

ADVANCED MICRO DEVICES INC

Form DEF 14A

March 25, 2014

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

ADVANCED MICRO DEVICES, INC.

(Name of registrant as specified in its charter)

(Name of person(s) filing proxy statement, if other than the registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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ADVANCED MICRO DEVICES, INC.

ONE AMD PLACE

P.O. BOX 3453

SUNNYVALE, CALIFORNIA 94088-3453

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

YOUR VOTE IS IMPORTANT AND WE ENCOURAGE YOU TO VOTE PROMPTLY

You are cordially invited to attend our 2014 annual meeting of stockholders (our Annual Meeting) to be held on Thursday, May 8, 2014 at 9 a.m. Pacific Time at AMD, Commons Building, One AMD Place, Sunnyvale, CA 94088. We are holding our Annual Meeting to:

Elect the 11 director nominees named in this proxy statement;

Ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the current fiscal year;

Approve the amendment and restatement of the Advanced Micro Devices, Inc. 2004 Equity Incentive Plan (as amended and restated, the 2004 Plan) to amend the existing plan to (i) increase the number of shares authorized for issuance under the 2004 Plan by 32.5 million shares, (ii) extend the term of the 2004 Plan until July 31, 2024, and (iii) remove the 180 million share limit for shares issued (counting each reissuance of a share that was previously issued and then forfeited or repurchased by us as a separate issuance) under the 2004 Plan upon exercise of an award;

Approve on a non-binding, advisory basis the compensation of our named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the U.S. Securities and Exchange Commission (the SEC); and

Transact any other business that properly comes before our Annual Meeting or any adjournment or postponement thereof.

We are pleased to provide access to our proxy materials over the Internet under the SEC s notice and access rules. As a result, we are mailing to our stockholders (other than those who previously requested printed or emailed materials on an ongoing basis) a Notice of Internet Availability of Proxy Materials (the Notice) instead of printed copies of our proxy materials. The Notice contains instructions on how to access our proxy materials on the Internet, how to vote on the Internet and how you can receive printed or emailed copies of our proxy materials. We believe that providing our proxy materials over the Internet will lower our Annual Meeting s cost and environmental impact, while increasing the ability of

our stockholders to access the information that they need.

Stockholders of record at the close of business on March 10, 2014 and holders of proxies for those stockholders may attend and vote at our Annual Meeting. To attend our Annual Meeting in person, you must present valid photo identification, and, if you hold shares through a broker, bank, trustee or nominee (i.e., in street name), you must also present a letter from your broker or other nominee showing that you were the beneficial owner of the shares on March 10, 2014.

This year, we are also pleased to offer a virtual annual meeting at which our stockholders can view our Annual Meeting at www.virtualshareholdermeeting.com/AMD14. Stockholders at the close of business on March 10, 2014 may also ask questions and vote at our Annual Meeting via the Internet. We hope this will allow our stockholders who are unable to attend our Annual Meeting in person to participate in our Annual Meeting.

Sincerely,

HARRY A. WOLIN

Senior Vice President, General Counsel & Secretary

This notice of annual meeting and proxy statement are dated March 25, 2014 and will first be distributed and made available to the stockholders of Advanced Micro Devices, Inc. on or about March 28, 2014.

Important notice regarding Internet availability of proxy materials: This proxy statement and our Annual Report on Form 10-K for the fiscal year ended December 28, 2013 are available at www.proxyvote.com and on the Investor Relations pages of our Web site at www.amd.com or ir.amd.com.

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In this proxy statement, the words "AMD," "the Company," "we," "ours," "us" and similar terms refer to Advanced Micro Devices, Inc. and its consolidated subsidiaries, unless the context indicates otherwise.

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ADVANCED MICRO DEVICES, INC.

PROXY STATEMENT

2014 ANNUAL MEETING OF STOCKHOLDERS

QUESTIONS AND ANSWERS

1. Q: WHY DID I RECEIVE A NOTICE IN THE MAIL REGARDING THE INTERNET AVAILABILITY OF PROXY MATERIALS INSTEAD OF A FULL SET OF PROXY MATERIALS?

A: In accordance with rules adopted by the SEC, commonly referred to as Notice and Access, we may furnish proxy materials by providing access to the documents on the Internet, instead of mailing printed copies. Most stockholders will not receive printed copies of the proxy materials unless they request them. Instead, the Notice was mailed on or about March 28, 2014 to stockholders of record on March 10, 2014 who have not previously requested to receive printed or emailed materials on an ongoing basis. The Notice instructs you as to how you may access our proxy materials on the Internet and how to vote on the Internet.

In addition, you may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis by following the instructions in the Notice. Choosing to receive your future proxy materials by email will save us the cost of printing and mailing documents to you and will reduce the environmental impact of our annual meetings. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

2. Q: WHY AM I RECEIVING THESE MATERIALS?

A: Our board of directors (the Board) is providing these materials to you in connection with the Board's solicitation of proxies for use at our Annual Meeting, which will take place on May 8, 2014 at 9 a.m. Pacific Time at AMD, Commons Building, One AMD Place, Sunnyvale, CA 94088. Our stockholders as of the close of business on March 10, 2014, the record date for our Annual Meeting, are invited to attend our Annual Meeting and are requested to vote on the items described in this proxy statement. This proxy statement includes information that we are required to provide you under SEC rules and is designed to assist you in voting your shares.

3. Q: WHAT IS INCLUDED IN THE PROXY MATERIALS?

A: The proxy materials for our Annual Meeting include the Notice, this proxy statement and our Annual Report on Form 10-K for the year ended December 28, 2013 (our Annual Report). If you received a printed copy of these materials, the proxy materials also include a proxy card or voting instruction form.

4. Q: WHO IS SOLICITING MY VOTE?

A: This proxy solicitation is being made by the Board of Advanced Micro Devices, Inc. We have retained MacKenzie Partners, Inc., professional proxy solicitors, to assist us with this proxy solicitation. We will pay the entire cost of this solicitation, including MacKenzie's fees and expenses, which we expect to be approximately \$30,000.

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5. Q: WHEN WERE MATERIALS MAILED TO STOCKHOLDERS?

A: The Notice was first mailed to stockholders on or about March 28, 2014. The proxy materials were first mailed to stockholders who requested a printed version on or about March 28, 2014.

Q: HOW CAN I ACCESS THE PROXY MATERIALS OVER THE INTERNET?

The Notice, proxy card and voting instruction form contain instructions on how you may access our proxy materials on the Internet and how to vote on the Internet. Our proxy materials are also available at www.proxyvote.com and the Investor Relations pages of our Web site at www.amd.com or ir.amd.com.

6. Q: WHAT AM I BEING ASKED TO VOTE ON?

A: You may vote on:

Proposal 1: Election of 11 directors to serve on our Board.

Proposal 2: Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the current fiscal year.

Proposal 3: Approval of the amendment and restatement of the 2004 Plan to amend the existing plan to (i) increase the number of shares authorized for issuance under the 2004 Plan by 32.5 million shares, (ii) extend the term of the 2004 Plan until July 31, 2024, and (iii) remove the 180 million share limit for shares issued (counting each reissuance of a share that was previously issued and then forfeited or repurchased by us as a separate issuance) under the 2004 Plan upon exercise of an award.

Proposal 4: Approval on a non-binding, advisory basis of the compensation of our named executive officers, as disclosed in this proxy statement pursuant to the compensation disclosure rules of the SEC (Proposal 4 is referred to in this proxy statement as the Say-On-Pay proposal).

Such other business as may properly come before our Annual Meeting or any adjournment or postponement of our Annual Meeting.

7. Q: HOW DOES THE BOARD RECOMMEND I VOTE ON THE PROPOSALS?

A: The Board recommends that you vote:

FOR each of the 11 director nominees named in this proxy statement.

FOR the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the current fiscal year.

FOR the approval of the amendment and restatement of the 2004 Plan.

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FOR the Say-On-Pay proposal.

8. **Q: WHO IS ENTITLED TO VOTE?**

A: Stockholders as of the close of business on March 10, 2014, the record date for our Annual Meeting, are entitled to vote on all items properly presented at our Annual Meeting. On the record date, approximately 761,517,519 shares of our common stock were outstanding. Every stockholder is entitled to one vote for each share of common stock held on the record date. A list of these stockholders will be available during regular business hours at our headquarters, located at One AMD Place, Sunnyvale, California, 94088, from our Secretary at least ten days before our Annual Meeting. The list of stockholders will also be available at the time and place of our Annual Meeting.

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9. **Q: WHAT IS THE DIFFERENCE BETWEEN HOLDING SHARES AS A STOCKHOLDER OF RECORD AND AS A BENEFICIAL OWNER?**

A: Most of our stockholders hold their shares as a beneficial owner through a broker or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, N.A., you are considered, with respect to those shares, the *stockholder of record*, and the Notice was sent directly to you. As the *stockholder of record*, you have the right to grant your voting proxy directly to AMD or to vote at our Annual Meeting. If you requested to receive printed proxy materials, we have enclosed a proxy card for you to use, as described in the Notice and under Question 11 below. You may also vote on the Internet, as described in the Notice and under Question 11 below. You are also invited to attend our Annual Meeting in person or via the Internet.

Beneficial Owner. If your shares are held in an account at a brokerage firm, bank, broker-dealer, trust or other similar organization (i.e., in street name), like the vast majority of our stockholders, you are considered the *beneficial owner* of shares held in street name, and the Notice should be forwarded to you by that organization. As the *beneficial owner*, you have the right to direct your broker or other nominee how to vote your shares, and you are also invited to attend our Annual Meeting in person or via the Internet.

Since a *beneficial owner* is not the *stockholder of record*, you may not vote your shares in person at our Annual Meeting unless you obtain a legal proxy from the broker or other nominee that holds your shares giving you the right to vote the shares at our Annual Meeting and a letter from your broker or other nominee showing that you were the beneficial owner of your shares on March 10, 2014. If you do not wish to vote in person or you will not be attending our Annual Meeting, you may submit voting instructions to your broker or other nominee. You may also vote over the Internet, as described in the Notice and under Question 12 below.

10. **Q: WHO CAN ATTEND THE ANNUAL MEETING? CAN I VOTE AT THE ANNUAL MEETING? CAN I ATTEND THE ANNUAL MEETING VIA THE INTERNET?**

A: You can attend our Annual Meeting in person or you can attend and participate via the Internet.

Attending in Person. Only stockholders as of the close of business on March 10, 2014 (the record date for our Annual Meeting), holders of valid proxies for those stockholders and other persons invited by us can attend our Annual Meeting in person. To attend our Annual Meeting in person, you must present valid photo identification, such as a driver's license or passport, and, if you were a beneficial owner you must also present a letter from your broker or other nominee showing that you were the beneficial owner of the shares on March 10, 2014. If you were a stockholder of record on March 10, 2014, you may vote your shares in person at our Annual Meeting. If you were a beneficial owner on March 10, 2014, you must also bring a legal proxy from your broker or other nominee to vote your shares in person at our Annual Meeting.

Attending and Participating via the Internet. Stockholders may also attend our Annual Meeting via the Internet at www.virtualshareholdermeeting.com/AMD14. Stockholders of record and beneficial owners as of the close of business on March 10, 2014 may also submit questions and vote while attending the meeting via the Internet. Instructions on how to attend and participate at our Annual Meeting via the Internet are posted at www.virtualshareholdermeeting.com/AMD14. To demonstrate proof of stock ownership, you will need to enter the 12-digit control number received with your Notice or proxy materials to submit questions and vote at our Annual Meeting via the Internet. On the day of our Annual Meeting, Broadridge Financial Solutions will be available to answer your questions regarding how to attend and participate at our Annual meeting via the Internet. Broadridge can be contacted by calling 1-855-449-0991 on the day of our Annual Meeting. Broadridge is hosting our virtual annual meeting and has also been retained to distribute, receive, count and tabulate proxies.

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11. Q: IF I AM A STOCKHOLDER OF RECORD, HOW DO I VOTE?

A: If you are a stockholder of record you may vote by proxy. You can vote by proxy over the Internet by following the instructions provided in the Notice, or, if you requested to receive printed proxy materials, you can vote by mail, telephone (from the United States and Canada) or the Internet pursuant to instructions provided on the proxy card provided to you with your printed proxy materials.

You may also vote in person at our Annual Meeting. A ballot will be given to you upon request when you arrive at our Annual Meeting. You may also vote while attending our Annual Meeting via the Internet, as described in Question 10 above. Even if you plan to attend our Annual Meeting, we recommend that you also submit your proxy as described above so that your vote will be counted if you later decide not to attend our Annual Meeting.

12. Q: IF I AM A BENEFICIAL OWNER, HOW DO I VOTE?

A: If you are a beneficial owner, you may submit your voting instructions over the Internet by following the instructions provided in the Notice, or, if you requested to receive printed proxy materials, you can submit your voting instructions by following the instructions in the voting instruction form provided to you by your broker or other nominee. **We urge you to instruct your broker or other nominee how to vote on your behalf. As described more fully under Question 14, your broker or other nominee cannot vote on certain items without your instructions.**

Alternatively, you can vote in person at our Annual Meeting, but you must bring to our Annual Meeting a legal proxy from your broker or other nominee as the record holder and a letter from your broker or other nominee showing that you were the beneficial owner of your shares on March 10, 2014. You may also vote while attending our Annual Meeting via the Internet, as described in Question 10 above. Even if you plan to attend our Annual Meeting, we recommend that you also submit your voting instructions as described above so that your vote will be counted if you later decide not to attend our Annual Meeting.

13. Q: WHAT IF I AM A STOCKHOLDER OF RECORD AND DO NOT SPECIFY A CHOICE FOR A MATTER WHEN RETURNING A PROXY CARD OR VOTING BY TELEPHONE OR THE INTERNET?

A: If you are a stockholder of record and you return a properly executed proxy card or vote by proxy over the Internet but do not mark the boxes showing how you wish to vote, your shares will be voted in accordance with the recommendations of the Board, as specified in Question 7 above. With respect to any other matter that properly comes before our Annual Meeting, the proxy holders will vote as recommended by the Board or, if no recommendation is given, at their own discretion.

14. Q: WHAT IF I AM A BENEFICIAL OWNER AND DO NOT GIVE VOTING INSTRUCTIONS TO MY BROKER OR OTHER NOMINEE? WHAT IS A BROKER NON-VOTE?

A: As a beneficial owner, in order to ensure your shares are voted, you must provide voting instructions to your broker or other nominee by the deadline provided in the materials you receive from your broker or other nominee. If you do not provide voting instructions to your broker or other nominee, whether your shares can be voted by such person depends on the type of item being considered for vote.

Non-Discretionary Items. The election of directors, the amendment and restatement of the 2004 Plan and the Say-on-Pay proposal are non-discretionary items and may not be voted on by brokers or other nominees who have not received specific voting instructions from beneficial owners. A broker non-vote occurs when your broker or other nominee has not received instructions from you as to how to vote your shares on a proposal and does not have discretionary authority to vote on the proposal.

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Discretionary Items. The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the current fiscal year is a discretionary item. Generally, brokers and other nominees that do not receive voting instructions from beneficial owners may vote on this proposal in their discretion.

15. Q: CAN I CHANGE MY VOTE AFTER I HAVE VOTED?

A: Yes. You may change your vote at any time before the voting concludes at our Annual Meeting. You may vote by proxy again on the Internet or by telephone (only your latest Internet or telephone proxy submitted prior to our Annual Meeting will be counted), by signing and returning a new proxy card with a later date or by attending our Annual Meeting and voting in person or via the Internet. However, your attendance at our Annual Meeting in person or via the Internet will not automatically revoke your proxy unless you vote again at our Annual Meeting or specifically request in writing that your prior proxy be revoked.

16. Q: WHAT IS A QUORUM ?

A: For the purposes of our Annual Meeting, a quorum is the presence, in person or by proxy, by the holders of a majority of the voting power of the outstanding shares entitled to vote at our Annual Meeting. There must be a quorum for our Annual Meeting to be held. Both abstentions and broker non-votes are counted for the purpose of determining the presence of a quorum.

17. Q: WHAT IS THE REQUIRED VOTE FOR EACH PROPOSAL?

A: Election of Directors. Each of the 11 director nominees will be elected if each of them receives the affirmative vote of a majority of the votes cast. A majority of the votes cast means that the number of votes cast for a director must exceed the number of votes cast against that director. Abstentions and broker non-votes will have no effect on the outcome of this proposal. Each director nominee has submitted a written resignation that will be effective if he/she does not receive a majority of the votes cast for such director and the resignation is accepted by the Nominating and Corporate Governance Committee, another authorized committee of the Board or the Board.

Ratification of the Appointment of our Independent Registered Public Accounting Firm. Ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm requires the affirmative vote of a majority of the shares of our common stock entitled to vote and present in person or represented by proxy at the Annual Meeting. Abstentions have the same effect as a vote against this proposal. Because brokers and other nominees have discretionary authority to vote on the ratification, we do not expect any broker non-votes in connection with this item.

Amendment and Restatement of the 2004 Plan. The proposal to amend and restate the 2004 Plan requires the affirmative vote of a majority of the shares of our common stock entitled to vote and present in person or represented by proxy at the Annual Meeting. Abstentions have the same effect as a vote against this proposal. Broker non-votes will have no effect on the outcome of this proposal.

Say-On-Pay Proposal. Approval, on an advisory basis, of the compensation of our named executive officers as disclosed in this proxy statement pursuant to the compensation disclosure rules of the SEC, requires the affirmative vote of a majority of the shares of our common stock entitled to vote and present in person or represented by proxy at the Annual Meeting. Because your vote is advisory, it will not be binding on the Board, the Compensation Committee or us. However, the Board and the Compensation Committee will review the voting results and take them into consideration when making future decisions about our executive compensation program. Abstentions have the same effect as a vote against this proposal. Broker non-votes will have no effect on the outcome of this proposal.

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18. Q: WHERE CAN I FIND THE VOTING RESULTS OF THE ANNUAL MEETING?

A: We will announce preliminary voting results at our Annual Meeting and publish voting results in a Current Report on Form 8-K, which will be filed with the SEC within four business days after our Annual Meeting. If the official results are not available at that time, we will provide preliminary voting results in the Form 8-K and will provide the final results in an amendment to the Form 8-K as soon as they become available.

19. Q: IS MY VOTE CONFIDENTIAL?

A: Proxy cards, ballots and voting tabulations that identify individual stockholders are mailed or returned directly to Broadridge and handled in a manner that protects your voting privacy. Your vote will not be disclosed except as needed to permit Broadridge to tabulate and certify the vote and as required by law. However, comments written on the proxy card may be forwarded to management. In that case, your identity may not be kept confidential.

20. Q: HOW WILL VOTING ON ANY BUSINESS NOT DESCRIBED IN THIS PROXY STATEMENT BE CONDUCTED?

A: We do not know of any business to be considered at our Annual Meeting other than the items described in this proxy statement. If any other business is presented at our Annual Meeting, your proxy gives authority to each of Rory P. Read, our President and Chief Executive Officer, and Harry A. Wolin, our Senior Vice President, General Counsel and Secretary, to vote on such matters at his discretion.

21. Q: WHEN ARE THE STOCKHOLDER PROPOSALS FOR THE 2015 ANNUAL MEETING DUE?

A: For stockholder proposals to be considered for inclusion in the proxy statement for our 2015 annual meeting of stockholders, they must be submitted in writing to Advanced Micro Devices, Inc., One AMD Place, Sunnyvale, California 94088, Attention: Secretary and received by us on or before November 28, 2014. In addition, for directors to be nominated or other stockholder proposals to be properly presented at our 2015 annual meeting of stockholders (but not included in our proxy materials), a separate notice of any nomination or proposal must be received by us between January 8, 2015 and February 7, 2015. If our 2015 annual meeting of stockholders is not held within 30 days of May 8, 2015, to be timely, the stockholder's notice must be received by us no later than the close of business on the tenth day following the earlier of the day on which the first public announcement of the date of 2015 annual meeting of stockholders was made or the notice of our 2015 annual meeting of stockholders is mailed. The public announcement of an adjournment or postponement of our 2015 annual meeting of stockholders will not trigger a new time period (or extend any time period) for the giving of a stockholder's notice as described in this proxy statement. More information about the notice period and information required to be included in a stockholder's notice of a nomination is included under Consideration of Stockholder Nominees for Director, below.

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22. Q: WHAT IS HOUSEHOLDING AND HOW DO I OBTAIN A SEPARATE SET OF PROXY MATERIALS IF I SHARE AN ADDRESS WITH OTHER STOCKHOLDERS?

- A. We have adopted a procedure called householding, which has been approved by the SEC. Under this procedure, we will deliver only one copy of the Notice and, if applicable, our printed proxy materials to stockholders of record who share the same address (if they appear to be members of the same family) unless we have received contrary instructions from an affected stockholder. A separate proxy card for each stockholder of record will be included in the printed materials. This procedure reduces our printing costs, mailing costs and fees. Upon written or oral request, we will promptly deliver a separate copy of the Notice or, if applicable, the printed proxy materials to any stockholder at a shared address to which a single copy of any of those documents was delivered. To receive a separate copy of the Notice or Annual Report or, if applicable, the printed proxy materials, contact us at (408) 749-4000 or at Advanced Micro Devices, Inc., One AMD Place, Sunnyvale, California 94088, Attention: Secretary, or by email to Corporate.Secretary@amd.com. If you would like to revoke your householding consent or you are a stockholder eligible for householding and would like to participate in householding, please contact Broadridge at 1-800-542-1061.

A number of brokerage firms have instituted householding. If you are a beneficial owner, please contact your broker or other nominee to request information about householding.

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ITEM 1 ELECTION OF DIRECTORS

Eleven directors will be elected at our Annual Meeting. All directors are elected annually and serve a one-year term until our next annual meeting.

The Nominating and Corporate Governance Committee of the Board selected, and the Board approved, the following 11 persons as nominees for election to the Board: Mr. Bruce L. Claflin, Dr. W. Michael Barnes, Mr. John E. Caldwell, Mr. Henry WK Chow, Ms. Nora M. Denzel, Mr. Nicholas M. Donofrio, Mr. Martin L. Edelman, Mr. John R. Harding, Mr. Michael J. Inglis, Mr. Rory P. Read and Mr. Ahmed Yahia. All of the nominees are currently directors of AMD. The Board waived the retirement age requirement set forth in our Principles of Corporate Governance with respect to Mr. Edelman upon his designation as a nominee for election to the Board.

Mr. Edelman was first appointed to the Board on February 22, 2013, pursuant to our agreement with Advanced Technology Investment Corporation (ATIC) and West Coast Hitech L.P. (WCH), which provides that until such time as WCH and its permitted transferees beneficially own, in the aggregate, less than 10% of the outstanding shares of our common stock, WCH has the right to designate a representative to our Board. Mr. Edelman replaced Mr. Waleed Muhairi as WCH's representative to the Board. Ms. Denzel and Mr. Inglis were first appointed to the Board on March 19, 2014 and were recommended as potential candidates for the Board by a third-party search firm. Ms. H. Paulett Eberhart will not be standing for re-election at the Annual Meeting in order to focus on other matters. Proxies cannot be voted for a greater number of persons than the number of nominees named in this proxy statement. Immediately following our Annual Meeting, the Board intends to reduce the size of the Board from 12 to 11 directors pursuant to our Amended and Restated Bylaws.

The Board expects all nominees named below to be available for election. If a nominee declines or is unable to act as a director, your proxy may vote for any substitute nominee proposed by the Board. Your proxy will vote **FOR** the election of these nominees, unless you instruct otherwise. Directors are strongly encouraged to attend annual meetings of our stockholders, and we expect all of our current Board member nominees to be present at our Annual Meeting. All of the Board member nominees were present at our 2013 annual meeting of stockholders except Ms. Denzel and Messrs. Edelman, Harding and Inglis.

Certain information regarding each of the nominees is set forth below, including his or her experience, qualifications, attributes and skills that led the Nominating and Corporate Governance Committee and the Board to conclude that the individual should serve as a director on the Board, as well as his or her principal occupation and directorships during the past five years. Our goal is to assemble a Board that operates cohesively and works with management in a constructive way to deliver long-term value to our stockholders. We believe that the nominees set forth below, all of whom are currently directors of AMD, possess valuable experience necessary to guide us in the best interests of our stockholders. Our current Board consists of individuals with proven records of success in their chosen professions. They possess the highest integrity and a keen intellect. They are collegial, yet independent in their thinking, and are committed to the hard work necessary to be informed about the semiconductor industry, us and our key constituents, including our customers, stockholders and management. Most of our directors have broad technology sector experience, including expertise in semiconductor technology, innovation and strategy. Several members of the Board are current or former chief executive officers, thereby providing the Board with practical understanding of how large organizations operate, including the importance of employee development and reten