

CORNING INC /NY  
Form DEF 14A  
March 14, 2011

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the**

**Securities Exchange Act of 1934**

**(Amendment No. \_\_)**

Filed by the Registrant  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

**Corning Incorporated**

(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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(3) Filing Party:

(4) Date Filed:

**Corning Incorporated**

**One Riverfront Plaza**

**Corning, New York 14831**

**Notice of 2011 Annual Meeting of Shareholders**

**To Shareholders of Corning Incorporated:**

You are cordially invited to attend the 2011 Annual Meeting of Shareholders of Corning Incorporated which will be held in **The Corning Museum of Glass Auditorium, Corning, New York, on Thursday, April 28, 2011 at 11:00 a.m. Eastern Time**. The Annual Meeting is open to all shareholders of record as of the close of business on February 24, 2011, the record date for the meeting.

The principal business of the meeting will be:

1. To elect six directors for a one-year term;
2. To hold an advisory vote on executive compensation;
3. To hold an advisory vote on the frequency of holding an advisory vote on executive compensation;
4. To ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011;
5. To consider the non-binding shareholder proposal described on page 66 in the accompanying proxy statement, if presented at the meeting; and
6. Any other matter, if any, as may properly come before the meeting and any adjournment or postponement of the Annual Meeting. Our Board recommends that you vote *for* Items 1, 2, 3, 4 and *against* the shareholder proposal.

**YOUR VOTE IS VERY IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE PROMPTLY SUBMIT YOUR PROXY OR VOTING INSTRUCTIONS BY INTERNET, TELEPHONE OR MAIL IN ORDER TO ENSURE THE PRESENCE OF A QUORUM.**

*Registered shareholders may vote:*

By Internet at [www.investorvote.com/glw](http://www.investorvote.com/glw). This will require your 6-digit control number.

By telephone (from the United States and Canada only) at (800) 652-VOTE (8683).

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By mail by completing, signing, dating and returning the enclosed proxy card in the postage paid envelope provided (see instructions on proxy card).

*Beneficial owners:* If your shares are held in the account of or name of a bank, broker or other holder of record, follow the instructions you receive from the holder of record to vote your shares held in that account.

By order of the Board of Directors,

Denise A. Hauselt

Vice President, Secretary and Assistant General Counsel

March 14, 2011

**Important Notice Regarding the Availability of Proxy Materials for the Shareholder**

**Meeting to Be Held on April 28, 2011**

**Our Proxy Statement and 2010 Annual Report to Shareholders**

**are available at [www.corning.com/2011\\_proxy](http://www.corning.com/2011_proxy)**

### **About the Meeting**

#### ***Why Did You Send Me This Proxy Statement?***

We sent this proxy statement and the enclosed proxy card to you because our Board of Directors is soliciting your proxy to vote at the 2011 Annual Meeting of Shareholders. This proxy statement summarizes information concerning the matters to be presented at the meeting and related information that will help you make an informed vote. This proxy statement and the accompanying proxy card are first being mailed to shareholders on or about March 14, 2011.

#### ***When Is The Annual Meeting?***

The Annual Meeting will be held on Thursday, April 28, 2011, at 11:00 a.m., Eastern Time, at The Corning Museum of Glass Auditorium, Corning, New York.

#### ***Who May Attend The Annual Meeting?***

The Annual Meeting is open to all holders of our common shares. To attend the meeting, you will need to register upon arrival. We may check for your name on our shareholders list and ask you to produce valid photo ID. If your shares are held in street name by your broker or bank, you should bring your most recent brokerage account statement or other evidence of your share ownership. If we cannot verify that you own Corning shares, it is possible that you will not be admitted to the meeting.

#### ***What Am I Voting On?***

At the Annual Meeting, you will be voting:

To elect six directors for a one-year term (Proposal 1);

To hold an advisory vote on executive compensation (Proposal 2);

To hold an advisory vote on the frequency of holding an advisory vote on executive compensation (Proposal 3);

To ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011 (Proposal 4);

To consider the non-binding shareholder proposal described on page 66, if presented at the meeting (Proposal 5); and

Any other matter, if any, as may properly come before the meeting and any adjournment or postponement of the Annual Meeting.

#### ***How Do You Recommend That I Vote On These Items?***

The Board of Directors recommends that you vote your shares:

**FOR** each of the director nominees (Proposal 1);

**FOR** the approval of the compensation of the Company's named executive officers, as such information is disclosed in the Compensation Discussion and Analysis, the compensation tables and the accompanying disclosure beginning on page 66 (commonly

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referred to as say-on-pay ) (Proposal 2);

**FOR** the approval of an annual advisory vote on executive compensation (Proposal 3);

**FOR** ratification of the Board's appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011 (Proposal 4); and

**AGAINST** the shareholder proposal (Proposal 5).

***Who Is Entitled To Vote?***

You may vote if you owned our common shares as of the close of business on February 24, 2011, the record date for the Annual Meeting.

***How Many Votes Do I Have?***

You are entitled to one vote for each common share you own. As of the close of business on February 2, 2011, we had 1,565,794,881 common shares outstanding. The shares held in our treasury are not considered outstanding and will not be voted or considered present at the meeting.

***How Do I Vote By Proxy Before The Annual Meeting?***

Before the meeting, **registered** shareholders may vote shares in one of the following three ways:

By Internet at [www.investorvote.com/glw](http://www.investorvote.com/glw);

By telephone (from the United States and Canada only) at **1(800) 652-VOTE (8683)**; and

By mail by completing, signing, dating and returning the enclosed proxy card in the postage paid envelope provided (see instructions on proxy card).

Please refer to the proxy card for further instructions on voting by Internet or telephone.

Please use only one of the three ways to vote.

If you hold shares in the account of or name of a broker, your ability to vote those shares by Internet and telephone depends on the voting procedures used by your broker, as explained below under *How Do I Vote If My Broker Holds My Shares In Street Name ?*

***May I Vote My Shares In Person At The Annual Meeting?***

Yes. You may vote your shares at the meeting if you attend in person, even if you previously submitted a proxy card or voted by Internet or telephone. Whether or not you plan to attend the meeting, however, we strongly encourage you to vote your shares by proxy *before* the meeting.

***May I Change My Mind After I Vote?***

Yes. You may change your vote or revoke your proxy at any time before the polls close at the meeting. You may change your vote by:

signing another proxy card with a later date and returning it to Corning's Corporate Secretary at One Riverfront Plaza, Corning, NY 14831, prior to the meeting;

voting again by Internet or telephone prior to the meeting; or

voting again at the meeting.



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You also may revoke your proxy prior to the meeting without submitting any new vote by sending a written notice that you are withdrawing your vote to our Corporate Secretary at the address listed above.

***What Shares Are Included On My Proxy Card?***

Your proxy card includes shares held in your own name and shares held in any Corning plan. You may vote these shares by Internet, telephone or mail, as described on the enclosed proxy card. Your proxy card does not include any shares held in a brokerage account in the name of your bank or broker (such shares are said to be held in street name).

***How Do I Vote If I Participate In The Corning Investment Plan?***

If you hold shares in the Corning Investment Plan, which includes shares held in the Corning Stock Fund in the 401(k) plan, these shares have been added to your other holdings on your proxy card. Your completed proxy card serves as voting instructions to the trustee of the plan. You may direct the trustee how to vote your plan shares by submitting your proxy vote for those shares, along with the rest of your shares, by Internet, telephone or mail, all as described on the enclosed proxy card. If you do not instruct the trustee how to vote, your plan shares will be voted by the trustee in the same proportion that it votes shares in other plan accounts for which it did receive timely voting instructions.

***How Do I Vote If My Broker Holds My Shares In Street Name ?***

If your shares are held in a brokerage account in the name of your bank or broker (this is called street name), those shares are not included in the total number of shares listed as owned by you on the enclosed proxy card. Instead, your bank or broker will send you directions on how to vote those shares.

***What Is A Broker Non-Vote ?***

If you own shares through a bank or broker in street name, you may instruct your bank or broker how to vote your shares. A broker non-vote occurs when you fail to provide your bank or broker with voting instructions and the bank or broker does not have the discretionary authority to vote your shares on a particular proposal because the proposal is not a routine matter under the New York Stock Exchange rules. As explained under the question *Will My Shares Held In Street Name Be Voted If I Do Not Provide My Proxy?*, Proposals 1, 2, 3, and 5 are not considered routine matters under the current New York Stock Exchange rules, so your bank or broker will not have discretionary authority to vote your shares held in street name on those items. Abstentions and broker non-votes count for quorum purposes, but not for the voting of these proposals. A broker non-vote may also occur if your broker fails to vote your shares for any reason. Proposal 4 (ratification of the appointment of our independent registered public accounting firm) is considered a routine matter under the New York Stock Exchange rules, so your bank or broker will have discretionary authority to vote your shares held in street name on that item.

***Will My Shares Held In Street Name Be Voted If I Do Not Provide My Proxy?***

Under the New York Stock Exchange rules, if you own shares in street name through a broker and do not vote, your broker may not vote your shares on proposals determined to be non-routine. In such cases, the absence of voting instructions results in a broker non-vote. Broker non-voted shares count toward achieving a quorum requirement for the Annual Meeting, but they do not affect the determination of whether the non-routine matter is approved or rejected. The proposal to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm is the only matter in this proxy statement considered to be a routine matter for which brokers will be permitted to vote on behalf of their clients, if no voting instructions are furnished. Since Proposals 1, 2, 3 and 5 are non-routine matters, broker non-voted shares will not count as votes cast to affect the determination of whether those proposals are approved or rejected. **Therefore, it is important that you provide voting instructions to your broker.**

***What If I Return My Proxy Card Or Vote By Internet Or Telephone But Do Not Specify How I Want To Vote?***

If you sign and return your proxy card or complete the Internet or telephone voting procedures, but do not specify how you want to vote your shares, we will vote them as follows:

**FOR** each of the director nominees (Proposal 1);

**FOR** the approval, on an advisory basis, of the compensation of our named executive officers (Proposal 2);

**FOR** the approval, on an advisory basis, of an annual advisory vote on executive compensation (Proposal 3);

**FOR** ratification of the Board's appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011 (Proposal 4); and

**AGAINST** the non-binding shareholder proposal (Proposal 5).

If you participate in the Corning Investment Plan and do not submit timely voting instructions, the trustee of the plan will vote the shares in your plan account in the same proportion that it votes shares in other plan accounts for which it did receive timely voting instructions, as explained above under the question *How Do I Vote If I Participate In The Corning Investment Plan?*

***What Does It Mean If I Receive More Than One Proxy Card?***

If you received more than one proxy card, you have multiple accounts with your brokers or our transfer agent. Please vote all of these shares. We recommend that you contact your broker or our transfer agent to consolidate as many accounts as possible under the same name and address. You may contact our transfer agent, Computershare Trust Company, N.A., at 1-800-255-0461.

***May Shareholders Ask Questions At The Annual Meeting?***

Yes. Our representatives will answer your questions of general interest to shareholders at the end of the meeting. In order to give a greater number of shareholders the opportunity to ask questions, we may impose certain procedural requirements, such as limiting repetitive or follow-up questions, or those of a personal nature.

***How Many Shares Must Be Present To Hold The Meeting?***

In order for us to conduct our meeting, a majority of our outstanding common shares as of February 24, 2011, the record date for the meeting, must be present in person or by proxy at the meeting. This is called a quorum. Your shares are counted as present at the meeting if you attend the meeting and vote in person or if you properly return a proxy by Internet, telephone or mail.

**What Is The Vote Required For Each Proposal?**

<b>Proposal</b>	<b>Affirmative Vote Required</b>	<b>Broker Discretionary Voting Allowed</b>
<b>Proposal 1</b> Election of six directors	Plurality of votes cast at the meeting in person or by proxy, subject to our majority vote policy described below	No
<b>Proposal 2</b> Advisory vote on executive compensation	Majority of votes cast at the meeting in person or by proxy	No
<b>Proposal 3</b> Advisory vote on frequency of advisory vote on executive compensation	Majority of votes cast at the meeting in person or by proxy	No
<b>Proposal 4</b> Ratification of auditors for Fiscal Year 2011	Majority of votes cast at the meeting in person or by proxy	Yes
<b>Proposal 5</b> Adoption of the non-binding shareholder proposal	Majority of votes cast at the meeting in person or by proxy. Shareholder approval of this non-binding shareholder proposal would not automatically allow holders of 10% of our outstanding common stock the power to call a special shareholder meeting. Under New York law, to change these meeting requirements would first require the Board to authorize amendments to the Company's Restated Certificate of Incorporation and By-Laws.	No

With respect to Proposals 1, 2, 4 and 5, you may vote FOR , AGAINST or ABSTAIN . If you ABSTAIN from voting on any of these Proposals, the abstention will not constitute a vote cast. With respect to Proposal 3, you may vote to hold a say-on-pay vote once every ONE , TWO or THREE years, or you may ABSTAIN.

We have a majority-vote policy for the election of directors in our Corporate Governance Guidelines. The policy provides that in an uncontested election, any nominee for director who receives a greater number of votes withheld (i.e., ABSTAIN ) from his or her election than votes FOR such election is required to tender his or her resignation following certification of the shareholder vote. The Nominating and Corporate Governance Committee is required to make a recommendation to the Board whether to accept such a letter of resignation. The Board will determine whether to accept or reject the letter of resignation and disclose its decision-making process. Details of the majority-vote policy are set out in our Corporate Governance Guidelines and under Proposal 1 Election of Directors in this proxy statement.

**How Will Broker Non-Votes Be Treated?**

Except for Proposal 4, broker non-votes will be treated as shares present for quorum purposes, but not entitled to vote, so they will have no effect on the outcome of any election or proposal.

**How Will Voting On Any Other Business Be Conducted?**

We have not received proper notice of, and are not aware of, any business to be transacted at the meeting other than as indicated in this proxy statement. If any other item or proposal properly comes before the meeting, the proxies received will be voted on those matters in accordance with the discretion of the proxy holders.

***Who Pays For The Solicitation Of Proxies?***

Our Board of Directors is making this solicitation of proxies on our behalf. We will pay the costs of the solicitation, including the costs for preparing, printing and mailing this proxy statement. We have hired Georgeson Inc. to assist us in soliciting proxies. It may do so by telephone, in person or by other electronic communications. We anticipate paying Georgeson a fee of \$15,000 plus expenses for these services. We also will reimburse brokers, nominees and fiduciaries for their costs in sending proxies and proxy materials to our shareholders so that you may vote your shares. Our directors, officers and regular employees may supplement Georgeson's proxy solicitation efforts by contacting you by telephone or electronic communication or in person. We will not pay directors, officers or other regular employees any additional compensation for their proxy solicitation efforts.

***How Can I Find The Voting Results Of The Annual Meeting?***

Following the conclusion of the Annual Meeting, we will include the voting results in a Form 8-K, which we expect to file with the Securities and Exchange Commission (the SEC) on or before May 4, 2011.

***How Do I Submit A Shareholder Proposal For, Or Nominate A Director For Election At Next Year's Annual Meeting?***

If you wish to submit a proposal to be included in our proxy statement for our 2012 Annual Meeting of Shareholders, we must receive it at our principal office on or before November 15, 2011. Please address your proposal to: Corporate Secretary, Corning Incorporated, One Riverfront Plaza, Corning, New York 14831.

We will not be required to include in our proxy statement a shareholder proposal that is received after that date or that otherwise does not meet the requirements for shareholder proposals established by the SEC or as set forth in our By-Laws.

If you miss the deadline for including a proposal in our printed proxy statement, or would like to nominate a director or bring other business before the 2012 Annual Meeting of Shareholders, under our current By-Laws (which are subject to amendment at any time), you must notify our Corporate Secretary in writing not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's Annual Meeting. For our 2012 Annual Meeting of Shareholders, we must receive notice on or after December 30, 2011, and on or before January 30, 2012.

***Can I Receive Electronic Delivery of Proxy Materials And Annual Reports?***

Yes. This proxy statement and Corning's 2010 Annual Report are available on Corning's website at [www.corning.com](http://www.corning.com). Instead of receiving paper copies of next year's proxy statement and Annual Report in the mail, shareholders can elect to receive an e-mail message that will provide a link to these documents on the website. By opting to access your proxy materials online, you will save us the cost of producing and mailing documents to you, reduce the amount of mail you receive, and help preserve environmental resources. Corning's shareholders who have enrolled in the electronic proxy delivery service previously will receive their materials online this year. Shareholders of record may enroll in the electronic proxy statement and Annual Report access service for future Annual Meetings by registering online at [www.computershare.com](http://www.computershare.com). Beneficial or street name shareholders who wish to enroll in electronic access service may do so at [www.icsdelivery.com](http://www.icsdelivery.com). We may, at some point, use the SEC's Notice and Access method of proxy distribution. If we were to utilize the Notice and Access method, you would receive a notice in the mail about how to access electronic copies of the proxy materials or how to have paper copies mailed to you.

***Are You Household For Shareholders Sharing The Same Address?***

Yes. The SEC's rules regarding the delivery to shareholders of proxy statements, annual reports, prospectuses and information statements permit us to deliver a single copy of these documents to an address

shared by two or more of our shareholders. This method of delivery is referred to as householding, and can significantly reduce our printing and mailing costs. It also reduces the volume of mail you receive. This year, we are delivering only one proxy statement and 2010 Annual Report to multiple registered shareholders sharing an address, unless we receive instructions to the contrary from one or more of the shareholders. We will still be required, however, to send you and each other shareholder at your address an individual proxy voting card. If you would like to receive more than one copy of this proxy statement and our 2010 Annual Report, we will promptly send you additional copies upon written or oral request directed to our transfer agent, Computershare Trust Company, N.A., toll free at 1-800-255-0461. The same phone number may be used to notify us that you wish to receive a separate proxy statement or Annual Report in the future, or to request delivery of a single copy of a proxy statement of Annual Report if you are receiving multiple copies.

#### **PROPOSAL 1 Election of Directors**

In April 2010, the Company's shareholders approved the Board of Directors' proposal to amend the Certificate of Incorporation to declassify the Board of Directors by the 2013 Annual Meeting of Shareholders and provide for the annual election of all directors upon the expiration of their current terms. The Board of Directors presently has six directors whose terms expire at the 2011 Annual Meeting of Shareholders, and are being nominated for election to a one-year term to serve until the 2012 Annual Meeting of Shareholders.

Each of Messrs. Brown, Gund, Landgraf, and Ruding were elected by Corning's shareholders on April 24, 2008, and their terms expire at the 2011 Annual Meeting. Mr. Canning was appointed by Corning's Board of Directors on June 6, 2010. Mr. Tilton was appointed by Corning's Board of Directors on November 30, 2010. Messrs. Canning and Tilton are standing for election by shareholders for the first time. Mr. O'Connor whose term expires this year, has met the Board's mandatory retirement age and will not be standing for re-election.

Each of Messrs. Brown, Canning, Gund, Landgraf, Ruding, and Tilton is standing for election for a one-year term.

**Majority-Vote Policy.** A plurality of votes cast is required for the election of directors. However, under our Corporate Governance Guidelines, any nominee for director who does not receive the affirmative vote of a majority of the votes cast in any uncontested election will promptly, following certification of the election results, tender his or her resignation to the Board. A director nominee will have failed to receive the affirmative vote of a majority of votes cast if the number of withhold votes in respect of such nominee's election exceeds the number of votes for such director nominee's election (excluding abstentions). An election will be deemed to be uncontested if the number of director candidates does not exceed the number of directors to be elected.

The Board, acting on the recommendation of the Nominating and Corporate Governance Committee, will decide whether to accept or reject the tendered resignation. The Nominating and Corporate Governance Committee in making its recommendation, and the Board in making its decision, may each consider any factors or other information that it considers relevant. Within 90 days of the certification of the election results, the Board will decide whether to accept or reject the tendered resignation. The Board will promptly disclose its decision in a press release or SEC filing. If the Board rejects the tendered resignation, such press release or SEC filing will include an explanation of the Board's reasons for its rejection of the resignation.

Any director who tenders his or her resignation pursuant to this policy will recuse himself or herself from the deliberations, recommendation, or decision, as applicable, of the Nominating and Corporate Governance Committee and the Board regarding whether to accept such resignation. However, if a majority of the members of the Nominating and Corporate Governance Committee or Board, as applicable, are required to tender resignations in accordance with the director resignation policy, then the independent directors who are not required to tender resignations will appoint a committee from amongst themselves to consider the resignations and, in the event there are fewer than three such independent directors, the entire Nominating and Corporate Governance Committee or Board, as applicable, may participate in the deliberations, recommendation, or decision, as applicable.

**Declassification of the Board.** At our 2010 Annual Meeting of Shareholders, our shareholders voted to declassify our Board by the 2013 Annual Meeting of Shareholders and provide for the annual election of all directors upon the expiration of their current terms. The Board of Directors presently has six directors whose terms expire at the 2011 Annual Meeting of Shareholders, and who are being nominated for election to one-year terms to serve until the 2012 Annual Meeting of Shareholders.

The continuing directors whose current terms will expire at the 2012 or 2013 Annual Meetings of Shareholders, respectively, will serve the remainder of their terms, and the term of office for director nominees elected at the 2012 or 2013 Annual Meeting of Shareholders will expire at the following Annual Meeting of Shareholders.

Any director appointed to the Board because of an increase in the size of the Board, or to fill a vacancy, will hold office until the next Annual Meeting of Shareholders, at which the director will be eligible to stand for re-election for a term expiring at the following Annual Meeting of Shareholders.

Beginning with the 2013 Annual Meeting of Shareholders all directors will stand for election for terms expiring at the next Annual Meeting of Shareholders.

Each of the nominees has consented to being named in this proxy statement and to serve as a director if elected. If a nominee is not able to serve, proxy holders will vote your shares for the substitute nominee, unless you have withheld authority. No nominee now owns beneficially any of the securities (other than directors' qualifying shares) of any of Corning's subsidiary companies. We have included below certain information about the nominees for election as directors and the directors who will continue in office after the Annual Meeting. The Board of Directors has concluded that the skills, qualifications and experience of each of the director nominees and continuing directors supports such nominee or director's continued membership on the Company's Board of Directors.

#### **Nominees for Election as Directors**

##### **Nominees for Election for Terms Expiring in 2012**

**John Seely Brown**  
**Retired Chief Scientist**  
**Xerox Corporation**

Dr. Brown served Xerox Corporation in various scientific research positions from 1978, until his retirement in 2002. In 1986, he was elected vice president in charge of advanced research and was director of the Palo Alto Research Center from 1990 to 2000. Dr. Brown was named chief scientist of Xerox in 1992, retiring in 2002. He is a visiting scholar and advisor to the Provost at the University of Southern California. He is also the independent co-chairman of Deloitte's Center for the Edge. Dr. Brown is a director of Amazon.com, Inc. and Varian Medical Systems, Inc. He is a former director of Polycom, Inc. Corning director since 1996. Age 70.

Formerly the chief scientist of a large scale technology-based company (Xerox), Dr. Brown brings significant experience in the areas of research and development, technology and innovation to our Board. His additional areas of specialized knowledge include organizational learning, complex adaptive systems, micro electrical mechanical system (MEMS) and nanotechnology. Dr. Brown also has significant expertise in business strategies in Asia. His current work includes advising on international corporate strategies in the digital age.

**John A. Canning, Jr.**  
**Co-founder and Chairman**  
**Madison Dearborn Partners, LLC**

Mr. Canning co-founded Madison Dearborn Partners, LLC in 1992, serving as its chief executive officer until he became chairman in 2007. He previously spent 24 years with First Chicago Corporation, most recently as executive vice president of The First National Bank of Chicago and president of First Chicago Venture Capital. Mr. Canning is trustee and chairman of several Chicago-area non-profit organizations. He is a commissioner of the Irish Reserve Fund and a former director and chairman of the Federal Reserve Bank of Chicago. Mr. Canning is a director of Exelon Corporation. He is a former director of Jefferson Smurfit Group plc. Corning director since 2010. Age 66.

Mr. Canning brings thirty years of experience in private equity investing, including reviewing financial statements and audit results and making investment and acquisition decisions. As a former director and Chairman of the Federal Reserve Bank of Chicago, he has insight into economic trends important to our business. In addition to his business experience, he also has a law degree and is a recognized leader in the Chicago business community. Mr. Canning's business experience and service on the boards of other companies and organizations enable him to contribute to Corning's board. Mr. Canning's experience in banking and managing investments, and his experience on the audit committees of other organizations, make him a valued member of our audit and finance committees.

**Gordon Gund**  
**Chairman and Chief Executive Officer**  
**Gund Investment Corporation**

Besides being the chairman and CEO of Gund Investment Corporation, which was founded in 1968, Mr. Gund is co-founder and chairman of The Foundation Fighting Blindness. The Foundation Fighting Blindness is a national, non-profit organization dedicated to finding the causes, treatments and/or cures for retinitis pigmentosa, age-related macular degeneration, and allied retinal degenerative diseases. He is a director of the Kellogg Company. Corning director since 1990. Age 71.

Mr. Gund brings to the Board his many years of experience as an entrepreneur, chief executive officer, investment professional and public company director. His business ventures covered finance and investment banking, sports, consumer products, philanthropy and medical research. Mr. Gund has significant experience as a public company lead director and has provided leadership to the Corning Board for over 21 years, from which he has developed additional expertise in the areas of compensation and corporate governance.



**Kurt M. Landgraf**  
**President and Chief Executive Officer**  
**Educational Testing Service**

Mr. Landgraf is president and chief executive officer of Educational Testing Service, a private non-profit educational testing and measurement organization, and joined ETS in that position in 2000. Prior to that, he was executive vice president and chief operating officer of E.I. Du Pont de Nemours and Company, where he previously held a number of senior leadership positions, including chief financial officer. He is a director of Louisiana-Pacific Corporation. Mr. Landgraf is a former director of IKON Office Solutions Inc. Corning director since 2007. Age 64.

Mr. Landgraf was selected for his wealth of executive management experience in public companies, non-profit entities, higher education, and government. He brings to the Board his financial expertise and operations skills and experience, represented by his positions as the chief financial officer and chief operating officer of E.I. DuPont de Nemours & Company. Mr. Landgraf's other areas of specialized knowledge include technology, transportation, education, pharmaceuticals, health care, energy, materials, and mergers and acquisitions.

**H. Onno Ruding**  
**Retired Vice Chairman**  
**Citicorp and Citibank, N.A.**

Dr. Ruding has served private firms and the public (serving as Minister of Finance of The Netherlands from 1982-1989) in various financial positions, serving as a director of Citicorp and Citibank, N.A. from 1990 and 1998, respectively, to September 30, 2003 and vice chairman of Citicorp and Citibank, N.A. from 1992 to September 30, 2003. He retired from active employment from Citicorp and Citibank, N.A. on September 30, 2003. He was a member of the international advisory committee of Citigroup until February 2010. Dr. Ruding is also a director of BNG (Bank for the Netherlands Municipalities) and RTL Group, and a member of UNIAPAC, the Committee for European Monetary Union, the Pontifical Council Justice and Peace, the European Advisory Board of the American-European Community Association, the International Bureau of Fiscal Documentation and the Trilateral Commission. Dr. Ruding is the chairman of the Center for European Policy Studies (CEPS), the chairman of the Netherlands National Museum Palace Het Loo and the chairman of the Advisory Council of the Amsterdam Institute of Finance. Dr. Ruding is a former director of Alcan Inc. and Holcim Ltd. Corning director since 1995. Age 71.

Dr. Ruding is a finance expert and economist. As a former Minister of Finance in The Netherlands, executive board member of the International Monetary Fund, vice chairman and director of Citibank in New York, and chairman of the board of the CEPS in Brussels, he provides a wealth of knowledge in international finance and investment, markets, trade and development, and risk analysis.

**Glenn F. Tilton**  
**Chairman of the Board**  
**United Continental Holdings, Inc.**

Mr. Tilton is Chairman of the Board of Directors of United Continental Holdings, Inc. and immediate past chairman, president, and chief executive officer of UAL Corporation, the parent company of United Airlines where Mr. Tilton served as chairman and chief executive officer. He previously spent more than 30 years with Texaco, Inc. progressing through leadership roles in marketing, corporate planning and operations. Mr. Tilton is chairman of the Air Transport Association, the industry trade organization representing the leading U.S. airlines. Mr. Tilton was named by President Obama to the Presidential Export Council and by U.S. Transportation Secretary Ray LaHood to the Future of Aviation Advisory Committee. He is also a director of United Continental Holdings, Inc. and Abbott Laboratories. Corning director since 2010. Age 62.

Mr. Tilton brings a deep understanding of strategic planning and operational management from his many years of business, management, and financial experience. At Texaco, Inc., Mr. Tilton spent 30 years building business expertise in a variety of roles such as marketing and corporate planning. He later gained significant leadership and management experience as a key executive at Texaco, Inc., UAL Corporation and United Air Lines, Inc., as well as international business operations experience. Through his various professional roles, Mr. Tilton also has experience in a number of industries including aviation, energy, and pharmaceuticals.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE ELECTION OF**

**EACH OF THE DIRECTOR NOMINEES.**

**Directors Continuing in Office**

**Directors Whose Terms Expire in 2012**

**James B. Flaws**  
**Vice Chairman and Chief Financial Officer**  
**Corning Incorporated**

Mr. Flaws joined Corning in 1973 and served in a variety of controller and business management positions. He was elected assistant treasurer of Corning in 1993; vice president and controller in 1997 and vice president of finance and treasurer in May 1997; senior vice president and chief financial officer in December 1997; executive vice president and chief financial officer in 1999; and to his current position in 2002. Mr. Flaws is a director of Dow Corning Corporation. He has been a member of Corning's Board of Directors since 2000. Age 62.

Since joining Corning in 1973, Mr. Flaws has held a wide range of management positions across its control, financial, treasury, and business development functions in specific line business units, as well as at corporate-wide levels. As a result of his diverse responsibilities over more than 30 years, he has very broad experience in many financial, investor relations, and supervisory roles within the company, including leading the spinoff of Corning's health care businesses into two separate publicly-traded companies in 1996, and overseeing many mergers and acquisitions by the company, as well as the sale of numerous business units and restructuring efforts.



**Deborah D. Rieman**  
**Managing Director**  
**Equus Management Company**

Dr. Rieman has more than 25 years of experience in the software industry. Currently, she is Managing Director of Equus Management Company, a private investment fund. From 1995 to 1999, she served as president and chief executive officer of Check Point Software Technologies, Incorporated. She is a director of Keynote Systems. Dr. Rieman is a former director of Tumbleweed Communications Corp, Kintera Inc., and Arbinet Corp. Corning director since 1999. Age 61.

Dr. Rieman brings significant expertise in information technology, innovation and entrepreneurial endeavors to the Board, and skills related to her Ph.D. in mathematics. She is also the former president and chief executive officer of a publicly listed software company specializing in security, and has experience in technology development, marketing, business development and support, investor relations, and investing.

**Mark S. Wrighton**  
**Chancellor and Professor of Chemistry**  
**Washington University in St. Louis**

Since 1995, Dr. Wrighton has been Chancellor and Professor of Chemistry at Washington University in St. Louis, and serves as its chief executive officer. Before joining Washington University, he was a researcher and professor at the Massachusetts Institute of Technology, where he was Head of the Department of Chemistry from 1987 to 1990, and then Provost from 1990 to 1995. Dr. Wrighton served as a Presidential appointee to the National Science Board from 2000 to 2006, and chaired that Board's audit and oversight committee during that time. He also is a past chair of the Association of American Universities, The Business Higher Education Forum, and the Consortium on Financing Higher Education, and continues as a member of these organizations. He also serves as a director of Cabot Corporation and Brooks Automation, Inc. Dr. Wrighton is a former director of A.G. Edwards, Inc. Corning director since 2009. Age 61.

Dr. Wrighton is a professor, chemist and research scientist with expertise in materials, with research interests including photochemistry and metal catalysts. He is also the chief executive officer of a major research university, which since his appointment in 1995, has grown significantly in academic stature, research, infrastructure, and fiscal management. Dr. Wrighton brings to the Board his vast scientific knowledge and understanding of complex research and development issues, and executive leadership.

**Directors Whose Terms Expire in 2013**

**Robert F. Cummings, Jr.**  
**Vice Chairman of Investment Banking**  
**JPMorgan Chase & Co.**

Mr. Cummings was appointed Vice Chairman of Investment Banking at JPMorgan Chase & Co. on December 2, 2010, where he advises on client opportunities across sectors and industry groups. From 2002 to 2009, he served as a senior managing director at GSC Group, Inc., a privately held money management firm. Mr. Cummings began his business career in the investment banking division of Goldman, Sachs & Co. in 1973, and was a partner of the firm from 1986 until his retirement in 1998. He served as an advisory director at Goldman Sachs until 2002. Mr. Cummings is a director of Viasystems Group, Inc., and a former director of RR Donnelley & Sons Co. and GSC Investment Corp. Corning director since 2006. Age 61.

Mr. Cummings' Board qualifications include over 27 years of investment banking experience at Goldman Sachs, where he advised corporate clients on financings, business development, mergers and acquisitions and other strategic financial issues. Additionally, he brings knowledge in the areas of technology, telecommunications, private equity, and real estate to the Board.

**William D. Smithburg**  
**Retired Chairman, President and Chief Executive Officer**  
**The Quaker Oats Company**

Mr. Smithburg joined Quaker Oats in 1966, being elected president in 1979, chief executive officer in 1981 and chairman in 1983. He also served as president from November 1990 to January 1993 and from November 1995 to November 1997 when he retired. Mr. Smithburg is a director of Abbott Laboratories and Northern Trust Corporation. He is a former director of Smurfit-Stone Container Corporation. Corning director since 1987. Age 72.

Mr. Smithburg brings significant executive experience in corporate governance, operations, corporate strategy, acquisitions and divestitures, advertising, and supply chain management. He is the former chairman and chief executive officer of a \$6 billion public company and has long served on several public company boards. Mr. Smithburg's industry expertise includes consumer products, transportation, pharmaceuticals, finance and banking, and education.

**Hansel E. Tookes II**  
**Retired Chairman and Chief Executive Officer**  
**Raytheon Aircraft Company**

Mr. Tookes retired from Raytheon Company in December 2002. He joined Raytheon in 1999 and served as president of Raytheon International, chairman and chief executive officer of Raytheon Aircraft and executive vice president of Raytheon Company. From 1980 to 1999, Mr. Tookes served United Technologies Corporation as president of Pratt and Whitney's Large Military Engines Group and in a variety of other leadership positions. He is a director of Ryder Systems Inc., BBA Aviation plc, FPL Group, Inc. and Harris

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Corporation. Corning director since 2001. Age 63.

Mr. Tookes provides extensive experience in operations, manufacturing, performance excellence, business development, technology-driven business environments, and military and government contracting. He also brings his science and engineering education, training and knowledge to the Board. Mr. Tookes' industry expertise includes aviation, aerospace and defense, transportation, and technology.

**Wendell P. Weeks**  
**Chairman, Chief Executive Officer and President**  
**Corning Incorporated**

Mr. Weeks joined Corning in 1983 and was named a vice president and deputy general manager of the Telecommunications Products division in 1995; vice president and general manager in 1996; senior vice president in 1997; senior vice president of Opto-Electronics in 1998; executive vice president in 1999; president, Corning Optical Communications in 2001; president and chief operating officer of Corning in 2002; and president and chief executive officer in 2005. Mr. Weeks became chairman and chief executive officer on April 26, 2007, and president on December 31, 2010. He is a director of Merck & Co. Inc. Mr. Weeks has been a member of Corning's Board of Directors since 2000. Age 51.

Mr. Weeks brings deep and broad knowledge of the company based on his long career across a wide range of Corning's staff groups and major businesses. Mr. Weeks has 28 years of Corning experience including financial management, business development, commercial leadership, and general management. His experiences in many of Corning's businesses and technologies, and more than five years as chief executive officer, have given him a unique understanding of Corning's diverse business operations and innovations.

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**Meetings and Committees of The Board**

***Board Meetings***

The Board of Directors held 16 regularly scheduled meetings and one special meeting during 2010. All directors attended 75% or more of the meetings of the Board of Directors and of the Committees on which they serve, with the exception of Mr. Smithburg, who attended 57% of the Executive Committee meetings. Mr. Smithburg attended 100% of the meetings of the Compensation Committee, as well as of the Nominating and Corporate Governance Committee, and 94% of the Board Meetings. He missed 3 of 7 Executive Committee meetings due to previous commitments for which he was out of the country in remote locations where suitable, secure telephone service at the time of the Executive Committee meeting was not available. Such commitments will not affect Mr. Smithburg's ability to attend Executive Committee meetings in the future.

***Board Committees***

In addition to an Executive Committee, which acts by delegation, Corning has five standing Board committees: Audit, Compensation, Corporate Relations, Finance, and Nominating and Corporate Governance Committees. Each committee's written charter, as reviewed annually and adopted by the Board of Directors, is available on Corning's website at [www.corning.com/investor\\_relations/corporate\\_governance/board\\_download\\_library.aspx](http://www.corning.com/investor_relations/corporate_governance/board_download_library.aspx). Copies of each of the charters are also attached to this proxy statement as Appendix A, B, C, D, and E, respectively.

The Audit Committee met eight times during 2010. The current members of the Audit Committee are Messrs. Landgraf (Chair), Canning, Cummings, Ruding, Tilton, Wrighton and Ms. Rieman. The Audit Committee:

Assists the Board of Directors in its oversight of (i) the integrity of Corning's financial statements, (ii) the internal auditors performance, and (iii) Corning's compliance with legal and regulatory requirements;

Meets in executive sessions with the independent registered public accounting firm, internal auditors and management;

Approves the appointment of Corning's independent registered public accounting firm;

Reviews and discusses with the independent registered public accounting firm and the internal auditors the effectiveness of Corning's internal control over financial reporting, including disclosure controls;

Reviews and discusses with management, the independent registered public accounting firm and the internal auditors the scope of the annual audit;

Reviews the quarterly and annual financial statements and other reports provided to shareholders with management and the independent registered public accounting firm;

Discusses company policies with respect to risk assessment and risk management, and reviews contingent liabilities and risks that may be material to Corning, as well as major legislative and regulatory developments which could materially impact Corning's contingent liabilities and risks;

Oversees the independent registered public accounting firm's qualifications, independence and performance;



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Reviews transactions between Corning and related persons that are required to be disclosed in our filings with the SEC; and

Determines the appropriateness of and approves the fees for audit and permissible non-audit services to be provided by the independent registered public accounting firm.

The Compensation Committee met seven times during 2010. The current members of the Compensation Committee are Messrs. Smithburg (Chair), Brown, Gund and O'Connor. The Compensation Committee:

Reviews Corning's goals and objectives with respect to executive compensation;

Evaluates the CEO's performance in light of Corning's goals and objectives;

Determines and approves compensation for the CEO and other officers of Corning;

Reviews and approves employment, severance and change in control agreements for the CEO and other officers of Corning;

Recommends to the Board the compensation arrangements with independent directors;

Oversees Corning's equity compensation plans; and

Makes recommendations to the Board regarding non-equity incentive and equity incentive plans.

Compensation decisions for executives, including the Named Executive Officers, the five executive officers of the Company listed in this proxy statement, and the directors are reviewed and approved by the Compensation Committee. The Compensation Committee has administrative and/or oversight responsibility to compensate key executives effectively and in a manner consistent with our stated compensation strategy. The Compensation Committee has engaged an independent executive compensation expert from Aon Hewitt, an outside global human resources consulting firm, to conduct an annual review of its total compensation program for executives. The independent expert supports the Committee by providing data regarding market practices and makes recommendations for changes to plan designs and policies that are consistent with the Company's compensation philosophy.

The agenda for meetings of the Compensation Committee is determined by its Chairman, with the assistance of the Chief Administrative Officer and the Senior Vice President Global Compensation and Benefits. The Chief Executive Officer and the Chief Administrative Officer are invited to attend the Compensation Committee meetings, though they leave the room during discussions and deliberations of individual compensation actions affecting them personally. The Compensation Committee Chairman reports the Committee's recommendations on executive compensation to the Board. The Company's Global Compensation and Benefits department supports the Compensation Committee in its duties and, along with the Chief Executive Officer, may be delegated authority to fulfill certain administrative duties regarding the compensation programs. The Compensation Committee has authority under its charter to retain, approve fees for and terminate advisors, consultants and agents as it deems necessary to assist in the fulfillment of its responsibilities. The Compensation Committee reviews the total fees paid to Aon Hewitt by the Company to ensure that the independent compensation expert maintains his objectivity and independence when rendering advice to the Committee. For more information on the Compensation Committee, see "Compensation Discussion and Analysis" beginning on page 26.

The Corporate Relations Committee met five times during 2010. The current members of the Corporate Relations Committee are Ms. Rieman (Chair) and Messrs. Landgraf, Tilton and Wrighton. The Corporate Relations Committee focuses on the areas of employment policy, public policy and community relations in the context of the business strategy of Corning.

The Executive Committee met seven times during 2010. The current members of the Executive Committee are Messrs. Weeks (Chair), Flaws, Gund, O'Connor and Smithburg. All other directors are alternate members of the Executive Committee. The Executive Committee serves primarily as a means of taking action requiring Board approval between regularly scheduled meetings of the Board. The Executive Committee is authorized to act for the full Board on matters other than those specifically reserved by New York law to the Board. In practice, the Executive Committee's actions are generally limited to matters such as the authorization of corporate credit facilities, borrowings and pricing of Corning's public offering of securities, and specific transactions for which the Board delegates its authority.



The Finance Committee met seven times during 2010. The current members of the Finance Committee are Messrs. Ruding (Chair), Canning, Cummings, Flaws, and Tookes. The Finance Committee:

Monitors present and future capital requirements of Corning;

Reviews all material transactions prior to execution;

Reviews potential mergers, acquisitions, divestitures and investments in third parties;

Reviews Corning's exposure to financial, economic and hazard risks;

Monitors Corning's cash management plans and activities;

Reviews Corning's tax position and strategy;

Reviews and monitors Corning's credit rating;

Reviews funding actions for Corning's pension programs; and

Reviews Corning's financial plans and other financial information that Corning uses in its analysis of internal decisions.

The Nominating and Corporate Governance Committee met five times during 2010. The current members of the Nominating and Corporate Governance Committee are Messrs. O'Connor (Chair), Brown, Gund, Smithburg, and Tookes. The Nominating and Corporate Governance Committee:

Identifies individuals qualified to become Board members;

Reviews candidates recommended by shareholders;

Determines the criteria for selecting director nominees;

Conducts inquiries into the background of director nominees;

Recommends to the Board, director nominees to be proposed for election at the Annual Meeting of Shareholders;

Reviews and recommends to the Board, whether to accept or reject the resignation of an incumbent director who failed to receive a majority of the votes cast in an election that is not a result of a contested election pursuant to the Company's Majority Voting Policy;

Monitors significant developments in the regulation and practice of corporate governance;

Develops and recommends to the Board corporate governance guidelines;

Assists the Board in assessing the independence of Board members;

Identifies Board members to be assigned to the various committees;

Oversees and assists the Board in the review of the Board's performance;

Establishes director retirement policies;

Reviews, approves and ratifies transactions between Corning and related persons; and

Reviews activities of Board members and senior executives for potential conflict of interest.

The process for electing director nominees entails making a preliminary assessment of each candidate based upon his/her résumé and other biographical and background information, as well as his/her willingness to serve. This information is then evaluated against the criteria set forth below, as well as the specific needs of Corning at that time. Based upon this preliminary assessment, candidates who appear to be the best fit are invited to participate in a series of interviews. At the conclusion of the process, if it is determined that the candidate will be a good fit, the Nominating and Corporate Governance Committee recommends the candidate to the Board for election at the next Annual Meeting. If the director nominee is a current Board member, the Nominating and

Corporate Governance Committee also considers prior Corning Board performance and contributions. The Nominating and Corporate Governance Committee uses the same process for evaluating all candidates regardless of the source of the nomination.

The minimum qualifications and attributes that the Nominating and Corporate Governance Committee believes must be possessed by a director nominee may include:

Character and the ability to apply good business judgment;

The ability to exercise his/her duties of loyalty and care;

Proven leadership skills;

Diversity of experience;

High integrity and ethics;

The ability to understand complex principles of business and finance;

Scientific expertise; and

Familiarity with national and international issues affecting businesses.

Our Board is comprised of accomplished professionals who represent diverse and key areas of expertise including, national and international business, operations, manufacturing, finance and investing, energy, management, entrepreneurship, government, higher education and science, research and technology. While Corning does not have a formal diversity policy with respect to director nominations, we believe that the diversity of skills, knowledge, opinions and fields of expertise represented on our Board is one of its core strengths. When identifying and selecting director nominees, the Nominating and Corporate Governance Committee considers the impact a nominee would have in terms of increasing the diversity of the Board with respect to professional experience, background, viewpoints, skills and areas of expertise. We believe that the resulting diversity of directors allows the Board to engage in honest and challenging discussions, in service of the best decisions for the Company and its shareholders. The diversity of our directors' skills allows each director an opportunity to provide specific leadership in his or her respective areas of expertise. In the context of the Board's needs, the appropriate mix of director competencies and experiences evolves for Corning over time. In an effort to increase diversity, the Nominating and Corporate Governance Committee in working with the Board also considers diversity of race, gender and national origin of potential director candidates. We believe our directors' wide range of professional experiences and backgrounds, education and skills has proven invaluable to the Company and we intend to continue leveraging this strength.

All of the director nominees are elected members of the Board of Directors, except for Messrs. Canning and Tilton who were identified by the Nominating and Corporate Governance Committee, and appointed by the Board of Directors in 2010. The Nominating and Corporate Governance Committee retains the assistance of a third-party recruiting firm to assist in identifying and evaluating potential director nominees, as it deems appropriate.

The Nominating and Corporate Governance Committee will consider candidates recommended by shareholders. If you wish to nominate a candidate, please forward the candidate's name and a detailed description of the candidate's qualifications, skills and experience, a document indicating the candidate's willingness to serve and evidence of the nominating shareholder's ownership of Corning's shares to: Corporate Secretary, Corning Incorporated, One Riverfront Plaza, Corning, New York 14831. A shareholder wishing to nominate a candidate must also comply with the notice requirements described above under the question *How Do I Submit A Shareholder Proposal For, Or Nominate A Director For Election At Next Year's Annual Meeting?*



## Corporate Governance Matters

### *Corporate Governance Guidelines*

Our business, property and affairs are managed by or, are under the direction of, the Board of Directors pursuant to New York Business Corporation Law and our By-Laws. Members of the Board of Directors are kept informed of Corning's business through discussions with the Chairman, Chief Executive Officer and President, the Vice Chairman and Chief Financial Officer and other key members of management, by reviewing materials provided to them and by participating in meetings of the Board of Directors and its committees.

The Board has adopted a set of Corporate Governance Guidelines that address the make-up and functioning of the Board. A copy of these guidelines is attached to this proxy statement as Appendix F and can also be found on website at [www.corning.com/investor\\_relations/corporate\\_governance/board\\_download\\_library.aspx](http://www.corning.com/investor_relations/corporate_governance/board_download_library.aspx).

### *Board Leadership Structure*

Corning has a board leadership structure under which our Chief Executive Officer also serves as Chairman of the Board of Directors. As stated in our Corporate Governance Guidelines, we believe that having one person serve as both Chief Executive Officer and Chairman demonstrates to our employees, suppliers, customers and other stakeholders that the Company is under strong leadership, with a single person setting the tone and having primary responsibility for managing our operations. This unity of leadership eliminates the potential for confusion or duplication of efforts, and provides clear leadership for the Company. We believe that the Company has been well-served by this structure.

Our Board of Directors is comprised of 12 independent directors, plus two management directors. All of our independent directors are highly accomplished and experienced business people in their respective fields, who have demonstrated leadership in significant enterprises and are familiar with board processes. For additional information about the backgrounds and qualifications of our directors, see "Nominees for Election as Directors" and "Directors Continuing in Office" in this proxy statement.

Our Board has six standing committees: Audit, Compensation, Corporate Relations, Executive, Finance, and Nominating and Corporate Governance. Three of the committees are comprised solely of independent directors, five of the committees have a separate, independent chair, and the Executive Committee has three independent plus two employee directors as members. The chair of each of these committees is responsible for directing the work of the committee in fulfilling its responsibilities, see "Meetings and Committees of the Board" in this proxy statement.

Under our Corporate Governance Guidelines, the Board designates and utilizes a Lead Director, currently James J. O'Connor. The Lead Director plays an important role in our corporate governance structure. The Lead Director's responsibilities include: presiding at meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors; serving as liaison between the Chairman and the independent directors; convening meetings of the independent directors; consulting with the Chairman on matters relating to Board performance and corporate governance; and, if requested by major shareholders, ensuring that he is available for consultation and direct communication. The Chairman consults with the Lead Director in advance of each Board meeting to obtain his comments, suggestions, and approval for the meeting schedule and timing, for each agenda, and for the types of information to be sent to the Board.

We believe that, in addition to fulfilling our Lead Director responsibilities, Mr. James J. O'Connor, has made valuable contributions to the Company through his abilities to build Board consensus, effectively coordinate Board agendas and activities with the Chairman, and by his judgment and decision-making for the Company. Mr. O'Connor, whose term as director expires at the 2011 Annual Meeting of Shareholders, has reached the Board's mandatory retirement age and will no longer serve as Lead Director. At the first meeting of the Board of Directors following the 2011 Annual Meeting of Shareholders, the Board will designate a new Lead Director.



In February 2011, as part of our review of corporate governance and succession planning, the Board (led by the Nominating and Corporate Governance Committee) re-evaluated our Board leadership structure, to ensure that it remains optimal for the Company and its shareholders. The Board determined that the current Board leadership structure continues to serve the Company well, provides strong leadership and facilitates effective communication, oversight and governance of the Company, while allowing for independent decision making as required. We recognize that different board 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 under which our Chief Executive Officer serves as Chairman of the Board, five of the six Board committees are chaired by independent directors and our Lead Director assumes specified responsibilities on behalf of the independent directors remains the optimal board leadership structure for our Company and our shareholders.

#### *Executive Sessions of Independent Directors*

Independent Board members meet without management present at each regularly scheduled Board meeting. Additional meetings may be called by the Lead Director in his discretion or at the request of the Board. The Lead Director presides over meetings of the independent directors.

#### *Board Risk Oversight*

Corning has a comprehensive risk management program that engages the Company's management/leadership and Board. Since 2005, the Company has employed an Enterprise Risk Management program (ERM) that was modeled on the COSO II framework. COSO is the Committee of Sponsoring Organizations of the Treadway Commission, a voluntary private-sector organization, established in the United States, dedicated to providing guidance to executive management and governance entities on critical aspects of organizational governance, business ethics, internal control, enterprise risk management, fraud, and financial reporting. Corning's ERM is a company-wide effort that involves the Board, management and Corning staff in an integrated effort to identify, assess and manage risks that may potentially affect the Company. A

Risk Council, chaired by our Vice Chairman and Chief Financial Officer, Mr. Flaws, and composed of Corning management and staff, is a core governance element of the ERM.

The Risk Council's activities include aggregating, prioritizing and assessing risks including, financial, operational, business, reputational, governance, and managerial risks. The Risk Council assigns the management of identified risks to a local team that can best manage the risks, and then evaluates the specific risk mitigation plans created by the local team. Corning believes central oversight and assistance of these local teams is the most effective way to manage the risks. The Risk Council reports directly to the management committee of the Company.

Additionally, our Compliance Council, chaired by the Senior Vice President and General Counsel, provides the Risk Council with the results of its review of the Company's compliance with laws and regulations of the countries in which we conduct business. The Compliance Council reports directly to each of the Audit Committee and Corporate Relations Committee.

We also perform a comprehensive risk assessment related to our internal controls. This assessment includes interviews with senior management, and financial leaders as well as evaluation of Risk Council findings, audit results, current business priorities and the economic environment. The results of this assessment are shared annually with the Audit Committee.

The Audit Committee annually reviews a comprehensive report on the Company's ERM processes. In accordance with NYSE requirements, our Audit Committee is responsible for company policies with respect to risk assessment and risk management, and to review contingent liabilities and risks that may be material to Corning, as well as major legislative and regulatory developments that could materially impact Corning's

contingent liabilities and risks. Regularly, the Audit Committee reviews and discusses risks facing the Company, including legal issues, employee matters, information technology security and governmental regulation and legislation, among other things. Our Finance Committee, pursuant to its charter, reviews regularly the top risks identified by the ERM process and strategies for managing exposure to specific financial, economic, and hazard risks. Each of the Audit and Finance Committee's chairman reports to the entire Board of Directors regarding their risk management review and any significant items identified. In addition, each of our Board committees considers the risk exposures within its areas of responsibility. For example, our Corporate Relations Committee reviews potential risk exposures in the environmental, health, safety, employment, and product liability areas.

The full Board provides additional risk oversight in numerous ways, including the following:

Annually, prior to its approval of the annual budget and long-term plan, the Board reviews the potential risks which could negatively impact the proposed budget and plan. This review includes the types of risks, as well as pessimistic and worst case scenarios should the identified risks be realized.

The Board frequently reviews the Company's Strategic Framework and any risks which might negatively impact it.

Prior to approving any significant investment or divestiture actions by the Company, the Board reviews a detailed proposal identifying the rationale and risks involved in such action.

The Board regularly receives written reports covering environmental, safety and health, and human resources matters.

At least four times each year, the Board attends Technology with the Board sessions, which allow the directors to review and discuss current research and development projects and thereby assess risks related to the Company's technology and intellectual property developments.

The full Board also engages in periodic discussions regarding risks with our Chief Executive Officer, Chief Financial Officer, and other company officers, as it deems appropriate.

We endeavor to keep the Board fully apprised of risks facing the Company and believe that our directors provide effective oversight of the risk management function. We believe the Board's risk oversight function allows our directors to make well-informed decisions and increases the effectiveness of the Company's leadership structure.

#### ***Director Independence***

Our Corporate Governance Guidelines require that the Board of Directors make an annual determination regarding the independence of each of Corning's directors. The Board made these determinations on February 2, 2011, based on an annual evaluation performed by and recommendations made by the Nominating and Corporate Governance Committee. The Board of Directors has determined that Messrs. Brown, Canning, Cummings, Gund, Landgraf, O'Connor, Ruding, Smithburg, Tilton, Tookes and Wrighton, and Ms. Rieman are independent within the meaning of the rules of the New York Stock Exchange, based on its application of the standards set forth in our Corporate Governance Guidelines. Specifically, the Board determined that they were independent because no relationship was identified that would automatically bar them from being characterized as independent, and any relationships identified were not so material as to impair their independence.

In making this determination, the Board considered, among other things, the following relationships, each of which it determined were not material:

Mr. Brown is a director of Varian Medical Systems, Inc., which in the last three fiscal years has purchased and sold less than \$1,000 with Corning.



Mr. Cummings became an employee of JPMorgan Chase & Co ( JPM ) as of December 2010. JPM and its affiliates provide various investment banking services including underwriting, commercial lending and banking and other financial advisory services, including provision of credit facilities to Corning and its affiliates. Corning's fees to JPM were approximately \$4,200,000, \$1,600,000 and \$780,000 for each 2010, 2009 and 2008, respectively. Mr. Cummings is not a JPM executive officer under SEC rules, and will have no personal involvement in any JPM services provided to Corning.

Mr. Smithburg is a director of Abbott Laboratories, to which Corning has sold products in an aggregate amount of approximately \$6,000 in the last three fiscal years.

Mr. Tookes is a director of BBA Aviation plc, the parent company of Signature Flight Support ( SFS ), a company that provides aviation support services to Corning. In the last three fiscal years, SFS has provided services in an aggregate amount of approximately \$230,000. Mr. Tookes is also a director of Harris Corporation and Ryder Systems, each of which have transacted less than \$15,000 of business with Corning in each of the last three fiscal years.

Mr. Wrighton is a director of Cabot Corporation, a company which sold products to Corning in an aggregate amount of approximately \$676,000 in 2008, 2009 and 2010; and Brooks Automation, a company which sold an aggregate of approximately \$90,000 in products to Corning in the last three fiscal years. Both Cabot Corporation's sales to and purchases from Dow Corning Corporation ( DCC ) were below \$61,000,000 for each of the last three fiscal years. DCC, which is 50% owned by each of Corning and The Dow Chemical Company, is not controlled by Corning, and has a separate board of directors.

In determining that each of the above relationships were not material, the Board considered the fact that each of Messrs. Brown, Cummings, Smithburg, Tookes, and Wrighton's relationships arise only from their positions as a employee or director of the respective companies, that such director has no material interest in any of the transactions between Corning or DCC, as the case may be, and the respective company, that none is an executive officer of these companies, that such director had no role or financial interest in any decisions about any of these transactions, and that such a relationship would not bar independence under the NYSE Listing Standards or Corning's Director Qualification Standards.

The Board concluded that based on all of the relevant facts and circumstances, none of the above relationships constituted a material relationship with Corning that represents a potential conflict of interest, or otherwise interferes with the exercise by any of these directors of his or her independent judgment from management of Corning.

Messrs. Flaws and Weeks are not independent because they are each executive officers of Corning.

Each member of the Board's Audit, Compensation, and Nominating and Corporate Governance Committees is independent within the meaning of the NYSE Listing Standards, Securities Exchange Act Rule 10A-3 and Corning's Director Qualification Standards.

#### ***Communications with Directors***

Shareholders and interested parties may communicate concerns to any director, committee member or the Board by writing to the following address: Corning Incorporated Board of Directors, Corning Incorporated, One Riverfront Plaza, MP HQ E2 10, Corning, New York 14831 Attention: Corporate Secretary. Please specify to whom your correspondence should be directed. The Corporate Secretary has been instructed by the Board to promptly forward all correspondence (except advertising, spam, junk mail and other mass mailings, product inquiries and suggestions, resumes, surveys or any unduly hostile, threatening or illegal materials) to the relevant director, committee member or the full Board, as indicated in the correspondence.

***Audit Committee Financial Expert***

The Board of Directors has determined that three members of the Audit Committee: Messrs. Cummings, Landgraf, and Ruding, qualify as Audit Committee Financial Experts.

***Policy Regarding Directors Attendance at Annual Meetings***

Our Corporate Governance Guidelines provide that each director will make every effort to attend the Annual Meeting of Shareholders. All of our incumbent Board Members attended the 2010 Annual Meeting of Shareholders, with the exception of Messrs. Tookes, Landgraf, Canning who was appointed to the Board on June 2, 2010, and Tilton who was appointed to the Board on November 20, 2010.

***Related Party Policy and Procedures***

Corning has adopted a written policy that addresses related party transactions. A related party of Corning includes:

a director;

a senior officer;

an immediate family member of a director or senior officer;

a shareholder who owns more than 5% of Corning's voting securities; or

an entity in which a director, senior officer or a more than 5% shareholder has a substantial ownership interest.

Under the policy, all related party transactions must be reviewed by the General Counsel or other disinterested officer. Any transaction involving a director is also reviewed, approved or ratified by the Nominating and Corporate Governance Committee. Any transaction involving an executive officer is also reviewed, approved or ratified by the Audit Committee. In order for any such transaction to be approved or ratified, the transaction must be shown to further the interest of the Company and have appropriate safeguards established.

All approved or ratified related party transactions shall be reported to the Audit Committee and the Nominating and Corporate Governance Committee (in those instances where such committee did not participate in the review, approval or ratification process).

***Other Matters***

Corning is headquartered in a small community in upstate New York. The Company routinely makes contributions to a number of civic, charitable and cultural institutions that improve the quality of life and increase the resources of that community making it more attractive to employees. In a small community, inevitably employees, including executives and their spouses, serve on non-profit organizations that receive such contributions from the Company.

In 2010, Corning contributed approximately \$950,000 to the Alternative School for Math and Science (ASMS), a private middle school in Corning, NY, for scholarships, administrative and facility support. ASMS has an advanced curriculum with a focus on science and math. The school is open to the public. Children of Corning employees usually represent approximately 50% of the enrollment. Pamela Schneider (Executive Vice President), Mark Rogus (Senior Vice President and Treasurer), Curt Weinstein (Vice President), Kim Frock Weeks (spouse of Chairman and CEO Wendell Weeks) and Patti Hinman (spouse of Tom Hinman, Senior Vice President) serve on the ASMS board. Ms. Frock Weeks also serves as Administrative Head of School at ASMS, but receives no salary or benefits in this role. Corning expects to increase its contributions to ASMS in the future, as the school expands.

**Code of Ethics**

Our Board of Directors has adopted the Code of Ethics for the Chief Executive Officer and Financial Executives and the Code of Conduct for Directors and Executive Officers, which supplements the Code of Conduct governing all employees and directors. A copy of the Code of Ethics is attached to this proxy statement as Appendix G and is available on our website at [http://www.corning.com/investor\\_relations/corporate\\_governance/board\\_download\\_library.aspx](http://www.corning.com/investor_relations/corporate_governance/board_download_library.aspx). We will disclose any amendments to, or waivers from, the Code of Ethics on our website within four business days of such determination. During 2010, no amendments to or waivers of the provisions of the Code of Ethics were made with respect to any of our directors or executive officers.

**Security Ownership of Certain Beneficial Owners**

Paragraphs (a) and (b) below set forth information about the beneficial ownership of Corning's Common Stock as of December 31, 2010. Unless otherwise indicated, the persons named have sole voting and investment power with respect to the shares listed.

(a) To the knowledge of management, the following owned 5% or more of Corning's outstanding shares of Common Stock:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	94,546,414(1)	6.05%
Capital Research Global Investors 333 South Hope Street Los Angeles, CA 90071	119,953,620(2)	7.7%
Capital World Investors 333 South Hope Street Los Angeles, CA 90071	122,830,800(3)	7.9%
The Growth Fund of America, Inc. 333 South Hope Street Los Angeles, CA 90071	91,530,000(4)	5.9%

- (1) Reflects shares beneficially owned by BlackRock, Inc. ( "BlackRock" ), according to a Schedule 13G/A filed by BlackRock with the SEC on February 3, 2011, reflecting ownership of shares as of December 31, 2010. BlackRock has sole voting power and sole dispositive power with respect to 94,546,414 shares. According to the Schedule 13G/A, BlackRock beneficially owned 6.05% of our common stock as of December 31, 2010.
- (2) Reflects shares beneficially owned by Capital Research Global Investors ( "CRGI" ), a division of Capital Research and Management Company, according to a Schedule 13G filed by CRGI with the SEC on February 11, 2011, reflecting ownership of shares as of December 31, 2010. CRGI, an investment advisor, has sole voting power and sole dispositive power with respect to 119,953,620 shares. According to the Schedule 13G, CRGI beneficially owned 7.7% of our common stock as of December 31, 2010. CRGI disclaims beneficial ownership of these shares.
- (3) Reflects shares beneficially owned by Capital World Investors ( "CWI" ), a division of Capital Research and Management Company, according to a Schedule 13G/A filed by CWI with the SEC on February 14, 2011, reflecting ownership of shares as of December 31, 2010. CWI, an investment advisor, has sole voting power and sole dispositive power with respect to 122,830,000 shares. According to the Schedule 13G/A, CWI beneficially owned 7.9% of our common stock as of December 31, 2010. CWI disclaims beneficial ownership of these shares.

- (4) Reflects shares beneficially owned by The Growth Fund of America, Inc. ( GFA ), an investment company which is advised by Capital Research and Management Company, according to a Schedule 13G/A filed by GFA with the SEC on February 14, 2011, reflecting ownership of shares as of December 31, 2010. GFA has sole voting power with respect to 91,530,000 shares. According to the Schedule 13G/A, GFA beneficially owned 5.9% of our common stock as of December 31, 2010. GFA's Schedule 13G/A also notes that some of these shares may also be reflected in the filings made by Capital Research Global Investors and/or Capital World Investors.
- (b) The number of shares of Corning Common Stock owned by the directors and nominees for directors, by the chief executive officer, the chief financial officer and the three other most highly compensated executive officers (the Named Executive Officers ) and by all directors and executive officers as a group, as of December 31, 2010, is as follows:

Name	Amount and Nature of Beneficial Ownership(1)(2)(3)	Percent of Class
<b>Directors</b>		
John S. Brown	139,167	
John A. Canning, Jr.	32,827	
Robert F. Cummings, Jr.	77,194	
Gordon Gund	3,292,477(4)	
Carlos M. Gutierrez(5)	8,631	
Kurt M. Landgraf	23,461	
James J. O Connor	140,491	
Deborah D. Rieman	120,880	
H. Onno Ruding	133,188	
William D. Smithburg	159,917	
Glenn F. Tilton	439	
Hansel E. Tookes II	76,130	
Mark S. Wrighton	16,724	
<b>Named Executive Officers</b>		
Wendell P. Weeks*	2,069,073	
Peter F. Volanakis**	1,591,980	
James B. Flaws*	862,770	
Joseph A. Miller, Jr.	770,177	
Kirk P. Gregg	857,945	
All Directors and Executive Officers as a Group (22 persons)	11,045,783(6)(7)	.71%

\*also serves as director.

\*\*Mr. Volanakis retired from the Board for Directors on December 1 and as President on January 1, 2011.

- (1) Includes shares of common stock, subject to forfeiture and restrictions on transfer, granted under Corning's Incentive Stock Plans as well as options to purchase shares of common stock exercisable within 60 days under Corning's Stock Option Plans. Messrs. Brown, Canning, Cummings, Gund, Gutierrez, Landgraf, O Connor, Ruding, Smithburg, Tilton, Tookes, Wrighton, Weeks, Volanakis, Flaws, Miller and Gregg, and Ms. Rieman have the right to purchase 25,590; 0; 8,831; 68,500; 1,276; 6,827; 21,468; 66,390; 32,340; 0; 25,590; 3,734; 1,564,997; 1,323,118; 633,258; 579,666; 742,281; and 66,390 shares, respectively, pursuant to such options. All directors and executive officers as a group hold options to purchase 6,117,374 such shares.

- (2) Includes shares of common stock, subject to forfeiture and restrictions on transfer, issued under Corning's Restricted Stock Plans for Independent Directors.
- (3) Includes shares of common stock held by JPMorgan Chase & Co. as the trustee of Corning's Investment Plans for the benefit of the members of the group, who may instruct the trustee as to the voting of such shares. If no instructions are received, the trustee votes the shares in the same proportion as it votes the shares for which instructions were received. The power to dispose of shares of common stock is also restricted by the provisions of the Plans. The trustee holds for the benefit of Messrs. Weeks, Volanakis, Flaws, Miller and Gregg, and all directors and executive officers as a group the equivalent of 10,505; 0; 0; 1,426; 8,784; and 27,022 shares of common stock, respectively. It also holds for the benefit of all employees who participate in the Plans the equivalent of 23,451,997 shares of common stock (being 1.50% of the Class).
- (4) Includes 1,650,000 shares held by an irrevocable trust in which Mr. Gund has no pecuniary interest, but for which he is a trustee.
- (5) Mr. Gutierrez resigned from the Board on December 31, 2010.
- (6) Does not include 671,848 shares owned by the spouses and minor children of certain executive officers and directors as to which such officers and directors disclaim beneficial ownership.
- (7) As of December 31, 2010, none of our directors or executive officers had pledged any such shares.

#### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires Corning's directors and certain of its officers to file reports of their ownership of Corning Common Stock and of changes in such ownership with the SEC and the New York Stock Exchange. Regulations also require Corning to identify in this proxy statement any person subject to this requirement who failed to file any such report on a timely basis.

To Corning's knowledge, based solely on its review of the copies of such reports furnished to Corning and written representations from certain reporting persons, we believe that all of our officers, directors and greater than 10% shareholders complied with all Section 16(a) filing requirements applicable to them during the fiscal year ended December 31, 2010.

#### **Compensation Discussion and Analysis**

The Compensation Committee of the Board of Directors (the *Committee*), composed entirely of independent directors, is responsible to the Board of Directors for executive compensation at Corning (we, us, Corning or the *Company*). The Committee sets the principles guiding the *Company's* compensation philosophy, reviews and approves executive compensation levels for executive officers (including cash compensation, equity incentives, benefits and perquisites) and reports its actions to the Board of Directors for review and, as necessary, approval.

#### **Executive Summary**

##### *Background*

Corning has been in existence for over 160 years; with patient investment over many years, management continuity, and a collaborative culture of teamwork across varied businesses each being critical to our long-term success. This means that our management must balance near-term results with long-term success and continue to build long-term value through innovation.

##### *Compensation Program Reflects Good Governance*

Our executive compensation program has changed over time to reflect evolving governance practices:

We adjust our pay practices as necessary to reflect economic conditions, as evidenced by our decision to suspend annual salary reviews in 2009.



Our equity plan prohibits the repricing of stock options without shareholder approval.

Our named executive officers (and outside directors) are subject to stock ownership guidelines; each exceeded the guideline amount in 2010.

A clawback policy was adopted in 2007, allowing the Committee to recoup payments based upon financial results subsequently subject to restatement.

A hedging policy prohibits officers and directors from trading in options or any Corning stock derivatives or otherwise profiting from short-term speculative swings in the value of Corning stock.

Benefits under all executive severance and change-in-control agreements entered into after 2004 are limited to 2.99 times the sum of base salary and target bonus.

Reload stock options were discontinued in 2003.

We capped the percentage of cash compensation earned as a retirement benefit under our Executive Supplemental Pension Plan in 2006.

We do not provide tax assistance or tax gross-ups on perquisites.

The Company regularly reviews internal equity among the Company's top executives.

#### *2010 Performance and Results*

Our Annual Operating Priorities for 2010 were: protect our financial health; invest in the future; and live our values. These annual objectives are measured by financial performance metrics calculated on a non-GAAP basis (such as adjusted net profit after tax and adjusted earnings per share), financial stability metrics (such as adjusted operating cash flow) and progress towards advancing the innovation portfolio and other key milestones.

In 2010, our reported financial performance was improved over 2009:

Net profit after tax ( NPAT ) of \$3,558 million compared to \$2,008 million for 2009, a 77% increase;

Earnings per share of \$2.25 compared to \$1.28 per share for 2009, a 76% increase;

Operating cash flow of \$3,835 million compared to \$2,077 million for 2009, a 85% increase; and

Revenue of \$6.6 billion compared to \$5.4 billion for 2009; a 23% increase.

Further, we strengthened our balance sheet. We ended 2010 with cash in excess of debt of \$4.0 billion vs. \$1.6 billion in 2009.

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The Adjustments to 2010 Reported Results on which 2010 performance-based compensation are based are described starting on page 30 below. A reconciliation of our non-GAAP financial measures to GAAP financial measures can be found in Appendix H to this Proxy Statement.

*Target Compensation*

For 2010, the Committee approved target total direct compensation for the Named Executive Officers with variable pay representing 84% (on average); total direct compensation consists of long-term and short-term incentives and base salary, and excludes benefits and perquisites. Two compensation elements, annual incentive compensation and cash performance units, are earned only if the corporate financial performance goals for the year are met. The value of the remaining long-term incentive components, stock options and restricted stock units, depend directly on our stock price performance.

*Actual Compensation and Related Performance*

Our compensation program is designed to pay for performance. Actual compensation earned by the Named Executive Officers varies from target from year to year based on the Company's financial performance and stock price. Actual total direct compensation for our Named Executive Officers and our performance during 2008 through 2010 based on Total Shareholder Return (calculated as the annual change in stock price assuming reinvestment of dividend). Adjusted Net Profit After Taxes and Adjusted Operating Cash Flow are summarized below. Stock option values are included in the total direct compensation at their fair values. The actual value of these stock options is yet to be determined such values are subject to vesting and future stock prices that are not possible to predict.

<b>1-Year Total Shareholder Return</b>			<b>Adjusted Net Profit After Taxes (\$ in millions)</b>			<b>Adjusted Operating Cash Flow (\$ in millions)</b>		
<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
1.2%	105.6%	-59.8%	\$2,883	\$2,061	\$2,251	\$2,723	\$2,029	\$2,056

**Notes Regarding Actual Compensation compared to Target Compensation:**

<b>2010</b>	<b>2009</b>	<b>2008</b>
Base Salaries not subject to performance criteria	Base Salaries not subject to performance criteria	Base Salaries not subject to performance criteria
2010 PIP earned at 200% of target	2009 PIP earned at 170% of target	2008 PIP earned at 25% of target
2010 GoalSharing earned at 7.72% of base salary	2009 GoalSharing earned at 7.16% of base salary	2008 GoalSharing earned at 4.28% of base salary
2010 Performance Cash Units earned at 150% of target	2009 Performance Share Units earned at 143% of target	2008 Performance Share Units earned at 16% of target
2010 Time-based Restricted Stock Units ( RSUs ) not subject to performance	Time-based RSUs N/A in 2009	Time-based RSUs N/A in 2008
Stock Options indicated at Fair Values (which far exceed current actual values)	Stock Options indicated at Fair Values (which are less than current actual values)	Stock Options indicated at Fair Values (which far exceed current actual values)

In 2010, adjusted Net Profit After Tax ( Adjusted NPAT ) was the financial metric used for annual cash bonuses and adjusted Earnings Per Share ( Adjusted EPS ), and adjusted Operating Cash Flow ( Adjusted Operating Cash Flow ) were the financial metrics for cash performance unit awards earned by the Named Executive Officers. Our 2010 financial results were significantly above the goals established for Corning's 2010 Performance Incentive Plan (annual cash bonus) and cash performance units awarded under the Corporate Performance Plan. As a result of the strong financial performance, compared to the goals established, actual awards earned by the Named Executive Officers for 2010 were above the target awards established at the start of the year.

Information concerning 2010 short-term and long-term incentives for our Named Executive Officers are summarized below:

**2010 Compensation Element**