AKAMAI TECHNOLOGIES INC
Form DEF 14A
April 06, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant x 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))

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to Section 240.14a-12

AKAMAI TECHNOLOGIES, 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):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

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:

5) Total fee paid:

¨ Fee paid previously with preliminary materials:

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount previously paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

April 8, 2011

To our Stockholders:

I am pleased to invite you to attend the 2011 Annual Meeting of Stockholders of Akamai Technologies, Inc. (the Annual Meeting) to be held on Wednesday, May 18, 2011, at 9:30 a.m. at our offices at 4 Cambridge Center, Cambridge, Massachusetts, 02142.

At the Annual Meeting, stockholders will consider and vote upon the following matters:

(1) To elect the four nominees named in the attached proxy statement as members of our Board of Directors to serve as Class III directors for a term of three years;

(2) To approve an amendment increasing the number of shares of common stock authorized for issuance under Akamai s 2009 Stock Incentive Plan from 8,500,000 shares to 15,500,000 shares;

(3) To conduct an advisory vote on executive officer compensation;

(4) To consider the frequency of advisory votes on executive officer compensation;

(5) To ratify the selection of PricewaterhouseCoopers LLP as the independent auditors of Akamai for the fiscal year ending December 31, 2011; and

(6) To transact such other business as may properly come before the meeting or any adjournment thereof.

Details regarding admission to the meeting and the business to be conducted at the meeting are more fully described in the accompanying Notice of 2011 Annual Meeting of Stockholders and Proxy Statement.

Your vote is important. Whether or not you plan to attend the Annual Meeting, I hope you will vote as soon as possible. Voting by written proxy will ensure your representation at the Annual Meeting if you do not attend in person. Please review the instructions on the proxy card regarding each of these voting options.

Thank you for your ongoing support of and continued interest in Akamai.

Sincerely,

/s/ Paul Sagan

PAUL SAGAN
Chief Executive Officer

AKAMAI TECHNOLOGIES, INC.

8 CAMBRIDGE CENTER

CAMBRIDGE, MASSACHUSETTS 02142

NOTICE OF 2011 ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON MAY 18, 2011

The 2011 Annual Meeting of Stockholders of Akamai Technologies, Inc. (the Annual Meeting) will be held on Wednesday, May 18, 2011, at 9:30 a.m., local time, at our offices at 4 Cambridge Center, Cambridge, Massachusetts, 02142.

At the Annual Meeting, we expect stockholders will consider and vote upon the following matters:

(1) To elect the four nominees named in this proxy statement as members of our Board of Directors to serve as Class III directors for a term of three years;

(2) To approve an amendment increasing the number of shares of common stock authorized for issuance under Akamai s 2009 Stock Incentive Plan from 8,500,000 shares to 15,500,000 shares;

(3) To conduct an advisory vote on executive officer compensation;

(4) To consider the frequency of advisory votes on executive officer compensation;

(5) To ratify the selection of PricewaterhouseCoopers LLP as the independent auditors of Akamai for the fiscal year ending December 31, 2011; and

(6) To transact such other business as may properly come before the meeting or any adjournment thereof.

Stockholders of record at the close of business on March 25, 2011, are entitled to notice of, and to vote at, the annual meeting and any adjournment thereof. The stock transfer books of Akamai will remain open for the purchase and sale of Akamai s common stock.

All stockholders are cordially invited to attend the meeting.

By order of the Board of Directors,

/s/ Melanie Haratunian

MELANIE HARATUNIAN
Senior Vice President, General Counsel

and Secretary

Cambridge, Massachusetts

April 8, 2011

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, DATE AND SIGN THE ENCLOSED PROXY CARD AND PROMPTLY MAIL IT IN THE ENCLOSED ENVELOPE IN ORDER TO ASSURE REPRESENTATION OF YOUR SHARES AT THE ANNUAL MEETING. NO POSTAGE NEED BE AFFIXED IF THE PROXY CARD IS MAILED IN THE UNITED STATES. SENDING IN YOUR PROXY WILL NOT PREVENT YOU FROM VOTING YOUR SHARES IN PERSON AT THE ANNUAL MEETING IF YOU DESIRE TO DO SO, AND YOUR PROXY IS REVOCABLE AT YOUR OPTION BEFORE IT IS EXERCISED.

AKAMAI TECHNOLOGIES, INC.

8 CAMBRIDGE CENTER

CAMBRIDGE, MASSACHUSETTS 02142

PROXY STATEMENT

THIS PROXY STATEMENT IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE BOARD OF DIRECTORS OF AKAMAI TECHNOLOGIES, INC. FOR USE AT THE 2011 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD AT THE PRINCIPAL EXECUTIVE OFFICES OF AKAMAI TECHNOLOGIES, INC., FOUR CAMBRIDGE CENTER, CAMBRIDGE, MASSACHUSETTS, 02142 AT 9:30 AM LOCAL TIME ON MAY 18, 2011, AND AT ANY ADJOURNMENT OR ADJOURNMENTS OF THAT MEETING. You may obtain directions to the location of the 2011 Annual Meeting of Stockholders by contacting Investor Relations, Akamai Technologies, Inc., 8 Cambridge Center, Cambridge, Massachusetts 02142; telephone: 617-444-3000.

Our Annual Report to Stockholders for the fiscal year ended December 31, 2010 is being mailed to our stockholders with the mailing of the Notice of 2011 Annual Meeting of Stockholders and this Proxy Statement on or about April 8, 2011.

Important Notice Regarding the Availability of Proxy Materials for the 2011 Annual

Meeting of Stockholders to be Held on May 18, 2011:

This Proxy Statement and the 2010 Annual Report to Stockholders are available for viewing, printing and downloading at *www.akamai.com/proxy*.

You may obtain a copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as filed with the Securities and Exchange Commission, which we sometimes refer to herein as the Commission, except for exhibits thereto, without charge upon written request to Akamai Technologies, Inc., 8 Cambridge Center, Cambridge, Massachusetts 02142, Attn: Investor Relations. Exhibits will be provided upon written request and payment of an appropriate processing fee.

Certain documents referenced in this Proxy Statement are available on our website at www.akamai.com. We are not including the information contained on our website, or any information that may be accessed by links on our website, as part of, or incorporating it by reference into, this Proxy Statement.

PART ONE

ATTENDANCE AND VOTING MATTERS

FREQUENTLY ASKED QUESTIONS ABOUT VOTING AND ATTENDANCE

Q: Who can attend the Annual Meeting of Stockholders?

A: Each holder of Akamai common stock, par value $.01 per share, on March 25, 2011 is invited to attend the Annual Meeting. You may be asked to provide evidence that you are a qualifying stockholder such as a brokerage account statement, a letter from your broker, bank or other nominee or a copy of your voting instruction card. For registered stockholders, this would include a government-issued form of identification.

Q: Can I access the Proxy Statement and Annual Report on the Internet?

A: Yes. Our Proxy Statement and Annual Report to Stockholders are available on our website at *www.akamai.com/proxy*.

Q. In the future, can I access copies of the Proxy Statement and Annual Report on the Internet instead of receiving paper copies?

A: Yes. A stockholder of record may sign up for this option by going to *www.investorvote.com*. If you are not a stockholder of record, please refer to the information provided by your broker, bank or nominee for instructions on how to elect to access future proxy materials on the Internet. Stockholders who elect electronic access will receive an e-mail message next April containing the Internet address for access to that year s proxy materials. Your choice will remain in effect until you advise us by written correspondence that you wish to resume mail delivery of these documents.

Q. What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: Most Akamai stockholders hold their shares through a broker, trustee 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, you are considered, with respect to those shares, the stockholder of record. As the stockholder of record, you have the right to grant your voting proxy directly to Akamai or to a third party, or to vote in person at the meeting.

Beneficial Owner If your shares are held in a brokerage account, by a trustee or by another nominee, you are considered the beneficial owner of those shares. As the beneficial owner of those shares, you have the right to direct your broker, trustee or nominee how to vote and you also are invited to attend the annual meeting. However, because a beneficial owner is not the stockholder of record, you may not vote these shares in person at the meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the meeting.

Q: When is the record date and who is entitled to vote?

A: The record date for the Annual Meeting is March 25, 2011. Holders of Akamai common stock on that date are entitled to one vote per share. As of the record date, there were issued, outstanding and entitled to vote an aggregate of 187,464,359 shares of our common stock.

Q: What will constitute a quorum for the meeting?

A: Under our bylaws, the holders of a majority of the shares of our common stock issued, outstanding and entitled to vote on any matter shall constitute a quorum with respect to that matter at the Annual Meeting. Shares of our common stock present in person or represented by executed proxies received by us (including broker non-votes and shares that abstain or do not vote with respect to one or more of the matters presented for stockholder approval) will be counted for purposes of determining whether a quorum is present. If the shares you own are held in street name, the bank, brokerage firm or nominee, as the record holder of your shares, is required to vote your shares in accordance with your instructions. In order to vote your shares held in street name, you will need to follow the directions your bank, brokerage firm or nominee provides you. Broker non-votes are shares held in street name through a bank, broker or nominee that indicates on its proxy that it does not have or did not exercise discretionary authority to vote such shares as to a particular matter.

Q: How many votes are required for approval of different matters?

A: As of the date of this Proxy Statement, the election of directors to take place at the Annual Meeting is an uncontested election. To be elected in an uncontested election, a director nominee must receive more For votes than Against votes. Abstentions will have no effect on the election of directors since only votes For or Against a nominee will be counted. All other actions to be considered at the Annual Meeting require the affirmative vote of the holders of a majority of the shares of our common stock present or represented by proxy at the meeting. Shares that abstain from voting as to a particular matter and broker non-votes will not be counted as votes cast or shares voting on such matter. Accordingly, abstentions and broker non-votes will have no effect on the voting of each matter that requires the affirmative vote of a certain percentage of the votes cast or shares voting on a matter. With respect to the say on pay frequency matter, if none of the three frequency options receives the vote of the holders of a majority of the votes cast, we will consider the frequency option (one year, two years or three years) receiving the highest number of votes cast by stockholders to be the frequency that has been recommended by stockholders. However, as described in more detail in Part Five, Item Four of this Proxy Statement, because this proposal is non-binding, the Board of Directors may decide that it is in the best interest of our stockholders and the Company to hold future executive compensation advisory votes more or less frequently. Part Five, Item Three is also a non-binding proposal.

Stockbrokers, banks and other nominees that are member firms of the New York Stock Exchange and who hold shares in street name for customers have the discretion to vote those shares with respect to certain matters if they have not received instructions from the beneficial owners. Stockbrokers, banks and other nominees will have this discretionary authority with respect to routine matters such as the ratification of the appointment of our independent registered public accounting firm; however, they will not have this discretionary authority with respect to the election of directors, say on pay, say on pay frequency, or amendments to equity incentive plans. As a result, with respect to all matters other than ratification of the appointment of our independent registered public account firm, if the beneficial owners have not provided instructions with respect to that matter, those beneficial owners shares will be included in determining whether a quorum is present but will not be voted and will be considered to be an abstention, having no effect on the vote for such matters.

Q: What happens if an incumbent director nominee fails to receive more For votes than Against votes in an uncontested election?

A: Our Corporate Governance Guidelines set forth a process that takes effect if an incumbent director nominee receives more Against votes than For votes in an uncontested election. Upon such an occurrence, the affected director is expected, promptly following certification of the shareholder vote, to submit to the Board of Directors his or her offer to resign from the Board of Directors for consideration. The Nominating and Corporate Governance Committee of the Board of Directors shall promptly consider the resignation submitted by such incumbent director and recommend to the Board of Directors the action to be taken with respect to the offer to resign. Such action may range from accepting the resignation, to maintaining such incumbent director but addressing what the Nominating and Corporate Governance Committee believes to be the underlying cause of the withheld votes, to resolving that such incumbent director will not be re-nominated for election in the future, to rejecting the resignation, to such other action that the Nominating and Corporate Governance Committee determines to be in the best interests of Akamai and our shareholders. In making its recommendation, the Nominating and Corporate Governance Committee shall consider all factors it deems relevant. The Board of Directors shall then act on the Nominating and Corporate Governance Committee s recommendation, considering the factors considered by the Nominating and Corporate Governance Committee and such additional information and factors the Board of Directors believes to be relevant. Following the Board of Directors determination, we shall promptly publicly disclose in a document filed or furnished with the Commission the Board of Directors decision regarding the action to be taken with respect to such incumbent director s resignation. If the Board of Directors decision is to not accept the resignation, such disclosure shall include the reasons for not accepting the resignation. If the director s resignation is accepted, then the Board of Directors may fill the resulting vacancy in accordance with our bylaws. Our Corporate Governance Guidelines are posted on our website at *www.akamai.com*.

Q: How will my proxy be voted? Can I revoke my proxy?

A: All proxies will be voted in accordance with the instructions contained therein, and if no choice is specified, the proxies will be voted (i) in favor of the election of C. Kim Goodwin, David W. Kenny, Peter J. Kight and Frederic V. Salerno; (ii) in favor of the amendment to our 2009 Stock Incentive Plan; (iii) in favor our 2010 executive compensation plan; (iv) in favor of annual advisory votes on executive compensation; and (v) in favor of the ratification of PricewaterhouseCoopers LLP as our independent auditors for the fiscal year ending December 31, 2011, which matters are described in this Proxy Statement. Any proxy may be revoked by a stockholder at any time before it is exercised by delivery of a signed proxy with a later date or a later-dated written revocation to our Secretary or by voting in person at the Annual Meeting. Attendance at the Annual Meeting will not itself be deemed to revoke a proxy unless the stockholder gives affirmative notice at the Annual Meeting that the stockholder intends to revoke the proxy and vote in person.

Q: Who pays for the solicitation of proxies?

A: All costs of solicitation of proxies will be borne by us. In addition to solicitations by mail, our Board of Directors, officers and employees, without additional remuneration, may solicit proxies by telephone, telegraph, electronic mail and personal interviews. Brokers, custodians and fiduciaries will be requested to forward proxy soliciting material to the owners of stock held in their names, and we will reimburse them for their reasonable out-of-pocket expenses incurred in connection with the distribution of proxy materials.

Q: Are there matters to be voted on at the Annual Meeting that are not included in the proxy?

A: Our Board of Directors does not know of any other matters that may come before the Annual Meeting; however, if any other matters are properly presented at the Annual Meeting, it is the intention of the persons named in the accompanying proxy to vote, or otherwise act, in accordance with their judgment on such matters.

Q: What is householding ?

A: Some banks, brokers and nominees may be participating in the practice of householding proxy statements and annual reports. This means that only one copy of our proxy statement or annual report to stockholders may have been sent to multiple stockholders in your household. We will promptly deliver a separate copy of either document to you if you write to us at the following address or call us at the following phone number:

Akamai Technologies, Inc.

8 Cambridge Center

Cambridge, Massachusetts 02142

Attention: Investor Relations

Phone: 617-444-3000

If you want to receive separate copies of the annual report and proxy statement in the future, or if you are receiving multiple copies and would like to receive only one copy for your household, you should contact your bank, broker, or other nominee record holder.

PART TWO

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table includes information as to the number of shares of our common stock beneficially owned as of March 1, 2011, by the following:

- each of our directors;
- our Named Executive Officers, who consist of (i) our chief executive officer; (ii) our principal financial officer; and (iii) our three other most highly compensated executive officers in 2010; and
- all of our current executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the Commission and includes voting and investment power with respect to shares. Unless otherwise indicated below, to our knowledge, all persons named in the table have sole voting and investment power with respect to shares of common stock identified below, except to the extent authority is shared by spouses under applicable law. Beneficial ownership includes any shares that the person has the right to acquire within 60 days after March 1, 2011, through the exercise of any stock option or other equity right. We have no outstanding warrants, and, to our knowledge, none of the persons named in the table below hold any of our outstanding convertible notes. We are not aware of any stockholder that beneficially owns more than 5% of the outstanding shares of our common stock. The address of each individual identified in the table below is c/o Akamai Technologies, Inc., 8 Cambridge Center, Cambridge, Massachusetts 02142. On March 1, 2011, there were 187,396,514 shares of our common stock outstanding.

Name of Beneficial Owner	Number of Shares of Common Stock Beneficially Owned	Percentage of Common Stock Outstanding (%)
Directors		
George H. Conrades (1)	1,027,275	*
Martin M. Coyne II (2)	57,761	*
Pamela J. Craig (3)	0	0.0
C. Kim Goodwin (4)	49,915	*
Jill A. Greenthal (5)	35,009	*
David W. Kenny (6)	56,554	*
Peter J. Kight (7)	112,260	*
F. Thomson Leighton	3,426,636	1.8
Geoffrey A. Moore (8)	25,000	*
Paul Sagan (9)	1,452,035	*
Frederic V. Salerno	52,617	*
Naomi O. Seligman (10)	18,604	*
Other Named Executive Officers		
Melanie Haratunian (11)	204,905	*
Robert W. Hughes (12)	301,143	*
J. Donald Sherman (13)	313,949	*
All executive officers and directors as a group (16 persons) (14)	7,181,121	3.8

* Percentage is less than 1% of the total number of outstanding shares of our common stock.

(1) Includes 22,340 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011 and 1,500 shares held by Mr. Conrades wife.

(2) Includes 43,500 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011.

(3) Ms. Craig joined our Board of Directors on April 1, 2011. Both at that date and at March 1, 2011, she did not own any shares of our common stock.
(4) Includes 3,906 shares of our common stock issuance upon the exercise of stock options exercisable within 60 days after March 1, 2011.
(5) Includes 21,875 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011.
(6) Includes 23,437 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011
(7) Includes 6,405 shares of our common stock held by Mr. Kight s wife in a trustee capacity and 2,725 held by a charitable foundation over which Mr. Kight can exercise investment control.
(8) Consists of shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011.
(9) Includes 1,048,774 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011.
(10) Includes 14,875 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011.
(11) Includes 187,481 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011.
(12) Includes 261,856 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011.
(13) Includes 215,014 shares of our common stock issuable upon the exercise of stock options exercisable within 60 days after March 1, 2011.
(14) Includes 1,903,967 shares of our common stock issuable upon the exercise of stock options exercisable, or upon the distribution of vested deferred stock units, within 60 days after March 1, 2011.

Stock Ownership Guidelines

In February 2011, in an effort to ensure further that the interests of our leaders are aligned with our stockholders, our Board of Directors adopted stock ownership requirements for our directors and senior management personnel. The details are set forth in our Corporate Governance Guidelines, which are posted on our website at *www.akamai.com/html/investor/corporate_governance*. A brief summary is set forth below.

Each member of Akamai s senior management team is required to own a number of shares of our common stock having at least the value calculated by applying the following multiples: for the Chief Executive Officer, four times his base salary; for each other Named Executive Officer, three times his or her base salary; and for each other senior executive who reports directly to the Chief Executive Officer or the President, two times his or her base salary. In addition, each non-employee director is required to own a number of shares of our common stock having a value equal to three times his or her then-current base cash retainer. If the directors base cash retainer or an executive s salary is increased, the minimum ownership requirement shall be re-calculated at the end of the year in which the increase occurred, taking into account our stock price at that time. If a non-employee director or executive fails to meet the ownership guidelines as of a test date that occurs after the period of time for attainment of the ownership level, he or she will not be permitted to sell any shares of our common stock until such time as he or she has exceeded the required ownership level.

PART THREE

CORPORATE GOVERNANCE MATTERS

Corporate Governance

We have adopted a written Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial or accounting officer, or persons serving similar functions. The text of our Code of Business Conduct and Ethics is available on our website at *www.akamai.com*. We did not waive any provisions of the code of business conduct and ethics during the year ended December 31, 2010. If we amend, or grant a waiver under, our Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial or accounting officer, or persons performing similar functions, we intend to post information about such amendment or waiver on our website at *www.akamai.com*. We have adopted Corporate Governance Guidelines, a copy of which is also available on our website at *www.akamai.com/html/investor/corporate_governance*.

Our Board of Directors

Our Board of Directors currently consists of 12 persons, divided into three classes, serving staggered terms of three years, as follows: four Class I directors (with terms expiring at the 2012 Annual Meeting of Stockholders), four Class II directors (with terms expiring at the 2013 Annual Meeting of Stockholders) and four Class III directors (with terms expiring at the 2011 Annual Meeting of Stockholders). We continue to believe that having a staggered Board of Directors is in the best interests of our stockholders. This structure encourages directors to take a longer range view of the our stockholders   interests, facilitates retention of experienced directors with meaningful knowledge about Akamai and helps maintain a truly diverse membership.

Set forth below is information about the professional experiences of members of our Board of Directors, including the nominees for re-election at the 2011 Annual Meeting of Stockholders. In addition, for each individual, we discuss the specific experience, qualifications and attributes that qualify him or her to serve on our Board of Directors.

Nominees for Director With Terms That Expire in 2011 (Class III Directors)

C. Kim Goodwin, age 51, re-joined Akamai as a director in October 2008, having previously served between January 2004 and November 2006. She is currently employed as a consultant and private investor. From September 2006 until July 2008, Ms. Goodwin was based in London as Managing Director and Head of Equities (Global), Asset Management Division of Credit Suisse Group, a financial services company. From September 2002 through January 2005, Ms. Goodwin was Chief Investment Officer Equities at State Street Corporation, a money management firm. Ms. Goodwin was previously a director of CheckFree Corporation, a provider of information management and electronic commerce solutions that was acquired by Fiserv, Inc.

We believe that Ms. Goodwin s rigorous analytical skills and understanding of financial markets are vital contributions to our Board. Further, her experience as a senior investment officer and advisory board service at numerous financial services firms helps her provide an investor perspective to Board deliberations and guidance that better enables the Board and senior management to maintain alignment of their interests with those of stockholders. Ms Goodwin has also provided us valuable insight into international businesses, worldwide financial markets and economies, and risk management issues.

David W. Kenny, age 49, has served as a director of Akamai since July 2007 and became our President in September 2010. Between June 2008 and June 2010, Mr. Kenny was the Managing Partner of VivaKi, which is the media and digital arm of Publicis Groupe, S.A., a global marketing services holding company. Before that, Mr. Kenny has served as Chief Executive Officer of Digitas, Inc., a relationship marketing services firm, between September 1997 and May 2008. Digitas was acquired by Publicis Groupe in January 2007. Mr. Kenny is also currently a member of the Board of Directors of Yahoo! Inc., an Internet-focused technology company. Mr. Kenny previously served as a director of Publicis Groupe, Digitas and The Corporate Executive Board, which provides research and analysis focusing on corporate strategy and operations.

In his new role as our President, Mr. Kenny is uniquely positioned to educate and inform the Board about how management is implementing the strategic priorities discussed at Board meetings. He also fosters a better understanding of our business at the director level by conveying the feedback he learns from our customers and network and technology partners in the course of his extensive travels. The Board continues to rely on his global experience in addressing problems posed by changing trends in advertising and marketing outreach, both in the U.S. and abroad. In addition, having served as a chief executive officer of another public company, Mr. Kenny provides management insight that enables the Board to more effectively perform its oversight role.

Peter J. Kight, age 54, has served as a director of Akamai since March 2004. Since January 2010, Mr. Kight has been a managing partner of The ComVest Group, a private investment firm focused on providing debt and equity solutions to middle-market companies. From December 1981 until December 2007, Mr. Kight was Chairman of the Board of Directors and Chief Executive Officer of CheckFree Corporation, a provider of financial electronic commerce services and products. In December 2007, CheckFree Corporation was acquired by Fiserv, Inc., a provider of information management and electronic commerce solutions. From December 2007 until March 2010, Mr. Kight was Vice Chairman and a member of the board of directors of Fiserv. Mr. Kight remains a member of the Fiserv board and is also a member of the board of directors of Manhattan Associates, a provider of supply chain management services. Mr. Kight was a director of CheckFree Corporation between 1981 and 2007.

Mr. Kight brings to our Board of Directors many years of successful operating experience as a chief executive of a provider of electronic commerce solutions; consequently, he is able to provide insight and guidance with respect to areas that are of vital importance to Akamai s ability to meet the changing Internet-focused needs of our customers. As Chair of our Compensation Committee, Mr. Kight has provided thoughtful, principled and intelligent leadership to an increasingly complex area to help ensure that the short- and long-term interests of stockholders and management are aligned.

Frederic V. Salerno, age 67, has served as a director of Akamai since April 2002. From 1997 until his retirement in September 2002, Mr. Salerno served in a variety of senior management positions at Verizon Communications, Inc., a provider of communications services, and its predecessors. At the time of his retirement, Mr. Salerno had been serving as Vice Chairman and Chief Financial Officer. Mr. Salerno also serves on the board of directors of CBS Broadcasting, Inc., a media company, Intercontinental Exchange, an electronic exchange for trading wholesale energy and metals commodities, National Fuel Gas Company, a diversified energy company, and Viacom, Inc., a media company. Although he is currently a member of the board of directors of Popular, Inc., a financial holding company, Mr. Salerno has announced that he will stepping down from such board in April 2011. Mr. Salerno also served as a director of Bear Stearns & Co., Inc., a financial services company, between 1993 and 2008 and Consolidated Edison, Inc., an energy company, between 2002 and 2008.

Leveraging his experience as Chief Financial Officer for Verizon and service on other boards of directors, Mr. Salerno brings to our Board a deep understanding of financial markets, financial statements and investments. As Chair of the Audit Committee, he has demonstrated the ability to quickly and concisely understand information about our audited financial statements and disclosure controls and procedures, and he cogently communicates the conclusions he draws to his fellow Board members, our management and our independent auditors. The Board heavily relies on his judgment and operating experience. Mr. Salerno is a particularly valued advisor to management and other directors when we are contemplating strategic initiatives to enable future growth.

A small number of investor advisory groups have commented on the past service of Mr. Salerno on the board of directors of Bear Stearns Companies Inc. We have elected to specifically address that subject in this year s proxy statement. Our Board conducts an annual peer evaluation process; responses to these annual surveys have consistently shown that Mr. Salerno is recognized by his fellow directors as providing the highest levels of financial insight, leadership and business acumen. In addition, our Nominating and Corporate Governance Committee and our Board have specifically discussed and analyzed Mr. Salerno s service to Akamai and discussed with him his service on the Bear Stearns board. Through that process, the Nominating and Corporate Governance Committee expressed its unanimous view, which was then confirmed unanimously by our Board, that Mr. Salerno has acted, and they expect will continue to act, in the best interests of our stockholders. Our board also believes that the risk oversight responsibilities provided by our Board and Audit Committee are well served by Mr. Salerno s extensive operating expertise and contributions. The full Board of Directors unanimously recommended that Mr. Salerno be re-elected in 2011 and serve as our Audit Committee Chair.

Directors Whose Terms Expire in 2012 (Class I Directors)

George H. Conrades, age 72, was named our non-executive Chairman of the Board in July 2011. Previously, Mr. Conrades served as our Chairman and Chief Executive Officer from April 1999 until April 2005 and as our Executive Chairman from April 2005 until July 2011. He has been a director since December 1998. Mr. Conrades has also been a venture partner of Polaris Venture Partners, Inc., an early stage investment company, since August 1998. From August 1997 to July 1998, Mr. Conrades served as Executive Vice President of GTE and President of GTE Internetworking, an integrated telecommunications services firm. Mr. Conrades served as Chief Executive Officer of BBN Corporation, a national Internet services provider and Internet technology research and development company, from January 1994 until its acquisition by GTE Internetworking in July 1997. Prior to joining BBN Corporation, Mr. Conrades was a Senior Vice President at International Business Machines Corporation, or IBM, a developer of computer systems, software, storage systems and microelectronics, and a member of IBM s Corporate Management Board. Mr. Conrades is currently a director of Harley-Davidson, Inc., a motorcycle manufacturer, Oracle Corporation, an enterprise software company, and Ironwood Pharmaceuticals, Inc., a pharmaceuticals company. Mr. Conrades also previously served as director of Cardinal Health, Inc. a provider of services supporting the healthcare industry.

With decades of technology leadership and sales experience, including serving for more than five years as our Chairman and Chief Executive Officer, Mr. Conrades brings vital strategic, operating and leadership expertise to the Board of Directors. In particular, we believe that his unparalleled ability to understand customers and evangelize Akamai s value proposition enables him to provide important insight into our business and market developments. Our Board of Directors relies heavily on these contributions. Mr. Comrades service on other boards of directors has also enabled him to provide keen insight into broader markets and corporate governance trends affecting public companies.

Martin M. Coyne II, age 62, has served as a director of Akamai since November 2001. Mr. Coyne was named our Lead Director in May 2003. Between 1995 and his retirement in July 2003, Mr. Coyne served in a variety of senior management positions at the Eastman Kodak Company, which develops, manufactures and markets imaging products and services. Mr. Coyne most recently served as Group Executive, Photography Group, and Executive Vice President of Eastman Kodak. Mr. Coyne also serves on the boards of directors of two private companies, Urovalve and RockTech. In the past, he has been a director of OpenPages Inc., Avecia Group Ltd and Chairman of the Board of Welch Allyn.

Mr. Coyne s long experience at Eastman Kodak and as a member of boards of directors of numerous other companies has enabled him to provide meaningful advice on operational issues, strategy and CEO succession planning to our management and other members of our Board of Directors as they address considerations for overseeing and guiding a complex and evolving organization. Mr. Coyne has provided keen insight into the oversight of risk management and corporate governance, succession planning and executive development issues, which enhances the ability of the Board to fulfill its fiduciary role. Over the course of his nearly ten years of service on our Board of Directors, including seven as our Lead Director, he has demonstrated invaluable skill in taking a primary role in ensuring strong corporate governance and effective communication among directors and between the Board and senior management.

Jill A. Greenthal, age 54, has served as a director of Akamai since October 2007. Ms. Greenthal has served as a Senior Advisor in the Private Equity Group of The Blackstone Group, a global asset manager and provider of financial services, since September 2007. From 2003 until September 2007, Ms. Greenthal was a Senior Managing Director in Blackstone s Advisory Group. Prior to joining Blackstone in 2003, Ms. Greenthal was Co-Head of the Global Media Investment Banking Group, a Member of the Executive Board of Investment Banking, and Co-Head of the Boston office of Credit Suisse First Boston, an investment bank. Ms. Greenthal currently serves on the board of directors of Orbitz Worldwide, Inc., an online travel agency, Universal Orlando Resort, operator of a destination resort, and The Weather Channel, a privately-held media company. Ms. Greenthal previously served as a director of Martha Stewart Omnimedia, a diversified media and merchandising company, and Houghton Mifflin, a publishing company.

Akamai s management and Board of Directors rely heavily on Ms. Greenthal s rich experience as a leading investment banker and advisor, a role that has given her a deep understanding of capital markets and financial matters. In addition, for nearly a decade, she advised Akamai on financial matters, including debt and equity financing transactions and acquisitions. As a result, Ms. Greenthal can apply her expertise within the context of her unique understanding of Akamai s management, our business model and our financial structure in a way that significantly enhances the Board s ability to perform its oversight role. In addition, Ms. Greenthal has more than 25 years of experience working with Internet and media companies as they have built their business; we believe this experience enables her to provide valuable counsel to both our management and fellow directors.

Geoffrey A. Moore, age 64, has served as a director of Akamai since October 2006. Mr. Moore has been a Managing Director of TCG Advisors LLC, a management consulting firm, since May 2003. Previously, he had been a Managing Director of The Chasm Group, a technology strategy consulting firm that he founded in 1993. Mr. Moore is also a venture partner at Mohr Davidow Ventures, a venture capital firm, serving as an advisor to many of its portfolio companies.

Mr. Moore has decades of experience as a valued and visionary consultant to high technology companies, developing an expertise on strategic innovation, organizational evolution and how different individuals and companies approach it. We believe that his understanding of ways to improve organizational behavior enhances our Board s ability to advise management on pursuit of goals to increase stockholder value. As Chair of our Nominating and Corporate Governance Committee, Mr. Moore applies his judgment and ability to build consensus on ways to maintain the strength of our Board of Directors and ensure that Akamai remains a leader in strong corporate governance.

Directors Whose Terms Expire in 2013 (Class II Directors)

Pamela J. Craig, 54, has been the Chief Financial Officer of Accenture, a global management consulting, technology services and outsourcing organization since October 2006. From March 2004 to October 2006, she was Accenture s senior vice president Finance. Ms. Craig has been with Accenture for 31 years. Ms. Craig previously served as a director of Avanade, a business technology services provider.

We believe that Ms. Craig s significant leadership role at Accenture will provide us with unique insight into how to manage a large, global organization that has grown rapidly. Her understanding of the challenges our current and potential customers face in interacting with customers, suppliers and partners across the world in a rapidly changing technological environment can help us better understand the markets we address. Furthermore, we expect that, in light her role as a chief financial officer, her understanding of complex global business issues and financial and accounting matters will enable her to become an important contributor to our Board, particularly the Audit Committee and its functions.

F. Thomson Leighton, age 54, has served as our Chief Scientist and as a director since August 1998. Dr. Leighton has been a professor of Mathematics at the Massachusetts Institute of Technology since 1982. Dr. Leighton is a former two-term chair of the 2,000-member Association of Computing Machinery Special Interest Group on Algorithms and Complexity Theory, and a former two-term Editor-in-Chief of the Journal of the Association for Computing Machinery, one of the nation s premier journals for computer science research.

Dr. Leighton co-founded Akamai. We believe that his understanding of our technology and how the Internet works is unequaled. He has continually demonstrated his ability to inspire Akamai employees to excellence, convince customers why our services are right for them and drive technological developments. By bringing this expertise and perspective to the Board of Directors, Dr. Leighton is a conduit for crucial information and has frequently helped educate fellow directors about evolving technical and market trends in the industry and ways to position Akamai to address those needs.

Paul Sagan, age 52, became our Chief Executive Officer in April 2005 and served as our President from May 1999 until September 2010. Mr. Sagan became a member of our Board of Directors in January 2005. Mr. Sagan joined Akamai in October 1998 as Vice President and Chief Operating Officer. From July 1997 to August 1998, Mr. Sagan was Senior Advisor to the World Economic Forum, a Geneva, Switzerland-based organization that provides a collaborative framework for leaders to address global issues. Previously, Mr. Sagan held senior executive positions at global media and entertainment companies Time Warner Cable and Time Inc., affiliates of Time Warner, Inc. as well as at CBS, Inc. Mr. Sagan also serves on the Board of Directors of EMC Corporation, a developer and provider of information infrastructure technology and solutions and iRobot, Inc., a provider of robotic technology-based solutions. Mr. Sagan previously was a director of Digitas, Inc., a relationship marketing services firm, from 2006 to 2007 and Dow Jones & Co., a media and information services company, during 2007.

In Mr. Sagan s roles as Chief Operating Officer, President, and Chief Executive Officer, he has overseen every aspect of our operations. We believe that he has an unparalleled understanding of our business, personnel, the markets in which we operate and our customers. Accordingly, he has provided vital information and insight to the Board of Directors on the challenges and opportunities facing the company. In addition, Mr. Sagan s high level of integrity and strong sense of corporate responsibility are key attributes that contribute to the effective functioning of our Board. Mr. Sagan has served and continues to serve on the boards of other public companies, and he brings valuable experience from those directorships to his service on our Board.

Naomi O. Seligman, age 72, has served as a director of Akamai since November 2001. Ms. Seligman has been a senior partner at Ostriker von Simson, a consulting firm focusing on information technology, since June 1999. The partners of Ostriker von Simson chair the CIO Strategy Exchange, which regularly brings together four vital quadrants of the information technology sector: invited chief information officers, or CIOs, from the largest multinational enterprises, premier venture capitalists, CEOs from prominent computer companies, and entrepreneurs leading innovative emerging technology firms. Previously, Ms. Seligman served as a co-founder and senior partner of the Research Board, Inc., a private sector institution sponsored by one hundred CIOs from major corporations. Ms. Seligman also serves on the boards of directors of The Dun & Bradstreet Corporation, a provider of business information services, and Oracle Corporation, an enterprise software company. Ms. Seligman previously served as a director of Sun Microsystems, a provider of network hardware, software and services.

Ms. Seligman s career has led her to advise chief executives and technology leaders at a wide range of the largest enterprises in the United States and abroad. She has been able to impart the insight and understanding gleaned from this experience to our management and Board to enable them to better understand our customers needs, emerging trends in Akamai s markets and efficient ways to pursue our goals. Furthermore, Ms. Seligman s experience, intelligence and willingness to challenge assumptions stimulate productive Board discussions to ensure that there are fulsome and appropriate deliberations.

Board Leadership and Role in Risk Oversight

Chairman of the Board

George Conrades is our Chairman of the Board. In this role, he works with the Lead Director and Chief Executive Officer to prepare Board of Directors meeting agendas, chairs meetings of the Board of Directors and our annual stockholder meetings and informs other directors about the overall progress of Akamai. Mr. Conrades also provides advice and counsel to the Chief Executive Officer and other executive officers, particularly relating to strategy, key customer accounts, market opportunities and leadership development. Mr. Conrades consults in the annual performance evaluation of the Chief Executive Officer.

Lead Director

Martin Coyne is the Lead Director of our Board of Directors. In this role, he presides over meetings of the independent members of our Board of Directors, leads numerous initiatives relating to corporate governance and the effectiveness of the Board of Directors and seeks to ensure effective communication among the committees of the Board of Directors. Mr. Coyne also works with the Chairman of the Board and the Chief Executive Officer to establish the agendas for meetings of the Board of Directors. Mr. Coyne leads discussions on the performance of the Chief Executive Officer and each of our other executive officers and succession planning for executive officers and other key management positions. Mr. Coyne takes the lead role in providing feedback from our annual director peer evaluation process to his fellow Board members.

Roles of Chairman of the Board and CEO

Currently, the roles of Chairman of the Board of Directors and Chief Executive Officer are held by two different individuals. We believe this structure represents an appropriate allocation of roles and responsibilities at this time. With his background as our Chief Executive Officer from 1999 through 2004 combined with his leadership qualities, Mr. Conrades is well-positioned to lead the Board in its fundamental role of providing advice to and oversight of management. Mr. Sagan is then better able to focus on our day-to-day business and strategy, meet with investors and convey the management perspective to other directors. In addition, with Mr. Coyne s position as Lead Director, an independent director is able to play a key role in ensuring Board effectiveness and adherence to good governance principles.

Risk Oversight

Our Board of Directors has an active role in overseeing management of Akamai s risks. The Board and its committees perform this through both formal and informal mechanisms. They review business, regulatory, operational and other risks that are incorporated in operating and strategic presentations that members of management and our advisors make to the Board. In addition, the Board regularly reviews information regarding our liquidity and operations, as well as the risks associated with each. Financial reporting risks are typically addressed in the Audit Committee through internal audits, committee agenda items, ethics and whistleblower updates and other discussions. As an example, the Audit Committee has overseen and reviewed analyses prepared by our internal audit function designed to assess the likelihood that enumerated risks would occur, the harm such risks would create if they occurred and current sufficiency of controls to address the risk. The Compensation Committee, in consultation with our independent executive compensation consultants, reviews Akamai s management of executive compensation and retention risks as part of its annual executive compensation review and individual compensation discussions. The full Board of Directors annually reviews executive succession planning and development. The Nominating and Corporate Governance Committee assists the Board in fulfilling its oversight responsibilities with respect to the management of risks associated with Board organization, membership and structure, succession planning for our directors and executive officers, and corporate governance.

The Board of Directors recently established a Risk Oversight Study Group, comprised of independent members of our Board of Directors, to perform an assessment of the Board s risk oversight processes and focus.

As part of its analysis, members of the study group met with other directors and members of management. Upon completion of the study group s work, the Board of Directors discussed the findings and recommendations and ultimately determined not to establish a standing risk oversight committee. The Board broadly concluded that its existing risk management oversight processes were adequate but agreed to work with management to ensure, among other things, that Board meetings and presentations more explicitly identify material risks and current efforts to mitigate risk. Management, including our internal audit function, continues to evaluate our processes for managing risks associated with our business including new potential risk areas that arise. Such efforts are routinely discussed and reviewed with the Board of Directors.

Board Committees

The Board of Directors has an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. Each committee operates under a charter that has been approved by the Board of Directors. Copies of the charters are posted in the Investor Relations section of our website at *www.akamai.com*. The Board of Directors has determined that all of the members of each of the three standing committees of the Board of Directors are independent as defined under The NASDAQ Stock Market, Inc. Marketplace Rules, or the NASDAQ Rules, including, in the case of all members of the Audit Committee, the independence requirements of Rule 10A-3 under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Membership on each standing committee as of March 1, 2011 is reflected in the chart below.

Committee Membership

	Audit	**Compensation**	**Nominating and Corporate Governance**
George H. Conrades			
Martin M. Coyne II	ü	ü	ü
C. Kim Goodwin	ü	ü	
Jill A. Greenthal	ü		ü
David W. Kenny			
Peter J. Kight		ü*	ü
F. Thomson Leighton			
Geoffrey A. Moore	ü		ü*
Paul Sagan			
Frederic V. Salerno	ü*	ü	
Naomi O. Seligman		ü	ü

* Committee Chair

Pamela Craig joined our Board of Directors on April 1, 2011. She is expected to become a member of the Audit Committee and the Nominating and Corporate Governance Committee. Before being elected our President in September 2010, Mr. Kenny served on the Audit Committee and the Nominating and Corporate Governance Committee.

The Audit Committee assists the Board of Directors in overseeing the financial and accounting reporting processes and audits of our financial statements, which includes reviewing the professional services provided by our independent auditors, the independence of such auditors from our management, our annual financial statements and our system of internal financial and IT controls. The Audit Committee also reviews such other matters with respect to our accounting, auditing and financial reporting practices and procedures as it may find appropriate or may be brought to its attention. The Board of Directors has determined that Mr. Salerno is our designated audit committee financial expert within the meaning of Item 407(d)(5)(ii) under Regulation S-K promulgated by the Commission under the Exchange Act. The Audit Committee held ten meetings in 2010.

The Compensation Committee assists the Board of Directors in discharging its responsibilities relating to the compensation of our executive officers, including determining the compensation of our Chief Executive Officer and other executive officers, administering our bonus, incentive compensation and stock plans, approving stock option and restricted stock unit grants and approving the salaries and other benefits of our executive officers. In addition, the Compensation Committee consults with our management regarding our benefit plans and compensation policies and practices. The Compensation Committee held seven meetings in 2010 and took two actions by unanimous written consent.

The Nominating and Corporate Governance Committee is responsible for, among other things, identifying individuals qualified to become members of our Board of Directors; recommending to the full Board of Directors the persons to be nominated for election as directors and to each of its committees; overseeing self-evaluation of the Board of Directors, including the performance of individual directors; and reviewing and making recommendations to the Board of Directors with respect to corporate governance practices. The Nominating and Corporate Governance Committee held four meetings in 2010.

Meeting Attendance

The Board of Directors held eight meetings during 2010. Each incumbent director attended at least 75% of the total number of meetings of the Board of Directors and each committee on which he or she served during the fiscal year ended December 31, 2010. All directors are expected to attend regular Board of Directors meetings, Board of Directors committee meetings and our annual meeting of stockholders. All directors, other than Ms. Seligman, attended the 2010 Annual Meeting of Stockholders.

Determination of Independence

Under the NASDAQ Rules, a director of Akamai will only qualify as an independent director if, in the opinion of the Board of Directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Board of Directors has determined that, other than Messrs. Conrades, Kenny, Leighton and Sagan, none of our directors has a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each such director is an independent director as defined under Rule 4200(a)(15) of the NASDAQ Rules. We believe that Mr. Conrades will be eligible to be considered an independent director in 2013.

Our independent directors meet separately as part of each Board of Directors meeting and at other times as required. In the independent director sessions, Mr. Coyne and the other independent directors review management performance, assess the focus and content of meetings of the Board of Directors and establish the strategic issues that the Board of Directors believes should be the focus of management s attention to drive short-term and longer-term business success. Mr. Coyne then provides feedback to the Chief Executive Officer and other members of management on their performance and important issues on which the independent members of the Board of Directors believe management should focus.

Director Compensation

The following table sets forth compensation paid in 2010 to our directors for their service as directors, other than Mr. Sagan and Mr. Kenny, the compensation for each of whom is reflected in Executive Compensation Matters below:

Name (a)	Fees Earned or Paid in Cash ($) (b)	Stock Awards ($) (1) (c)	Total ($) (h)
George H. Conrades (2)	41,731	220,005	261,736
Martin M. Coyne II (3)	70,000	220,005	290,005
C. Kim Goodwin (4)	50,000	199,990	249,990
Ronald L. Graham (5)	50,000		50,000
Jill A. Greenthal (6)	50,000	199,990	249,990
Peter J. Kight (7)	55,000	220,005	275,005
F. Thomson Leighton	20,000		20,000
Geoffrey A. Moore (8)	55,000	204,983	259,983
Frederic V. Salerno (9)	55,000	220,005	275,005
Naomi O. Seligman (10)	50,000	199,990	249,990

(1) Consisted of deferred stock unit awards, or DSUs. The amount reflects the grant date fair value, computed in accordance with Financial Accounting Standards Board, or FASB, ASC Topic 718, of DSUs, issued to directors on May 19, 2010.

(2) At December 31, 2010, Mr. Conrades held 8,058 unvested DSUs and vested stock options to purchase 22,340 shares of our common stock. He has also deferred receipt of 13,172 shares of our common stock issuable in respect of vested DSUs until various future dates. Mr. Conrades served as our Executive Chairman through July 2010 and was paid a salary for his service as Chairman through that period. In August 2010, Mr. Conrades became our non-executive Chairman of the Board and will be paid for his service in that role between August 2010 and December 2010 in May 2011.

(3) At December 31, 2010, Mr. Coyne held 8,058 unvested DSUs and vested stock options to purchase 43,500 shares of our common stock. He has also deferred receipt of 54,577 shares of our common stock issuable in respect of vested DSUs until various future dates.

(4) At December 31, 2010, Ms. Goodwin held 7,325 unvested DSUs and vested stock options to purchase 3,125 shares of our common stock. She has also deferred receipt of 6,957 shares of our common stock issuable in respect of vested DSUs until various future dates.

(5) Mr. Graham was a member of our Board of Directors for a portion of 2010 and was compensation for his service over the twelve months preceding his retirement in May 2010.

(6) At December 31, 2010, Ms. Greenthal held 7,325 unvested DSUs and vested stock options to purchase 18,750 shares of our common stock.

(7) At December 31, 2010, Mr. Kight held 8,058 unvested DSUs and vested stock options to purchase 50,000 shares of our common stock. He has also deferred receipt of 28,758 shares of our common stock issuable in respect of vested DSUs until various future dates.

(8) At December 31, 2010, Mr. Moore held 7,508 unvested DSUs and vested stock options to purchase 25,000 shares of our common stock. He has also deferred receipt of 15,229 shares of our common stock issuable in respect of vested DSUs until various future dates.

(9) At December 31, 2010, Mr. Salerno held 8,058 unvested DSUs. He has also deferred receipt of 13,172 shares of our common stock issuable in respect of vested DSUs until various future dates.

(10) At December 31, 2010, Ms. Seligman held 7,325 unvested DSUs and vested stock options to purchase 14,875 shares of our common stock. She has also deferred receipt of 50,564 shares of our common stock issuable in respect of vested DSUs until various future dates.

Under our director compensation plan, the Chairman of the Board of Directors and our non-employee directors are entitled to annual compensation of $250,000, of which $50,000 is paid in cash and $200,000 is paid in DSUs representing the right to receive shares of Akamai common stock. This compensation is generally paid or, in the case of DSUs, issued, on the date of our Annual Meeting of Stockholders, and the number of DSUs issued is based on the fair market value of our common stock on that date. For so long as the person remains a director, DSUs will vest over a two-year period as follows: fifty percent on the first anniversary of the grant date with the remainder vesting in equal quarterly installments over the following twelve months. If a director has completed one year of service on our Board, vesting of 100% of the DSUs held by such director will accelerate at the time of his or her departure from the Board.

In addition, our Chairman of the Board and Lead Director are entitled to $40,000 of additional annual compensation, of which $20,000 is paid in cash and $20,000 is paid in DSUs. Chairs of the Audit Committee and the Compensation Committee are entitled to $25,000 in additional compensation, of which $5,000 is paid in cash and $20,000 is paid in DSUs. The Chair of the Nominating and Corporate Governance Committee is entitled to $10,000 of additional compensation, of which $5,000 is paid in cash and $5,000 is paid in DSUs. Each non-employee director is eligible to receive stock options to purchase shares of common stock with a fair value at the time of grant of $400,000 when he or she joins the Board of Directors. Such stock options vest over a four-year period, with 25% vesting on the first anniversary of the date of grant and the remainder vesting in equal quarterly installments of 6.25%. We also reimburse directors for reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors.

Nominating and Corporate Governance Committee s Process for Reviewing and Considering Director Candidates

The Nominating and Corporate Governance Committee assists the Board of Directors in identifying and attracting individuals qualified to become members of our Board of Directors; develops and recommends to the Board of Directors a set of corporate governance principles applicable to us and oversees the annual self-evaluation of the Board of Directors, including the performance of individual directors. In executing its mission to solicit qualified candidates to become directors of Akamai, the Nominating and Corporate Governance Committee seeks to attract intelligent potential candidates from varied backgrounds who have a strong desire to understand and provide insight about Akamai s business and corporate goals; to understand and contribute to the role of the Board of Directors in representing the interests of stockholders; and to promote good corporate governance and ethical behavior by the members of the Board of Directors and our employees.

Criteria Used to Consider Nominees to the Board of Directors

In assessing whether an individual has these characteristics and whether to recommend any particular candidate for inclusion in the Board of Directors slate of recommended director nominees, the Nominating and Corporate Governance Committee will apply the criteria attached to the Nominating and Corporate Governance Committee s charter. These criteria include:

- integrity, honesty and adherence to high ethical standards
- business and financial acumen
- knowledge of Akamai s business and industry
- experience in business, government and other fields
- diligence
- avoidance of potential conflicts of interest with various constituencies of Akamai
- commitment to dedicate the necessary time and attention to Akamai
- the ability to act in the interests of all stockholders

The Board of Directors particularly values demonstrated leadership experience and skills and reputation for the highest standards of honesty, ethics and integrity. Although the Nominating and Corporate Governance Committee does not assign specific weights to particular criteria, we believe that it is essential that all potential Board members have integrity and honesty, adhere to high ethical standards and possess a commitment to dedicate the necessary time and attention to Akamai and an ability to act in the interests of all stockholders without any potential personal conflict of interest. The Nominating and Corporate Governance Committee and the Board of Directors believe that the backgrounds and qualifications of its directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow the Board of Directors to fulfill its responsibilities.

With respect to considering whether to re-nominate our incumbent directors, the Nominating and Corporate Governance Committee and the full Board of Directors apply the criteria discussed above. The Board may also take into account information available to it about directors professional status and performance on other boards of directors. In addition, each of our directors annually undergoes an evaluation by the other directors, which measures, among other things, the director s contributions to the Board including his/her knowledge, experience, and judgment.

Importance of Diversity

Since adoption in 2003, the Criteria for Nomination as a Director appended to Akamai s Nominating and Corporate Governance Charter have always emphasized the importance of diversity in determining the appropriate composition of our Board of Directors. The Criteria specifically state, The [Nominating and Corporate Governance] Committee shall actively consider nominees who can contribute to the diversity of the Board of Directors in terms of gender, race, ethnicity, professional background. Nominees shall not be discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability or any other basis proscribed by law.

Over the years, we have strived to improve the diversity of our Board to achieve the aspirations articulated in our governance charter. We believe that we have assembled an outstanding set of directors with varied backgrounds, experiences and viewpoints that understand our markets, our customers and our employees. Each director serving on our Board brings a unique perspective to our deliberations and discussions.

To help us maintain the broad diversity we have already achieved and to continually assess the effectiveness of this diversity policy, the Board of Directors conducts an annual self-evaluation and survey. The survey questions include an assessment of whether the composition of the Board is appropriately diverse and possesses the skills, experience and other characteristics consistent with achieving our corporate goals now and in the coming years.

Process for Identifying Candidates to Serve as Directors

To identify and evaluate attractive candidates, the members of the Nominating and Corporate Governance Committee actively solicit recommendations from other members of Akamai s Board of Directors and other professional contacts. As potential candidates emerge, the Nominating and Corporate Governance Committee meets from time to time to evaluate biographical information and background material relating to potential candidates; discusses those individuals with other members of the Board of Directors and Akamai s senior management; and reviews the results of personal interviews and meetings conducted by members of the Board of Directors, senior management and our outside legal and accounting advisors. The Board of Directors encourages the participation of Akamai s senior management in the candidate review process to provide insight, for example, on what additional perspectives and background could help the Board of Directors best provide appropriate guidance to management in dealing with the business risks and opportunities Akamai faces.

Stockholders may recommend individuals to the Nominating and Corporate Governance Committee for consideration as potential director candidates by submitting their names, together with appropriate biographical information and background materials and a statement as to whether the stockholder or group of stockholders making the recommendation has beneficially owned more than 5% of our common stock for at least a year as of the date such recommendation is made, to Nominating and Corporate Governance Committee, c/o Corporate Secretary, Akamai Technologies, Inc., 8 Cambridge Center, Cambridge, Massachusetts 02142. Assuming that appropriate biographical and background material has been provided on a timely basis, the Nominating and Corporate Governance Committee will evaluate stockholder-recommended candidates by following substantially the same process, and applying substantially the same criteria, as it follows for candidates submitted by others.

Stockholders also have the right under Akamai s bylaws to directly nominate director candidates, without any action or recommendation on the part of the Nominating and Corporate Governance Committee or the Board of Directors by following the procedures set forth in our bylaws and described under Deadline for Submission of Stockholder Proposals for the 2011 Annual Meeting below.

The Board of Directors will give appropriate attention to written communications that are submitted by stockholders and will respond if and as appropriate. The Lead Director, with the assistance of our General Counsel, is primarily responsible for monitoring communications from stockholders and for providing copies or summaries to the other directors as he or she considers appropriate. Communications are forwarded to all directors if they relate to important substantive matters and include suggestions or comments that the Lead Director considers to be important for the Board of Directors to know. In general, communications relating to corporate governance and corporate strategy are more likely to be forwarded than communications relating to ordinary business affairs, personal grievances and matters as to which Akamai tends to receive repetitive or duplicative communications.

Stockholders who wish to send communications on any topic to the Board of Directors should address such communications to Board of Directors c/o Corporate Secretary, Akamai Technologies, Inc., 8 Cambridge Center, Cambridge, Massachusetts 02142.

Compensation Committee Interlocks and Insider Participation

Messrs. Coyne, Kight and Salerno and Mses. Goodwin and Seligman were members of the Compensation Committee throughout 2010. No member of the Compensation Committee was at any time during 2010, or formerly, an officer or employee of Akamai or of any of our subsidiaries, and no member of the Compensation Committee had any relationship with us requiring disclosure under Item 404 of Regulation S-K under the Exchange Act.

None of our executive officers served as a director or member of the compensation committee (or other committee serving an equivalent function) of any other entity, one of whose executive officers served as a director or member of the Compensation Committee at any time during 2010.

Report of the Audit Committee

The Audit Committee of our Board of Directors has furnished the following report on the Audit Committee s review of our audited financial statements:

The Audit Committee of Akamai s Board of Directors is responsible for, among other things, monitoring the integrity of Akamai s consolidated financial statements, their compliance with legal and regulatory requirements, Akamai s system of internal controls and the qualifications (including oversight of our internal audit function, which reports directly to the Audit Committee), independence and performance of our internal and independent auditors. The Audit Committee has the authority and responsibility to select, evaluate and, when appropriate, replace Akamai s independent auditors. We act under a written charter that was first adopted and approved by the

Audit Committee and the Board of Directors in May 2000. The charter was amended and restated in March 2004 and most recently revised in 2006. The members of the Audit Committee are independent directors as defined by the Audit Committee charter and the NASDAQ Rules.

Akamai s management is responsible for the financial reporting process, including Akamai s system of internal controls, and for the preparation of consolidated financial statements in accordance with generally accepted accounting principles. PricewaterhouseCoopers LLP, or PwC, Akamai s independent auditors, is responsible for auditing those financial statements and expressing an opinion as to their conformity with generally accepted accounting principles. The Audit Committee s responsibility is to oversee and review these processes. The members of the Audit Committee are not, however, professionally engaged in the practice of accounting or auditing and do not provide any expert or other special assurance as to the financial statements concerning compliance with laws, regulations or generally accepted accounting principles or as to auditor independence. The Audit Committee relies, without independent verification, on the information provided to it and on the representations made by management and the independent auditors.

Our Director of Internal Audit reports directly to the Audit Committee. The Internal Audit function annually conducts a series of audits to test and verify Akamai s internal financial and IT controls. This annual internal audit plan is reviewed and approved by the Audit Committee. Individual audit reports are reviewed at each Audit Committee meeting and any deficiencies are reviewed with management.

We reviewed Akamai s audited consolidated financial statements that were included in Akamai s Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as filed with the Commission, which we refer to herein as the Financial Statements. We reviewed and discussed the Financial Statements with Akamai s management and PwC. PwC has represented to the Audit Committee that, in its opinion, Akamai s audited consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States. We discussed with PwC the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees), as amended, as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

We also discussed with PwC its independence from Akamai and considered whether PwC s rendering of certain services to Akamai, other than services rendered in connection with the audit or review of the Financial Statements, is compatible with maintaining PwC s independence. See Ratification of Selection of Independent Auditors included elsewhere in this Proxy Statement. In connection with these matters, Akamai received the written disclosures and letter from PwC required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditor s communications with the Audit Committee concerning independence.

Based on our review of the Financial Statements and reports to us and our participation in the meetings and discussions described above, and subject to the limitations on our role and responsibilities referred to above and in the Audit Committee charter, we recommended to the Board of Directors that the Financial Statements be included in Akamai s Annual Report on Form 10-K for the year ended December 31, 2010 as filed with the Commission.

We have also appointed PwC to act as Akamai s independent auditors for 2011.

Audit Committee

Frederic V. Salerno Chair

Martin M. Coyne II

C. Kim Goodwin

Jill A. Greenthal

Geoffrey A. Moore

Certain Relationships and Related Party Transactions; Code of Ethics; Interest in Annual Meeting Matters

Akamai did not enter into any third-party transactions of the type required to be disclosed under Item 404 of Regulation S-K.

Under our written Code of Business Conduct and Ethics, our employees and members of our Board of Directors are prohibited from entering into any business, financial, or other relationship with our existing or potential customers, competitors, or suppliers that might impair, or appear to impair, the exercise of his or her judgment for Akamai. Such relationships include situations involving Akamai entering into a business transaction with an executive officer or director, a family member of an executive officer or director, or a business in which such a person has any significant role or interest. Our executive officers and directors are obligated under the Code of Business Conduct and Ethics to disclose any existing or proposed transaction or relationship that reasonably could be expected to give rise to a conflict of interest to our Legal Department. The Legal Department then makes a determination, with such assistance as it deems appropriate, whether the transaction or relationship is in Akamai s best interests and, if such transaction or relationship is entered into, the conditions under which it may proceed.

No person who served as a director or executive officer of Akamai during the year ended December 31, 2010 has a substantial interest, direct or indirect, in any matter to be acted upon at the Annual Meeting. Each executive officer serves at the discretion of our Board of Directors and holds office until his or her successor is elected and qualified or until his or her earlier resignation or removal. There are no family relationships among any of our directors or executive officers.

PART FOUR

EXECUTIVE COMPENSATION MATTERS

Our Named Executive Officers

In addition to Messrs. Sagan and Kenny, who serve on our Board of Directors, the following persons, to whom we may refer to collectively with Messrs. Sagan and Kenny as our Named Executive Officers, served as Akamai executive officers in 2010:

Melanie Haratunian, age 51, joined Akamai in September 2003 as our Vice President, General Counsel and Corporate Secretary. She was named a Senior Vice President in 2008. Prior to joining Akamai, Ms. Haratunian was Vice President and Deputy General Counsel of Allegiance Telecom Company Worldwide, the operating company of Allegiance Telecom, Inc., a competitive local, long distance and data telecommunications carrier.

Robert Hughes, age 43, joined Akamai in 1999 and was named Executive Vice President, Global Sales, Services and Marketing in January 2006. From July 2004 through December 2005, Mr. Hughes was Executive Vice President, Global Sales and Services. Between 1999 and July 2004, Mr. Hughes held a variety of sales leadership positions at Akamai.

J. Donald Sherman, age 45, joined Akamai in November 2005 as Senior Vice President and CFO-Elect and became our Chief Financial Officer in March 2006. Prior to joining Akamai, Mr. Sherman was employed by IBM from July 1990 until October 2005 in a variety of financial roles. Mr. Sherman is a member of the Board of Directors of Cypress Semiconductor Corporation, an electronics manufacturer.

Compensation Committee Report

The Compensation Committee of our Board of Directors:

(1) has reviewed and discussed the Compensation Discussion and Analysis included in this Proxy Statement as required by Item 402(b) of Regulation S-K with management; and

(2) based on the review and discussion referred to in paragraph (1) above, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement for the 2011 Annual Meeting of Stockholders.

The Compensation Committee

Peter J. Kight Chair

Martin M. Coyne II

C. Kim Goodwin

Frederic V. Salerno

Naomi O. Seligman

Compensation Discussion and Analysis (CD&A)

The following discussion and analysis of Akamai s executive compensation objectives, policies and practices is designed to provide an overview of the material elements of our compensation structure.

Executive Summary

The objective of our executive compensation program is to attract, retain and reward talented and hard-working individuals in a highly competitive business environment. Our annual and long-term incentive compensation strategy is performance-oriented and is designed to link our strategic business objectives, specific financial performance objectives and the enhancement of stockholder returns with the compensation of our executives, including our Named Executive Officers. Our strategy is reflected in three key types of compensation: base salary, cash incentive bonuses and long-term equity-based incentives.

The following charts illustrate the allocation of total executive compensation in 2010 across the various elements of our executive compensation program for our Named Executives Officers (other than Mr. Kenny who joined us in September 2010):

In the CD&A section that follows we discuss and analyze the following aspects of our compensation practices and policies:

- *Why We Pay What We Do* the principles that guide our overall approach to setting compensation levels and how we seek to implement those objectives
- *Our Program Design* a detailed description of the elements of our executive compensation program
- *The Process* a discussion of the roles played by the Compensation Committee of our Board, our independent compensation consultants and our Chief Executive Officer
- *Severance and Other Benefits* an overview of additional programs in which our executives participate
- *Compensation Policies and Practices Relating to Risk Management* the factors that mitigate any components of our compensation programs that would encourage excessive risk taking

Our 2010 compensation tables follow this CD&A.

Why We Pay What We Do

Our executive compensation determinations are designed to meet key objectives, including:

- Attracting and retaining highly qualified individuals who can drive success in today s competitive marketplace;
- Ensuring that the interests of Akamai s leaders are closely aligned with those of our investors by balancing rewards for both short-term results and the long term strategic decisions needed to ensure sustained business performance over time;
- Motivating our leaders to deliver a high degree of business performance without encouraging excessive risk taking; and
- Encouraging and rewarding individual excellence.

Setting Competitive Target Compensation to Attract and Retain Skilled Executives. We believe maintaining compensation that is competitive with similar companies in relevant markets is a key factor for both retention of key executives and attracting high-quality candidates for future openings. In setting 2010 compensation, we reviewed information provided by our independent compensation consultants, Buck Consultants, for a peer group consisting of the following companies: Autodesk, BMC Software, Citrix Systems, Compuware, Digital River, Equinix, F5 Networks, GSI Commerce, McAfee, Novell, Nuance Communications, Parametric Technology, Progress Software, Quest Software, Rackspace Hosting, Red Hat, Salesforce.com, Sybase, Tibco Software, ValueClick, VeriSign and VMware. In doing our assessment, we focused on base salary, target bonus cash compensation and equity compensation. The same peer group was used to benchmark all elements of compensation. Following a comparison of prior year compensation against data collected for the peer group, we sought to establish aggregate 2010 compensation for our Named Executive Officers at between the 50^{th} and 75^{th} percentile levels for the peer group.

We consider total direct compensation to consist of base salary, target cash bonus for individual performance and the present value of long-term incentives. The table below reflects the relative competitive placement against the peer group for cash compensation, long-term incentive compensation and total direct compensation set for our Named Executive Officers as calculated and reported to us by Buck Consultants.

Named Executive Officer	Competitive Placement of Total Direct Executive Compensation on a Percentage Quartile Basis (median is 50)	
	2009 Actual	**2010 Estimated ***
Mr. Sagan	50th	25th 50th
Ms. Haratunian	50th	50th
Mr. Hughes	75th	50th 75th
Mr. Sherman	75th	50th 75th
Mr. Kenny**	N/A	N/A

* Reflects the Akamai executive s target compensation for 2010 as compared to estimated 2010 compensation for comparable executives at companies in the peer group.

** Mr. Kenny joined Akamai as our President in September 2010; accordingly, there is no meaningful data available about the competitive placement of his direct compensation in 2010.

In 2010, Mr. Sagan s base salary was considerably below median for his peers; however, his target cash bonus was considerably greater than the median, resulting in a target total cash compensation for 2010 at median. The estimated value of Mr. Sagan s 2010 long-term equity incentive awards was considerably lower than for CEO s in the relevant peer group, causing his targeted total direct compensation to be lower than the estimated total direct 2010 compensation for his peers.

Aligning Compensation with Long- and Short-Term Corporate Goals. A second significant factor underlying the approach to our executive compensation program is our goal of aligning our strategic corporate interests directly with our executives compensation incentives. We believe that this linkage is important for the success of the company and benefits our stockholders. Prior to each fiscal year, our executive management team establishes financial and strategic goals for the company. These goals are then reflected in our executives compensation arrangements, particularly cash bonuses and long-term incentive compensation. There are two types of goals: corporate performance goals, which are tied to defined revenue and earnings per share metrics at the corporate level, and personal or departmental performance goals. See Our Program Design Elements of Compensation below for a discussion of the specific corporate financial targets.

With respect to individual objectives designed to further corporate objectives, the following is an overview of the types of personal or departmental goals applicable to our individual Named Executive Officers for 2010:

- Mr. Sagan s goals included hiring a new president and developing an on-boarding plan for him/her; steering the company through a period of continued macroeconomic and market uncertainty, with an emphasis on meeting Akamai s 2010 financial goals while not compromising long-term viability and shareholder value; ensuring that Akamai has the appropriate processes and structures to enable the company to grow successfully beyond the $1 billion revenue mark; and maintaining our high-integrity company culture.

- Ms. Haratunian s goals included objectives related to patent filings, litigation matters, providing legal support in connection with securing liquidity solutions for our auction rate securities holdings and enhancing our regulatory strategy.

- Mr. Hughes s goals included implementing a framework to enable increased sales of our services outside the United States, generating increased sales and market understanding of our HD video offerings and improving our business analysis processes in support of growing successfully beyond the $1 billion revenue mark.

Mr. Sherman s goals included establishing new processes to minimize revenue deferrals, enhancing coordination between the corporate development and operational teams, and improving our forecasting models.

Mr. Kenny joined Akamai as our President on September 7, 2010. He did not have specific objectives related to his bonus payout. His bonus was tied to Akamai s achievement of its revenue and normalized earnings per share targets discussed below.

In establishing annual performance targets, including those described above, we put in place objectives that we believe represent challenging but realistically achievable goals designed to advance Akamai s short- and long-term strategic interests. The goals are revised or supplemented every year and are intended to be difficult enough that there is not an automatic expectation of achievement. We believe that accomplishing the targets requires significant individual effort that draws upon the particular leadership attributes necessary to excel in the applicable roles. The Compensation Committee and our Chief Executive Officer carefully evaluate achievement against targets.

Motivating our leaders to deliver a high degree of business performance without encouraging excessive risk taking. More than fifty percent of our executives target compensation is tied to performance metrics either corporate financial results or individual goals. The Compensation Committee, working in close conjunction with the full Board review of management s annual budget and planning processes, carefully sets the financial targets to ensure that they reflect realistically achievable goals based on the information available to management and the Board at that time. We also cap the amounts payable under our cash incentive plan. The intention is to tie these goals and plans to our long-term financial model and discourage excessive risk taking that would create outsized benefits or expose our business to unnecessary risks. In addition, in 2011, we implemented stock ownership guidelines for our senior executives and directors. These guidelines are designed to enhance the alignment between the long-term interests of our investors and those of our decision-making executives. See also Compensation Policies and Practices Relating to Risk Management below for further discussion about how we believe our compensation structure mitigates incentives to engage in risky behavior.

Encouraging and Rewarding Individual Excellence. In addition to considering external compensation data and corporate financial targets, we base our executive compensation decisions on a detailed review of additional factors including:

- the individual s past, present and expected contributions to Akamai s success
- any significant changes in the individual s role or responsibilities
- the relative compensation of different executives
- the long-term value of the executive

The Compensation Committee and our Chief Executive Officer make judgments about how valuable an executive is considered to be to our corporate success. Typically, these judgments involve qualitative, rather than quantitative, evaluations. In considering these qualitative factors, the Compensation Committee engages in a review and analysis of each Named Executive Officer s past performance and expectations about future performance. This analysis includes discussion with Mr. Sagan of performance reviews, self-assessments and contact with the Named Executive Officers throughout the year. These assessments are primarily reflected in base salaries; an approach that motivates our leaders to deliver a high degree of business performance, recognizes past performance and sets expectations about future contributions.

In sum, we believe that it is important to reward excellence, leadership and outstanding long-term company performance through compensation arrangements designed to retain and motivate executives while aligning their incentives with continued high levels of performance.

Our Program Design Elements of Compensation

The compensation of our executive officers consists of three principal components: base salary, cash incentive bonuses and long-term equity-related incentives. We do not adopt express formulae for weighting different elements of compensation or for allocating between long-term and short-term compensation but strive to develop comprehensive packages that are competitive with those offered by other companies with which we compete to attract and retain talented executives and that are designed to enable us to achieve the variety of policies embodied in our approach to paying our executives.

In the chart below, we provide an overview of each material element of compensation, including a short note on how each such element is tied to our compensation goals. Further analysis and discussion of each element and its importance follows the chart.

Element of Compensation	**Description**	**Linkage to Compensation Objective**
Base Salary	Salary is a market-competitive, fixed level of compensation	Attract and retain highly qualified leaders Motivate high business performance
Cash Incentive Bonuses	One-time cash payment tied to achievement of individual and corporate revenue and earnings per share goals	Attract and retain highly qualified leaders Motivate high business performance Align interests with short-term strategic goals
Stock Options	Vest over a four-year period; exercise price set at fair market value on date of grant	Align executive and long-term stockholder interests Motivate high performance without excess risk taking
RSUs with Annual Performance Targets	Vest in equal 33% installments over a three-year period only if we achieve corporate revenue and earnings per share goals; goals established annually	Align executive and stockholder interests Align interests with shorter-term strategic goals
RSUs with Three-Year Performance Targets	Vest in one installment at the end of three years if we achieve cumulative corporate revenue and earnings per share goals over a three-year period; cumulative goals established in year of grant	Align executive and long-term stockholder interests Align interests with long-term strategic goals

Base Salary. We determine base salaries for our executives annually based on the scope of their responsibilities, taking into account the practices of companies in our peer group as well as other technology companies, the executives prior background, training and experience, the ability to replace the individual and, in certain instances, the base salary of the individual at his or her prior employment. We also review the skills and performance level of the individual executive relative to targeted performance criteria for the prior year and actual corporate performance in prior periods. The base salary of an executive officer is also evaluated together with the other components of his or her compensation to ensure that the executive s total compensation is in line with our overall compensation philosophy.

Our goal is to pay each executive a base salary that is competitive with the base salaries of companies in our peer group or competitive with other companies with which we compete to attract and retain executives so that we can maintain a stable management team. Base salaries are reviewed at least annually by the Compensation Committee and are adjusted from time to time after taking into consideration individual responsibilities, performance and experience.

Cash Incentive Bonuses. Akamai s executives are eligible to receive cash incentive bonuses. Cash incentive bonuses are designed to attract, retain and motivate executives with rewards that are based on the achievement of company-specific performance measures and objectives that are based on personal or departmental metrics that tie the executive s contributions to the overall success and achievements of Akamai and its management team. As discussed below, corporate financial performance is the primary determinant of the amount of these cash incentive bonuses. Accordingly, the percentage bonus for which an executive is eligible is tied to the Compensation Committee s assessment of the Named Executive Officer s role in our achievement of those objectives. For example, Mr. Sagan, as our Chief Executive Officer, and Mr. Hughes, who leads our sales and marketing organizations, are eligible for the largest bonuses, as a percentage of their base salaries, because their roles are more integral to whether we meet our annual financial goals. Each Named Executive Officer s bonus eligibility is also reflective of how companies in our peer group structure their compensation arrangements for different executive officers.

In 2010, each of Akamai s Named Executive Officers participated in a cash incentive bonus program. Except for Mr. Kenny, each Named Executive Officer s bonus under the plan was weighted as follows: 80% based on Akamai s achievement of revenue and normalized earnings per share targets for fiscal year 2010 and 20% based on achievement of the individual or departmental performance goals discussed above. Mr. Kenny s bonus was tied 100% to Akamai s corporate financial targets. Under the program, Akamai s target revenue for 2010 was $965 million, and our target normalized earnings per share for 2010 was $1.27. In determining normalized earnings per share, we calculate normalized net income as net income calculated in accordance with accounting principles generally accepted in the United States, excluding items related to: excluding amortization of intangible assets, equity-related compensation, restructuring charges and benefits, certain gains and losses on equity investments, loss on early extinguishment of debt, and similar non-cash items. Normalized net income is then divided by the number of shares of common stock, determined on a diluted basis that takes into account securities convertible into shares of our common stock, for the applicable annual period to calculate normalized earnings per share. We consider normalized earnings per share to be an important indicator of our overall performance because it eliminates the effects of events that are either not part of our core operations or are non-cash.

Target metrics are subject to adjustment to reflect acquisitions and similar events. Each financial performance metric was weighted equally to establish an aggregate corporate performance target. The following schedule of payments applied:

Performance Against Target	**Amount of Payment**
92% of target	50% of corporate financial component of bonus
100% of target	100% of corporate financial component of bonus
108% or greater of target	200% of corporate financial component of bonus

The terms of the bonus plans provided that no payments in respect of the financial metrics components would be made if performance was below 92% of target; in addition, the maximum payout was capped 200% of the corporate financial component. The plans also provided for a pro rata adjustment to the payment amount if actual performance against targets was between the percentage levels set forth above.

Akamai s revenue for 2010 was $1.024 billion, and we had normalized earnings per share, calculated in accordance with the provisions of the cash incentive bonus plan as described above, of $1.43. Such performance was at the 195% level of target metrics set forth in the cash incentive plans. After applying such amounts to the formula in each cash incentive plan as well as the assessment by Mr. Sagan and the Compensation Committee, as applicable, of each executive s performance against his or her individual performance goals described in *Aligning Compensation with Long- and Short-Term Corporate Goals* above, the 2010 cash incentive bonuses were paid as follows:

Name	2010 Base Salary Earnings ($)	Target Cash Bonus (as a percentage of Base Salary)	2010 Cash Bonus Amount ($)	Actual Bonus Earned (as a percentage of Base Salary)
Mr. Sagan	598,846	125%	1,375,430	230%
Ms. Haratunian	333,400	50%	270,622	81%
Mr. Hughes	425,726	125%	939,300	221%
Mr. Sherman	425,726	75%	561,958	132%
Mr. Kenny	167,115	125%	208,894	125%

As a result of our superior financial performance in 2010, cash bonuses earned in 2010 were considerably above the target amounts for our Named Executive Officers, other than Mr. Kenny whose bonus amount was fixed in his offer letter agreement.

Long-Term Equity Incentives. We believe that stock options and restricted stock units are excellent long-term incentives for executives that align executive and stockholder interests and assist in retention of those executives. Long-term incentive compensation represented greater than 50% of the value of total direct compensation in 2010 for all of our Named Executive Officers other than Ms. Haratunian.

In January 2010, our Compensation Committee approved the grant to Named Executive Officers (other than Mr. Kenny) of three types of equity-based long-term incentive awards under the Akamai Technologies, Inc. 2009 Stock Incentive Plan, which we refer to herein as the 2009 Stock Incentive Plan: (i) restricted stock units, or RSUs, that vest only to the extent we meet specified annual corporate-performance targets, which we refer to herein as Base RSUs; (ii) RSUs that vest only to the extent we achieve certain three-year cumulative corporate performance goals, which we refer to herein as Performance-Based RSUs; and (iii) options to purchase shares of our common stock.

The determination to issue both stock options and RSUs reflects our belief that the two types of equity awards, while both linking executive compensation to corporate performance, address different compensation goals. Like many technology companies, our common stock price is highly volatile, which creates uncertainty about the value of certain equity awards. RSUs represent a means of providing equity-related value even if the stock price fluctuates. A stock option, however, is an instrument more directly tied to stock market risk. Accordingly, the stock options we issue are more closely aligned with stock appreciation and have no value if the market price of our common stock during the period in which the option may be exercised is lower than the market price of our common stock on the date of grant.

The Compensation Committee approved the issuance of stock options to our executives on January 19, 2010; however, the options were not issued until the second business day following our fiscal year 2010 earnings release. It is our practice to delay the issuance and pricing of annual executive stock option grants until news of the prior year s financial results has been broadly disseminated. The stock options granted to Named Executive

Officers in 2010 have an exercise price of $25.32 per share. The stock options vest in accordance with the following schedule: 25% vest on the first anniversary of the date of grant and the remaining 75% vest in equal quarterly installments of 6.25% thereafter. We believe the vesting of stock options over time encourages executive retention.

Each Akamai RSU represents the right to receive one share of Akamai common stock upon vesting. Base RSUs granted in 2010 vest in three equal annual installments in 2011, 2012 and 2013 in the event that the company achieved certain revenue and normalized earnings per share targets during the prior year or years and based on continued employment at the time of vesting. See Cash Incentive Bonuses above for a description of our calculation of normalized earnings per share. One-third of the Base RSUs granted in 2010 vested in February 2011 because we met the 2010 revenue target of $900 million and normalized earnings per share of $1.17.

Performance-Based RSUs granted in 2010 will only vest to the extent that Akamai meets or exceeds specified cumulative revenue and earnings per share targets for fiscal years 2010, 2011 and 2012. The financial targets for vesting of the Performance-Based RSUs were set by the Compensation Committee as a result of discussions with management about Akamai s projected financial performance in future years in light of market factors known to them at the time of setting such goals. Based on our financial performance through December 31, 2010 and our projections with respect to our financial performance for 2011 and 2012, we currently believe that 100% of the Performance-Based RSUs issued in 2010 will vest in 2013. For a discussion of factors that may affect our ability to meet these goals, see Risk Factors set forth in Item 1A of our annual report of Form 10-K for the year ended December 31, 2010, which is being mailed to you with this Proxy Statement.

Establishing the Compensation for Mr. Kenny

Mr. Kenny became Akamai s President on September 7, 2010. Mr. Kenny s compensation was established by the Compensation Committee in consultation with Mr. Kenny and Buck Consultants. The Compensation Committee took into account a number of factors in establishing the amount and mix of compensation granted to Mr. Kenny but did not assign specific weights to any of them. Such factors included Mr. Kenny s experience and potential contributions to Akamai, peer group data on senior executive compensation, other data provided by Buck Consultants on amounts payable to individuals at the president (but not CEO) level at other public companies, insight into broader market trends observed by Buck Consultants and members of our Human Resources personnel; compensation paid to other executives including Mr. Sagan. The Compensation Committee also determined that it was appropriate to align Mr. Kenny s severance and change in control benefits with those in place for Mr. Sagan.

Looking ahead to 2011. In an effort to simplify our long-term equity incentive program and to more closely align the interests of our executives and our stockholders, the Compensation Committee approved a revised structure to our RSU award program for executives for 2011. The primary change involves tying a much higher percentage of overall compensation to three-year Performance-Based RSUs, while offsetting some of the potential downside risk associated with those awards by introducing RSUs without performance conditions.

More specifically, Base RSUs granted to executives in January 2011 are designed to vest in 33% annual installments on the first, second and third anniversaries of the date of grant; there are no corporate performance-based vesting requirements. Each executive was also granted three-year Performance-Based RSUs that are the same in all material respects as those ones granted in 2010 and tie vesting to our cumulative revenue and earnings per share targets for fiscal years 2011, 2012 and 2013. Importantly, however, these Performance-Based RSUs represent a significantly larger percentage of targeted long-term equity incentive compensation than in 2010 or prior years. Although we have eliminated the performance-based vesting requirements for Base RSUs, those same metrics will continue to be the centerpiece of our annual cash incentive bonus program. This simplification and elimination of redundancy is expected to make our overall 2011 executive compensation program more streamlined and explainable to executives and investors.

The Process

The process used by the Compensation Committee, working independently