



**Harte-Hanks, Inc.**


**HHS NYSE**

**Advertising / Marketing**

Market Capitalization USD:

**\$532.46 mm**

**CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less. 
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

**CEO: Larry Franklin**

**Age: 69**

**CEO Since: 2009**

	2009	2010	2011
<b>Base Salary</b>	\$300,000	\$300,000	\$461,538
<b>Discretionary Bonus</b>	\$0	\$0	\$0
<b>Annual Cash Incentive</b>	\$60,000	\$555,000	\$50,625
<b>Benefits and Perquisites</b>	\$15,900	\$17,413	\$40,901
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$375,900</b>	<b>\$872,413</b>	<b>\$553,064</b>
<b>Increase in Post-Retirement Benefits</b>	\$43,909	\$58,721	\$125,504
<b>Stock Option Awards</b>	\$448,110	\$0	\$0
<b>Stock Awards</b>	\$0	\$60,000	\$1,375,956
<b>TOTAL COMPENSATION</b>	<b>\$867,919</b>	<b>\$991,134</b>	<b>\$2,054,524</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$654,796	\$1,064,070	\$1,026,982
<b>Value Realized on Exercise of Stock Option</b>	\$18,170	\$0	\$0
<b>Value Realized on Vesting of Stock</b>	\$0	\$0	\$0
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$18,170</b>	<b>\$0</b>	<b>\$0</b>

**Proxy Date:** 13 Apr 2012

**Annual Meeting Date:** 23 May 2012

**Equity Reserves:** 16.51%

**Stock Option Run Rate:** 2.03%

# Harte-Hanks, Inc.

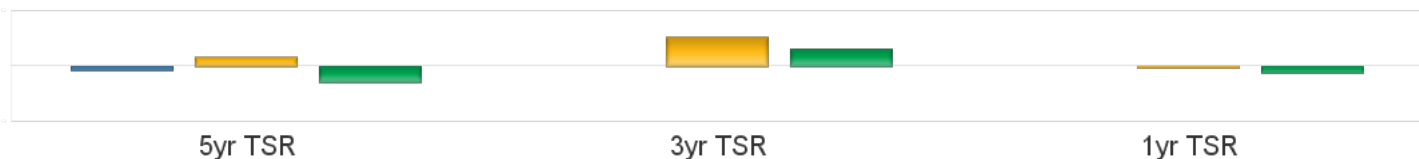
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## Performance Comparison

■ S&P500 ■ Industry ■ HHS



## Peer Comparisons (TRBC) =Advertising / Marketing

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
<b>HHS</b>	<b>Harte-Hanks, Inc.</b>	<b>\$867,919</b>	<b>\$991,134</b>	<b>\$2,054,524</b>	<b>\$532,461,574</b>
LAMR	Lamar Advertising Company	\$2,530,579	\$2,913,708	\$2,209,543	\$1,582,068,590
VCLK	ValueClick, Inc.	\$1,034,692	\$1,434,911	\$1,574,125	\$1,231,502,206
ARB	Arbitron Inc.	\$3,253,214	\$4,662,162	\$3,268,098	\$900,398,863
VCI	Valassis Communications, Inc.	\$3,948,846	\$15,239,827	\$4,724,633	\$882,798,110
NCMI	National CineMedia, Inc.	\$2,885,218	\$4,231,522	\$3,275,384	\$800,297,540
FORR	Forrester Research, Inc.	\$475,894	\$592,444	\$466,139	\$737,781,940

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

Acxiom Corporation, Alliance Data Systems Corporation, Cenveo, Inc., Consolidated Graphics, Inc., Convergys Corporation, The Dun & Bradstreet Corporation, Equifax, Inc., Gartner, Inc., GSI Commerce, Inc., Interpublic Group of Companies, Inc., Meredith Corporation, Sykes Enterprises, Incorporated, TechTarget, Inc., Valassis Communications, Inc., ValueClick, Inc.

### Performance Peer Group

NA

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Judy C. Odom	Chairman	59	Female	9	Outside
Karen A. Puckett	Member	51	Female	3	Outside
William F. Farlev	Member	68	Male	9	Outside
William K. Gavden	Member	70	Male	11	Outside Related

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