisting the Board in fulfilling its responsibilities for general oversight of (i) compliance with legal and regulatory requirements, (ii) the performance of our internal audit function and independent registered public accounting firm and (iii) business risk assessment and business risk management;</p> <p>reviewing our disclosure controls and procedures, internal controls, periodic filings with the U.S. Securities and Exchange Commission (SEC), earnings releases and earnings guidance;</p> <p>producing the required Audit Committee Report for inclusion in our Proxy Statement; and</p> <p>overseeing investigations into complaints concerning financial or accounting matters.</p>	

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Committee	Current Members	Primary Responsibilities	No. of Meetings
Compensation and Management Development	Lewis B. Campbell (Chair) Michael Grobstein Leif Johansson Vicki L. Sato, Ph.D. Togo D. West, Jr.	<p>reviewing, approving and reporting to our Board on our major compensation and benefits plans, policies and programs;</p> <p>annually reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those goals and objectives and recommending for approval by three-fourths of our independent directors the CEO's compensation based on this evaluation;</p> <p>reviewing and evaluating the performance of senior management; approving the compensation of executive officers and certain senior management;</p> <p>overseeing our management development programs, performance assessment of senior executives and succession planning; and</p> <p>reviewing and discussing with management the Compensation Discussion and Analysis and related disclosures required for inclusion in our Proxy Statement, recommending to the Board, whether the Compensation Discussion and Analysis should be included in our Proxy Statement, and producing the Compensation and Management Development Committee Report required for inclusion in our Proxy Statement.</p>	9
Directors and Corporate Governance	Louis J. Freeh (Chair) Lewis B. Campbell Laurie H. Glimcher, M.D. Alan J. Lacy Togo D. West, Jr. R. Sanders Williams, M.D.	<p>developing and recommending to our Board a set of Corporate Governance Guidelines and periodically reviewing such guidelines;</p> <p>identifying and recommending corporate governance best practices;</p> <p>reviewing and recommending annually to our Board of Directors the compensation of non-employee directors;</p> <p>considering questions of potential conflicts of interest of directors and senior management, including approving related party transactions;</p> <p>defining specific categorical standards for director independence;</p> <p>considering matters of corporate social and public responsibility and matters of significance in areas related to corporate public affairs and our employees and stockholders;</p> <p>identifying individuals qualified to become Board members and recommending that our Board select the director nominees for the next annual meeting of stockholders; and</p> <p>overseeing our Board's annual evaluation of its performance.</p>	3

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Committee	Current Members	Primary Responsibilities	No. of Meetings
Science and Technology	Laurie H. Glimcher, M.D. (Chair)	reviewing and advising our Board on the strategic direction of our research and development (R&D) programs and our progress in achieving long-term R&D objectives;	5
	Vicki L. Sato, Ph.D.	reviewing and advising our Board on our internal and external investments in science and technology; and	
	R. Sanders Williams, M.D.	identifying and discussing significant emerging trends and issues in science and technology and considering their potential impact on our company.	
	Lamberto Andreotti		
	Elliott Sigal, M.D., Ph.D.*		

* Dr. Sigal is our Executive Vice President, Chief Scientific Officer and President, Research and Development.

Compensation Committee Interlocks and Insider Participation

There were no Compensation and Management Development Committee interlocks or insider (employee) participation in 2009.

Risk Assessment of Compensation Policies and Practices

We have reviewed our material compensation policies and practices and have concluded that these policies and practices are not reasonably likely to have a material adverse effect on the company. Specifically, our compensation programs contain many design features that mitigate the likelihood of inducing excessive risk-taking behavior. These features include: