

CBS CORP
Form DEF 14A
April 15, 2016

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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

CBS Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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April 15, 2016

Dear Stockholder:

You are cordially invited to attend the 2016 Annual Meeting of Stockholders (the "Annual Meeting") of CBS Corporation (the "Company"), which will be held at The Museum of Modern Art, The Ronald S. and Jo Carole Lauder entrance, 11 West 53rd Street (between Fifth and Sixth Avenues), New York, New York 10019, at 10:00 a.m., Eastern Daylight Time, on Thursday, May 26, 2016. Holders of CBS Corporation Class A Common Stock are being asked to vote on the matters listed in the attached Notice of 2016 Annual Meeting of Stockholders.

If you hold shares of the Company's Class A Common Stock, please cast your vote promptly to ensure that your shares will be voted at the Annual Meeting. You may vote by telephone or through the Internet by following the instructions on the Notice of Internet Availability of Proxy Materials or in the 2016 Proxy Statement. You may also submit your vote by returning a proxy card or voting instruction card, if you received a printed copy of proxy materials by request. If you attend the Annual Meeting, you may vote your shares in person.

National Amusements, Inc., which as of March 31, 2016 beneficially owned shares of the Company's Class A Common Stock representing approximately 79.5% of the voting power of CBS Corporation's common stock, has advised CBS Corporation that it intends to vote all of its shares of the Company's Class A Common Stock in accordance with the recommendations of the Board of Directors on Items 1 through 3 in the attached Notice. Therefore, the approval of matters 1 and 2 and the disapproval of matter 3, in accordance with the Board's recommendations, is assured.

If you wish to attend the Annual Meeting in person, you must be a holder of Company common stock as of the record date (March 31, 2016) and request an admission ticket in advance. Each such holder eligible to attend the Annual Meeting may bring one guest. If you are a record holder of the Company's Class A Common Stock, you can request a ticket when you vote by telephone or through the Internet, or by marking the appropriate box on the proxy card (if you requested a printed copy of proxy materials). If you are a record holder of the Company's Class B Common Stock or you hold shares of the Company's Class A or Class B Common Stock in a brokerage account, you can request a ticket by sending a written request along with proof of ownership, such as your brokerage firm account statement as of the record date (March 31, 2016), to Director, Shareholder Relations, CBS Corporation, 51 West 52nd Street, New York, New York 10019.

Upon arrival at the Annual Meeting, you will be asked to present an admission ticket, and all meeting attendees will be asked to present a current government-issued picture identification (such as a driver's license or passport) to enter the meeting. The Company may implement security procedures as it deems appropriate to ensure the safety of meeting attendees.

If you have elected to receive paper copies of the Company's proxy statements, annual reports and other materials relating to the Annual Meeting and want to elect to receive these documents electronically next year instead of by mail, please go to <http://enroll.icsdelivery.com/cbs> and follow the instructions to enroll. We highly recommend that you consider electronic delivery of these documents as it helps to lower the Company's costs and reduce the amount of paper mailed to your home.

We appreciate your interest in and support of CBS Corporation and look forward to seeing you at the Annual Meeting.

LESLIE MOONVES

*Chairman of the Board,
President and Chief Executive Officer*

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CBS CORPORATION

NOTICE OF 2016 ANNUAL MEETING OF STOCKHOLDERS AND PROXY STATEMENT

To CBS Corporation Stockholders:

The 2016 Annual Meeting of Stockholders (the "Annual Meeting") of CBS Corporation (the "Company") will be held at The Museum of Modern Art, The Ronald S. and Jo Carole Lauder entrance, 11 West 53rd Street (between Fifth and Sixth Avenues), New York, New York 10019, at 10:00 a.m., Eastern Daylight Time, on Thursday, May 26, 2016. The principal business of the meeting will be the consideration of the following matters:

1. The election of 13 directors;
2. The ratification of the appointment of PricewaterhouseCoopers LLP to serve as the Company's independent registered public accounting firm for fiscal year 2016;
3. A stockholder proposal requesting that the Company adopt greenhouse gas emission goals and issue a report, if properly presented at the Annual Meeting; and
4. Such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

The close of business on March 31, 2016 has been fixed as the record date for determining the holders of shares of CBS Corporation Class A Common Stock entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof. For a period of at least 10 days prior to the Annual Meeting, a complete list of stockholders entitled to vote at the Annual Meeting will be open to the examination of any stockholder during ordinary business hours at the Company's corporate headquarters located at 51 West 52nd Street, New York, New York 10019.

By order of the Board of Directors,

JONATHAN H. ANSHELL
Secretary

April 15, 2016

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CBS CORPORATION
2016 PROXY STATEMENT

VOTING AND SOLICITATION OF PROXIES

Solicitation of Proxies

A proxy is being solicited by the Board of Directors of CBS Corporation, a Delaware corporation ("CBS Corporation" or the "Company"), for use at the 2016 Annual Meeting of Stockholders (the "Annual Meeting") to be held on Thursday, May 26, 2016 at 10:00 a.m., Eastern Daylight Time. The close of business on March 31, 2016 is the record date for determining the record holders of the Company's Class A Common Stock, par value \$0.001 per share, entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof. Holders of the Company's non-voting Class B Common Stock, par value \$0.001 per share, are not entitled to vote at the Annual Meeting or any adjournment or postponement thereof.

As of March 31, 2016, the Company had outstanding 37,726,904 shares of its Class A Common Stock, each of such shares being entitled to one vote, and 417,335,704 non-voting shares of its Class B Common Stock (together with the Company's Class A Common Stock, the "Common Stock").

Internet Availability of Proxy Materials

In accordance with Securities and Exchange Commission ("SEC") rules, instead of mailing to stockholders a printed copy of the Company's proxy statement, annual report and other materials relating to the Annual Meeting ("proxy materials"), the Company intends to mail to stockholders a Notice of Internet Availability of Proxy Materials (the "Notice of Internet Availability"), which advises that the proxy materials are available on the Internet. The Company intends to commence its distribution of the Notice of Internet Availability on or about April 15, 2016. Stockholders receiving a Notice of Internet Availability by mail will not receive a printed copy of proxy materials, unless they so request. Instead, the Notice of Internet Availability will instruct stockholders as to how they may access and review proxy materials on the Internet. Stockholders who receive a Notice of Internet Availability by mail who would like to receive a printed copy of the Company's proxy materials, including a proxy card or voting instruction card, should follow the instructions for requesting these materials included in the Notice of Internet Availability. Stockholders who currently receive printed copies of proxy materials who would like to receive future copies of these documents electronically instead of by mail should follow the instructions for requesting electronic delivery set forth in the "Other Matters" section in this proxy statement.

Submission of Proxies

Each of the persons named in the proxy card and on the Company's voting website at www.proxyvote.com (the "proxy holders"), individually and with the power to appoint his substitute, has been designated by the Company's Board of Directors to vote the shares represented by proxy at the Annual Meeting. The proxy holders are officers of the Company. They will vote the shares represented by each valid and timely received proxy in accordance with the stockholder's instructions, or if no instructions are specified, the shares represented by the proxy will be voted in accordance with the recommendations of the Board of Directors as described in this proxy statement. If any other matter properly comes before the Annual Meeting, the proxy holders will vote on that matter in their discretion.

Holders of record of the Company's Class A Common Stock may submit a proxy in the following ways:

By Internet: Holders of record may access www.proxyvote.com, with the Notice of Internet Availability in hand (or, if a printed copy of proxy materials was received by request, the

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proxy card in hand), and follow the instructions. The Internet proxy must be received no later than 11:59 p.m., Eastern Daylight Time, on May 25, 2016.

By Telephone: Holders of record living in the United States or Canada may use any touch-tone telephone to call 1-800-690-6903, with the Notice of Internet Availability in hand (or, if a printed copy of proxy materials was received by request, the proxy card in hand), and follow the recorded instructions. The telephone proxy must be received no later than 11:59 p.m., Eastern Daylight Time, on May 25, 2016.

By Mail: Holders of record who received a printed copy of proxy materials by request may complete, sign and date the proxy card and return it in the envelope provided, so that it is received prior to the Annual Meeting.

"Beneficial holders" (defined below) will receive voting materials, including instructions on how to vote, directly from the holder of record.

Shares Held in the Company's 401(k) Plan. Voting instructions relating to shares of the Company's Class A Common Stock held in the Company's 401(k) plan must be received no later than 11:59 p.m., Eastern Daylight Time, on May 24, 2016, so that the trustee of the plan (who votes the shares on behalf of plan participants) has adequate time to tabulate the voting instructions. Shares held in the 401(k) plan that are not voted or for which the trustee does not receive timely voting instructions will be voted by the trustee in the same proportion as the shares held in the plan that are timely voted.

Voting Other than by Proxy. While the Company encourages holders of its Class A Common Stock to vote by proxy, holders of the Company's Class A Common Stock (other than shares held in the 401(k) plan) also have the option of voting their shares in person at the Annual Meeting. Some holders of the Company's Class A Common Stock hold their shares in "street name" through a broker or other nominee and are therefore known as "beneficial holders." If shares of Class A Common Stock are held for a beneficial holder in a brokerage, bank or other institutional account, then the beneficial holder must obtain a proxy from that entity and bring it to the Annual Meeting in order to vote the shares at the Annual Meeting.

Revocation of Proxies

A proxy may be revoked before the voting deadline by sending written notice to Jonathan H. Anshell, Secretary, CBS Corporation, 51 West 52nd Street, New York, NY 10019, or by timely submission (including telephonic or Internet submission) of a proxy bearing a later date than the proxy being revoked to Proxy Services, P.O. Box 9111, Farmingdale, NY 11735-9543. Revocations made by telephone or through the Internet must be received by 11:59 p.m., Eastern Daylight Time, on May 25, 2016. A holder may also revoke a proxy by voting in person at the Annual Meeting.

Shares Held in the Company's 401(k) Plan. Voting instructions relating to shares of the Company's Class A Common Stock held in the Company's 401(k) plan may be revoked prior to 11:59 p.m., Eastern Daylight Time, on May 24, 2016, by sending written notice to Jonathan H. Anshell, Secretary, CBS Corporation, 51 West 52nd Street, New York, NY 10019, or by timely submission (including telephonic or Internet submission) of voting instructions bearing a later date than the voting instructions being revoked to Proxy Services, P.O. Box 9111, Farmingdale, NY 11735-9543.

Quorum

Under the Company's Amended and Restated Bylaws, the holders of a majority of the aggregate voting power of the Company's Class A Common Stock outstanding on the record date, present in person or represented by proxy at the Annual Meeting, shall constitute a quorum.

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Abstentions and broker non-votes will be treated as present for purposes of determining the presence of a quorum.

Matters to be Considered at the Annual Meeting

The Board of Directors recommends a vote FOR each of the following matters:

1. The election of each of the 13 nominated directors; and
2. The ratification of the appointment of PricewaterhouseCoopers LLP to serve as the Company's independent registered public accounting firm ("independent auditor") for fiscal year 2016.

The Board of Directors recommends a vote AGAINST the following matter:

3. A stockholder proposal requesting that the Company adopt greenhouse gas emission goals and issue a report, if properly presented at the Annual Meeting.

The affirmative vote of the holders of a majority of the aggregate voting power of the Company's Class A Common Stock present in person or represented by proxy at the Annual Meeting ("majority vote") is required to elect each of the 13 nominated directors and to approve Items 2 and 3 set forth above. An abstention with respect to any matter will have the effect of a vote against such matter.

Under the rules of the New York Stock Exchange ("NYSE"), a broker or other nominee holding shares of the Company's Class A Common Stock on behalf of a beneficial holder may not be permitted to exercise voting discretion with respect to some matters to be acted upon at stockholders' meetings. Therefore, if a beneficial holder does not give the broker or nominee specific voting instructions, the holder's shares may not be voted on those matters and a broker non-vote will occur. Under the rules of the NYSE, brokers or nominees may vote on the matter listed as Item 2 above, but not on the matters listed as Items 1 and 3 above, if they do not receive instructions from the beneficial holder of the shares held in street name. A broker non-vote will have no effect on the voting results for Items 1 and 3 above.

As of March 31, 2016, National Amusements, Inc. ("National Amusements") beneficially owned directly and indirectly through its wholly owned subsidiary, approximately 79.5% of the Company's outstanding Class A Common Stock and approximately 8.6% of the Company's outstanding Class A Common Stock and Class B Common Stock on a combined basis. Sumner M. Redstone, the controlling stockholder of National Amusements, is Chairman Emeritus of the Company. National Amusements has advised the Company that it intends to vote all of its shares of the Company's Class A Common Stock in favor of each of Items 1 and 2 and against Item 3 above. Such action by National Amusements will be sufficient to constitute a quorum and to approve each of Items 1 and 2 and disapprove Item 3.

Cost of Proxy Solicitation and Inspector of Election

The Company will pay the cost of the solicitation of proxies, including the preparation, printing and mailing of the Notice of Internet Availability and, as applicable, this proxy statement and the related materials. The Company will furnish copies of the Notice of Internet Availability and, if requested, this proxy statement and related materials to banks, brokers, fiduciaries and custodians that hold shares on behalf of beneficial holders so that they may forward the materials to the beneficial holders. American Election Services, LLC will serve as the independent inspector of election for the Annual Meeting.

Mailing Address

The Company's mailing address is 51 West 52nd Street, New York, NY 10019.

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CORPORATE GOVERNANCE

CBS Corporation's corporate governance practices are established and monitored by its Board of Directors (the "Board"). The Board, with assistance from its Nominating and Governance Committee, regularly assesses CBS Corporation's governance practices in light of legal requirements and governance best practices. In several areas, CBS Corporation's practices go beyond the requirements of the NYSE corporate governance listing standards (the "NYSE listing standards"). For example, despite being a "controlled company" (*i.e.*, a company of which more than 50% of the voting power is held by an individual or another company), CBS Corporation has a majority of independent directors on its Board and has an independent Compensation Committee and an independent Nominating and Governance Committee, none of which is required for controlled companies under the NYSE listing standards.

CBS Corporation's principal governance documents are as follows:

Corporate Governance Guidelines

Board Committee Charters:

Audit Committee Charter

Compensation Committee Charter

Nominating and Governance Committee Charter

Business Conduct Statement

Supplemental Code of Ethics for Senior Financial Officers

These documents are available on the Company's public website at www.cbscorporation.com, and copies of these documents may also be requested by writing to Investor Relations, CBS Corporation, 51 West 52nd Street, New York, NY 10019. The Company encourages its stockholders to read these documents, as we believe they illustrate CBS Corporation's commitment to good governance practices. Certain key provisions of these documents are summarized below.

Corporate Governance Guidelines

CBS Corporation's Corporate Governance Guidelines (the "Guidelines") set forth the Company's corporate governance principles and practices on a variety of topics, including the responsibilities, composition and functioning of the Board, director qualifications, and the roles of the Board Committees. The Guidelines are periodically reviewed and updated as needed. The Guidelines provide, among other things, that:

A majority of the members of the Board must be independent as determined under the NYSE listing standards and the standards set forth in the Guidelines;

All of the members of the Audit, Compensation, and Nominating and Governance Committees must be independent;

Separate executive sessions of the non-management directors and independent directors must be held a minimum number of times each year;

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The Board, acting on the recommendation of the Nominating and Governance Committee, shall determine whether a director candidate's service on more than three other public company boards of directors is consistent with service on the Board;

Director compensation will be established in light of the policies set forth in the Guidelines;

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Within three years of joining the Board, directors are expected to own shares of Common Stock having a market value of at least five times the cash annual retainer fee paid to them, in accordance with the Guidelines;

The Board will hold an annual self-evaluation to assess its effectiveness; and

The Compensation Committee and the Nominating and Governance Committee will together review periodically succession planning and report to the non-management directors on these reviews.

Board Committee Charters

Each standing Board Committee operates under a written charter that has been adopted by the Board. The Company has three standing Committees: the Audit Committee, the Compensation Committee and the Nominating and Governance Committee. The Committee charters set forth the purpose, objectives and responsibilities of the respective Committee and discuss matters such as Committee membership requirements, number of meetings and the setting of meeting agendas. The charters are assessed at least every other year, or more frequently as the applicable Committee may determine, and are updated as needed. More information on the Committees, their respective roles and responsibilities, and their charters can be found under "CBS Corporation's Board of Directors Board Committees."

Business Conduct Statement

The Company's Business Conduct Statement ("BCS") sets forth the Company's standards for ethical conduct that are expected of all directors and employees of the Company. The BCS is available on the Company's website at www.cbscorporation.com and on the Company's intranet sites and also has been distributed to the Company's employees and directors. As part of the Company's compliance and ethics program, directors and full-time employees are required to certify as to their compliance with the BCS and, on an ongoing basis, must disclose any potential conflicts of interest. The Company has also implemented an online BCS training program. The BCS addresses, among other things, topics such as:

Compliance with laws, rules and regulations, including the Foreign Corrupt Practices Act;

Conflicts of interest, including the disclosure of potential conflicts to the Company;

Confidentiality, insider information and trading, and fair disclosure;

Financial accounting and improper payments;

The Company's commitment to providing equal employment opportunities and a bias-free and harassment-free workplace environment;

Fair dealing and relations with competitors, customers and suppliers;

Health, safety and the environment; and

Political contributions and payments.

The BCS provides numerous avenues for employees to report violations of the BCS or matters of concern, whether anonymously or with attribution, to the appropriate officers of the Company and/or the Audit Committee. These avenues include a telephone hotline, email contacts or direct communication with the Company's compliance officers. The BCS also provides that the Company will protect anyone who

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makes a good faith report of a violation of the BCS and that retaliation against an employee who makes a good faith report will not be tolerated.

Waivers of the BCS for the Company's executive officers or directors will be disclosed on the Company's website at www.cbcorporation.com or by Form 8-K filed with the SEC.

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Supplemental Code of Ethics for Senior Financial Officers

The Supplemental Code of Ethics is applicable to the Company's Chief Executive Officer, Chief Operating Officer (who also performs the duties of the Chief Financial Officer) and Chief Accounting Officer. The Supplemental Code of Ethics, which is available on the Company's website at www.cbcorporation.com, addresses matters specific to those senior financial positions in the Company, including responsibility for the disclosures made in CBS Corporation's filings with the SEC, reporting obligations with respect to certain matters and a general obligation to promote honest and ethical conduct within the Company. The senior financial officers are also required to comply with the BCS. Amendments to or waivers of the Supplemental Code of Ethics for these officers will be disclosed on the Company's website at www.cbcorporation.com or by Form 8-K filed with the SEC.

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CBS CORPORATION'S BOARD OF DIRECTORS

The Company's Board of Directors is currently comprised of 14 members: David R. Andelman, Joseph A. Califano, Jr., William S. Cohen, Gary L. Countryman, Charles K. Gifford, Leonard Goldberg, Bruce S. Gordon, Linda M. Griego, Arnold Kopelson, Leslie Moonves, Doug Morris, Shari Redstone, Sumner M. Redstone and Frederic V. Salerno. All of the current members of the Board were elected at the Company's 2015 Annual Meeting of Stockholders.

During 2015, the Board held 7 meetings and also acted by unanimous written consent. Each incumbent director attended at least 75% of the meetings of the Board and Board Committees on which such director served during 2015. In addition to Board and Committee meetings, directors are expected to attend the Annual Meeting, and all of the directors standing for election in 2015, except for one, attended the Company's 2015 Annual Meeting of Stockholders.

In accordance with the Guidelines and the NYSE listing standards, the non-management directors meet separately, without directors who are Company employees, at least two times each year, and at such other times as they deem appropriate. The independent directors also meet separately, without those directors who are not independent as determined by the Board, at least two times each year, and at such other times as they deem appropriate. The members of the Nominating and Governance Committee preside at meetings of the non-management directors and independent directors on a rotating basis. During 2015, the non-management directors met 6 times, and the independent directors met 6 times.

Director Independence

The Company's Guidelines provide that a majority of the Company's directors must be independent of the Company, as "independence" is defined in the NYSE listing standards and in the Guidelines. The NYSE listing standards set forth five "bright-line" tests that require a finding that a director is not independent if the director fails any of the tests. In addition, the NYSE listing standards provide that a director is not independent unless the Board affirmatively determines that the director has no "material relationship" with the Company. The Guidelines set forth categorical standards to assist the Board in determining what constitutes a "material relationship" with the Company. Generally under these categorical standards, the following relationships are deemed not to be material:

The types of relationships identified by the NYSE listing standards' "bright-line" tests, if they occurred more than five years ago (the Board will review any such relationship if it occurred more than three but less than five years ago);

A relationship whereby the director has received, or an immediate family member of the director has received for service as an executive officer, less than \$120,000 in direct compensation from the Company during any 12-month period within the last three years; and

A relationship where the director is an executive officer or employee, or an immediate family member of the director is an executive officer, of the following:

- a company that made payments to, or received payments from, the Company for property or services in an amount that, in each of the last three fiscal years, is less than 1% of such company's annual consolidated gross revenues;
- a company which is either indebted to or a creditor of the Company in an amount that is less than 1% of such company's total consolidated assets; and
- a tax-exempt organization that received contributions from the Company in the prior fiscal year in an amount less than the greater of \$500,000 or 1% of that organization's consolidated gross revenues.

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For relationships that exceed the thresholds described above, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, is made by the directors who are independent. In addition, the Guidelines state that, generally, the types of relationships not addressed by the NYSE listing standards or described in the Guidelines will not cause an otherwise independent director to be considered not independent. However, the Board may determine that a director is not independent for any reason it deems appropriate.

The full text of the Guidelines is available on the Company's website at www.cbcorporation.com.

In February 2016, the Nominating and Governance Committee reviewed the independence of the Company's 14 directors, which included the 13 nominees standing for election at the Annual Meeting, to determine its recommendation regarding which of them meet the independence standards outlined above. The Board, based on its review and the recommendation of the Nominating and Governance Committee, determined that 9 of the 14 directors are independent. The independent directors are Messrs. Califano, Cohen, Countryman, Gifford, Gordon, Kopelson, Morris and Salerno and Ms. Griego. Mr. Salerno is not standing for re-election at the Annual Meeting.

During its review, in determining that the director nominees named above are independent, the Board considered the transactions disclosed under "Related Person Transactions," all of which the Board determined were immaterial to, and would not impair, each such director's independence. The Board also considered that the Company and its subsidiaries in the ordinary course of business have, during the past three years, sold products and services to, and/or purchased products and services from, persons and companies and other entities, of which certain directors were executive officers or principals during 2015, and determined that all of these transactions were below the threshold for relationships deemed to be immaterial under the Guidelines.

Board Leadership Structure

Prior to February 3, 2016, the Company's Board of Directors separated the Board chairman and principal executive officer positions. On February 3, 2016, in connection with the resignation of Mr. Redstone as Executive Chairman on February 2, 2016, the Board appointed Mr. Redstone as Chairman Emeritus and Mr. Moonves, the Company's President and Chief Executive Officer, as Chairman of the Board. The Board believes that the appointment of Mr. Redstone as Chairman Emeritus is appropriate, in view of his many years of leadership as Executive Chairman of the Board and his significant historical contributions to the Company, including as a principal participant in the establishment of the Company, as a stockholder who has maintained, through National Amusements, a controlling ownership position since that time, and as a renowned leader in the entertainment industry. The Board believes that the appointment of Mr. Moonves as the Company's Chairman of the Board provides continuity in Board leadership and is appropriate and in the best interests of the stockholders, given his successes in his role as the Company's President and Chief Executive Officer, including distinguishing the Company as a producer of world-class content across all mediums and identifying and developing key new revenue streams for future growth, and the Board's support for Mr. Moonves' vision for the strategic direction of the Company. The Board also believes his appointment as Chairman is appropriate in light of the breadth of his institutional knowledge of all aspects of the Company's businesses from his service with the Company for more than 20 years and as a member of the Board for more than 10 years. The Board's appointment of Ms. Redstone as Vice Chair, whose responsibilities include the duties set forth in the Company's Bylaws, remains unchanged. The Board has not appointed a lead independent director. In support of the independent oversight of management, the non-management directors and, separately, the independent directors routinely meet and hold discussions without management present. A majority of the directors on the Board are independent, and the Audit, Compensation and Nominating and Governance Committees are composed entirely of independent directors.

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Board Risk Oversight

The Company's Board of Directors has overall responsibility for the oversight of the Company's risk management process. The Board carries out its oversight responsibility directly and through the delegation to its Committees of responsibilities related to the oversight of certain risks, as follows:

The Audit Committee, as part of its internal audit and independent auditor oversight, is responsible for reviewing the Company's risk assessment and risk management practices and discusses risks as they relate to its review of the Company's financial statements, the evaluation of the effectiveness of internal control over financial reporting, compliance with legal and regulatory requirements, and the performance of the internal audit function, among other responsibilities set forth in the Committee's charter.

The Compensation Committee monitors risks associated with the design and administration of the Company's compensation programs, including its performance-based compensation programs, to promote an environment which does not encourage unnecessary and excessive risk-taking by the Company's employees. The Committee also reviews risks related to management resources, including the depth of the Company's senior management. In view of this oversight and based on management's assessment, the Company does not believe that its employee compensation policies and practices create risks that are reasonably likely to have a material adverse effect on the Company.

The Nominating and Governance Committee oversees risk as it relates to monitoring developments in law and practice with respect to the Company's corporate governance processes and in reviewing related person transactions. The Committee also is responsible for the periodic review of the following risk management processes at the Company: disaster recovery, crisis management and theft of intellectual property.

Each of these Committees reports regularly to the Board on these risk-related matters, among other items within its purview. On an annual basis, the Board conducts strategy sessions, which include presentations from economic, political and industry experts, among others, on matters affecting the Company, to assist the Board and management in preparing and implementing strategic initiatives, including risk management. In addition, the Board and Committees receive regular reports from management that include matters affecting the Company's risk profile, including, among others, operations reports from the Chief Executive Officer and from division heads, all of which include strategic and operational risks; reports from the Chief Operating Officer and Chief Accounting Officer on credit and liquidity risks and on the integrity of internal controls over financial reporting; reports from the Chief Legal Officer on legal risks and material litigation; and reports on internal audit activities from the Senior Vice President, Internal Audit. The Audit Committee also receives periodic reports from the Company's Chief Compliance Officer on the Company's compliance program and from the Senior Vice President, Internal Audit on the internal audit plan for the upcoming fiscal year, the scope of which is to determine the adequacy and function of the Company's risk management, control and governance processes. Outside of formal meetings, Board members have regular access to executives, including the Chief Executive Officer, the Chief Operating Officer, the Chief Accounting Officer, the Chief Legal Officer and the Chief Administrative Officer and Chief Human Resources Officer. The Committee and management reports, strategy sessions and real-time management access collectively provide the Board with integrated insight on the Company's management of its risks.

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Board Committees

The following chart sets forth the current membership of each standing Board Committee. The Board reviews and determines the membership of the Committees at least annually.

Committee	Members
Audit Committee	Gary L. Countryman, Chair Linda M. Griego Frederic V. Salerno
Compensation Committee	Charles K. Gifford, Chair William S. Cohen Bruce S. Gordon Doug Morris
Nominating and Governance Committee	Joseph A. Califano, Jr., Chair Gary L. Countryman Charles K. Gifford

During 2015, the Audit Committee held 5 meetings, the Compensation Committee held 7 meetings and the Nominating and Governance Committee held 11 meetings. Information about these Committees, including their respective roles and responsibilities and charters, is set forth below.

Audit Committee

The Audit Committee Charter provides that the Audit Committee will be comprised of at least three members and that all of the members on the Committee must be independent directors. Also, the Committee must have at least one "audit committee financial expert" (as described below) and all Committee members must be financially literate. The Committee holds at least five regular meetings each year, and it regularly meets separately at these meetings with the independent auditor, the Company's Chief Legal Officer, its Senior Vice President, Internal Audit and other members of the Company's senior management. The Committee is responsible for the following, among other things:

The appointment, retention, termination, compensation and oversight of the Company's independent auditor, including reviewing with the independent auditor the scope of the audit plan and audit fees;

Reviewing the Company's financial statements and related disclosures, including with respect to internal control over financial reporting;

Oversight of the Company's internal audit function; and

Oversight of the Company's compliance with legal and regulatory requirements.

For additional information on the Committee's role and its oversight of the independent auditor during 2015, see "Report of the Audit Committee."

Audit Committee Financial Experts. The Board has determined that all of the members of the Audit Committee are "financially literate," as that term is interpreted by the Board in its business judgment. In addition, the Board has determined that Mr. Countryman, the Chair of the Audit Committee, qualifies as an "audit committee financial expert," as that term is defined in the regulations promulgated under the Securities Act of 1933, as amended (the "Securities Act").

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Compensation Committee

The Compensation Committee Charter provides that the Compensation Committee will be comprised of at least three members, except that the Committee is deemed to be properly constituted with at least two members in the event of a vacancy until the Board fills the vacancy. The Charter also provides that all of the members on the Committee must be independent directors and that the Committee shall also satisfy the relevant requirements established pursuant to regulations promulgated under Section 162(m) of the Code. The Committee holds at least four regular meetings each year and is responsible for the following, among other things:

Adopting and periodically reviewing the Company's compensation philosophy, strategy and principles regarding the design and administration of the Company's compensation programs;

Reviewing and approving the total compensation packages for the Company's executive officers and other senior executives identified by the Committee after consultation with the Company's Chairman of the Board, President and Chief Executive Officer and Senior Executive Vice President, Chief Administrative Officer and Chief Human Resources Officer (excluding "Talent," as such term is currently used in the media or entertainment industries) (collectively, the "senior executives"); and

Overseeing the administration of the Company's incentive compensation plans (including the bonus plan for executives subject to Section 162(m) of the Code) and its equity-based compensation plans.

Consideration and Determination of Executive Compensation. The Compensation Committee reviews all components of the senior executives' compensation, including base salary, annual and long-term incentives and severance arrangements. In approving compensation for the senior executives, the Committee considers the input and recommendations of the Chief Executive Officer, the Chief Operating Officer with respect to those senior executives who report directly to him, and the Chief Legal Officer with respect to those senior executives who report directly to him. With respect to the Chairman and CEO, the Committee reviews and approves goals and objectives relevant to his compensation and, together with the Nominating and Governance Committee, annually evaluates his performance in light of those goals and objectives. The results of this evaluation are then reported to the non-management directors. The Compensation Committee sets compensation for the Chairman and CEO, taking this evaluation into account, and reports to the Board on this process.

The Company's processes and procedures for the consideration of executive compensation and the role of the Company's executive officers in determining or recommending the amount or form of executive compensation are more fully described in the "Compensation Discussion and Analysis" section below. Director compensation is approved by the Board, based on recommendations from the Nominating and Governance Committee, as more fully described in the "Nominating and Governance Committee" section below.

The Compensation Committee has the power to delegate its authority and duties to subcommittees or individuals as it deems appropriate and in accordance with applicable laws and regulations. The Committee has delegated to the Chairman of the Board, President and Chief Executive Officer limited authority (with respect to executives who are not senior executives) to grant long-term incentive awards under the Company's long-term incentive plan to such executives in connection with their hiring, promotion or contract renewal and to modify the terms of outstanding equity grants in certain post-termination scenarios, as discussed in the "Compensation Discussion and Analysis" section below.

The Committee is empowered to retain compensation consultants having special competence to assist the Committee in evaluating executive officer and employee compensation. The Committee has the sole authority to retain and terminate such consultants and to review and approve such consultants'

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fees and other retention terms. The Committee retains an independent compensation consulting firm, currently Exequity LLP, to advise the Committee in its review of senior executive compensation. The Compensation Committee adopted a policy in 2008 providing that the independent compensation consulting firm will not be considered as a provider of services to the Company, other than for services provided to the Compensation Committee. Accordingly, other than these services provided to the Committee, Exequity does not perform any administrative or consulting services for the Company. In furtherance of the Committee's review of senior executive compensation, the independent consultant examines the compensation practices at companies with which the Company competes for senior executive talent, including those companies engaged in similar business activities and other publicly traded U.S. companies, and provides other analysis, as more fully described in the "Compensation Discussion and Analysis" section below. The Committee has assessed the independence of Exequity and determined that Exequity's work for the Committee does not raise any conflict of interest.

Nominating and Governance Committee

The Nominating and Governance Committee's Charter provides that the Nominating and Governance Committee will be comprised of at least three members, except that the Committee is deemed to be properly constituted with at least two members in the event of a vacancy until the Board fills the vacancy. The Charter also provides that all of the members on the Committee must be independent directors. The Committee holds at least three regular meetings each year and is responsible for the following, among other things:

Identifying and recommending to the Board nominees for election to the Board and reviewing the composition of the Board as part of this process;

Overseeing all aspects of the Company's corporate governance initiatives, including regular assessments of its principal governance documents;

Establishing criteria for the annual self-evaluations of the Board and its Committees;

Making recommendations to the Board on director compensation matters;

Monitoring developments in the law and practice of corporate governance;

Developing and recommending items for Board meeting agendas;

Reviewing transactions between the Company and related persons; and

Reviewing the following risk management processes at the Company: disaster recovery, crisis management and theft of intellectual property.

The members of the Nominating and Governance Committee also chair the executive sessions of non-management and independent directors on a rotating basis.

Consideration and Determination of Director Compensation. The Committee annually reviews and recommends for the Board's consideration the form and amount of compensation for Outside Directors. "Outside Directors" are directors of the Company who are not employees of the Company or any of its subsidiaries. Only Outside Directors are eligible to receive compensation for serving on the Board, as more fully described in the "Director Compensation" section below. In connection with its 2016 review and recommendation, the Committee received advice from the independent compensation consulting firm retained by the Compensation Committee regarding market practice for director compensation.

In accordance with the Guidelines and its Charter, the Committee is guided by three principles in its review of Outside Director compensation and benefits: Outside Directors should be fairly compensated for the services they provide to the Company, taking into account, among other things, the size and complexity of the Company's business and compensation and benefits paid to directors of

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comparable companies; Outside Directors' interests should be aligned with the interests of stockholders; and Outside Directors' compensation should be easy for stockholders to understand.

The recommendations of the Committee with respect to director compensation are subject to approval by the Board.

2016 Director Nomination Process; Board Diversity. In connection with the 2016 director nomination process, the Committee reviewed the current composition of the Board in light of the considerations set forth in its Charter and the Company's Guidelines. The Committee also considered input received from other directors on Board member qualifications, Board composition and any special circumstances that the Committee considers important in its determination. After taking these considerations into account, the Committee determined to recommend to the Board that each of the nominees set forth below in "Item 1-Election of Directors" be nominated to stand for election at the 2016 Annual Meeting.

As part of its review, the Committee considers diversity, among other factors. The Committee considers diversity to be a broadly defined concept which takes into account professional experience, gender and ethnicity, among other characteristics. As a result of considering diversity as part of its nomination process, multiple industries are represented on the Board, including the entertainment and media, communications, banking, legal, insurance and management consulting industries, among others. Additionally, distinguished contributors to governmental and not-for-profit organizations also serve on the Board. Multiple professions are represented among the directors, including current and past experience as principal executive officers, attorneys, high-level government officials, entrepreneurs and television, film and record producers, among others. The Committee assesses the effectiveness of its consideration of diversity as part of its annual nomination process, when it reviews the composition of the Board as a whole.

Stockholder Recommendations for Director. The Committee will consider candidates for director recommended by the stockholders of the Company. All recommendations by stockholders for potential director candidates, which shall include written materials with respect to the potential candidate, should be sent to Jonathan H. Anshell, Secretary, CBS Corporation, 51 West 52nd Street, New York, NY 10019. The Company's Guidelines and Nominating and Governance Committee Charter set forth certain criteria for director qualifications and Board composition that stockholders should consider when making a recommendation. These criteria include an expectation that directors have substantial accomplishments in their professional backgrounds, are able to make independent, analytical inquiries, and exhibit practical wisdom and mature judgment. Directors of CBS Corporation should also possess the highest personal and professional ethics, integrity and values and be committed to promoting the long-term interests of CBS Corporation's stockholders. Director candidates recommended by stockholders who meet the director qualifications, which are described more fully in the Company's Guidelines and Nominating and Governance Committee Charter, will be considered by the Chair of the Committee, who will present the information on the candidate to the entire Committee. Director candidates recommended by stockholders will be considered by the Committee in the same manner as any other candidate.

Stockholder Outreach

The Company's management, including through its investor relations program, conducts stockholder outreach throughout the year to inform the Company's management and Board about the issues that matter most to stockholders. The stockholder outreach efforts include management meetings with individual and group investors in person or by telephone and management presentations at investor and industry conferences, including question-and-answer sessions, on a regular basis. The investor relations group also responds to retail investor email and telephone inquiries, providing access to Company representatives and a forum for providing feedback. During 2015, these stockholder

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outreach efforts resulted in discussions and interactions with over 1,800 investors. On March 15, 2016, the Company held an "Investor Day" conference, which was also available to the public via video webcast. At the conference, management updated investors on the Company's performance since the prior "Investor Day" conference in 2011, discussed operations and strategic priorities and conducted a question-and-answer session.

Communications with Directors

Stockholders and other parties interested in contacting CBS Corporation's non-management directors may send an email to nonmanagementdirectors@cbs.com or write to Non-Management Directors, CBS Corporation, 51 West 52nd Street, 35th Floor, New York, NY 10019. The non-management directors' contact information is also available on CBS Corporation's website at www.cbscorporation.com. The non-management directors have approved the process for handling communications received in this manner.

Stockholders should also use the email and mailing address for the non-management directors to send communications to the Board. The process for handling stockholder communications to the Board received in this manner has been approved by the independent directors of the Board. Correspondence relating to accounting or auditing matters will be handled in accordance with procedures established by the Audit Committee for such matters.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee during fiscal year 2015 was, or has ever been, an officer or employee of the Company, and, during fiscal year 2015, no executive officer of the Company served on the board and/or compensation committee of any company that employed as an executive officer any member of the Company's Board and/or Compensation Committee.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The table below sets forth as of February 29, 2016, unless otherwise indicated, information concerning the beneficial ownership of the Company's Class A and Class B Common Stock by (i) each current director and director nominee, (ii) each named executive officer and (iii) the current directors and executive officers of the Company as a group. Each person has sole voting and investment power over the shares reported, except as noted. Also set forth below is information concerning the beneficial ownership by each person, or group of affiliated persons, who is known by the Company to beneficially own 5% or more of the Company's Class A Common Stock. As of February 29, 2016, there were 37,726,904 shares of the Company's Class A Common Stock outstanding and 420,866,959 shares of the Company's Class B Common Stock outstanding.

Beneficial Ownership of Equity Securities

Name	Title of Security	Number of Shares	Percent of Class
Anthony G. Ambrosio	Class A Common	0	*
	Class B Common	590,574 (1)(2)(3)	*
David R. Andelman	Class A Common	(4)	*
	Class B Common	25,816 (1)(4)	*
Joseph A. Califano, Jr.	Class A Common	(4)	*
	Class B Common	3,096 (1)(3)(4)	*
William S. Cohen	Class A Common	(4)	*
	Class B Common	30,037 (1)(4)	*
Gary L. Countryman	Class A Common	(4)	*
	Class B Common	6,507 (1)(4)	*
Charles K. Gifford	Class A Common	0	*
	Class B Common	84,337 (1)(3)(4)	*
Leonard Goldberg	Class A Common	0	*
	Class B Common	57,145 (1)(3)	*
Bruce S. Gordon	Class A Common	0	*
	Class B Common	63,215 (1)(4)	*
Linda M. Griego	Class A Common	0	*
	Class B Common	54,057 (1)(3)(4)	*
Joseph R. Ianniello	Class A Common	0	*
	Class B Common	947,254 (1)(2)(3)	*
Arnold Kopelson	Class A Common	(4)	*
	Class B Common	3,563 (1)(4)	*
Leslie Moonves	Class A Common	0	*
	Class B Common	4,414,588 (1)(2)(3)	1.0%
Doug Morris	Class A Common	(4)	*
	Class B Common	22,079 (4)	*
Shari Redstone	Class A Common	70,430 (4)(5)	*
	Class B Common	12,523 (3)(4)(5)	*
Sumner M. Redstone	Class A Common	103,063 (6)	79.5%
	Class B Common	30,010,939 (6)	2.2%
		9,446,293 (6)	

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Beneficial Ownership of Equity Securities			
Name	Title of Security	Number of Shares	Percent of Class
Frederic V. Salerno	Class A Common	25,027 (4)	*
	Class B Common	74,988 (1)(4)	*
Gil Schwartz	Class A Common	0	*
	Class B Common	257,131 (1)(2)	*
Lawrence P. Tu	Class A Common	0	*
	Class B Common	88,885 (1)(2)	*
Current directors and executive officers	Class A Common	(4)	*
		128,648	
as a group, other than the interests of Mr. Redstone (20 persons)	Class B Common	7,532,968 (1)(2)(3)(4)(7)	1.8%
National Amusements	Class A Common	(8)	79.5%
		30,010,899	
846 University Avenue Norwood, MA 02062	Class B Common	9,243,800 (8)	2.2%
Mario J. Gabelli <i>et al.</i> (9)	Class A Common	4,411,381	11.7%
GAMCO Investors, Inc. One Corporate Center Rye, NY 10580-1435			
GRUSS Capital Management, L.P. <i>et al.</i> (10)	Class A Common	2,148,577	5.7%
GRUSS Capital Management, L.P. 510 Madison Avenue, 16 th Floor New York, NY 10022			

*

Represents less than 1% of the outstanding shares of the class.

(1)

Includes the following shares of the Company's Class B Common Stock (a) which the indicated named executive officer or director had the right to acquire on or within 60 days from February 29, 2016, through the exercise of stock options: Ambrosio, 396,757; Andelman, 25,465; Califano, 25,465; Cohen, 1,698; Countryman, 33,106; Gifford, 25,465; Goldberg, 1,698; Gordon, 10,186; Griego, 15,279; Ianniello, 677,104; Kopelson, 33,106; Moonves, 2,177,441; Salerno, 1,698; Schwartz, 195,960 and Tu, 60,592; and (b) underlying restricted share units ("RSUs") which will vest within 60 days from February 29, 2016 held by the indicated executive officer: Tu, 150.

(2)

Includes shares held through the CBS 401(k) Plan.

(3)

Includes the following number of shares of the Company's Class B Common Stock (a) owned by family members but as to which, except in the case of Ms. Griego, the indicated person disclaims beneficial ownership: Califano, 927; Griego, 6,000; Ianniello, 2,351; and Moonves, 4,672; (b) held by trusts, as to which the indicated director has shared voting and investment power: Goldberg, 5,000; Moonves, 13,095; and Shari Redstone, 1,500; (c) held in family trusts, as to which the indicated person has sole voting and investment power: Ambrosio, 160,643; and Moonves: 1,694,460; and (d) held in family trusts, as to which the indicated person's family member has voting and investment power: Ambrosio, 27,854; and Gifford, 1,500.

(4)

Includes (a) the following Company Class A Common Stock phantom units and Class B Common Stock phantom units credited pursuant to the Company's deferred compensation plans for Outside Directors: Andelman, 25,816 Class A and 26,028 Class B; Califano, 3,096 Class A and 3,119 Class B; Cohen, 30,037 Class A and 30,286 Class B; Countryman, 6,507 Class A and 6,514 Class B; Kopelson, 3,563 Class A and 3,564 Class B; Morris, 22,079 Class A and 22,272 Class B; Shari Redstone, 12,523 Class A and 12,649 Class B; and Salerno, 25,027

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Class A and 25,145 Class B (including 7,918 Class A and 7,946 Class B, which amounts were deferred prior to December 31, 2005 (the completion date of the separation (the "Separation") of former Viacom Inc. ("Former Viacom") into two publicly traded companies, CBS Corporation and new Viacom Inc. ("Viacom")), and are held in an account in Mr. Salerno's name at Viacom); and (b) the following shares of the Company's Class B Common Stock underlying vested RSUs for which settlement has been deferred: Andelman, 55,933; Califano, 55,933; Cohen, 55,933; Countryman, 48,158; Gifford, 53,372; Gordon, 50,504; Griego, 26,244; Kopelson, 3,821; Morris, 48,158; Shari Redstone, 35,371; and Salerno, 37,691. Pursuant to the governing plans, the phantom common stock units are payable in cash and the RSUs are payable in shares of the Company's Class B Common Stock following termination of service as a director.

- (5) Ms. Redstone is a stockholder of National Amusements and has a significant indirect beneficial interest in the Company shares owned by National Amusements and its wholly owned subsidiaries.
- (6) Includes 30,010,899 shares of the Company's Class A Common Stock and 9,243,800 shares of the Company's Class B Common Stock that are owned by National Amusements and its wholly owned subsidiaries. Mr. Redstone is the beneficial owner of the controlling interest in National Amusements and, accordingly, beneficially owns all such shares. Based on information received from National Amusements, some of the shares of the Company's Class A and Class B Common Stock owned by its wholly owned subsidiaries are pledged to its lenders. National Amusements holds more than 50% of the Company's Class A Common Stock directly, and these shares are not pledged.
- (7) Includes 4,211,730 shares of the Company's Class B Common Stock which the current directors and executive officers as a group, other than Mr. Redstone, had the right to acquire on or within 60 days from February 29, 2016, through the exercise of stock options or through the vesting of RSUs.
- (8) Mr. Redstone is the beneficial owner of the controlling interest in National Amusements and, accordingly, beneficially owns all the Company's shares held by National Amusements and its wholly owned subsidiaries. Based on information received from National Amusements, some of the shares of the Company's Class A and Class B Common Stock owned by its wholly owned subsidiaries are pledged to its lenders. National Amusements holds more than 50% of the Company's Class A Common Stock directly, and these shares are not pledged.
- (9) The number of shares identified is based on a Schedule 13D dated February 25, 2011 and filed with the SEC by Gamco Investors, Inc. *et al.* on March 15, 2011. The Schedule 13D reported that the Gabelli entities have investment discretion and/or voting power with respect to substantially all of such shares.
- (10) The number of shares identified is based on a Schedule 13G/A dated December 31, 2015 and filed with the SEC by GRUSS Capital Management, L.P. *et al.* on January 26, 2016. The Schedule 13G/A reported that the GRUSS entities have investment discretion and/or voting power with respect to substantially all of such shares.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires the Company's executive officers and directors, and persons who own more than 10% of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the SEC and the NYSE and to furnish the Company with copies of all Section 16(a) forms they file. Based upon the Company's compliance program, a review of the forms furnished to the Company and written representations, the Company believes that during 2015 its executive officers, directors and greater than 10% beneficial owners complied with all applicable Section 16(a) filing requirements.

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RELATED PERSON TRANSACTIONS

Review, Approval or Ratification of Transactions with Related Persons

The Board of Directors adopted a written policy whereby the Nominating and Governance Committee reviews and approves, ratifies or takes other actions it deems appropriate with respect to a related person transaction that, under the rules of the SEC, is required to be disclosed in the Company's proxy statement. In its review, the Committee considers the related person's interest in the transaction; the material terms of the transaction, including the dollar amount involved; the importance of the transaction to the related person and the Company; whether the transaction would impair the judgment of the related person; and any other information the Committee deems appropriate.

Any member of the Committee who is a related person with respect to a transaction under review may not participate in the review or vote respecting the transaction; however, that person may be counted in determining the presence of a quorum at a meeting of the Committee that considers the transaction.

Under the policy, the Company's legal staff is primarily responsible for determining whether a related person has a direct or indirect material interest in a transaction with the Company that is required to be disclosed. The determination will be made after a review of information obtained from the related person and information available from the Company's records. The staff is responsible for establishing and maintaining policies and procedures to obtain relevant information to allow it to make the determination.

Agreements Related to Viacom Inc.

National Amusements, the Company's controlling stockholder, is also the controlling stockholder of Viacom. Mr. Sumner M. Redstone, the controlling stockholder, chairman of the board of directors and chief executive officer of National Amusements, serves as Chairman Emeritus for both the Company and Viacom.

During 2015, the Company, as part of its normal course of business, entered into transactions with Viacom and its subsidiaries. The Company licenses its television content, leases production facilities and sells advertising spots to various subsidiaries of Viacom. Viacom also distributes certain of the Company's television programs in the home entertainment market. The Company's total revenues from these transactions were \$179 million for the year ended December 31, 2015. In addition, the Company places advertisements with and leases production facilities from various subsidiaries of Viacom. The total amounts from these transactions were \$25 million for the year ended December 31, 2015. As of December 31, 2015, Viacom owed the Company approximately \$153 million, and the Company owed Viacom approximately \$1 million in connection with the Company's various normal course of business transactions with Viacom.

The Company believes that the terms of all such transactions were no more or less favorable to the Company and its businesses than they would have obtained from unrelated parties. The Company expects for the foreseeable future to continue to have transactions with Viacom.

Other Related Person Transactions

The National Center on Addiction and Substance Abuse at Columbia University ("CASA-Columbia") sponsors an annual "Family Day" event, the purpose of which is to encourage families to eat dinner together. During 2015, Mr. Califano served as Founder and Chairman Emeritus of CASA-Columbia. In 2015, certain divisions of the Company and its subsidiaries supported the "Family Day" event by airing public service announcements (PSAs). It is anticipated that divisions of the Company and its subsidiaries will from time to time continue to promote Family Day. In addition, in 2015, the Company made contributions totaling \$50,000 to CASA-Columbia.

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Pursuant to an agreement between a subsidiary of the Company and Panda Productions, a television and film production company owned 50% by Mr. Goldberg, he serves as an Executive Producer of CBS Network's television series, *Blue Bloods*. In connection with this agreement, during 2015, the Company paid to Panda Productions fees per episode for Mr. Goldberg's executive producer services, which are consistent with fees paid to other executive producers at Mr. Goldberg's level. The Company in 2015 also advanced to Panda Productions, consistent with industry practice, a certain portion of contingent compensation based upon its negotiated participation in net revenues received by the Company in connection with the *Blue Bloods* series, and the Company may in the future pay additional such compensation to Panda Productions. The Company believes that the terms of the agreement with Panda Productions are no more or less favorable to the Company than it could have obtained from unrelated parties.

Julie Chen, the wife of Mr. Moonves, is a host of the CBS Network show *The Talk* and the host of the CBS Network show *Big Brother*. Ms. Chen's compensation is comparable to on-air talent in similar positions at the CBS Network, and the Company believes it is comparable to on-air talent in such positions generally.

Amy Salerno, daughter of Mr. Salerno, is an employee in the Business Development department of Showtime Networks Inc., a subsidiary of the Company. Ms. Salerno has been an employee of Showtime Networks for approximately sixteen years. She is not an executive officer of the Company or of Showtime. Ms. Salerno received compensation in 2015 in an amount consistent with the compensation paid to other employees at her level.

Pursuant to the terms of an agreement between Simon & Schuster, a subsidiary of the Company, and Gil Schwartz, the Company's Senior Executive Vice President and Chief Communications Officer, Mr. Schwartz is entitled to receive an advance on royalties, a portion of which was paid in 2015, in connection with his grant to Simon & Schuster of the exclusive rights to publish a new book to be authored by him, payable over time subject to certain milestones. The formula for determining royalties payable under Mr. Schwartz' agreement is consistent with such formulas for determining royalties payable to other authors at his level. The Company believes that the terms of the agreement with Mr. Schwartz are no more or less favorable to the Company than it could have obtained from unrelated parties.

In November 1995, the Company entered into an agreement with Gabelli Asset Management Company ("GAMCO") pursuant to which GAMCO manages certain assets for qualified U.S. pension plans sponsored by the Company. For 2015, the Company paid GAMCO approximately \$213,000 for such investment management services. The Company believes that the terms of the agreement with GAMCO are no more or less favorable to the Company than it could have obtained from unrelated parties. Entities that are affiliated with GAMCO collectively own 4,411,381 shares of the Company's Class A Common Stock, according to a Schedule 13D filed with the SEC on March 15, 2011 by such entities (the latest filing available), which shares, as of February 29, 2016, represented approximately 11.7% of the outstanding shares of the class.

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ITEM 1 ELECTION OF DIRECTORS

The election of 13 directors is proposed by the Board of Directors, each director to hold office, in accordance with the Company's Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, until the next annual meeting or until his or her successor is duly elected and qualified. The Company's Board proposes for election: David R. Andelman, Joseph A. Califano, Jr., William S. Cohen, Gary L. Countryman, Charles K. Gifford, Leonard Goldberg, Bruce S. Gordon, Linda M. Griego, Arnold Kopelson, Leslie Moonves, Doug Morris, Shari Redstone and Sumner M. Redstone. Frederic V. Salerno will complete his current term as a director but is not standing for re-election at the Annual Meeting, at which time the size of the Board will be reduced from 14 to 13. All of the nominees are current members of the Company's Board who were elected at the Company's 2015 Annual Meeting of Stockholders.

In accordance with the Board's recommendation, the proxy holders will vote the shares of the Company's Class A Common Stock covered by the respective proxies for the election of each of the 13 director nominees set forth below, unless the stockholder gives instructions to the contrary. If, for any reason, any of the director nominees become unavailable for election, the proxy holders may exercise discretion to vote for substitute nominees proposed by the Board. Each of the director nominees has indicated that he or she will be able to serve if elected and has agreed to do so.

Information about each director nominee is set forth below:

David R. Andelman Director since 2000

Mr. Andelman (age 76) is a senior partner associated with the law firm of Lourie & Cutler, P.C. in Boston, Massachusetts since 1964. Mr. Andelman also serves as a director and treasurer of Lourie & Cutler. He is also a director of National Amusements. He has held no other public company directorships during the past five years.

Mr. Andelman is an accomplished attorney, practicing law for over 51 years with a focus in tax, estate and business planning. His legal acumen positions him as an invaluable advisor in the Company's deliberations. Mr. Andelman also provides institutional knowledge of the Company and continuity on the Company's Board, having served on the Board for 16 years.

Joseph A. Califano, Jr. Director since 2003

Mr. Califano (age 84) is Founder and Chairman Emeritus of the Board of The National Center on Addiction and Substance Abuse at Columbia University ("CASA-Columbia"). Prior to becoming Founder and Chairman Emeritus, effective February 1, 2012, Mr. Califano served as Founder and Chairman of CASA-Columbia, commencing in 1992, and also served as its President from 1992 through May 1, 2009. Mr. Califano has served as Adjunct Professor of Public Health at Columbia University's Medical School and School of Public Health since 1992 and is a member of the Institute of Medicine of the National Academy of Sciences. He was senior partner of the Washington, D.C. office of the law firm Dewey Ballantine from 1983 to 1992.

Mr. Califano served as the United States Secretary of Health, Education, and Welfare from 1977 to 1979, and he served as President Lyndon B. Johnson's Assistant for Domestic Affairs from 1965 to 1969. He is the author of 13 books. During the past five years, he was also a director of Willis Group Holdings PLC (2004-2013).

As the Founder and Chairman Emeritus and former senior executive of a nonprofit organization at a major university, Mr. Califano brings to the Board a distinctive ability to advise on public policy issues that may affect the Company and its reputation. In addition, his prior service at the highest levels of the federal government for more than 15 years and as an accomplished attorney in private practice in Washington, D.C. and New York provides the

Board with insight on matters related to the federal government's regulation of the Company's businesses. From this experience plus his past and present directorship experience, which includes experience on audit, financial and executive committees, Mr. Califano provides meaningful leadership in these areas and with respect to the implementation of sound corporate governance practices.

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William S. Cohen

Director since 2003

Mr. Cohen (age 75) has been Chairman and Chief Executive Officer of The Cohen Group, a business consulting firm, since January 2001. Prior to founding The Cohen Group, Mr. Cohen served as the United States Secretary of Defense from January 1997 to 2001. He also served as a United States Senator from 1979 to 1997, and as a member of the United States House of Representatives from 1973 to 1979. During the past five years, he was also a director of RLJ Acquisition, Inc. (2011-2012).

Mr. Cohen currently serves as the principal executive officer of a privately held global consulting group that provides global business consulting services and advice on tactical and strategic opportunities in multiple global markets. This experience, coupled with his prior 28 years of service at the highest levels of the federal government, makes Mr. Cohen an invaluable, skilled advisor to the Board on global economic and political conditions and on the development of international strategies.

Gary L. Countryman

Director since 2007

Mr. Countryman (age 76) has been Chairman Emeritus of the Liberty Mutual Group since 2000. He served as Chairman of Liberty Mutual Group from 1986 to 2000 and as Chief Executive Officer from 1986 to 1998. During the past five years, he was also a director of Liberty Mutual Group (1986-2012) and NSTAR (1999-2012).

Mr. Countryman's 40-year career in the insurance industry provides the Board with financial expertise and an understanding of the management of risk from an insurance perspective. His leadership in transforming Liberty Mutual from a domestic to an international financial services group and overseeing a complex, highly regulated group of insurance companies is relevant to the Board's oversight of the Company's global businesses and complex regulations. Mr. Countryman is an experienced director, whose breadth of experience includes experience on executive personnel, executive, investment and nominating committees.

Charles K. Gifford

Director since 2006

Mr. Gifford (age 73) has been Chairman Emeritus of Bank of America Corporation since February 2005. He was Chairman and Chief Executive Officer of BankBoston prior to its 1999 merger with Fleet Financial Group and became President and Chief Operating Officer of the combined companies. Mr. Gifford became Chief Executive Officer of FleetBoston Financial in 2001 and Chairman in 2002. Mr. Gifford is also a director of Bank of America Corporation (until April 27, 2016) and Eversource Energy (formerly known as Northeast Utilities). During the past five years, he was also a director of NSTAR (1999-2012).

Mr. Gifford, through an accomplished career overseeing large complex financial institutions in the banking industry, brings important business and financial expertise to the Board in its deliberations on complex transactions and other financial matters. In addition, his breadth of director experience, which includes his service on executive, executive personnel, credit, governance and nominating, compensation and audit committees, as well as his previous service as the lead trustee of NSTAR, provides valuable contributions to the Board in implementing good corporate governance.

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Leonard Goldberg

Director since 2007

Mr. Goldberg (age 82) has been President of Mandy Films, Inc. and Panda Productions, Inc., both independent television and film production companies, since 1984. He is currently Executive Producer of the hit CBS television series, *Blue Bloods*. He was President of Twentieth Century Fox from 1987 to 1989. In addition, from 1972 to 1984, he partnered with producer Aaron Spelling to launch various television series and made-for-television movies. Prior to that, Mr. Goldberg served as Vice President of Production at Screen Gems (now Columbia Pictures Television) from 1969 to 1972. During the years 1961 to 1969, he served in various positions with the ABC Network, advancing to Head of Programming. He has held no other public company directorships during the past five years.

With over 50 years of executive and creative experience in the television and film industries, Mr. Goldberg brings a deep understanding of the Company's core television and film businesses. He is well-positioned to advise directly on the strategic direction of the Company's Entertainment segment, including with respect to providing insight into the management of the Company's executive and creative talent.

Bruce S. Gordon

Director since 2006

Mr. Gordon (age 70) served as President and Chief Executive Officer of the National Association for the Advancement of Colored People ("NAACP") from August 2005 to March 2007. In December 2003, Mr. Gordon retired from Verizon Communications where he had served as President, Retail Markets Group since June 2000. Prior to that, Mr. Gordon served as Group President, Enterprise Business with Bell Atlantic Corporation (Verizon's predecessor) since December 1998. He served as Group President, Consumer and Small Business Services of Bell Atlantic from 1993 to August 1997, and as Group President, Retail, from August 1997 to December 1998.

Mr. Gordon is also a director of Northrop Grumman Corporation and The ADT Corporation. During the past five years, he was also a director of Tyco International Ltd. (2003-2012).

Having completed a 35-year career as a top executive in the telecommunications industry in 2003, Mr. Gordon became the first business executive to head the NAACP from 2005 to 2007. In addition to bringing significant leadership experience to the Board from his previous executive officer positions, the combination of proven business acumen and experience in public service makes Mr. Gordon a valuable advisor on business practices, including those with social policy implications. For example, he has been an instrumental advisor in the Company's re-affirmation of its diversity commitment programs. Also, Mr. Gordon's current service on two other boards, including service on nominating and governance, compensation and policy committees and as a non-Executive Chairman of a public company, gives him a deep understanding of public company governance.

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Linda M. Griego

Director since 2007

Ms. Griego (age 68) has served, since 1986, as President and Chief Executive Officer of Griego Enterprises, Inc., a business management company. For more than 20 years, she oversaw the operations of Engine Co. No. 28, a prominent restaurant in downtown Los Angeles that she founded in 1988. From 1990 to 2000, Ms. Griego held a number of government-related appointments, including Deputy Mayor of the city of Los Angeles, President and Chief Executive Officer of the Los Angeles Community Development Bank, and President and Chief Executive Officer of Rebuild LA, the agency created to jump-start inner-city economic development following the 1992 Los Angeles riots. Over the past two decades, she has also served on a number of government commissions and boards of directors of nonprofit organizations, including current service on the boards of the David and Lucile Packard Foundation, the Martin Luther King, Jr. Community Health Foundation, and the Community Development Technologies Center. Ms. Griego has served as a director of publicly traded and private corporations, including presently serving as director of AECOM Technology Corporation and the American Funds (7 funds). She has held no other public company directorships during the past five years.

With the breadth of her leadership experience as a businesswoman, in the public sector through her multiple government appointments and extensive community-based participation in Los Angeles, an area where the Company has a significant presence, and on multiple not-for-profit boards, Ms. Griego provides the Board with financial and business acumen, as well as public policy expertise as it relates to business practices. Ms. Griego is also an experienced director, including through service on other audit, compensation and organization, and nominating and governance committees, with demonstrated expertise in the application of sound corporate governance principles.

Arnold Kopelson

Director since 2007

Mr. Kopelson (age 81) has been Co-Chairman and Co-President of Kopelson Entertainment, through which he produces films and television programs and finances the acquisition and development of screenplays, since 1979. Prior to that, he practiced entertainment and banking law, specializing in motion picture financing. He has been honored with a Best Picture Academy Award, a Golden Globe, and an Independent Spirit Award, and his films have generated 17 Academy Award nominations. Mr. Kopelson has served on the Executive Committee of the Producers Branch of the Academy of Motion Picture Arts and Sciences and for more than ten years has served on the Board of Mentors of the Peter Stark Producing Program at University of Southern California. He has held no other public company directorships during the past five years.

As an Academy Award-winning producer, as well as through his involvement in television production and development, Mr. Kopelson brings to the Board a significant depth of knowledge of the entertainment industry. This encompasses over 35 years of executive and creative experience in film and television production and financing, as well as his prior experience in practicing entertainment and banking law. With his film industry experience and affiliations, Mr. Kopelson is a skilled advisor on the strategic direction of the Company's Entertainment segment and provides insight into the management of the Company's executive and creative talent.

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Leslie Moonves

Director since 2006

Mr. Moonves (age 66) has been Chairman of the Board of Directors since February 3, 2016, and President and Chief Executive Officer of the Company since January 2006. Previously, Mr. Moonves served as Co-President and Co-Chief Operating Officer of Former Viacom from June 2004 through December 2005. Prior to that, he served as Chairman and Chief Executive Officer of CBS Broadcasting since 2003 and as its President and Chief Executive Officer since 1998. Mr. Moonves joined former CBS Corporation in 1995 as President, CBS Entertainment. Prior to that, Mr. Moonves was President of Warner Bros. Television since July 1993. During the past five years, he was also a director of CBS Outdoor Americas Inc. (currently known as Outfront Media Inc.) (2013-2014) and KB Home (2004-2012).

As the Company's Chairman of the Board, President and Chief Executive Officer, Mr. Moonves provides a critical link to management's perspective in Board discussions regarding the businesses and strategic direction of the Company. With his experience in all aspects of the Company's global businesses, having served in executive positions with the Company for the past 21 years, coupled with his service on the Board since the Separation, he provides the Board with unique institutional knowledge of the Company. Mr. Moonves is widely recognized as one of the most influential leaders in the entertainment industry. He is also an experienced director, with his service on the boards of multiple industry associations, and his prior service on other public company boards.

Doug Morris

Director since 2007

Mr. Morris (age 77) has been the Chief Executive Officer of Sony Music Entertainment ("Sony") since July 2011. Previously, he served as Chairman of Universal Music Group ("UMG") from November 1995 through early March 2011, as its Chairman and Chief Executive Officer from November 1995 to July 2010, and as its Chairman and Co-Chief Executive Officer for the remainder of 2010. In July 1995, he formed a joint venture with Universal Music Group for a full-service record label. Prior to that, Mr. Morris served as President and Chief Operating Officer of Warner Music U.S. commencing in 1994 and was soon after appointed Chairman. He served as President of Atlantic Records and Co-Chief Executive Officer of the Atlantic Recording Group from 1980 to 1994. Mr. Morris began his career as a songwriter, producer, and the founder of his own record label, which was acquired by Atlantic Records in 1978. He has held no other public company directorships during the past five years.

Mr. Morris brings to the Board significant leadership experience from his executive positions at industry-leading international music companies, including his position at Sony and his prior positions at UMG. As both Sony and UMG are involved in the development, manufacturing, marketing, sales and distribution of recorded music through a network of subsidiaries, joint ventures and licensees in multiple countries around the world, Mr. Morris brings his direct experience overseeing a business structure focused on content creation and distribution to advise on the strategic direction of the Company's businesses with a global footprint.

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Shari Redstone¹

Director since 1994

Ms. Redstone (age 62) is a media executive with a wide-ranging background in numerous aspects of the entertainment industry and related ventures. She is Vice Chair of the Board of Directors of Viacom and Vice Chair of the Board of Directors of the Company.

Since 2000, she has been President of National Amusements, one of the top 10 movie exhibitors in the United States. Ms. Redstone has expanded the company's international footprint and its exploration of new technologies.

Ms. Redstone is also Co-founder and Managing Partner of Advancit Capital, an investment firm launched in 2011, which focuses on early stage investments in media, entertainment and technology. In addition, she is Co-Chairman of MovieTickets.com, Inc. and is a member of the Board of Directors and Executive Committee for the National Association of Theatre Owners (NATO). Ms. Redstone is also a founder and managing partner of Legacy Ventures.

Ms. Redstone earned a BS from Tufts University and a JD and a Masters in Tax Law from Boston University. She practiced corporate law, estate planning and criminal law in the Boston area before joining National Amusements.

With a deep commitment to the community, Ms. Redstone is actively involved in a variety of charitable, civic and educational organizations. She is currently a member of the Board of Directors at Combined Jewish Philanthropies and the John F. Kennedy Library Foundation. Ms. Redstone sits on the Board of Trustees at Dana-Farber Cancer Institute. She served on the Board of Directors of CASA-Columbia from 2003-2012. Ms. Redstone joined the Board and Executive Committee of "Our Time, " a mass-membership organization that stands for the economic interests and political inclusion of young Americans aged 18-30. She is also on the Local Advisory Board and Executive Committee for BUILD, a non-profit organization which uses entrepreneurship to propel low income youth through high school and into college.

Ms. Redstone brings to the Board, and to her position as its Vice Chair, extensive industry and executive expertise, as well as legal acumen from her prior experience as a practicing attorney. That broad experience and entertainment industry knowledge directly assist the Board in overseeing the management of the Company. Ms. Redstone also brings to the Board's deliberations a direct knowledge of global growth strategies for the Company's businesses. She is an experienced director through her service on the boards of multiple industry associations, other public companies and charitable organizations. Ms. Redstone also provides institutional knowledge of the Company and continuity on the Company's Board, having served as a Board member for 22 years.

¹ Ms. Redstone is Sumner Redstone's daughter. There are no other director nominees related to any other director or executive officer by blood, marriage or adoption.

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Sumner M. Redstone²

Director since 1986

Mr. Redstone (age 92) has been the Company's Chairman Emeritus since February 3, 2016, having previously served as Executive Chairman and Founder from January 2006 to February 2, 2016. He was Chairman of the Board of Former Viacom from 1987 through 2005 and served as Chief Executive Officer of Former Viacom from 1996 through 2005. Mr. Redstone has also served as Chairman of the Board of National Amusements since 1986 and Chief Executive Officer of National Amusements since 1967. He served as President of National Amusements from 1967 through 1999. Mr. Redstone served as the first Chairman of the Board of the National Association of Theatre Owners (NATO) and is currently a member of its Executive Committee. Mr. Redstone has been a frequent lecturer at universities, including Harvard Law School, Boston University Law School and Brandeis University. Mr. Redstone graduated from Harvard University in 1944 and received a LL.B. from Harvard University School of Law in 1947. Upon graduation, Mr. Redstone served as Law Secretary with the United States Court of Appeals and then as a Special Assistant to the United States Attorney General. Mr. Redstone served in the Military Intelligence Division during World War II. While a student at Harvard, he was selected to join a special intelligence group whose mission was to break Japan's high-level military and diplomatic codes. Mr. Redstone received, among other honors, two commendations from the Military Intelligence Division in recognition of his service, contribution and devotion to duty. He is also a recipient of the Army Commendation Award. Mr. Redstone is also Chairman of the Board of National Amusements and serves as Chairman Emeritus of Viacom. He has held no other public company directorships during the past five years.

Mr. Redstone, with over 60 years as a renowned leader in the entertainment industry, has played a significant role in the entertainment and communications industries, through his ownership and executive positions at National Amusements, Viacom and this Company and his multiple leadership positions held at various industry associations. This industry and business experience, as well as his leadership experience in multiple entertainment and media company acquisitions and reorganizations, brings direct expertise to the Board's oversight of this Company's corporate and business strategies. His years of experience as a leader in multiple civic and community affairs and as a practicing attorney add to his position as an important advisor in this Company's deliberations. Mr. Redstone is also unsurpassed in his institutional knowledge of this Company and service on this Company's Board, having served on the Board for 30 years, and is thus uniquely qualified to serve on the Company's Board as Chairman Emeritus.

² Ms. Redstone is Sumner Redstone's daughter. There are no other director nominees related to any other director or executive officer by blood, marriage or adoption.

RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors recommends a vote "FOR" the election of each of the director nominees named above.

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The following table sets forth information concerning the compensation of the Company's Outside Directors for 2015.

Name	Fees Earned or Paid in Cash (\$) (1)	Stock Awards (\$) (2)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) (3)	All Other Compensation (\$) (4)	Total (\$) (5)
Andelman, David R.	100,000	200,012	14	7,500	307,526
Califano, Jr., Joseph A.	177,000	200,012	2,252	7,500	386,764
Cohen, William S.	114,000	200,012	19	7,500	321,531
Countryman, Gary L.	170,000	200,012	272	7,500	377,784
Gifford, Charles K.	172,000	200,012	1,244	7,500	380,756
Goldberg, Leonard	100,000	200,012		7,500	307,512
Gordon, Bruce S.	130,000	200,012		7,500	337,512
Griego, Linda M.	110,000	200,012		7,500	317,512
Kopelson, Arnold	100,000	200,012	2	1,000	301,014
Morris, Doug	110,000	200,012	12	7,500	317,524
Redstone, Shari	100,000	200,012	5	7,500	307,517
Salerno, Frederic V.	110,000	200,012	8	7,500	317,520

(1) Reflects cash amounts earned in 2015 for the annual board retainer, committee chair retainers and meeting fees for standing and ad hoc board committee meetings. These amounts include cash deferred by Messrs. Andelman, Califano, Cohen and Morris and Ms. Redstone under the CBS Corporation Deferred Compensation Plan for Outside Directors.

(2) These amounts reflect the grant date fair value determined in accordance with FASB ASC Topic 718 of the annual grant of restricted share units to each Outside Director under the CBS Corporation 2015 Equity Plan for Outside Directors (formerly known as the CBS

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Corporation 2005 RSU Plan for Outside Directors). For a discussion of the assumptions made in calculating the grant date fair value amounts for 2015, see Note 13 "Stock-Based Compensation" to the audited 2015 consolidated financial statements on pages II-65 II-67 in the Company's Form 10-K for the fiscal year ended December 31, 2015. The aggregate number of unvested restricted share units outstanding as of the fiscal year ended December 31, 2015 for each Outside Director was 3,343. The aggregate number of option awards outstanding (from prior year grants, all of which are fully vested) as of the fiscal year ended December 31, 2015 for each Outside Director was as follows: Andelman and Califano, 25,465; Cohen, Goldberg and Salerno, 1,698; Countryman and Kopelson, 33,106; Gifford, 25,465; Gordon, 10,186; Griego, 15,279; and Morris and Redstone, 0.

(3)

Interest accrues on cash in deferred accounts under the CBS Corporation Deferred Compensation Plan for Outside Directors at the prime rate in effect at Citibank, N.A. at the beginning of each calendar quarter. For 2015, the prime rate represented an interest rate that was more than 120% of the long-term applicable federal rate published by the Internal Revenue Service and therefore is deemed to be preferential for purposes of this table. Accordingly, amounts in the table reflect the amount of interest accrued for each Outside

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Director in 2015 that exceeded the amount of interest that would have been accrued at 120% of the long-term applicable federal rate published by the Internal Revenue Service. Messrs. Goldberg and Gordon and Ms. Griego do not have any deferred cash amounts.

(4)

Amounts reflect the aggregate value of all matching contributions made by the Company on behalf of the director for 2015 under the CBS Corporation Matching Gifts Program for Directors. Under the program, the Company matches donations made by a director to eligible tax-exempt organizations at the rate of one dollar for each dollar donated up to \$7,500 for each fiscal year.

Description of Director Compensation

Directors of the Company who are not employees of the Company or any of its subsidiaries are "Outside Directors" as defined in the director plans described below. Outside Directors receive compensation for their service on the Board and are eligible to participate in these director plans. Messrs. Andelman, Califano, Cohen, Countryman, Gifford, Goldberg, Gordon, Kopelson, Morris and Salerno and Ms. Griego and Redstone are currently deemed Outside Directors. Messrs. Redstone and Moonves are not compensated for serving on the Board and are not eligible to participate in any director plans, other than the Matching Gifts Program for Directors.

Cash Compensation

The Company pays the following cash compensation to Outside Directors:

An annual Board retainer of \$100,000, payable in equal installments quarterly in advance; and

The Chairs of the Audit, Compensation and Nominating and Governance Committees each receive an annual retainer of \$20,000, payable in equal installments quarterly in advance, and the members of those Committees each receive a per meeting attendance fee of \$2,000; the Chairs and members of any ad hoc committees of the Board that may exist from time to time shall be paid as determined by the Board.

Deferred Compensation Plan

The Company maintains deferred compensation plans for Outside Directors (the "Director Deferred Compensation Plans"). Under the Director Deferred Compensation Plans, Outside Directors may elect to defer their Board and committee chair retainers and committee meeting fees. Deferred amounts are credited during a calendar quarter to an interest-bearing income account or a stock unit account in accordance with the director's prior election. Amounts credited to an income account bear interest at the prime rate in effect at the beginning of each calendar quarter. Amounts credited to a stock unit account are deemed invested in phantom units for shares of the Company's Class A Common Stock and Class B Common Stock on the first day of the calendar quarter following the quarter in which the amounts are credited, with the number of shares calculated based on the closing market prices on that first day. Until the amounts credited to the stock unit account are converted into phantom units, these credited amounts bear interest at the prime rate in effect at the beginning of the relevant calendar quarter.

Upon a director's leaving the Board, the amounts deferred under the Director Deferred Compensation Plans are paid in cash in a lump sum or in three or five annual installments, based on the director's prior elections, with the lump sum or initial annual installment becoming payable on the later of six months after the director leaves the Board (90 days after the director leaves the Board in the case of amounts deferred before January 1, 2005) or January 15th of the following year. The value of a stock unit account is determined by reference to the average of the respective closing market

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prices of the Company's Class A Common Stock and Class B Common Stock on the NYSE on each trading date during the four-week period ending five business days prior to the initial payment date. Amounts paid in installments accrue interest until the final installment is paid.

Equity Compensation

The Company maintains the 2015 Equity Plan for Outside Directors (formerly known as the CBS Corporation 2005 RSU Plan for Outside Directors) (the "Director Equity Plan").

Outside Directors receive the following awards under the Director Equity Plan:

an annual grant of RSUs on each February 15th, equal to \$200,000 in value based on the closing price of the Company's Class B common stock on the New York Stock Exchange ("NYSE") on the date of grant (or, if the date of grant is not a day on which the NYSE is open for trading, on the last trading day preceding the date of grant), which RSUs vest one year from the date of grant; and

prorated RSU grants for Outside Directors who join the Board following the date of the annual RSU grant, but during the calendar year of the grant. Such grants will be made five business days following the date such Outside Director joins the Board, and will be determined by multiplying the number of months remaining in such calendar year from the date the Outside Director joins the Board (counting the month of joining as a full month), by the value of the annual RSU grant for that calendar year divided by 12, divided by the closing price of the Company's Class B common stock on the NYSE on the date of grant. Prorated RSU grants vest on the first anniversary of the date of grant of the annual RSU grant that was awarded during the calendar year in which the Outside Director received such prorated RSU grant.

RSUs are payable to Outside Directors in shares of the Company's Class B common stock upon vesting unless the Outside Director elects to defer the settlement to a future date. Outside Directors are entitled to receive dividend equivalents on the RSUs in the event the Company pays a regular cash dividend on its Class B common stock. Dividend equivalents will accrue on the RSUs (including RSUs for which settlement has been deferred) until the RSUs are settled.

Matching Gifts Program for Directors

All directors are eligible to participate in the Company's Matching Gifts Program for Directors. Under the program, the Company matches donations made by a director to eligible tax-exempt organizations at the rate of one dollar for each dollar donated up to \$7,500 for each fiscal year. The purpose of the program is to recognize the interest of the Company and its directors in supporting eligible organizations.

Other

Expenses: Directors are reimbursed for expenses incurred in attending Board, committee and stockholder meetings (including travel and lodging) in accordance with the Company's normal travel policies.

Director Attendance at Certain Other Events: CBS Corporation believes it is in its best interest for directors to participate in certain Company events and other events to meet with management, customers, talent and others important to the Company's business. The Board has established a policy on director attendance at these events. Under the policy, tickets to events that are designated as having a business purpose are allocated to directors. In addition, the Company reimburses directors for travel and related expenses in accordance with the Company's normal travel policies.

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**ITEM 2 RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT
REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed PricewaterhouseCoopers LLP ("PwC") as the Company's independent registered public accounting firm for the year ending December 31, 2016, subject to stockholder ratification. The Audit Committee has reviewed PwC's independence from the Company as described in the "Report of the Audit Committee." In appointing PwC as the Company's independent registered public accounting firm for the year ending December 31, 2016, and in recommending that the Company's stockholders ratify the appointment, the Audit Committee has considered whether the non-audit services provided by PwC were compatible with maintaining PwC's independence from the Company and has determined that such services do not impair PwC's independence.

Representatives of PwC are expected to be present at the Annual Meeting and will be given an opportunity to make a statement if they desire to do so. They will also be available to respond to questions at the Annual Meeting.

RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors recommends a vote "FOR" the ratification of the appointment of PricewaterhouseCoopers LLP to serve as the Company's independent registered public accounting firm for fiscal year 2016.

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REPORT OF THE AUDIT COMMITTEE

The following Report of the Audit Committee does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent the Company specifically incorporates such information by reference.

The Audit Committee Charter states that the purpose of the Audit Committee is to oversee the accounting and financial reporting processes of the Company and the audit of the consolidated financial statements of the Company. The Audit Committee also assists the Board of Directors' oversight of:

The quality and integrity of the Company's consolidated financial statements and related disclosures;

Evaluation of the effectiveness of the Company's internal control over financial reporting and risk management;

The Company's compliance with legal and regulatory requirements;

The independent auditor's qualifications and independence; and

The performance of the Company's internal audit function and independent auditor.

Under the Audit Committee Charter, the Audit Committee's authorities and duties include, among other things:

Direct responsibility for the appointment, retention, termination, compensation and oversight of the work of the independent auditor, which reports directly to the Audit Committee, and the sole authority to pre-approve all services provided by the independent auditor;

Reviewing and discussing the Company's annual audited financial statements, quarterly financial statements and earnings releases with the Company's management and its independent auditor;

Reviewing the organization, responsibilities, audit plan and results of the internal audit function;

Reviewing with management, the internal auditor and the independent auditor the effectiveness of the Company's internal control over financial reporting and disclosure controls and procedures;

Reviewing with management material legal matters and the effectiveness of the Company's procedures to ensure compliance with legal and regulatory requirements; and

Overseeing the Company's compliance program and obtaining periodic reports from the Chief Compliance Officer.

The Audit Committee also discusses certain matters with the independent auditor on a regular basis, including the Company's critical accounting policies, certain communications between the independent auditor and management, and the qualifications of the independent auditor.

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The full text of the Audit Committee Charter is available on CBS Corporation's website at www.cbscorporation.com. The Audit Committee assesses the adequacy of its Charter at least every other year, or more frequently as the Committee may determine.

The Company's management is responsible for the preparation of the Company's consolidated financial statements, the financial reporting processes and maintaining effective internal control over financial reporting. The independent auditor is responsible for performing an audit of the consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight

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Board ("PCAOB") and expressing an opinion on the conformity of the audited consolidated financial statements to U.S. generally accepted accounting principles. The independent auditor also expresses an opinion on the effectiveness of the Company's internal control over financial reporting. The Audit Committee monitors and oversees these processes.

As part of its oversight role, the Audit Committee has reviewed and discussed with management and the Company's independent auditor, PricewaterhouseCoopers LLP ("PwC"), the Company's audited consolidated financial statements for the year ended December 31, 2015, the Company's disclosures under "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the Company's 2015 Annual Report on Form 10-K and matters relating to the effectiveness of the Company's internal control over financial reporting as of December 31, 2015.

The Audit Committee has also discussed with PwC all required communications, including the matters required to be discussed pursuant to PCAOB Auditing Standard No. 16 (Communications with Audit Committees). In addition, the Audit Committee has received the written disclosures and the letter from PwC required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with PwC the firm's independence from the Company.

Based on the Audit Committee's review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015.

Members of the Audit Committee

Gary L. Countryman, Chair
Linda M. Griego
Frederic V. Salerno

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**FEES FOR SERVICES PROVIDED BY THE INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

The following table sets forth fees for professional services rendered by PwC to the Company and its subsidiaries for each of the years ended December 31, 2015 and 2014.

	2015	2014
Audit Fees(1)	\$ 7,520,000	\$ 9,220,000
Audit-Related Fees(2)	1,798,000	1,311,000
Tax Fees(3)	3,600,000	2,858,000
All Other Fees(4)	15,000	13,000
Total	\$ 12,933,000	\$ 13,402,000

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- (1) Audit fees of \$1,400,000 for 2014 are attributable to filings made with the Securities and Exchange Commission in connection with the initial public offering, and final split-off, of CBS Outdoor Americas Inc. (currently known as Outfront Media Inc., "Outdoor Americas").
- (2) Audit-related fees (i) for 2015 principally related to the preparation of carve-out financial statements, domestic and foreign employee benefit plan audits and attestation services required by contract, and (ii) for 2014 principally related to the preparation of carve-out financial statements, domestic and foreign employee benefit plan audits and due diligence services.
- (3) Tax fees (i) for 2015 principally related to transfer pricing studies, tax compliance and tax consulting, and (ii) for 2014 principally related to transfer pricing studies, tax compliance, tax consulting, and, with respect to \$1,213,000 of the 2014 tax fees, assistance and advice in connection with the conversion of the Outdoor Americas operations into a real estate investment trust.
- (4) All other fees for 2015 and 2014 principally related to license fees for the use of PwC reference materials and publications and access to various online tools.

Audit Committee Pre-Approval of Services Provided by PwC

All audit and non-audit services provided to the Company by PwC for 2015 were pre-approved by either the full Audit Committee or the Chair of the Audit Committee. Under the Audit Committee's pre-approval policies and procedures in effect during 2015, the Chair of the Audit Committee was authorized to pre-approve the engagement of PwC to provide certain specified audit and non-audit services, and the engagement of any accounting firm to provide certain specified audit services, up to a maximum amount of \$200,000 per engagement, with the total amount of such authorizations outstanding that have not been reported to the Audit Committee not to exceed an aggregate of \$1,000,000. The Audit Committee receives regular reports on the engagements approved by the Chair pursuant to this delegation. For 2016, the Audit Committee adopted the same pre-approval policies and procedures that were in effect for 2015, which permit the Chair to pre-approve the specified audit and non-audit services up to a maximum amount of \$200,000 per engagement, with the total amount of such authorizations outstanding that have not been reported to the Audit Committee not to exceed an aggregate of \$1,000,000.

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COMPENSATION DISCUSSION AND ANALYSIS

Fiscal Year 2015 Executive Summary

During 2015, under the leadership of Mr. Moonves and his senior management team, the Company continued to execute on its long-term strategy while confronting an accelerated shift in technology and viewer habits. In the face of these challenges, the Company was able to further grow its core content businesses by continuing to create and own premium content; maximize retransmission, station affiliate and licensing revenues; capitalize on new revenue streams, markets and growth opportunities; and evaluate and execute on strategic acquisitions and dispositions. As a result of these successes, the Company entered the 2016 fiscal year better positioned for long-term success in the evolving media landscape.

Company Performance

CBS Corporation continued to execute on the following key strategic objectives during 2015: capitalizing on the demand for the Company's top-tier content, diversifying its revenue streams through new distribution channels and markets, expanding the Company's presence globally and optimizing its portfolio of assets. As described below, the Company better positioned itself for long-term success through its achievements.

The Company strengthened its financial position and returned value to stockholders:

The Company increased retransmission and station affiliation revenues by 43% over the prior year, and positioned itself for future success by finalizing two key multi-year retransmission compensation arrangements and seven key multi-year station affiliation arrangements;

The Company continued to focus on its commitment to return value to shareholders, including by:

- Growing adjusted net earnings from continuing operations per diluted share, up 12% from 2014 to \$3.31 in 2015, representing the sixth consecutive fiscal year of increase in this metric (See Annex A, "Reconciliation of Non-GAAP Measures"),
- Maintaining its quarterly dividend at \$0.15 per share in 2015, and
- Repurchasing 51.7 million shares of its Class B common stock during 2015.

The CBS® Television Network (the "Network") maintained its lead in certain Nielsen Media Research ratings categories, and focused on producing high-quality content in which the Company maintains an ownership interest:

The Network closed out the 2014/2015 television season as the #1 network in viewers for the 12th time in 13 seasons, winning the season convincingly by an average of 2.6 million viewers (based on "Live+7" ratings, which measure viewing from live airing through the seven-day period thereafter via Digital-Video-Recording (DVR) or Video-on-Demand (VOD) ("Live+7")).

The Network launched the most-watched scripted summer series in terms of viewers (based on Live+7 ratings) based on James Patterson's thriller, *Zoo*®.

As a result of the strength of its primetime schedule during the 2014/2015 television season, the Network was able to secure a large scale renewal of 22 series for the 2015/2016 season.

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From the commencement of the 2015/2016 television season through the end of 2015 (*i.e.*, through Week 14 of the 2015/2016 season), the Network ranked #1 in viewers and

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households (based on Live+7 ratings). The Network also had during this period, in terms of viewers in primetime (based on Live+7 ratings, unless otherwise noted):

- The #1 Scripted Series,
- The top two Scripted Series,
- The #1 Drama,
- The #1 Comedy,
- The #1 New Comedy,
- The #1 News Program,
- The #1 Program on five nights (more than all other broadcast networks combined),
- The #1 Scripted Series on five nights (more than all other broadcast networks combined),
- Three of the top five, four of the top 10, nine of the top 20 and 16 of the top 30 regularly scheduled programs, demonstrating the depth and overall strength of the Network's primetime schedule relative to other broadcasters, and
- More time-period winning programs than all other broadcast networks combined (based on "Live+SD" ratings, which measure viewing from live airing through the remainder of the broadcast day, including via DVR and VOD).

The Company holds an ownership position in 75% of the shows that aired on the Network's fall 2015/2016 primetime schedule.

Senior management increased the percentage of the Company's revenues derived from non-advertising sources through increased retransmission and station affiliation revenues, the execution of its content monetization strategy and international expansion, including by:

Continuing to expand the reach of *CBS All Access*® the Company's ground-breaking direct-to-consumer digital subscription VOD (SVOD) and Nielsen-measured live streaming service, which offers thousands of episodes of the Network's television programs from current and previous seasons, including classic shows so that it is now available on the most popular digital platforms;

Launching *Showtime*® as a stand-alone streaming service available on the most popular digital platforms and as an add-on feature for SVOD providers, such as Hulu and Amazon Prime;

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Expanding upon the Company's domestic streaming arrangements strategically to maximize value through:

- A further expansion of our content licensing agreement with Amazon for classic and contemporary TV shows from the Network and *Showtime*,
- An exclusive SVOD agreement with Amazon for three of the Network's future summer programs, beginning in 2016,
- An exclusive SVOD agreement with Hulu for all episodes of *CSI: Crime Scene Investigation*®, which is the first time the drama has been sold to a streaming service, and
- An exclusive SVOD deal with Netflix for the hit summer drama *Zoo*; and

Further enhancing the Company's global footprint and brand awareness through:

- A long-term licensing agreement with Bell Media in Canada, which marked the first time that the Company licensed the *Showtime* brand outside of the United States,

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- An exclusive, multi-year licensing deal with China's leading online video streaming service, PPTV, for the streaming rights to Network and *Showtime* series in China, and
- A renewal of our licensing agreement with German SVOD service Watchever, which made additional episodes from several hit Network and *Showtime* series available to Watchever subscribers.

As shown below, since the Separation, the Company has successfully executed on its strategy of increasing revenues derived from non-advertising sources.

Pay for Performance

CBS's performance-based compensation programs generally provide for the opportunity to reward the executive officers whose compensation is individually disclosed in the tables that appear on subsequent pages (the "named executive officers") and certain other senior executives (together with the named executive officers, the "senior executives") for contributing to annual financial and operational performance (through annual bonus programs) and stock price appreciation (through long-term equity incentives). With respect to fiscal year 2015, the Compensation Committee determined in early 2015 that Messrs. Moonves, Ianniello, Tu, Ambrosio and Schwartz (the "participating NEOs") would participate in the Company's Senior Executive Short-Term Incentive Plan, as amended (the "Senior Executive STIP," as further described under "Performance-Based Compensation Bonus Awards"). With respect to Mr. Redstone, the Committee determined in early 2015 that he would not participate in the Senior Executive STIP, and determined in early 2016 that he would not receive an annual bonus with respect to the 2015 fiscal year. The Committee believes that these determinations are reflective of Mr. Redstone's role at the Company during 2015. The Committee also determined during the annual grant cycle in 2015 that, consistent with the prior two years, Mr. Redstone would not receive a long-term equity incentive award for 2015.

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The following charts show the percentage of the average of the participating NEOs' target total compensation that is allocable to fixed versus variable compensation:

In selecting the financial performance metrics, goals and criteria for the performance-based compensation programs each year, the Compensation Committee considers the Company's annual operating budget for the upcoming year, as approved by the Board. The Board's budgeting process reflects aggressive goal-setting and takes into account the expected performance of the Company's industry peers for that year as determined by media industry analysts. The Company's achievement of the resulting challenging, yet realistic, financial and operational goals

has led to its long-term outperformance of its industry peers and the broader S&P 500.

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For 2015, the Committee determined that budgeted Operating Income and Free Cash Flow (i.e., operating income before depreciation and amortization (OIBDA), less cash interest, taxes paid, working capital requirements and capital expenditures) were the appropriate metrics to be used in setting performance goals and criteria in order to reflect the Company's core objective of pay for performance. (See "Performance-Based Compensation Programs Long-Term Incentive Programs Performance Goals for LTMIP Awards" and "Compensation Deductibility Policy" for a discussion of the calculation of the performance goals and criteria, respectively.) In prior years, the Committee used budgeted OIBDA and Free Cash Flow in setting performance goals and criteria, as the Committee believed these metrics reflected at that time the Company's core objective of pay for performance. In selecting the appropriate metrics for 2015, the Committee believed that Operating Income is a better performance metric to be paired with Free Cash Flow, following the divestiture of the Company's outdoor advertising business in 2014, since the exclusion of annual depreciation expense is no longer as meaningful to evaluate the Company's annual operating performance.

As a result of the Company's performance in the 2015 fiscal year, the Compensation Committee approved the bonuses disclosed in the "Summary Compensation Table for Fiscal Year 2015" and related footnotes, and shares underlying performance-based equity awards were earned as discussed in the "Long-Term Incentive Programs" section, at levels reflecting the Company's performance. The bonus awards and further achievements during the 2015 fiscal year are discussed in more detail below in the "Bonus Awards" section.

Overview of Compensation Objectives

CBS Corporation's compensation programs are designed to motivate and reward business success and to increase stockholder value. The Company's compensation programs are based on the following core objectives:

Stockholder Value Focused: Align executives' interests with stockholders' interests, with particular emphasis on creating incentives that reward executives for consistently increasing the value of the Company.

Market-based: Take into account the profile of compensation and benefits programs found in peer companies in order to attract and retain the talent needed to drive sustainable competitive advantage and deliver value to stockholders.

Performance-based: Ensure plans provide reward levels that reflect variances between actual and desired performance results.

Flexible: Enable management and the Board to make decisions based on the needs of the business and to recognize different levels of individual contribution and value creation.

In determining the Company's compensation policies and decisions, the Company has considered the results of the previous vote held on the compensation of the named executive officers as disclosed in the 2014 proxy statement, relating to the 2014 Annual Meeting of Stockholders. Since the results of the vote were favorable, the Compensation Committee has continued to base the Company's compensation programs on the objectives above.

Evaluating Senior Executive Compensation

The Compensation Committee reviews and approves the Company's compensation arrangements with the senior executives. The Committee reviews all components of the senior executives' compensation, including base salary, annual and long-term incentives, severance arrangements and benefit programs to ensure that they adhere to the core objectives of the Company's compensation programs. The Committee utilizes a rolling 12-month calendar based on regularly-scheduled meeting dates that identifies the meeting date at which each senior executive requires

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Committee consideration regarding compensation and the type of action to be considered (*i.e.*, salary increase, annual bonus payout, long-term incentive award determination, and other compensation actions). All final determinations relating to the compensation of Messrs. Redstone and Moonves have been made by the Committee in executive session, with advice from an independent compensation consultant (currently Exequity LLP). In assessing the compensation of the senior executives, the Committee considers many factors, including the performance of the Company's operations (with respect to corporate executives, the overall performance of the Company; with respect to operational executives, performance of the operations for which the executive is responsible), individual performance, experience, tenure and historical compensation, comparisons to other appropriate senior executives at identified peer companies and the advice of the Committee's independent compensation consultant. In considering any individual element of a senior executive's compensation, the Committee considers that element in relation to the individual executive's total compensation (*i.e.*, base salary, bonus and long-term incentives).

The Compensation Committee retains an independent compensation consultant to advise the Committee in its review of senior executive compensation. The Committee has the sole authority to retain and terminate the independent compensation consultant and to review and approve the firm's fees and other retention terms. The Committee adopted a policy in 2008 providing that the independent compensation consultant will not be considered as a provider of services to the Company, other than for services provided to the Compensation Committee. Accordingly, other than these services provided to the Committee, Exequity LLP does not perform any administrative or consulting services for the Company. The Committee has assessed the independence of Exequity and determined that Exequity's work for the Committee does not raise any conflict of interest.

In reviewing senior executive compensation, the Compensation Committee considers data regarding the competitive market for senior executive talent. For 2015, at the Committee's request, Exequity reviewed and approved a competitive assessment on the compensation practices at companies with which the Company competes for senior executive talent. The assessment includes those companies engaged in similar business activities (*i.e.*, industry peers) and, as a more general reference point, an index of total compensation packages at other applicable primarily publicly-traded U.S. companies (general industry), all as described below. Not all of the companies included in these groups may be used as a point of comparison when reviewing a senior executive's total compensation. In determining which companies are appropriate comparisons for each senior executive, the scope of the executive's responsibility and the nature of the business for which he or she is responsible are considered. As a result, the appropriate companies selected for comparison may differ from one senior executive to the next. With respect to senior executives other than Messrs. Redstone and Moonves, the competitive assessment focuses on applicable compensation packages at the 65th percentile of reliable market data, which includes an evaluation of base salary, target annual incentive opportunities (as such data is available), actual annual incentive earned, annualized value of long-term incentives, and the resulting total actual and target compensation. The competitive assessment also includes market data at the 65th percentile to reflect the Committee's commitment to competing with the Company's industry peers in recruiting and retaining the most sought-after executive talent. Although the Committee does not target total compensation amounts for each senior executive to a specific benchmark, the Committee does consider the compensation levels from the competitive assessment as one factor in determining these total compensation amounts for each senior executive.

In 2015, for Messrs. Redstone and Moonves, the Committee considered the compensation arrangements for similarly situated executive chairman and chief executive officer roles, respectively, at peer diversified media companies (*i.e.*, Discovery Communications, Inc., Time Warner Inc., Twenty-First Century Fox, Inc., Viacom Inc. and The Walt Disney Company) and other media peers (*i.e.*, Comcast Corporation). The competitive assessment for the other named executive officers included the compensation data of companies in the industry peer group (primarily the diversified media companies)

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and other media peers) and data regarding general compensation levels primarily at publicly traded companies included in the general industry index from which the Company may source, or to which the Company may lose, executive talent (*i.e.*, American Broadcasting Company (ABC), Amazon.com, Inc., AT&T Inc., Cablevision Systems Corporation, Cisco Systems, Inc., The Coca-Cola Company, Comcast Corporation, Dell Inc., DirecTV, Discovery Communications, Inc., Gannett Co., Inc., General Electric Company, Alphabet Inc., iHeartMedia, Inc., International Business Machines Corporation, NBCUniversal, LLC, PepsiCo, Inc., Sprint Corporation, Time Warner Inc., Verizon Communications Inc., Viacom Inc., and The Walt Disney Company).

Changes in Named Executive Officers' Compensation Arrangements in 2015

The Compensation Committee approved an amendment, effective February 24, 2015, to Mr. Moonves' employment agreement dated December 11, 2014. The amendment reflects the Committee's determination to alter the performance goals for the "Company-Wide Performance Goal" portion of his bonus, described under "Summary Compensation Table for Fiscal Year 2015 Employment Agreements Leslie Moonves," in connection with the Committee's annual competitive review of Mr. Moonves' target compensation package under the terms of his employment agreement. In addition, as part of the competitive review, the Committee determined to increase Mr. Moonves' target bonus opportunity from \$12 million to \$20 million, beginning with the 2015 calendar year. The Committee was advised by its independent compensation consultant in considering and structuring the terms of the amendment to Mr. Moonves' agreement and the increase in his target bonus opportunity. The amendment is filed as Exhibit 10(a) to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015.

During 2015, the Compensation Committee did not change the compensation arrangements set forth in the employment agreements for Messrs. Redstone, Ianniello, Ambrosio and Tu. However, on February 6, 2015, the Compensation Committee amended Mr. Ambrosio's employment agreement with respect to the calculation and delivery of his severance payments, as described under "Potential Payments upon Termination and Certain Other Events" and in the amendment filed as Exhibit 10(r) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

Mr. Schwartz first became a named executive officer with respect to fiscal year 2015, and his employment arrangements are filed as Exhibits 10(t) and 10(u) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Elements of Executive Compensation

The Company's compensation arrangements with its senior executives, including the named executive officers, generally consist of the following elements:

Base Salary

Performance-Based Compensation Programs

○ Annual Bonus Awards

○ Long-Term Incentives

Retirement and Deferred Compensation Plans

Other Compensation (Perquisites and Other Personal Benefits)

The Compensation Committee generally considers these elements in determining a senior executive's compensation package in order to reward for both the long- and short-term performance of the executive and the Company. The Committee does not use rigid guidelines in determining the mix of compensation elements (*i.e.*, long-term versus currently paid out compensation and cash versus

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non-cash compensation) for each senior executive. However, the Committee did consider the level of base salary of each participating NEO as it relates to the allocation of guaranteed versus performance-based compensation.

The Compensation Committee believes that its consideration of these compensation elements effectively achieves the objective of aligning compensation with performance measures that are directly related to the Company's financial goals and creation of stockholder value, without encouraging senior executives to take unnecessary and excessive risks that threaten the value of the Company. The Committee selects the financial performance metrics, goals and criteria for the performance-based compensation programs each year and also approves adjustments to the calculation of those goals and criteria, including pre-approved adjustments for awards intended to satisfy Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), in order to avoid distorted performance goals and criteria. The Committee believes this process results in performance goals and criteria that are challenging, yet realistic, and that will not encourage senior executives to engage in risky business activities in order to achieve unattainable goals or overcome lower results caused by unforeseen events.

A discussion of decisions made by the Compensation Committee with respect to fiscal year 2015 compensation is set forth below.

Base Salary

The Company provides the senior executives with base salary that is sufficiently competitive to attract and retain talented individuals and provides a secure base of guaranteed cash to compensate them for services rendered during the fiscal year. In order to ensure that the majority of compensation is variable, at-risk and tied to performance, the Compensation Committee set base salary levels for the participating NEOs at between 7% and 25% of targeted total compensation for 2015. In reviewing proposals for changes to base salary for the named executive officers, the Committee considered the following:

Appropriate competitive compensation data for the position;

Individual performance;

Base salary level for the executive in relation to that executive's total compensation package;

Input and recommendations of Mr. Moonves in his role as President and Chief Executive Officer (for executives other than himself and Mr. Redstone);

The level of the annual merit increase budget across the Company as a whole; and

Existing contractual obligations, if any.

In reviewing base salary during 2015 for the participating NEOs, the Compensation Committee continued to consider their level of base salary as it relates to the allocation of guaranteed versus variable, at-risk compensation, as well as the factors listed above. None of the named executive officers received base salary increases during 2015.

Performance-Based Compensation Programs

CBS's performance-based compensation programs generally provide for the opportunity to reward senior executives for contributing to annual financial and operational performance (through annual bonus programs) and for realizing stock price appreciation (through long-term equity incentives). Bonus awards are based on the Compensation Committee's review of the Company's financial results and qualitative assessment of senior executive performance against key strategic objectives and are not directly linked to the Company's stock price performance. Long-term equity incentives encourage executives to make decisions which will create and sustain long-term value for

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stockholders. A high percentage of the participating NEOs' total compensation is performance-based (targeted at 75% - 93% of total compensation for 2015).

Bonus Awards

The Company provides an opportunity for annual bonus awards under its short-term incentive program ("Bonus Program"). The purpose of the Bonus Program is to benefit and advance the interests of the Company by granting annual bonus awards to executives as "pay for performance" - a reward for their individual contributions to the Company's annual financial and operational success.

At the beginning of each fiscal year, the Compensation Committee approves funding levels that can be earned for that year for the Bonus Program. These funding levels are based on (i) financial performance goals set by the Committee that are derived from budget determinations for the relevant year, which take into account expected financial performance of the Company's industry peers for that year, as well as (ii) expected performance against the key strategic objectives identified below. After the end of the fiscal year, the Committee evaluates the Company's actual performance relative to the funding levels in order to determine the aggregate amount available for payouts under the Bonus Program.

In January 2016, the Committee evaluated the Company's actual financial performance for 2015, including the levels of achievement against the pre-established performance goals and management's performance in 2015 against the strategic objectives, relative to the funding levels approved at the beginning of 2015, in order to determine the aggregate amount available for bonus payouts. The aggregate amount of awards provided to the participating NEOs, as well as to the other participants in the Bonus Program, is limited by the funding pool resulting from the Committee's evaluation.

As part of the Bonus Program, the participating NEOs and certain other senior executives were selected by the Committee in early 2015 to participate in the Senior Executive STIP for 2015, which is a stockholder approved plan that provides for deductibility of amounts paid pursuant to the plan. Under the Senior Executive STIP, awards may be paid, in whole or in part, in cash, in the form of stock-based awards issued under the Company's long-term incentive plan or in any other form prescribed by the Committee.

At the beginning of each fiscal year, the Compensation Committee sets a performance criterion under the Senior Executive STIP, as a first step toward qualifying bonus awards made under the Senior Executive STIP as "qualified performance-based compensation" eligible for deductibility under Section 162(m) of the Code. Assuming that the Committee determines that the criterion is met, the terms of the Senior Executive STIP establish for each of the participating NEOs a maximum bonus that may be paid under the plan, subject to the Committee's negative discretion ("downward discretion"), for deductibility purposes. See the "Compensation Deductibility Policy" section below for a discussion of the Section 162(m) performance criterion set for 2015. The Committee may approve bonus compensation in excess of amounts paid under the Senior Executive STIP, in order to provide appropriate compensation, which excess amounts may not be deductible. In any exercise of its downward discretion under the Senior Executive STIP, the Committee takes into account certain terms in Mr. Moonves' employment agreement which provide that a portion of his bonus must be, at least, an amount consistent with the level of achievement attained against the "Company-Wide Performance Goal(s)" established for that year by the Committee (provided such achievement level is at least 80%), as described under "Summary Compensation Table for Fiscal Year 2015 - Employment Agreements - Leslie Moonves."

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The Compensation Committee considers individual performance factors in determining bonus payouts for the senior executives. In addition to reviewing each executive's contributions to the achievement of financial goals, for 2015, the Committee also considered the following key strategic objectives: (i) strengthening the Company's financial position; (ii) providing continuous flow of top-tier content; (iii) continuing to drive growth through strategic transformation of the Company; (iv) maintaining and building the Company's reputation as one of the most desirable organizations for top "talent"; (v) continuing to ensure a high degree of focus on the importance of a diverse workforce; and (vi) positioning the Company for long-term success. In this regard, the Committee also considers the input and recommendations of Mr. Moonves in his role as President and Chief Executive Officer (for executives other than himself). With respect to Mr. Moonves, for 2015, the Committee took into account his performance evaluation conducted by the Committee, together with the Nominating and Governance Committee, based on the goals and objectives for him approved by the Compensation Committee at the beginning of such year. The Committee's determination regarding the amount of the annual bonus awards to be paid to the participating NEOs takes into account all of the factors it deems appropriate, with no pre-determined emphasis on any individual item, and utilizes discretion to award an appropriate bonus.

The Compensation Committee also considers target bonus amounts for each participating NEO, which amounts are based on competitive practice. See "Summary Compensation Table for Fiscal Year 2015 Employment Agreements" for a discussion of the participating NEOs' target bonus amounts. The differences in the target bonus amounts set forth in the participating NEOs' agreements reflect the level of relative impact of each of their positions on Company performance.

In determining the bonus amounts for 2015 for the participating NEOs, as set forth in the Summary Compensation Table for Fiscal Year 2015, the Compensation Committee took into account their leadership and execution with respect to the Company's key strategic objectives, including growing the core content business, emphasizing new revenue streams, markets and growth opportunities, and executing on strategic acquisitions and dispositions. As a result of this leadership and execution, the Company continued to deliver on its long-term strategy and positioned itself to return long-term value to its shareholders. The Committee noted the following accomplishments within this context:

The Company Strengthened its Financial Position and Returned Value to Stockholders.

The Company continued to focus on its commitment to return value to shareholders by growing adjusted net earnings from continuing operations per diluted share, maintaining its quarterly dividend at the same level as the prior year, and repurchasing 51.7 million shares of its Class B common stock during 2015; and

The Company strengthened its financial position and better positioned itself for the future by diversifying its revenue streams to rely less upon advertising-based revenues, growing and launching additional alternative revenue streams and closely managing costs across the Company.

The Company Continued to Deliver Top-Tier Content Across All Content-Related Business Units.

As previously described, the Network closed out the 2014/2015 television season by placing #1 in viewers for the seventh consecutive season, launched the most-watched scripted summer series and, through the end of 2015 (*i.e.*, through Week 14 of the 2015/2016 season), ranked #1 in viewers and households (all based on Live+7 ratings).

The Company maintained its focus on ownership by holding an ownership stake in 75% of the shows on its fall 2015/2016 primetime schedule;

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The Company continued to deliver on significant live events:

- Viewership of the Network and the NFL Network's joint broadcasts of *Thursday Night Football* was 9% higher than in 2014 (based on Live+7 ratings),
- The Floyd Mayweather/Manny Pacquiao title fight ranked as the highest-grossing pay-per-view event of all time, generating 4.6 million purchases in the U.S. and Canada, and more than \$440 million in pay-per-view revenues,
- *CBS Sports®*' joint coverage of the 2015 NCAA Division I Men's Basketball Championship delivered its highest viewership in 22 years (up 8% vs. 2014), and
- The Network's broadcast of the 50th Annual Academy of Country Music Awards delivered its largest audience since 1998;

The Late Show (hosted by Stephen Colbert) increased its viewership by 13% over the prior season, with significant growth of 67% in the Adults 18-34 demographic;

CBS Sports delivered another year of successful events for its coverage of the PGA Tour, the NFL and NCAA football and basketball seasons;

CBS News®' cumulative audience from the commencement of the 2015/2016 television season through the end of 2015 (*i.e.*, through week 14 of the 2015/2016 season) exceeded that of its competitors (approximately 8 million viewers ahead of the nearest competitor);

The Company's programming (with respect to *CBS Entertainment*, *CBS News*, *CBS Sports*, *CBS Television Stations* and *Showtime*) received, in 2015, 442 Emmy nominations and 111 wins;

The Company's content (with respect to the CBS Network and *Showtime*) received, for 2015, four nominations for the Golden Globe Awards and eight nominations for the Screen Actors Guild Awards (both awarded in January of 2016);

The Company continued to lead the industry in domestic syndicated programming with the top three and six of the top 10 highest-rated first-run shows, and was #1 in every first-run genre (#1 Game Show, #1 Talk Show, #1 Court Show, #1 News Magazine);

In 13 of 14 markets, a CBS-owned and operated television station ranked #1 or #2 among viewers and households for the November 2015 sweep;

CBS Radio® was home to the most listened to radio stations in the U.S. for news, sports, alternative music, classic hits, adult hits, and album adult alternative music, based on the Spring 2015 report from Nielsen Audio;

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Showtime continued to provide award-winning original programming to its subscribers: the season premieres of *Homeland* and the critically-acclaimed series *The Affair* outperformed their respective prior season premieres and consistently grew their respective audiences throughout the season; the fifth season of *Shameless* averaged 5.7 million weekly viewers; and the season finales of *Ray Donovan*® and *Masters of Sex*® outperformed their respective season premiere telecasts;

Simon & Schuster® continued to produce bestsellers in hardcover, paperback and multi-formats, 249 of which appeared on the New York Times bestseller lists and 32 of which held the #1 position; and

CBS.com continued to be the #1 TV Network website (in average monthly unique viewers) across platforms in 2015, according to comScore.

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The Company Continued to Position Itself for Future Success by Diversifying and Expanding its Sources of Revenue and Optimizing its Portfolio of Assets.

The Company:

increased retransmission and station affiliation revenues by 43% over the prior year, and positioned itself for future success by finalizing two key multi-year retransmission and seven key multi-year station affiliation compensation arrangements;

continued to expand its capabilities in an evolving media landscape, including by:

- expanding the reach of *CBS All Access* so that it is now available on the most popular digital platforms,
- growing the audience for *CBSN*®, the first digital streaming news network that will allow consumers to watch live, anchored news coverage on their internet-connected television and other devices, and
- launching *Showtime* as a stand-alone streaming service available on the most popular digital platforms and as an add-on feature for SVOD providers, such as Hulu and Amazon Prime;

further expanded its brand and revenues internationally by:

- entering into a long-term licensing agreement with Bell Media in Canada, which marked the first time that the Company licensed the *Showtime* brand outside of the United States,
- entering into an exclusive, multi-year licensing deal with China's leading online video streaming service, PPTV, for the streaming rights to Network and *Showtime* series in China,
- completing multiple licensing arrangements with international television networks for the first-window broadcast rights to *Limitless* ,
- renewing our licensing agreement with German SVOD service Watchever, which made additional episodes from several hit Network and *Showtime* series available to Watchever subscribers, and
- for *Zoo*, closing agreements with 15 top international broadcasters for the "first-window" broadcast rights in their markets, and licensing the exclusive SVOD rights to Netflix in more than 50 international markets;

completed the divestiture of the Company's on-line automotive businesses and certain other internet assets in China; and

reached agreement on a deal to acquire 247Sports®, a network of team-specific websites that focus primarily on college football and basketball and NFL football, to bolster the Company's online sports offerings, which deal closed in January 2016.

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The Company Secured its Reputation as a Desirable Organization for Top "Talent" and Demonstrated its Commitment to Diversity.

The Company:

continued to capitalize on opportunities to acquire key executive and creative talent, exemplified by the acquisition of key talent with prior work experience at notable companies, including ESPN, CNN, HBO, NBC, iHeart Media, Cumulus Media, Cox Communications and Journal Communications;

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continued achievement with respect to increasing minority representation in internal promotions, overall minority representation in its workforce (including in higher salary brackets) and supplier diversity spending from the prior year; and

continued to actively participate in, support and sponsor programs to develop diverse talent in the workplace and to appoint diverse candidates to key executive roles.

With respect to the individual performance of the participating NEOs during 2015, the Compensation Committee also determined (in the case of Mr. Moonves) and concurred in the recommendations made by Mr. Moonves (in the case of the other participating NEOs) that:

Mr. Moonves provided leadership in delivering key strategic results. He continued to demonstrate consistent leadership in driving continued ratings successes, leveraging his relationships and industry clout to secure broadcast rights to key "tent-pole" events for the Network and Showtime, taking advantage of ratings and prior negotiation successes to help secure two key retransmission deals, seven key station affiliation deals and multiple streaming deals. Mr. Moonves' leadership and direction were instrumental in concluding difficult negotiations with cable providers, affiliate groups and various other content distributors. Mr. Moonves continued to improve the strength and reputation of the Company's brands and businesses in domestic and international markets with the syndication of new programming into the international marketplace and expansion of the Company's content licensing agreements with Amazon, Netflix and Hulu. Mr. Moonves demonstrated to key stakeholders that CBS remains a leader in the evolving media landscape by demonstrating to advertisers the value of broadcast television while developing and expanding the Company's streaming products, such as *CBS All Access* and *CBSN*, to better position the Company for the digital future. He also capitalized on the growing appetite for *Showtime's* original content by launching *Showtime* as a stand-alone streaming service. Under Mr. Moonves' leadership, the Company continued to return significant value to shareholders by maintaining its dividend per share in 2015 and repurchasing shares representing approximately 10% of the Company's outstanding shares. The Compensation Committee also acknowledged Mr. Moonves' successes in management development and human resources, including his personal involvement in acquiring key executive and creative talent, his leadership and execution of the Company's succession planning and diversity programs, and his leadership in fostering a remarkably stable senior management team. Mr. Moonves was instrumental in continuing to lead the CBS Television Network in solidifying its #1 position in certain key metrics and leading the competition with his direct involvement in developing and securing high quality programming and maintaining CBS's reputation as one of the most highly desirable organizations for top creative talent.

Mr. Ianniello improved the Company's operations and executed on the Company's strategic transformation objectives. Under Mr. Ianniello's leadership, the Company increased the percentage of its revenues derived from non-advertising sources, primarily through the negotiations of key retransmission and station affiliation deals, increasing these revenue streams by 43% over the prior year, and through licensing the Company's content world-wide. Mr. Ianniello also led his team in effectively managing the Company's finances. The Company was successful in growing its earnings per share over the prior fiscal year and for the sixth consecutive fiscal year. He focused on strengthening the Company's financial position and returning value to shareholders by successfully managing the Company's stock buyback program. He also lowered the Company's weighted average coupon rate on the Company's long-term debt. Throughout 2015, Mr. Ianniello successfully communicated an effective message to the investment community and achieved significant tax savings from strategic tax planning. Mr. Ianniello also provided leadership and direction for the Company's information technology group.

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Mr. Tu oversees a global legal organization charged with providing legal support to the Company's wide-ranging domestic and international business activities. His responsibilities included oversight of regulatory and reporting matters; the timely resolution of disputes through litigation and alternative mechanisms; the completion of key commercial negotiations, including with respect to acquisitions and divestitures as well as content distribution; continued leadership of the Company's global compliance programs; and advising the Company's Board of Directors on corporate governance matters. Under his direction the legal organization consistently provided proactive, efficient, high quality and timely support across the Company's business operations. Mr. Tu successfully led a number of initiatives in furtherance of key strategic objectives of the Company, including effective engagements with regulators on critical and sensitive matters, supporting the development and launch of innovative commercial initiatives involving new technology, and successfully resolving a number of significant litigation matters. He also continued to improve the overall operational efficiency of the legal department.

Mr. Ambrosio, in his role as the Company's chief administrative officer and chief human resources officer, is responsible for oversight of corporate real estate, strategic sourcing, facilities management and security, corporate planning, and philanthropy. He also provides management oversight of the Company's EcoMedia business unit, as well as all aspects of the global human resources function. Mr. Ambrosio effectively managed the Company's most significant areas of people and administrative costs, including controlling overall compensation and benefit expenses, reducing sourcing spend across the Company's business units and negotiating reductions in real estate occupancy costs. These efforts contributed significantly to the Company's reduction in administrative costs, and will continue to do so in future years. The EcoMedia business unit leadership executed a successful launch of the "Viewers to Volunteers" initiative at the Company's EcoMedia unit, a first-of-its-kind digital initiative that empowers viewers to donate to charities without spending their own money. The EcoMedia unit reached a record sales level in 2015. In human resources, he was integral in successfully transitioning several executives into more senior roles and securing the continued employment of key members of the Company's senior management team. Mr. Ambrosio also ensured that the Company is meeting its recruitment, retention and succession planning needs at the most senior executive levels across the entire Company, addressing the Company's critical needs for top executive talent. His leadership has also resulted in the expansion of the Company's past successes in diverse supplier spending and in its efforts toward building a diverse workforce and an inclusive workplace.

Mr. Schwartz led his team to successfully develop and manage the communications strategy for all of the Company's domestic and international business units. Working with Mr. Moonves and with the Company's investor relations group, Mr. Schwartz helped plan the communication strategy regarding the Company's positioning in the evolving media landscape, and helped solidify the narrative that CBS is at the forefront of the digital revolution and is poised to succeed no matter how the future takes hold. Mr. Schwartz also provided advice on a wide range of strategic and tactical issues as a key member of the Company's senior management team, and advised all company division heads and public relations department senior staffs on communications strategies for major announcements and issues. In particular, Mr. Schwartz oversaw communications efforts for the launch of the Company's two Late Night franchises, the renewal of CBS's *Thursday Night Football* deal with the NFL as well as Super Bowl 50, the launch of *Showtime's* new stand-alone SVOD streaming product, and the announcement that *Star Trek* will air on *CBS All Access*, after its premiere on the Network. Throughout 2015, Mr. Schwartz also oversaw all of the Company's internal communications vehicles, including the weekly publication of *Update* to all

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employees and certain members of the analyst community, and the ongoing publication of the Company's award-winning annual diversity newsletter.

In determining the individual bonus payouts to the participating NEOs for 2015, the Compensation Committee took into consideration the factors above, as well as the historical bonus payouts and performance relative to previous years' performances. In addition, for Mr. Moonves, the Committee took into account the successes in his role as President and Chief Executive Officer of the Company and also his contributions to the creative successes across the Company's portfolio of businesses. For all of these reasons, the Committee determined to award bonuses in the amounts set forth in the "Summary Compensation Table for Fiscal Year 2015" and related footnotes.

Long-Term Incentive Programs

Long-Term "Management" Incentive Program ("LTMIP")

The LTMIP is designed as a "pay for performance" vehicle to encourage executives to make decisions which will create and sustain long-term value for stockholders. It is also a vehicle used to retain talent and build executive ownership. Through the Company's total compensation design, a significant portion of the total compensation opportunity for the participating NEOs is directly linked to stock price performance (with equity awards targeted at 43% - 61% of total compensation for 2015), with the intention of creating alignment with the stockholders.

In determining the target value to be delivered through these equity vehicles, the Compensation Committee reviews competitive market data, the Company's retention needs, potential stockholder dilution, the expense to be incurred by the Company and prior equity grant practices. Eligibility to participate in the LTMIP is generally limited to executives who have management responsibility.

The type and mix of equity-based vehicles used to deliver value varies primarily by an executive's level in the organization and the Company's business needs. The Compensation Committee considers the following objectives in determining the appropriate type and mix of equity-based vehicles:

Increased alignment with stockholder interests (Stock Options): Provide the opportunity to acquire an equity interest in the Company and share in the appreciation of the value of the stock.

Increased accountability for senior executive (Performance-Based Stock Awards): Motivate senior executives to focus on Company performance through the achievement of pre-determined financial goals over a designated period.

Retention of talent in both up and down markets (Time-Based Stock Awards): Provide real value in awards that are earned over a specified vesting period.

The values, mix, and type of annual grants for senior executives are discussed by management and the Compensation Committee and ultimately approved by the Committee, unless the terms have been previously approved and set forth in an employment agreement. In determining the value, mix and type of awards, the Committee takes into consideration the objectives to allocating award types noted above and the competitive assessment of total compensation reviewed by the independent compensation consultant (as discussed in the "Evaluating Senior Executive Compensation" section above) and also reviews the LTMIP with its independent compensation consultant and senior management. For 2015, Messrs. Ianniello, Tu, Ambrosio and Schwartz received LTMIP awards, based on their current contractual target values that took into account the compensation assessment and the relative impact of the executive's position on Company performance, of which 40% was delivered in stock options, 30% in performance-based restricted stock units ("PRSUs"), and 30% in time-based restricted stock units ("TRSUs" and together with the PRSUs, the "RSUs"). In addition, in connection

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with the extension of Mr. Ianniello's employment arrangements in June 2013, Mr. Ianniello received during 2015 a TRSU award having a grant date value of \$8.7 million. Mr. Tu also received a TRSU award under the Company's Fund-the-Future Program ("FtF"), which provides equity compensation to eligible employees, excluding those actively participating in certain pension plans and employees otherwise subject to a collectively bargained agreement which does not provide for participation in the FtF. The remaining named executive officers are not eligible for the FtF, as they actively participate in certain pension plans.

For Mr. Moonves, his annual grant of RSUs for 2015, which was comprised of 50% PRSUs and 50% TRSUs and had a grant date value of \$12.5 million, was awarded in accordance with the terms set forth in his employment agreement. Also, as provided for in that agreement, the Committee used its discretion to grant to him a stock option having a grant date value of \$7.2 million to motivate him to continue his efforts to create shareholder value. In addition, during 2015, as part of Mr. Moonves' bonus for 2014, the Compensation Committee granted to Mr. Moonves shares of the Company's Class B Common Stock having a grant date value of \$3 million. In connection with the extension of his employment arrangements in December 2014 to retain his future services for the Company, Mr. Moonves was granted a TRSU award during 2015 having a grant date value of \$10 million. (See the Grants of Plan-Based Awards During 2015 table.)

Performance Goals for LTMIP Awards

PRSUs

PRSU Awards for 2015. At the beginning of each year, the Compensation Committee reviews performance goals and considers which metrics offer the best measure of Company performance to reflect the Company's core objective of pay for performance. In setting the performance goal for 2015, the Committee took into account the performance goal from the previous year and sought to establish a performance goal that was meaningful and challenging and designed to motivate performance, without encouraging senior executives to engage in risky business activities in order to achieve unattainable goals or overcome lower results caused by unforeseen events. See also the "Fiscal Year 2015 Executive Summary Pay for Performance" section above for more information regarding the performance goals for 2015.

For 2015, the performance goal for the most senior levels of management, including the participating NEOs, was the achievement during 2015 of a 90% or greater level of the weighted average performance of (i) the percentage of an OI Metric Target (as defined below) of \$2.435 billion actually achieved (75% weighting) and (ii) the percentage of an FCF Metric Target (as defined below) of \$1.230 billion actually achieved (25% weighting).

In setting the 2015 performance goal, the Compensation Committee selected two metrics: (i) Operating Income (the "OI metric") and (ii) Free Cash Flow (*i.e.*, Operating Income before depreciation and amortization, less cash interest, taxes paid, working capital requirements and capital expenditures) (the "FCF metric"). The "OI Metric Target" is calculated by starting with the Company's budget for 2015 for the OI metric and then taking into account items approved by the Committee that may otherwise distort the calculation of the performance goal, and the "FCF Metric Target" is calculated by starting with the Company's budget for 2015 for the FCF metric and then taking into account the same items. The Committee selected the OI metric because it is an important indicator of the Company's operational strength and performance of its businesses, as it measures efficiency and profitability and incentivizes management to better control expenses. The Committee selected the OI metric instead of OIBDA (*i.e.*, Operating Income before depreciation and amortization), which had been used in prior years, because the exclusion of annual depreciation expense is no longer as meaningful to evaluate the Company's annual operating performance after the divestiture in 2014 of the Company's outdoor advertising business. The FCF metric was selected because it gives a clear view

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of the Company's ability to generate cash (and thus profits), which allows the Company to pursue opportunities that enhance stockholder value.

The vesting of an annual award of PRSUs is subject to the Compensation Committee's determination of the level of achievement against a pre-determined performance goal set by the Committee. See "Grants of Plan-Based Awards During 2015 Description of Plan-Based Awards" for vesting schedules. The number of target shares is determined at the time of grant based on the closing price of a share of the Company's Class B Common Stock on the NYSE on the date of grant (February 19, 2015). The number of shares earned upon vesting of the PRSUs is determined in accordance with the following schedule:

if the Company achieves less than 80% of the pre-determined performance goal, the award will be forfeited;

if the Company achieves 80% of the pre-determined performance goal, 80% of the target shares will be earned;

if the Company achieves 100% of the pre-determined performance goal, 100% of the target shares will be earned;
and

if the Company achieves 120% or greater of the pre-determined performance goal, 120% of the target shares will be earned.

For achievement at intermediate points between 80% and 100% and between 100% and 120%, the number of shares to be delivered will be linearly interpolated. Dividend equivalents accrue on the target number of shares and equal the value of regular cash dividends paid on the shares of the Company's Class B Common Stock. Dividend equivalents are paid in cash, less applicable withholdings, when the PRSUs vest, but only up to the amount payable with respect to the target number of shares. If the PRSUs do not vest, then the dividend equivalents accrued on those PRSUs are forfeited.

Payout Under PRSU Awards for 2015. In February 2016, the Compensation Committee reviewed and discussed the Company's 2015 performance against the 2015 performance goal. The Committee then certified that the 2015 performance goal had been exceeded. Actual performance with respect to the OI metric was \$2.278 billion and with respect to the FCF metric was \$1.226 billion. Thus 105.7% of the target number of shares underlying the PRSUs granted in February 2015 to Messrs. Moonves, Ianniello, Tu, Ambrosio and Schwartz vested in accordance with their respective schedules.

Grant Date of Awards

The grant date for equity awards is the date on which the Compensation Committee approves awards under the Company's LTMIP or, if so determined by the Committee, a future grant date, or a date specified in an employment agreement. The Committee may approve an award that will have a future grant date, with the exercise price of any stock option not to be less than the closing price of a share of the Company's Class B Common Stock on the NYSE on the date of grant. The Company does not set grant dates intentionally to precede the release of material non-public information. Communications regarding individual grant awards, including the terms and conditions, are provided to recipients as soon as administratively feasible. Annual management grants awarded in 2015 were approved on February 19, 2015, with a grant date of the same date. The exercise price of stock options granted on February 19, 2015 was the closing price of the Company's Class B Common Stock on that date (*i.e.*, \$59.54).

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Other Terms for RSUs/Stock Options

For a description of certain other material terms of the RSU and stock option grants, see "Grants of Plan-Based Awards During 2015 Description of Plan-Based Awards."

Delegation of Authority With Respect to Awards

The Compensation Committee has delegated to the Chairman of the Board, President and Chief Executive Officer limited authority, with respect to executives who are not senior executives, to grant long-term incentive awards under the Company's long-term incentive plan to such executives in connection with their hiring, promotion or contract renewal and to modify the terms of outstanding equity grants in certain post-termination scenarios. The Committee delegated this authority in order for the Company to have the ability to (i) act in a timely manner in a competitive environment in connection with the hiring of new executives or the compensating of an existing executive being given a significant increase in responsibility and (ii) maintain flexibility to manage compensation in post-termination scenarios when mutually beneficial to the Company and the executive. The Committee's delegation specifies the circumstances in which the authority can be used; limits the amount that can be awarded to an individual, the total amount that can be awarded in any period, and, in certain circumstances, aggregate incremental expense that can be incurred by the Company resulting from modifications of the terms of outstanding equity grants; and specifies the method for establishing the grant date. The delegation also requires that the Chairman of the Board, President and Chief Executive Officer report to the Committee periodically on his exercise of this delegated authority.

Stock Ownership Guidelines

In order to further align the senior executives' interests with those of the Company's stockholders, the Company has established stock ownership guidelines. The guidelines provide that, within five years, starting in fiscal year 2007 or, if later, in the year in which a senior executive becomes subject to the guidelines, these senior executives are expected to acquire and establish holdings in Company stock equal in value to a multiple of their cash base (base salary less mandatory deferrals, if applicable), depending upon their positions as follows:

Senior Executive	Ownership Guideline Multiple
CEO	5x cash base
Other Senior Executives	2x to 3x cash base

All types of equity holdings, with the exception of stock options, are included in determining ownership. The Compensation Committee monitors compliance with these guidelines by receiving an annual progress report from senior management. During 2015, senior management reported to the Committee that all of the senior executives subject to the guidelines, including the named executive officers, met the guidelines as applied to each of them. The Committee determined to continue to monitor compliance with the guidelines.

Retirement and Deferred Compensation Plans

The Company provides active, eligible employees, including the named executive officers, with the opportunity to build financial resources for retirement through the Company's broad-based tax-qualified defined benefit and/or defined contribution plans. In addition, eligible executives, including the named executive officers, participate in the Company's nonqualified defined benefit and deferred compensation plans. In some instances, participants in these qualified and nonqualified plans may also have frozen benefits in other qualified and nonqualified plans. Information regarding these

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retirement and deferred compensation plans is set forth in the narrative following each of the Pension Benefits in 2015 tables and Nonqualified Deferred Compensation in 2015 table.

All Other Compensation

The Company provides for other compensation to participating employees (including the named executive officers) by providing Company-matching contributions in the CBS 401(k) and 401(k) excess plans and Company-paid life insurance. Compensation paid to the named executive officers in relation to these programs is included in the "All Other Compensation" column of the Summary Compensation Table for Fiscal Year 2015.

In certain instances, the Company provides executives, including the named executive officers, with additional benefits that the Company believes are reasonable and typical for executives in similar industries and helps the Company to attract and retain these executives. Among these benefits are transportation-related benefits, which the Company believes provide security, travel flexibility and efficiencies that result in a more productive use of the executive's time, given the demands of his position. In addition, the Company provided security services to Mr. Moonves, at the Company's request, due to the significance of the chief executive to the Company and the security issues that surround a senior executive in Mr. Moonves' position, representing a high-profile company with multinational interests.

The Company also requires that named executive officers who are East Coast-based provide extended services at the Company's West Coast operations (and *vice versa* with respect to one who is West Coast-based), for which the Company provides an expense allowance; executives are reimbursed for taxes on imputed income associated with certain expenses. All additional benefits are also described in footnote 7 to the "All Other Compensation" column of the Summary Compensation Table for Fiscal Year 2015.

Post-Termination Arrangements

Each of Messrs. Moonves, Ianniello, Tu, Ambrosio and Schwartz is entitled to post-termination payments and benefits upon the occurrence of a termination without cause or a resignation for good reason and upon death or disability, as set forth in their respective employment agreements. Mr. Redstone's employment agreement in effect during 2015 provided for acceleration of outstanding equity upon the occurrence of a termination without cause, death or disability. The employment agreements for Messrs. Ianniello, Tu, Ambrosio and Schwartz also provide enhanced severance payments and benefits in the event of a termination within twenty-four months following certain corporate events. In addition, the agreement with Mr. Moonves provides for accelerated vesting of outstanding equity-based awards in certain circumstances following a transaction that results in the Company's stock ceasing to be publicly traded.

The terms of these payments and benefits, and the estimated potential payments that would be made to each named executive officer if his employment terminated as of the 2015 fiscal year end for the applicable reasons noted above are described under "Potential Payments Upon Termination and Certain Other Events." In assessing post-termination payments and benefits in connection with senior executive employment arrangements, the Compensation Committee considers competitive practice with respect to comparable executives at media peers as well as prevailing practice and trends with respect to other public companies that are relevant in terms of size and complexity. The objective of these payments and benefits is to recruit and retain talent in a competitive market and, as applicable, compensate executives for restrictive covenants and other obligations following a termination without cause or a resignation for good reason.

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Compensation Deductibility Policy

In approving compensation, the Compensation Committee takes into account Section 162(m) of the Code, which generally limits to \$1 million the federal tax deductibility of some forms of compensation paid in one year to the chief executive officer and the three other most highly compensated executive officers employed by the Company at the end of the year (other than the Company's chief financial officer). However, the Compensation Committee has approved, and may continue to approve, compensation exceeding the \$1 million limitation, including with respect to a portion of base salary and long-term incentives, and exceeding the maximum bonus amount provided for under the Senior Executive STIP, in order to provide appropriate compensation. As part of the Bonus Program, the participating NEOs are eligible to receive bonus awards under the Senior Executive STIP, and the participating NEOs are eligible to receive long-term compensation under the Company's long-term incentive plan. Performance-based compensation may qualify for an exception to the limit on deductibility, provided that the plan under which such compensation is paid meets certain requirements, including stockholder approval. Each of the Senior Executive STIP and the Company's long-term incentive plan is designed to permit awards that comply with the Section 162(m) exception for performance-based compensation. The stockholders of the Company have approved both of these plans.

In order for bonus awards made under the Senior Executive STIP to be eligible for deductibility under Section 162(m), the Compensation Committee establishes a performance criterion for the bonus awards, which criterion must not be certain of being achieved at the time it is set. In setting the performance criterion for 2015, the Committee took into account the performance criterion from the previous year and sought to establish a performance criterion that was meaningful and challenging and designed to motivate performance, without encouraging senior executives to engage in risky business activities in order to achieve unattainable goals or overcome lower results caused by unforeseen events.

For 2015, the Section 162(m) performance criterion established was the achievement during 2015 of an 80% or greater level of the weighted average performance of (i) the percentage of an OI Metric Target of \$2.435 billion actually achieved (75% weighting) and (ii) the percentage of an FCF Metric Target of \$1.230 billion actually achieved (25% weighting). The "OI Metric Target" is calculated by starting with the Company's budget for 2015 for the OI metric and then taking into account items approved by the Committee that may otherwise distort the calculation of the performance criterion, and the "FCF Metric Target" is calculated by starting with the Company's budget for 2015 for the FCF metric and then taking into account the same items.

Assuming that the Compensation Committee determines that the performance criterion has been achieved, the terms of the Senior Executive STIP establish a maximum bonus for each participating NEO that can be awarded under the Senior Executive STIP equal to eight times his base salary in effect at the beginning of the year, with the amount of the bonus, if any, actually awarded to any participating NEO under the Senior Executive STIP being subject to the Committee's downward discretion, as discussed under the "Performance-Based Compensation Programs Bonus Awards" section above. This framework for establishing a maximum bonus is designed to provide that the awards granted under the Senior Executive STIP will be eligible for deductibility under Section 162(m).

In January 2016, the Compensation Committee reviewed and discussed the Company's 2015 performance against the 2015 performance criterion. Actual performance with respect to the OI metric was \$2.278 billion and with respect to the FCF metric was \$1.226 billion. The Committee then certified that the 2015 performance criterion had been exceeded with actual performance exceeding the targeted level. Therefore, the Committee awarded bonuses to the participating NEOs under the Senior Executive STIP.

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With respect to the Company's long-term incentive plan, the Compensation Committee also establishes performance goals for PRSUs, rendering them eligible for deductibility under Section 162(m), as described in the "Long-Term Incentive Programs Performance Goals for LTMIP Awards" section above.

Employment Contracts

All of the named executive officers had during 2015, and (except for Mr. Redstone) continue to have, employment contracts with the Company, as the Compensation Committee has considered it to be in the Company's best interest, and as the best means, to secure the employment of each of these executives. The terms and provisions of these contracts are more fully described in the narrative section following the Summary Compensation Table for Fiscal Year 2015 and in "Changes in Named Executive Officers' Compensation Arrangements in 2015" in this "Compensation Discussion and Analysis."

The Compensation Committee approves all employment arrangements with senior executives. With respect to employees other than senior executives, employment contracts are subject to an approval process coordinated through the Office of the Senior Executive Vice President, Chief Administrative Officer and Chief Human Resources Officer.

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COMPENSATION COMMITTEE REPORT

The following Compensation Committee Report does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent the Company specifically incorporates such information by reference.

The Compensation Committee Charter states that the primary purpose of the Compensation Committee is to discharge the responsibilities of the Board of Directors relating to the compensation of the Company's executive officers and other senior executives. Under the Charter, the Compensation Committee's authorities and duties include, among other things:

Adopting and periodically reviewing the Company's philosophy, strategy and principles regarding the design and administration of the Company's compensation programs;

Reviewing and approving the total compensation packages for the Company's executive officers and other senior executives identified by the Committee after consultation with the Company's Chairman of the Board, President and Chief Executive Officer and Senior Executive Vice President, Chief Administrative Officer and Chief Human Resources Officer (excluding "Talent," as such term is currently used in the media or entertainment industries); and

Overseeing the administration of the Company's incentive compensation plans (including the bonus plan for executives subject to Section 162(m) of the Code) and equity-based compensation plans.

The Compensation Committee retains an independent compensation consulting firm to advise the Committee in its review of senior executive compensation. The consultant reports directly to the Compensation Committee.

The full text of the Compensation Committee Charter is available on the Company's website at www.cbscorporation.com. The Compensation Committee assesses the adequacy of its Charter at least every other year, or more frequently as the Committee may determine.

The Compensation Committee of the Board of Directors of CBS Corporation has reviewed and discussed with the Company's management the Compensation Discussion and Analysis ("CD&A") included in this proxy statement. Based on this review and these discussions, the Compensation Committee has recommended to the CBS Corporation Board of Directors that the CD&A be included in this proxy statement and incorporated by reference from this proxy statement into the Company's Annual Report on Form 10-K, which was filed with the Securities and Exchange Commission on February 16, 2016.

Members of the Compensation Committee

Charles K. Gifford, Chair
William S. Cohen
Bruce S. Gordon
Doug Morris

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The following table sets forth information concerning total compensation for the Company's last three completed fiscal years for the Company's principal executive officer, principal financial officer and the three other most highly compensated executive officers of the Company for fiscal year 2015 who were serving as executive officers at the end of fiscal year 2015 (the "named executive officers"). The Company's Chairman Emeritus, Mr. Sumner M. Redstone, is being included as a named executive officer in order to provide supplemental information only, as he has been a named executive officer in previous years. However, he is not a named executive officer under SEC rules for fiscal year 2015.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Change in Pension Value and NQDC Earnings (\$)	All Other Compensation (\$)	Total (\$)
(a)	(b)	(c) (2)	(d) (3)	(e) (4)	(f) (5)	(g) (6)	(h) (7)	(i)
Sumner M. Redstone <i>Chairman Emeritus</i>	2015	1,750,000	0	0	0	0	11,555	1,761,555
	2014	1,756,731	9,000,000	0	0	21,078	52,149	10,829,958
	2013	1,756,731	10,000,000	0	0	45,422,412	11,966	57,191,109
Leslie Moonves <i>Chairman of the Board, President and Chief Executive Officer</i>	2015	3,500,000	19,000,000	25,499,919	7,199,999	421,021	1,152,883	56,773,822
	2014	3,513,461	25,000,000	14,499,972	9,999,994	2,771,924	1,390,294	57,175,645
	2013	3,513,461	28,500,000	26,499,925	5,845,000	1,343,336	1,230,859	66,932,581
Joseph R. Ianniello <i>Chief Operating Officer</i>	2015	2,500,000	8,073,000	12,686,605	2,799,995	60,548	295,446	26,415,594
	2014	2,509,615	8,970,000	8,199,864	6,799,972	270,482	280,795	27,030,728
	2013	2,086,539	10,250,000	3,899,937	8,099,994	0	237,857	24,574,327
Lawrence P. Tu(8) <i>Senior Executive Vice President and Chief Legal Officer</i>	2015	1,200,000	2,700,000	2,113,748	1,399,998	0	69,877	7,483,623
	2014	1,204,615	3,000,000	3,713,605	1,399,991	0	2,026,859	11,345,070
Anthony G. Ambrosio <i>Senior Executive Vice President, Chief Administrative Officer and Chief Human Resources Officer</i>	2015	875,000	1,260,000	1,049,928	699,999	100,484	136,167	4,121,578
	2014	878,365	1,400,000	1,049,946	699,996	313,724	118,605	4,460,636
	2013	824,038	1,600,000	899,978	599,989	0	126,282	4,050,287
Gil Schwartz(9) <i>Senior Executive Vice President and Chief Communications Officer</i>	2015	800,000	1,378,125	809,982	539,996	219,148	91,070	3,838,321

(1)

The table below sets forth the following 2015 compensation items: (i) cash compensation comprised of salary and annual bonus awards, (ii) annual equity awards, and (iii) certain special equity awards. The table below differs from the Summary Compensation Table, in that the table below excludes column (g) ("Change in Pension Value and NQDC Earnings") and column (h) ("All Other Compensation"), and as further described in the footnotes to the table below. This table is not required by SEC rules and is not designed to replace the Summary Compensation Table. It is intended to provide information that the Company believes is useful in understanding and analyzing 2015 compensation decisions.

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Annual Compensation

Name	Cash Portion		Annual Equity	Total Annual	Special Equity
	Salary (\$)	Bonus (\$)	Awards (\$) (a)	Compensation (\$)	Award (\$)
Sumner M. Redstone	1,750,000	0	0	1,750,000	
Leslie Moonves	3,500,000	19,000,000(b)	19,699,945	42,199,945	9,999,997(c)
Joseph R. Ianniello	2,500,000	8,073,000	6,999,947	17,572,947	8,486,653(c)
Lawrence P. Tu	1,200,000	2,700,000	3,513,746	7,413,746	
Anthony G. Ambrosio	875,000	1,260,000	1,749,927	3,884,927	
Gil Schwartz	800,000	1,378,125	1,349,978	3,528,103	

(a) Represents the grant date fair value, determined in accordance with FASB ASC Topic 718, of the annual stock and option awards, as applicable, granted in 2015 to the named executive officers, as disclosed in columns (e) and (f) in the Summary Compensation Table. For Mr. Moonves, does not include the \$3.0 million in unrestricted shares of the Company's Class B Common Stock granted to him in 2015 as part of his bonus for fiscal year 2014 performance or the grant of restricted stock units ("RSUs") noted in (c) below. For Mr. Ianniello, does not include the grant of RSUs noted in (c) below.

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- (b) See footnote (3) below for a discussion of Mr. Moonves' 2015 bonus. During 2016, the Compensation Committee determined to grant to Mr. Moonves unrestricted shares of the Company's Class B Common Stock having a grant date value of \$6,000,000. This award will be reportable in the Company's 2017 proxy statement in accordance with SEC rules.
- (c) Represents the grant date fair value, determined in accordance with FASB ASC Topic 718, of (i) a special RSU grant awarded to Mr. Moonves on January 2, 2015, as disclosed in column (e) of the Summary Compensation Table, in connection with the extension of his employment agreement on December 11, 2014, and (ii) a special RSU grant awarded to Mr. Ianniello on February 19, 2015, as disclosed in column (e) of the Summary Compensation Table, in connection with the execution of his employment agreement on June 4, 2013.
- (2) Salary includes amounts deferred under qualified and nonqualified arrangements. For 2015, all named executive officers deferred a portion of their salary under qualified and nonqualified deferred compensation arrangements, other than Mr. Redstone, who did not defer a portion of his salary under these arrangements. See the Nonqualified Deferred Compensation in 2015 table for further information on amounts deferred under nonqualified deferred compensation arrangements.
- (3) Amounts set forth in the "Bonus" column for 2015, 2014, and 2013 reflect cash payments made in early 2016 for fiscal year 2015 performance, early 2015 for fiscal year 2014 performance, and early 2014 for fiscal year 2013 performance, respectively.
- During 2016, the Compensation Committee determined to grant to Mr. Moonves, as part of his bonus, unrestricted shares of the Company's Class B Common Stock having a grant date value of \$6,000,000. This award will be reportable in the Company's 2017 proxy statement in accordance with SEC rules.
- (4) These amounts reflect the aggregate grant date fair values determined in accordance with FASB ASC Topic 718 of grants of (i) RSUs and (ii) unrestricted shares of the Company's Class B Common Stock, as applicable. In 2015, only Mr. Moonves was granted an unrestricted share award, with a value of \$3.0 million, as part of his bonus for 2014. For the performance-based RSUs granted in 2015 to Messrs. Moonves, Ianniello, Tu, Ambrosio and Schwartz (representing, of the aggregate grant date values included in column (e), \$6,249,973 for Mr. Moonves, \$2,099,976 for Mr. Ianniello, \$1,049,988 for Mr. Tu, \$524,964 for Mr. Ambrosio and \$404,991 for Mr. Schwartz), the maximum grant date value, determined in accordance with FASB ASC Topic 718, would be \$7,500,016, \$2,519,971, \$1,259,985, \$629,993, and \$486,025, respectively. For a discussion of the assumptions made in calculating the grant date fair value amounts for 2015, see Note 13 "Stock-Based Compensation" to the audited 2015 consolidated financial statements on pages II-65 II-67 in the Company's Form 10-K for the fiscal year ended December 31, 2015.
- (5) These amounts reflect the aggregate grant date fair values determined in accordance with FASB ASC Topic 718. For a discussion of the assumptions made in calculating the grant date fair value amounts for 2015, see Note 13 "Stock-Based Compensation" to the audited 2015 consolidated financial statements on pages II-65 II-67 in the Company's Form 10-K for the fiscal year ended December 31, 2015.
- For Mr. Moonves, the 2015 amount represents a grant of 456,563 stock options awarded by the Compensation Committee, using its discretion in accordance with the terms of his employment agreement to grant stock options during the annual LTMIP award cycle to Mr. Moonves.
- (6) These amounts relate to changes in pension value only, except that for Mr. Redstone (a) for 2015, the change in his pension value, net of minimum required distributions he received in 2015 under qualified pension plans, was negative (\$3,901) and is not included in the table in accordance with SEC rules, (b) the amounts for 2014 and 2013 include changes in pension value and the minimum required distributions he received under qualified pension plans, and (c) the amount for 2013 also includes the increase in the intrinsic value of his Stock Option Equivalents ("SOEs"), as described below. See "Pension Benefits in 2015" for further information on the Company's pension plans.
- None of the Company's nonqualified deferred compensation plans provide for above-market interest or preferential earnings, except, potentially, as they related to Mr. Redstone's SOEs, none of which remain outstanding as of December 31, 2015. For purposes of this table, the Company has considered an increase in the intrinsic value of the SOEs (*i.e.*, the extent to which the market price of the stock underlying an SOE is above its exercise price at a given point in time) as preferential. During 2015, Mr. Redstone notionally exercised the remainder of his SOEs (238,497 in the aggregate), the net proceeds of which were credited to his deferred compensation account, which does not provide for preferential earnings. Information about each nonqualified deferred compensation plan, including Mr. Redstone's deferred compensation arrangement and SOEs, is included in the "Description of Nonqualified Deferred Compensation" section.

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(7) The following table and footnotes describe each component of the "All Other Compensation" column for 2015:

Named Executive Officer	Company		PERQUISITES AND OTHER PERSONAL BENEFITS							Total (\$ (g))
	Contribution to 401(k) Plan (\$)	Contribution to 401(k) Excess Plan (\$)	Company-Paid Life Insurance (\$ (a))	Tax Reimbursement (\$ (b))	Other Compensation (\$ (c))	Extended Service Expense (\$ (d))	Transportation-Related Benefits (\$ (e))	Security (\$ (f))		
Sumner M. Redstone			3,780				7,775		11,555	
Leslie Moonves	4,200	22,050	234,564		7,500		371,351	513,218	1,152,883	
Joseph R. Ianniello	9,275	16,975	3,780	170,735		68,714	25,967		295,446	
Lawrence P. Tu	9,000	17,250	1,814	41,813		0			69,877	
Anthony G. Ambrosio	4,200	22,050	1,323	100,866		7,728			136,167	
Gil Schwartz	5,250	21,000	1,210	63,610		0			91,070	

(a) Represents premiums paid in 2015 by the Company for life insurance coverage.

(b) Amounts include tax reimbursement on imputed income associated with the Extended Service Expense (defined below).

(c) The amount reflects matching charitable contributions made by the Company on Mr. Moonves' behalf, in his capacity as a director, under the directors' matching gift program.

(d) The Company requires that certain East Coast-based senior executives provide extended services at the Company's West Coast operations (and *vice versa*), for which the Company provides an estimated expense allowance. The amounts shown in this column represent certain other costs and expenses incurred in connection with providing these services ("Extended Service Expense").

(e) The amounts of perquisites and other personal benefits shown in this column include (i) amounts attributable to the personal use of a car and driver and/or for personal use of car service, all provided for business-related security reasons, and (ii) also for Mr. Moonves, automobile insurance provided by the Company (\$1,200) and the incremental cost to the Company of the personal use of the Company aircraft. The incremental cost to the Company of the personal use of the Company aircraft is calculated by dividing the total variable costs (including fuel, maintenance, landing and navigation fees, catering, flight crew trip expenses, telecommunications, supplies and miscellaneous expenses) by the total flight hours for such year and multiplying such amount by the executive's total number of flight hours for his personal use for the year (including flights made to reposition the plane in connection with such personal use). Fixed costs which do not change based on usage, such as pilot salaries, hangar rental and insurance, are excluded.

(f) The amount represents the cost to the Company for the provision of a Company-specified level of regular security coverage (*i.e.*, exclusive of cost for any extraordinary incident coverage) deemed necessary to protect CBS's business interests. Although the security is directed by and provided at the request of the Company for business purposes, the cost is being reported as a perquisite.

- (g) From time to time, tickets to sporting and other entertainment events are provided to certain employees, including the named executive officers, without charge, to attend these events as they relate to a business purpose. Tickets are made available to employees, including the named executive officers, for personal use if the tickets are not otherwise needed for business use. The Company does not incur incremental costs with respect to tickets to sporting and other entertainment events, as the tickets were purchased by the Company for business purposes and are made available if the tickets are not utilized for such purposes.
- (8) Mr. Tu began his employment with the Company effective January 1, 2014; therefore, information for only fiscal years 2015 and 2014 is provided for him. Mr. Tu's compensation for 2014 included a special restricted share unit grant awarded to him on January 1, 2014 and a special cash payment in respect of forfeited compensation with his former employer, in each case in connection with the execution of his employment agreement on November 11, 2013.
- (9) Mr. Schwartz first became a named executive officer of the Company for fiscal year 2015; therefore, only fiscal year 2015 information is provided for him.

Employment Agreements

For Fiscal Year 2015, all of the named executive officers had employment agreements that set forth the terms and conditions of their employment with the Company. The material terms of each of these agreements necessary to an understanding of the information provided in the Summary Compensation Table for Fiscal Year 2015 and the Grants of Plan-Based Awards During 2015 table are provided below. For the vesting terms of long-term incentive awards granted to the named executive officers during 2015, see "Grants of Plan-Based Awards During 2015 Description of Plan-Based Awards." See "Potential Payments Upon Termination or Certain Other Events" for a description of the payments and benefits that would be provided to the named executive officers in connection with a termination of their employment and enhanced payments and benefits available to certain named executive officers in connection with specified corporate events.

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Sumner M. Redstone

Effective March 13, 2007, the Company entered into an amendment to Mr. Redstone's December 2005 employment agreement, pursuant to which he served as Executive Chairman and Founder of CBS Corporation, until his resignation as Executive Chairman on February 2, 2016, as discussed below. During 2015, Mr. Redstone was paid a base salary of \$1.75 million. Mr. Redstone was not paid a bonus for 2015. No bonus has been paid to Mr. Redstone since the bonus paid with respect to the 2014 fiscal year, and no equity based awards have been granted to Mr. Redstone since 2012.

Following Mr. Redstone's resignation, the Board appointed Mr. Redstone to the position of Chairman Emeritus on February 3, 2016, and the Compensation Committee thereafter acted to reduce his annual base salary of \$1.75 million to an annual payment of \$1 million, payable in accordance with customary CBS payroll practices, for his continuing role with the Company as Chairman Emeritus and in recognition of his significant historical contributions to the Company during his previous executive positions. Mr. Redstone will continue to be eligible to participate in the Company-sponsored benefits and deferred compensation programs and other benefits, including indemnification and life insurance during his employment, that were previously available to him under his prior employment agreement.

Leslie Moonves

On December 11, 2014, the Company entered into a new employment agreement with Mr. Moonves, which superseded his prior employment agreement and extended the term of his employment through June 30, 2019, and which was subsequently amended on February 24, 2015 and on February 26, 2016. The agreement, as amended, provides for an annual base salary of \$3.5 million and a target bonus of \$20 million, both subject to an annual review and increase at the discretion of the Compensation Committee. The agreement provides that a portion of the bonus amount payable to Mr. Moonves, if any, is subject to a payment schedule based on levels of achievement of the "Company-Wide Performance Goal(s)" established by the Compensation Committee, which goal for 2015 was the same as the performance criterion under the Short Term Incentive Program. Pursuant to the agreement, for 2015, the payment schedule provided that an 80% level of achievement against this goal would result in a payment of at least 75% of his target bonus amount; a 100% level of achievement would result in a payment of at least 100% of the target amount; and a 108% or greater level of achievement would result in a payment of at least 133.33% of the target amount.

Pursuant to Mr. Moonves' agreement, Mr. Moonves received in January of 2015, a grant of RSUs subject to time-based vesting having a grant date fair value of \$10 million. In addition, Mr. Moonves' agreement provides for an annual RSU award through 2019, with each award subsequent to the award for 2014 having a grant date value that is \$1.5 million higher than the prior year's award (except for the 2019 RSU award, the value of which will be prorated by 50% to reflect the agreement's scheduled expiration on June 30, 2019). In addition, the Committee determined that the performance goal applicable to one-half of Mr. Moonves' 2015 RSU award will be the same as that set for the other named executive officers. On February 19, 2015, as part of the annual LTMIP awards, Mr. Moonves received (i) an annual RSU award with a grant date value of \$12.5 million, and (ii) pursuant to the Committee's use of discretion under the agreement, a grant of 456,563 stock options. The Compensation Committee may make additional awards to Mr. Moonves in future years.

On February 3, 2016, the Board elected Mr. Moonves to serve as Chairman of the Board, in addition to his President and Chief Executive Officer role. On February 26, 2016, Mr. Moonves' employment agreement was amended to provide that Mr. Moonves reports to the Board and that he will be nominated annually for election to the Board as its Chairman and agrees to serve as a member of the Board for each period for which he is so elected. The amendment also provides the terms for a performance share award, as described below under "Potential Payments Upon Termination or Certain

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Other Events." Mr. Moonves is provided with life insurance during his employment with the Company in accordance with the terms of his agreement.

The agreement contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, and protecting confidential information and the Company's ownership of work product and requiring cooperation in litigation, as well as other covenants, during Mr. Moonves' employment and for specified periods after the termination of employment.

Joseph R. Ianniello

On June 4, 2013, the Company entered into an employment agreement with Mr. Ianniello, which superseded his prior employment agreement and provides for his continued employment with the Company as its Chief Operating Officer through June 3, 2018. The agreement provides for an annual base salary of \$2.5 million, which shall be annually reviewed and increased at the discretion of the Compensation Committee. Under the agreement, Mr. Ianniello's annual target bonus is 300% of his base salary as in effect on November 1st of the applicable year, and Mr. Ianniello is eligible to receive annual grants of long-term compensation, as determined by the Company's Compensation Committee, based on a target value of \$7 million, commencing in 2014. In connection with the execution of his employment agreement in 2013, the Compensation Committee approved an RSU grant to be made in each of 2015 and 2016 when other senior executives of the Company receive their annual LTMIP grants for those years (generally in February), with the number of RSUs subject to each such grant determined by dividing \$7 million by the closing price of the Company's Class B Common Stock on June 4, 2013.

Mr. Ianniello's employment agreement contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, protecting the Company's confidential information and its ownership of work product and requiring cooperation in litigation, as well as other covenants, during his employment and for specified periods after the termination of employment. The agreement also provides for enhanced severance payments and benefits in the event his employment is terminated by the Company without cause or by him for good reason, in each case, in connection with specified corporate events.

Lawrence P. Tu

On November 11, 2013, the Company entered into an employment agreement with Mr. Tu to provide for his employment with the Company as its Senior Executive Vice President and Chief Legal Officer, commencing on January 1, 2014. The agreement provides for an annual base salary of \$1.2 million, which may be reviewed and increased at the discretion of the Compensation Committee and an annual target bonus of 200% of his base salary as in effect on November 1st of the applicable year, and Mr. Tu is eligible to receive annual grants of long-term compensation, as determined by the Company's Compensation Committee, based on a target value of \$3.5 million.

Mr. Tu's employment agreement contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, protecting the Company's confidential information and its ownership of work product and requiring cooperation in litigation, as well as other covenants, during his employment and for specified periods after the termination of employment. The agreement also provides for enhanced severance payments and benefits in the event his employment is terminated by the Company without cause or by him for good reason, in each case, in connection with specified corporate events.

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Anthony G. Ambrosio

Effective June 7, 2013, the Company entered into an employment agreement with Mr. Ambrosio, which superseded his prior employment agreement and provides for his continued employment with the Company as its Senior Executive Vice President, Chief Administrative Officer and Chief Human Resources Officer through June 6, 2017, and which was subsequently amended on February 6, 2015. The agreement provides for an annual base salary of \$875,000, which may be reviewed and increased at the discretion of the Compensation Committee, and an annual target bonus equal to 125% of his base salary as in effect on November 1st of the applicable year. Mr. Ambrosio is also eligible to receive annual grants of long-term compensation, as determined by the Company's Compensation Committee, based on a target value of \$1.75 million.

The agreement contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, protecting the Company's confidential information and its ownership of work product and requiring cooperation in litigation, as well as other covenants, during his employment and for specified periods after the termination of employment. The agreement also provides for enhanced severance payments and benefits in the event his employment is terminated by the Company without cause or by him for good reason, in each case, in connection with specified corporate events.

Gil Schwartz

Effective July 1, 2013, the Company entered into an employment agreement with Mr. Schwartz, which superseded his prior employment agreement and provides for his continued employment with the Company as its Senior Executive Vice President, Chief Communications Officer through June 30, 2017, and which was subsequently amended on August 25, 2014. Pursuant to an amended and restated agreement with Mr. Schwartz effective July 1, 2016, the term of his agreement with the Company will be extended for up to an additional four years. The current agreement provides for an annual base salary of \$800,000, which may be reviewed and increased at the discretion of the Compensation Committee, and an annual target bonus equal to 125% of his base salary as in effect on November 1st of the applicable year. Mr. Schwartz is also eligible to receive annual grants of long-term compensation, as determined by the Company's Compensation Committee, currently based on a target value of \$1.35 million.

The agreement contains restrictive covenants imposing non-competition obligations, restricting solicitation of employees, protecting the Company's confidential information and its ownership of work product and requiring cooperation in litigation, as well as other covenants, during his employment and for specified periods after the termination of employment. The agreement also provides for enhanced severance payments and benefits in the event his employment is terminated by the Company without cause or by him for good reason, in each case, in connection with specified corporate events.

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The following table sets forth information concerning grants of equity awards under the Company's incentive programs to the named executive officers in fiscal year 2015.

Name	Grant Date	Committee Action	Estimated Possible Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or	All Other Option Awards: Number of Securities Underlying	Exercise or Base Price of Option	Grant Date
			Threshold (#)	Target (#)	Maximum (#)	Units (#)	Options (#)		Fair Value of Stock and Option
Sumner M. Redstone									
Leslie Moonves	1/2/2015	11/24/2014				182,515			9,999,997
	1/28/2015	1/28/2015				53,295			2,999,976
	2/19/2015	2/19/2015	83,977	104,971	125,966				6,249,973
	2/19/2015	2/19/2015				104,971			6,249,973
	2/19/2015	2/19/2015					456,563	59.54	7,199,999
Joseph R. Ianniello	2/19/2015	2/19/2015	28,216	35,270	42,234				2,099,976
	2/19/2015	2/19/2015				35,270			2,099,976
	2/19/2015	6/4/2013				142,537			8,486,653