

GameStop Corp.  
Form DEF 14A  
May 09, 2014

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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  
(Amendment No. )

Filed by the Registrant  Filed by a Party other than the Registrant

Check the appropriate box:

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

GameStop Corp.  
(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):

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  - (4) Date Filed:
- 
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625 Westport Parkway  
Grapevine, Texas 76051

May 9, 2014

Dear Stockholder:

You are cordially invited to attend the 2014 Annual Meeting of Stockholders of GameStop Corp. The meeting will be held at 1:00 p.m., Central Daylight Time, on Tuesday, June 24, 2014 at the Hilton Southlake Town Square, 1400 Plaza Place, Southlake, Texas 76092.

Information about the meeting, including the matters on which the stockholders will act, is included in the Notice of Annual Meeting of Stockholders and Proxy Statement which follow.

Your vote is important to us. Whether or not you plan to attend the Annual Meeting, please vote your shares electronically via the Internet, by telephone or, if you receive a paper copy of the proxy materials, by signing, dating and completing the accompanying proxy card in the enclosed postage-paid envelope. Voting electronically via the Internet, by telephone, or by returning your proxy card in advance of the Annual Meeting does not deprive you of your right to attend the Annual Meeting. If you attend the Annual Meeting, you may vote your shares in person, even if you have previously submitted a proxy in writing, by telephone or via the Internet. Our Proxy Statement includes additional instructions on voting procedures, including for stockholders whose shares are held by a brokerage firm or other custodian.

Thank you for your continued interest in GameStop Corp.

Sincerely,

Daniel A. DeMatteo  
Executive Chairman

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625 Westport Parkway  
Grapevine, Texas 76051

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TIME 1:00 p.m. Central Daylight Time, on Tuesday, June 24, 2014

PLACE Hilton Southlake Town Square  
1400 Plaza Place  
Southlake, Texas 76092

MEETING FORMAT The Annual Meeting will include prepared remarks, followed by a live, interactive question and answer session with senior executives.

ITEMS OF BUSINESS (1) To elect three Directors named in the Proxy Statement, each to serve for one year.

(2) To provide an advisory, non-binding vote on our executive compensation.

(3) To ratify the Audit Committee's appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending January 31, 2015.

We will also transact such other business as may properly come before the Annual Meeting and at any adjournment or postponement of the Meeting. Our Proxy Statement provides information that you should consider when you vote your shares.

RECORD DATE You may vote if you are a stockholder of record at the close of business on May 2, 2014.

ANNUAL REPORT Our 2013 Annual Report, which is not part of the proxy soliciting materials, is enclosed.

Instead of receiving paper copies of future annual reports and proxy statements in the mail, you can elect to receive an e-mail that will provide an electronic link to these documents. Choosing to receive your proxy materials online will save us the cost of producing and mailing documents to you. With electronic delivery, we will notify you by e-mail as soon as the annual report and proxy statement are available on the Internet, and you can easily submit your votes online. If you are a stockholder of record and wish to view the proxy statement and annual report electronically, please visit [www.proxydocs.com/GME](http://www.proxydocs.com/GME). You may submit your votes online at [www.proxypush.com/GME](http://www.proxypush.com/GME).

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on June 24, 2014

The Proxy Statement, form of proxy and 2013 Annual Report are available at <http://investor.gamestop.com>.

Except as otherwise stated, information on our website is not a part of this Proxy Statement.

GameStop Corp.  
625 Westport Parkway  
Grapevine, Texas 76051

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON JUNE 24, 2014  
INTRODUCTION

**Proposals:** At the Annual Meeting to be held on June 24, 2014 (the "Meeting"), our stockholders will be asked to: (1) elect three nominees to our Board of Directors ("Board"), each to serve for one-year terms; (2) provide an advisory, non-binding vote on our executive compensation; and (3) ratify the Audit Committee's appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending January 31, 2015. We will also transact such other business as may properly come before the Meeting and at any adjournment or postponement of the Meeting.

**Voting of Proxies:** On or about May 9, 2014, we mailed a Notice of Internet Availability of Proxy Statement to our stockholders, containing instructions on how to access proxy materials on the Internet and how to request hard copies of the proxy materials. This Proxy Statement and form of proxy are first being furnished to stockholders on or about May 20, 2014 in connection with the solicitation by our Board of Directors of proxies for use at the Annual Meeting. Any proxy given pursuant to such solicitation and received in time for the Meeting will be voted as specified in such proxy. If no instructions are given, properly completed proxies will be voted FOR the election of the nominees listed below under the caption "Proposal 1 - Information Concerning the Directors and Nominees - Nominees for Election as Director," FOR the approval, by non-binding vote, of our executive compensation as disclosed in these materials, and FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending January 31, 2015 ("fiscal 2014"). Our Board knows of no other business that will be presented for consideration at the Meeting. If any other matter should be properly presented at the Meeting or any adjournment or postponement of the Meeting for action by the stockholders, the persons named in the form of proxy will vote the proxy in their discretion with respect to any such matters. Any proxy may be revoked by written notice of revocation received by the Secretary of the Company at any time prior to the voting thereof or by submitting a subsequent proxy or by attending the Meeting and voting in person.

**Shares Entitled to Vote; Quorum:** Only holders of record of our Class A Common Stock, par value \$.001 per share, or Common Stock, as of the close of business on May 2, 2014 are entitled to notice of and to vote at the Meeting. The Common Stock constitutes our only class of common stock. As of the record date, 114,592,476 shares of Common Stock were outstanding. Each share of Common Stock is entitled to one vote on each matter properly brought before the Meeting. The presence of a majority by vote of the outstanding shares of the Common Stock represented in person or by proxy at the Meeting will constitute a quorum. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum.

**Election of Directors:** Nominees for Director shall be elected by a majority of the votes cast in person or by proxy in uncontested elections, such as the election of the nominees at the Annual Meeting. This means that the number of votes cast "for" a nominee must exceed the number of votes cast "against" that nominee. Elected Directors will serve until the 2015 annual meeting of stockholders and until their respective successors are duly elected and qualified.

Abstentions and broker non-votes are not counted as votes "for" or "against" a nominee and will have no effect on the outcome of the vote. Any nominee who does not receive a majority of votes cast "for" his or her election will be required to tender his or her resignation promptly following the failure to receive the required vote. Within 90 days of the certification of the shareholder vote, the Nominating and Corporate Governance Committee will then be required to make a recommendation to the Board as to whether the Board should accept the resignation, and the Board will be required to decide whether to accept the resignation and to disclose its decision-making process. In a contested election, the required vote would be a plurality of votes cast.

**Advisory Approval of Executive Compensation:** The proposal to approve our executive compensation requires the affirmative vote of a majority of the votes cast on the proposal in person or by proxy at the Meeting. Abstentions and broker non-votes are not counted as votes "for" or "against" this proposal. As an advisory vote, the proposal to approve our executive compensation is not binding upon us. However, the Compensation Committee, which is responsible for designing and administering our executive compensation programs, and the Board, value the opinions expressed by

our stockholders and will consider the results of the vote when making future compensation decisions.

**Ratification of Deloitte & Touche LLP and Other Matters:** The proposal to ratify the appointment of our independent registered public accountants and any other matters that may be voted on at the Meeting will require the affirmative vote of a majority of the votes cast on the proposal in person or by proxy at the Meeting. Abstentions are not counted as votes “for” or “against” the proposal to ratify the appointment of our independent registered public accountants.

**Broker Non-Votes:** If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. This is called a “broker non-vote.” In these cases, the broker can register your shares as being

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present at the Annual Meeting for purposes of determining the presence of a quorum but will not be able to vote on those matters for which specific authorization is required under the rules of the New York Stock Exchange ("NYSE"). If you are a beneficial owner whose shares are held of record by a broker, your broker has discretionary voting authority under NYSE rules to vote your shares on the ratification of Deloitte & Touche LLP as our independent registered public accounting firm, even if the broker does not receive voting instructions from you. However, your broker does not have discretionary authority to vote on the election of Directors, the advisory approval of our executive compensation or on any stockholder proposal without instructions from you, in which case a broker non-vote will occur and your shares will not be voted on these matters.

**Voting Options:** If you are a stockholder of record, you can vote your shares using any of the following options:

**Voting by Internet.** You may vote your shares through the Internet by signing on to [www.proxypush.com/GME](http://www.proxypush.com/GME) or, if you received a hard copy of the Proxy Statement, the website identified on the proxy card and following the procedures described on the website. Internet voting is available 24 hours a day, and the procedures are designed to authenticate votes cast by using a personal identification number located on the proxy card. The procedures allow you to appoint a proxy to vote your shares and to confirm that your instructions have been properly recorded. If you vote through the Internet, you should not return your proxy card.

**Voting by Mail.** If you received hard copies of the Proxy Statement and choose to vote by mail, complete the accompanying proxy card, date and sign it, and return it in the postage-paid envelope provided. If you sign your proxy card and return it without marking any voting instructions, your shares will be voted: (1) FOR the election of the Director nominees; (2) FOR the approval, by non-binding vote, of our executive compensation; and (3) FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending January 31, 2015.

**Voting by Telephone.** You may vote your shares by telephone by calling toll-free at 855-847-1311. Telephone voting is available 24 hours a day, and the procedures are designed to authenticate votes cast by using a personal identification number located on the proxy card. The procedures allow you to appoint a proxy to vote your shares and to confirm that your instructions have been properly recorded. If you vote by telephone, you should not return your proxy card.

**In Person Attendance.** You may vote your shares in person at the Meeting. Even if you plan to attend the Meeting in person, we recommend that you submit your proxy card or voting instructions or vote by telephone or via the Internet by the applicable deadline so that your vote will be counted if you later decide not to attend the Meeting.

If you are a stockholder whose shares are held in "street name" (i.e., in the name of a broker or other custodian) you may vote your shares in person at the Meeting only if you obtain a legal proxy from the broker or other custodian giving you the right to vote your shares. Alternatively, you may have your shares voted at the Meeting by following the voting instructions provided to you by your broker or custodian. Although most brokers offer voting by mail, telephone and via the Internet, availability and specific procedures will depend on their voting arrangements. If you do not provide voting instructions to your broker or other custodian, your shares are referred to as "uninstructed shares." Under rules of the NYSE, your broker or other custodian does not have discretion to vote uninstructed shares on non-routine matters, such as Proposals 1 and 2, and, accordingly, may not vote uninstructed shares on such Proposals. However, your broker or other custodian has discretion to vote your shares on Proposal 3.

**Inspector of Elections:** Representatives of Computershare, our transfer agent, will tabulate the votes and act as inspector of election.

**NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROXY STATEMENT, AND, IF GIVEN OR MADE, SUCH INFORMATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THE DELIVERY OF THIS PROXY STATEMENT SHALL, UNDER NO CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE OF THIS PROXY STATEMENT.**

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## ELECTION OF DIRECTORS

## PROPOSAL 1

## Information Concerning the Directors and Nominees

## Composition of the Board

Our Board of Directors currently consists of 11 Directors. Our certificate of incorporation provides that the authorized number of Directors may be changed only by resolution of the Board of Directors. At the 2013 annual meeting of stockholders, our stockholders approved amendments to our governing documents that eliminated the classified structure of the Board of Directors but left unaffected the existing terms of directors previously elected under our prior three-class structure. The annual election of Board members with expiring terms commences with the Meeting. Accordingly, the Board has nominated Thomas N. Kelly Jr., Gerald R. Szczepanski and Lawrence S. Zilavy, whose terms of office as members of the Board are expiring at this Annual Meeting, to serve a one-year term expiring at the 2015 annual meeting of stockholders.

Effective November 15, 2011, at the recommendation of the Nominating and Corporate Governance Committee of the Board, the Board amended the Company's Corporate Governance Guidelines to establish a Director retirement age of 72. R. Richard Fontaine has reached the Director retirement age of 72 during his current three-year term. In accordance with the Company's amended Corporate Governance Guidelines, Mr. Fontaine would have been required to resign from the Board no later than the date of the Meeting, unless the Executive Chairman granted a waiver of the retirement policy as permitted by the retirement policy. Given Mr. Fontaine's value to the Board and the Company, Mr. DeMatteo, as Executive Chairman, has granted this waiver.

Background information and qualifications with respect to our Board of Directors and nominees for election as Directors appear below. See "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" for information regarding such persons' holdings of equity securities of the Company.

The following table sets forth the names and ages of our Directors, the year they first became a Director, the positions they hold with the Company, and the standing committees of the Board of Directors on which they serve as of May 2, 2014:

Name	Age	Director Since*	Position with the Company	Audit Committee	Compensation & Nominating & Corporate Governance Committee
Daniel A. DeMatteo	66	2002	Executive Chairman and Director		
J. Paul Raines	50	2012	Chief Executive Officer and Director		
Jerome L. Davis	59	2005	Director		X **
R. Richard Fontaine	72	2001	Director		
Thomas N. Kelly Jr.	67	2012	Director		X
Shane S. Kim	51	2011	Director		X
Steven R. Koonin	56	2007	Director		X
Stephanie M. Shern <sup>(1)</sup>	66	2002	Director	X **	
Gerald R. Szczepanski	66	2002	Director	X	X **
Kathy P. Vrabeck	51	2012	Director	X	
Lawrence S. Zilavy	63	2005	Director	X	X

\*Includes predecessor companies.

\*\*Committee Chair

(1)Lead independent Director

The Board believes that each Director has valuable individual skills and experiences that, taken together, provide us with the variety and depth of knowledge necessary for effective oversight, direction and vision for the Company. As indicated in the following biographies, the current Directors, as well as the nominees, have extensive experience in a variety of fields including retail, entertainment, video games, consumer marketing, finance, real estate, consulting and communications, each of which the Board believes provides valuable knowledge related to the key components of the Company's business. In addition, the Board also believes that its Board members and nominees, as indicated in the following biographies, have each demonstrated significant leadership skills as a chief executive officer or chief operating officer, as a senior partner in a large services firm or as executive management in other large corporations. All of our

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current Board members have experience in oversight of public corporations due to their experience on the Board of Directors of GameStop and other companies. The Board believes that the skills and experience of each standing Director and nominee qualify them to serve as a Director of the Company.

Nominees for Election as Director

The following individuals are nominees for Director at the Meeting:

Thomas N. Kelly Jr. is a Director and a member of the Compensation Committee. He has served as a Director since July 2012. Mr. Kelly served as Executive Vice President, Transition Integration of Sprint Nextel Corp., a global communications company ("Sprint Nextel"), from December 2005 until April 2006. He served as the Chief Strategy Officer of Sprint Nextel from August 2005 until December 2005. He served as the Executive Vice President and Chief Operating Officer of Nextel Communications, Inc., a global communications company ("Nextel"), which became Sprint Nextel, from February 2003 until August 2005, and as Executive Vice President and Chief Marketing Officer of Nextel from 1996 until February 2003. Mr. Kelly currently serves on the Board of The Scotts Miracle Gro Company ("Scotts Miracle Gro") as the Lead Independent Director and as a member of the Audit Committee.

Director Qualifications: Mr. Kelly brings to the Board extensive board experience as well as more than 25 years of leadership in the communications and wireless industries. His broad business knowledge in the communications and wireless industries brings valuable insight in supporting the advancement of the Company's mobile and digital strategies.

Gerald R. Szczepanski is a Director and has served as a Director for the Company and its predecessor companies since 2002. Mr. Szczepanski is Chair of the Compensation Committee and a member of the Audit Committee.

Mr. Szczepanski is currently retired. Mr. Szczepanski was the co-founder, and, from 1994 to 2005, the Chairman and Chief Executive Officer of Gadzooks, Inc., a publicly traded specialty retailer of casual clothing and accessories for teenagers. On February 3, 2004, Gadzooks, Inc. filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (Case No. 04-31486-11). Mr. Szczepanski is also a Director of Rush Enterprises, Inc.

Director Qualifications: Mr. Szczepanski brings to the Board over 36 years of experience in the retail business. He has extensive leadership experience as both a chairman and a chief executive officer of a public company in the specialty retail industry.

Lawrence S. Zilavy is a Director and a member of the Audit Committee and the Nominating and Corporate Governance Committee. He has served as a Director since October 2005. Since October 2009, Mr. Zilavy has been employed by a private family investment office. Mr. Zilavy was a Senior Vice President of Barnes & Noble College Booksellers, Inc. from May 2006 to September 2009. He was Executive Vice President, Corporate Finance and Strategic Planning for Barnes & Noble, Inc. ("Barnes & Noble") from May 2003 until November 2004 and was Chief Financial Officer of Barnes & Noble from June 2002 through April 2003. Prior to joining Barnes & Noble, Mr. Zilavy had a 25-year career in banking. Mr. Zilavy is also a Director of The Hain Celestial Group, Inc., a leading natural and organic food and personal care products company, and the non-profit arts education institution The Harlem School of the Arts. During the past five years, Mr. Zilavy has also served as a Director of Barnes & Noble.

Director Qualifications: Mr. Zilavy brings to the Board significant senior executive-level experience in a large specialty retail company and experience on public company boards. This experience, together with Mr. Zilavy's nearly 25 years of experience as a banker, provides the Board strong financial, operating and governance expertise.

**THE BOARD OF DIRECTORS RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE ELECTION OF EACH NOMINEE FOR DIRECTOR NAMED ABOVE. PROXIES SOLICITED BY THIS PROXY STATEMENT WILL BE VOTED FOR EACH NOMINEE NAMED ABOVE UNLESS A VOTE AGAINST A NOMINEE OR AN ABSTENTION IS SPECIFICALLY INDICATED.**

Other Directors whose Terms of Office Continue after the Meeting

Daniel A. DeMatteo is a Director and Executive Chairman, a position he has held since June 2010. He served as our Chief Executive Officer from August 2008 to June 2010. He served as Vice Chairman and Chief Operating Officer from March 2005 to August 2008. Prior to March 2005, Mr. DeMatteo served as President and Chief Operating Officer of the Company or our predecessor companies since November 1996. He has served on our Board since 2002 and has been an executive officer in the video game industry since 1988.

Director Qualifications: Mr. DeMatteo brings to the Board 18 years of experience growing GameStop and its predecessor companies into the world's largest multichannel video game retailer and over 25 years of experience as an executive officer in the video game industry. As one of the founders of GameStop, Mr. DeMatteo has demonstrated a record of leadership, innovation and achievement. With his experience with the Company in the roles of Executive Chairman, Vice Chairman, Chief Executive Officer, President and Chief Operating Officer, Mr. DeMatteo provides the Board a unique and valuable perspective on the Company's operations, strategy and business, including his perspective on the formula for success that has brought the Company to its current industry-leading position. The Company also benefits from Mr. DeMatteo's entrepreneurial spirit and his extensive network of contacts and relationships within the video game industry as we pursue new opportunities in our continued business transformation.

Jerome L. Davis is a Director and Chair of the Nominating and Corporate Governance Committee. Mr. Davis has served as a Director since October 2005. Mr. Davis served as Corporate Vice President of Food and Retail for Waste Management, Inc. from January 2010 to June 2012. Mr. Davis was President of Jerome L. Davis & Associates, LLC, a consulting firm focusing on executive coaching and leadership development from 2006 until December 2009. Mr. Davis was Global Vice President, Service Excellence for Electronic Data Systems, a business and technology services company, from July 2003 until October 2005. From May 2001 to July 2003, he served in various capacities at Electronic Data Systems, including Chief Client Executive Officer and President, Americas for Business Process Management. Prior to joining Electronic Data Systems, Mr. Davis served as President and Executive Officer of the Commercial Solutions Division of Maytag Corporation, a home and commercial appliance company, from October 1999 until May 2001. Mr. Davis served as Senior Vice President of Sales and Corporate Officer for Maytag Appliances Division from March 1998 to September 1999. From March 1992 to February 1998, Mr. Davis was Vice President of National Accounts and Area Vice President for Frito Lay. Mr. Davis also held senior executive positions in Sales and Marketing with Procter & Gamble from 1977 to 1992. Mr. Davis is currently a Director and a member of the Compensation Committee and the Nominating and Corporate Governance Committee of Apogee Enterprises, Inc. ("Apogee"), where he has been a Director since 2004. He previously chaired the Finance and Enterprise Risks Committee of Apogee for five years.

Director Qualifications: Mr. Davis brings to the Board more than 30 years of experience in Fortune 500 companies and extensive expertise and insight in multiple areas including marketing and sales, strategy development, international business, leadership development, succession planning, executive compensation and information technology. In addition, his experience as a Director of Apogee, including committee service, has given him insights and perspectives on finance, governance, human resources and compensation which benefit the Board.

R. Richard Fontaine is a Director. He served as our Chairman International from June 2010 until March 2013 and as our Executive Chairman of the Board from August 2008 until June 2010. Mr. Fontaine was our Chairman of the Board and Chief Executive Officer from GameStop's predecessor company's initial public offering in February 2002 until August 2008. In addition, Mr. Fontaine served as Chief Executive Officer of our predecessor companies from November 1996 to February 2002. He has been an executive officer or director in the video game industry since 1988.

Director Qualifications: Mr. Fontaine brings to the Board more than 25 years of experience as an executive officer or director in the video game industry and, as one of the founders of GameStop, 17 years of experience growing GameStop and its predecessor companies into the world's largest multichannel video game retailer. Mr. Fontaine's market knowledge and breadth of experience in numerous functions within the Company has resulted in a deep understanding of the opportunities and challenges facing the Company. The Company also benefits from Mr. Fontaine's entrepreneurial spirit and his network of contacts and relationships within the business community as we pursue new opportunities in our continued business transformation.

Shane S. Kim is a Director and a member of the Compensation Committee. He has served as a Director since July 2011. Mr. Kim worked for Microsoft Corporation ("Microsoft") for almost 20 years, retiring in January 2010. For the last 15 years at Microsoft, Mr. Kim was with Microsoft's Interactive Entertainment Business division, most recently as its Corporate Vice President of Strategy and Business Development. Before that, Mr. Kim was the Corporate Vice President of Microsoft Game Studios, where he oversaw a team of approximately 1,000 programmers, designers, artists and producers developing a broad range of Xbox 360 and Windows titles. Since retiring from Microsoft in January 2010, Mr. Kim has been an independent adviser to companies in the interactive entertainment and digital media industries.

Director Qualifications: Mr. Kim brings to the Board over 20 years of experience in the constantly evolving video game industry and the associated rapidly changing technological landscape. His broad video game knowledge, his knowledge of Microsoft (one of the Company's largest suppliers) and business experience bring valuable insight in supporting the advancement of the Company's business and digital strategies.

Steven R. Koonin is a Director and has served as a Director since June 2007. Mr. Koonin is a member of the Nominating and Corporate Governance Committee. Mr. Koonin has recently been named CEO and Co-Owner of the National Basketball Association ("NBA")'s Atlanta Hawks. He is formerly the President of Turner Entertainment Networks ("Turner"), which includes TNT, TBS, truTV and Turner Classic Movies. Mr. Koonin joined Turner Broadcasting System in 2000 and was promoted to President of Turner in 2006. Mr. Koonin was responsible for the

rebranding of TNT and TBS and for the development of some of the most successful programming in cable television history. He also led the rebrand of Court TV as truTV. Prior to joining Turner, Mr. Koonin spent 14 years with The Coca-Cola Company (“Coca-Cola”), including serving as Vice President of Consumer Marketing. In addition to leading the Atlanta Hawks organization, Mr. Koonin is extremely active in the Atlanta community and serves on the Boards of Directors of the Georgia Aquarium, the Fox Theatre, the Atlanta Symphony Orchestra and Emory Healthcare.

Director Qualifications: Mr. Koonin brings to the Board 14 years of executive leadership experience with a leading provider of media entertainment and 14 years of experience with a globally-recognized consumer brand. Through his executive leadership experience at both Turner and Coca-Cola, he brings to the Board deep knowledge of the entertainment industry and content creation and delivery, as well as consumer branding strategy and tactics and insight into promoting growth strategies for consumer businesses.

J. Paul Raines is a Director and is GameStop's Chief Executive Officer, a role he has held since June 2010. He served as GameStop's Chief Operating Officer from September 2008 to June 2010. Prior to joining GameStop, Mr. Raines spent eight years with The Home Depot ("Home Depot") in various management positions in retail operations, including as Executive Vice President of U.S. Stores and President of the Southern Division. Prior to Home Depot, he spent four years in global sourcing for L.L. Bean and ten years with Kurt Salmon Associates in their consumer products group. Mr. Raines serves on the Board of Directors of Advance Auto Parts, Inc. ("Advance Auto Parts"), where he is a member of the Compensation Committee and the Nominating and Corporate Governance Committee. He also serves on the Board of Trustees of the Georgia Tech Foundation, a non-profit organization.

**Director Qualifications:** Mr. Raines brings to the Board extensive experience in the strategic, operational and merchandising aspects of retail businesses. He also has broad international experience in Latin America, Europe and Asia. The Board benefits from Mr. Raines' insights gained from his experience and expertise in the areas of retail strategy, store operations, customer service, merchandising, manufacturing, marketing, loss prevention, real estate, supply chain and global sourcing. Additionally, Mr. Raines' service on the Advance Auto Parts Board of Directors and two of its committees provides the Board with a unique perspective into corporate management and board dynamics at another specialty retail public company.

Stephanie M. Shern is a Director and Chair of the Audit Committee and has served in these capacities since 2002. From 1995 until 2001, Mrs. Shern was the Vice Chair and Global Director of Retail and Consumer Products for Ernst & Young LLP ("Ernst & Young") and a member of Ernst & Young's Management Committee. Mrs. Shern became a Partner at Ernst & Young in 1981 and was with that firm for over 30 years. Mrs. Shern is currently a Director and a member of the Strategy and Audit and Finance Committees of Scotts Miracle Gro. Additionally, she is a Director of Koninklijke Ahold N.V. ("Royal Ahold"), where she serves as chair of the Audit Committee and is a member of the Remuneration Committee. During the past five years, Mrs. Shern has also served as a Director of Embarq Corp, CenturyLink, Sprint Nextel and Nextel. Mrs. Shern is a CPA and a member of the American Institute of CPAs and the New York State Society of CPAs. She is also a member of Pennsylvania State University's Smeal College Accounting Advisory Board and a founding member of Tapestry Network's Lead Director Network.

**Director Qualifications:** Mrs. Shern brings to the Board vast leadership, financial, international, marketing/consumer industry and retail experience from a nearly 40-year finance career focused significantly on retail and consumer industries in both the United States and abroad. In addition, as a current member of the Audit Committees of Royal Ahold (where she serves as Chair) and Scotts Miracle Gro and as a past member of Audit Committees of the board of directors of other public companies, Mrs. Shern has extensive financial experience. This experience has proven valuable to the Board, where Mrs. Shern serves as Chair of the Audit Committee and as the "audit committee financial expert," as that term is defined in the applicable rules and regulations of the Securities and Exchange Commission ("SEC").

Kathy P. Vrabeck is a Director and a member of the Audit Committee. She has served as a Director since June 2012. She is currently a Partner at Heidrick & Struggles International, Inc. ("Heidrick & Struggles") in their Media, Entertainment and Digital practice, and serves as partner-in-charge of the Los Angeles office. Prior to joining Heidrick & Struggles in July 2011, Ms. Vrabeck was with Legendary Pictures from March 2009 to March 2011 where she served as President, Legendary Digital and was responsible for the creation, management and delivery of digital entertainment, with a focus on video games, across current and next-generation platforms. From May 2007 to November 2008, Ms. Vrabeck was with Electronic Arts, Inc. ("EA") where she served as President, EA Casual Entertainment and led EA's efforts in the fastest growing segments of the video game market: mobile, online, social networking and global media sales. Prior to joining EA, Ms. Vrabeck was with Activision, Inc. ("Activision") from August 1999 to April 2006 where she served as President, Activision Publishing, overseeing Activision's product development and global brand management and publishing operations. Earlier in her career, Ms. Vrabeck held various marketing, sales and finance positions with ConAgra, The Pillsbury Company, Quaker Oats and Eli Lilly and Company. Ms. Vrabeck currently serves on the DePauw University Board of Trustees.

**Director Qualifications:** Ms. Vrabeck brings to the Board over 10 years of experience in senior executive leadership positions with major game and film makers. Her digital entertainment knowledge, her knowledge of two of the Company's largest suppliers and her business experience brings valuable insight in supporting the advancement of the

Company's business and digital strategies.

#### Meetings and Committees of the Board

The Board of Directors met nine times during the fiscal year ended February 1, 2014 ("fiscal 2013"). All Directors attended at least 75% of all of the meetings of the Board of Directors and the committees thereof on which they served during fiscal 2013, with the exception of Mr. Fontaine who attended 67% of the meetings of the Board of Directors. The Board of Directors has three standing committees: an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee.

#### Audit Committee

The Audit Committee's principal functions include the review of the adequacy and integrity of the Company's financial statements and its financial reporting process and internal system of accounting controls, the appointment, termination, compensation, retention and



oversight of the independent registered public accountants, conferring with the independent public accounting firm concerning the scope of their audit of the books and records of the Company, the review of the internal audit function, the review and oversight of the code of business conduct and ethics, the review and approval of related party transactions and consideration of other appropriate matters regarding the financial affairs of the Company. In addition, the Audit Committee has established procedures for the receipt, retention and treatment of confidential and anonymous complaints regarding the Company's accounting, internal accounting controls and auditing matters. The Board of Directors has adopted a written charter setting out the functions of the Audit Committee, a copy of which is available on the Company's website at <http://investor.gamestop.com> and is available in print to any stockholder who requests it in writing to the Company's Secretary, GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051. As required by the charter, the Audit Committee will continue to review and reassess the adequacy of the charter annually and recommend any changes to the Board of Directors for approval. The current members of the Audit Committee are Stephanie M. Shern (Chair), Gerald R. Szczepanski, Kathy P. Vrabeck and Lawrence S. Zilavy, all of whom are "independent" Directors under the listing standards of the NYSE. In addition to meeting the independence standards of the NYSE, each member of the Audit Committee is financially literate and meets the independence standards established by the SEC. The Board of Directors has also determined that Mrs. Shern has the requisite attributes of an "audit committee financial expert" as defined by regulations promulgated by the SEC and that such attributes were acquired through relevant education and/or experience. The Audit Committee met ten times during fiscal 2013.

#### Compensation Committee

The principal function of the Compensation Committee is, among other things, to make recommendations to the Board of Directors with respect to matters regarding the approval of employment agreements, management and compensation consultant hiring and executive compensation. In particular, the Compensation Committee is responsible for reviewing and approving the corporate goals and objectives relevant to the compensation of our Named Executive Officers set forth below in this Proxy Statement. The Compensation Committee is also responsible for administering our GameStop Corp. Amended and Restated 2011 Incentive Plan (the "2011 Incentive Plan") and our Fourth Amended and Restated 2001 Incentive Plan (the "2001 Incentive Plan"). The current members of the Compensation Committee are Gerald R. Szczepanski (Chair), Shane S. Kim and Thomas N. Kelly Jr., all of whom meet the independence standards of the NYSE. The Board of Directors has adopted a written charter setting out the functions of the Compensation Committee, a copy of which is available on the Company's website at <http://investor.gamestop.com> and is available in print to any stockholder who requests it in writing to the Company's Secretary, GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051. The Compensation Committee met 11 times during fiscal 2013.

#### Nominating and Corporate Governance Committee

The principal function of the Nominating and Corporate Governance Committee is, among other things, to review and recommend to the Board candidates for service on the Board and its committees, including the renewal of existing Directors, and to recommend to the Board the corporate governance guidelines applicable to the Company. The current members of the Nominating and Corporate Governance Committee are Jerome L. Davis (Chair), Steven R. Koonin and Lawrence S. Zilavy, all of whom meet the independence standards of the NYSE. Our Board of Directors has adopted a written charter setting out the functions of the Nominating and Corporate Governance Committee, a copy of which can be found on our website at <http://investor.gamestop.com> and is available in print to any stockholder who requests it in writing to the Company's Secretary, GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051. The Nominating and Corporate Governance Committee met six times during fiscal 2013.

#### Minimum Qualifications

The Nominating and Corporate Governance Committee does not set specific minimum qualifications for Directors except to the extent required to meet applicable legal, regulatory and stock exchange requirements, including, but not limited to, the independence requirements of the NYSE and the SEC, as applicable. Nominees for Director are selected on the basis of outstanding achievement in their personal careers; board experience; wisdom; integrity; diversity; ability to make independent, analytical inquiries; understanding of the business environment; and willingness to devote adequate time to Board of Directors' duties. The Nominating and Corporate Governance Committee and the Board of Directors believe that Board membership should reflect diversity in its broadest sense,

including diversity of skills, background, gender and ethnicity. While the selection of qualified Directors is a complex and subjective process that requires consideration of many intangible factors, the Nominating and Corporate Governance Committee believes that each Director should have a basic understanding of (i) the principal operational and financial objectives and plans and strategies of the Company, (ii) the results of operations and financial condition of the Company and of any of its significant subsidiaries or business segments, and (iii) the relative standing of the Company and its business segments in relation to their competitors.

#### Nominating Process

Consideration of new Board of Director nominee candidates, if any, typically involves a series of internal discussions, review of information concerning candidates and interviews with selected candidates. The Nominating and Corporate Governance Committee is willing to consider candidates submitted by a variety of sources (including incumbent Directors, stockholders (in accordance with the process described below), Company management and third-party search firms) when reviewing candidates to fill vacancies and/or expand the Board of Directors. When nominating a sitting Director for re-election at an annual meeting, the Nominating and Corporate Governance

Committee considers the Director's performance on the Board of Directors and its committees and the Director's qualifications in respect of the foregoing.

#### Consideration of Stockholder-Nominated Directors

Stockholders have the right to submit nominations for persons to be elected to the Board of Directors as described below. If such a nomination occurs and if a vacancy arises or if the Board of Directors decides to expand its membership, and at such other times as the Board of Directors deems necessary or appropriate, the Nominating and Corporate Governance Committee will consider potential nominees submitted by stockholders. The Company's Bylaws provide that, in order for a stockholder to nominate a person for election to the Board of Directors at an annual meeting of stockholders, such stockholder must give written notice to the Company's Secretary, GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051, not less than 30 days nor more than 60 days prior to the meeting; provided, however, that in the event that less than 40 days' notice or prior public disclosure of the date of the meeting is given to stockholders, notice by the stockholder must be given not later than the close of business on the tenth day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made. Such notice must contain the proposing stockholder's record name and address, and the number of shares of the Company that are beneficially owned by such stockholder. Such notice must also contain all information relating to such nominee that is required to be disclosed in solicitations of proxies for election of Directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including such person's written consent to being a nominee and to serving as a Director if elected as well as a supporting statement describing the nominee's reasons for seeking election. The Nominating and Corporate Governance Committee has not adopted any criteria for evaluating a candidate for nomination to the Board of Directors that differ depending on whether the candidate is nominated by a stockholder as opposed to being nominated by an incumbent Director, Company management, third-party search firm or other source.

#### Corporate Governance

##### Codes of Ethics

The Company has adopted a Code of Ethics for Senior Financial and Executive Officers that is applicable to the Company's Executive Chairman, Chief Executive Officer, President, Chief Financial Officer, Chief Accounting Officer, and any Executive Vice President of the Company or Vice President of the Company employed in a finance or accounting role. The Company also has adopted a Code of Standards, Ethics and Conduct applicable to all of the Company's management-level employees and non-employee Directors. The Code of Ethics for Senior Financial and Executive Officers and the Code of Standards, Ethics and Conduct are available on the Company's website at <http://investor.gamestop.com> and are available in print to any stockholder who requests them in writing to the Company's Secretary, GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051. In accordance with SEC rules, the Company intends to disclose any amendment (other than any technical, administrative or other non-substantive amendment) to either of the above Codes, or any waiver of any provision thereof with respect to certain specified officers listed above, on the Company's website at <http://investor.gamestop.com> within four business days following such amendment or waiver.

##### Claw-back Policy

The Company has adopted a claw-back policy which requires the Board, when permitted by law, to require reimbursement of annual incentive payments or long-term incentive payments from a current or former executive officer of the Company where the payment was predicated upon achieving certain financial results or other operating metrics, and either (1) the Board determines in its good faith judgment that such financial results or other operating metrics were achieved in whole or part as a result of fraud or other misconduct on the part of such executive, or fraud or other misconduct of other employees of the Company of which such executive had knowledge, whether or not such conduct results in any restatement of Company financial statements filed with the SEC, or (2) such financial results or other operating metrics were the subject of a restatement of Company financial statements filed with the SEC, and a lower payment would have been made to the executive officer based upon the restated financial results. The Company will, to the fullest extent possible under applicable law, seek to recover from the individual executive officer, in the

case of (1), the full amount of the individual executive officer's incentive payments for the relevant period (including, at a minimum, for the three-year period prior to such financial results), and in the case of (2), the amount by which the individual executive officer's incentive payments for the relevant period (including, at a minimum, for the three-year period prior to the restatement of financial results) exceeded the lower payment that would have been made based on the restated financial results.

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### Equity Ownership Policy

The Board believes that it is important for each executive officer and non-employee Director of the Company to have a financial stake in the Company to help align the executive officer's or non-employee Director's interests with those of the Company's stockholders. To that end, the Company has an equity ownership policy requiring that each executive officer and non-employee Director of the Company maintain ownership of Common Stock with a value of at least the following:

Executive Officer or Non-employee Director	Fiscal 2013 Stock Ownership Multiple
Executive Chairman	5 times base salary
Chief Executive Officer	5 times base salary
President or Executive Vice President	3 times base salary
Non-employee Director	5 times annual cash retainer

New executive officers or non-employee Directors of the Company will be given a period of five (5) years to attain full compliance with these requirements. These requirements will be reduced by 50% for executive officers after the executive officer reaches the age of 62 in order to facilitate appropriate financial planning.

For purposes of these determinations, (i) stock ownership includes shares of Common Stock which are directly owned or owned by family members residing with the executive officer or non-employee Director, or by family trusts, as well as vested options and vested restricted stock, and unvested restricted stock or equivalents, unless they are subject to achievement of performance targets, and common stock or stock equivalents credited to such executive officer or non-employee Director under any deferred compensation plan, and (ii) Common Stock shall be valued per share using the 200-day trailing average NYSE per share closing price.

As of February 1, 2014, each of our executive officers and non-employee Directors was in compliance with our equity ownership policy.

### Anti-Hedging Policy

Given that the aim of ownership of Common Stock is to ensure that employees and Directors of the Company have a direct personal financial stake in the Company's performance, hedging transactions on the part of employees and Directors of the Company could be contrary to that purpose. Therefore, the Company has adopted an anti-hedging policy which states that the implementation by an employee or Director of the Company of hedging strategies or transactions using short sales, puts, calls or other types of financial instruments (including, but not limited to, prepaid variable forward contracts, equity swaps, collars, and exchange funds) based upon the value of Common Stock and applied to equity securities granted to such employee or Director, or held, directly or indirectly, by such employee or Director, is strictly prohibited.

### Corporate Governance Guidelines; Certifications

The Board of Directors has adopted Corporate Governance Guidelines. The Corporate Governance Guidelines are available on the Company's website at <http://investor.gamestop.com> and are available in print to any stockholder who requests them in writing to the Company's Secretary, GameStop Corp., 625 Westport Parkway, Texas 76051.

On an annual basis, our Chief Executive Officer submits to the NYSE the annual certification required by Section 303A.12(a) of the NYSE Listed Company Manual. In addition, the Company has filed with the SEC as exhibits to its Annual Report on Form 10-K for the fiscal year ended February 1, 2014, the certifications of its Chief Executive Officer and Chief Financial Officer required pursuant to Section 302 of the Sarbanes-Oxley Act relating to the quality of its public disclosure.

### Communications Between Stockholders and Interested Parties and the Board of Directors

Stockholders and other interested persons seeking to communicate with the Board of Directors should submit any communications in writing to the Company's Secretary, GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051. Any such communication must state the number of shares beneficially owned by the stockholder making the communication. The Company's Secretary will forward such communication to the full Board of Directors or to any individual Director or Directors (including the presiding Director of the executive sessions of the non-management Directors or the non-management Directors as a group) to whom the communication is directed.

### Attendance at Annual Meetings

All members of the Board of Directors are expected to attend in person the Company's annual meeting of stockholders and be available to address questions or concerns raised by stockholders. All of the Company's 11 Directors attended the 2013 GameStop annual meeting of stockholders.

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#### Director Independence; Independence Determination

Our Board has adopted the definition of independence in the listing standards of the NYSE. In its assessment of Director independence, our Board considers all commercial, charitable and other relationships and transactions that any Director or member of his immediate family may have with us, with any of our affiliates or with any of our consultants or advisers.

Our Board has affirmatively determined that each of Jerome L. Davis, Thomas N. Kelly Jr., Shane S. Kim, Steven R. Koonin, Stephanie M. Shern, Gerald R. Szczepanski, Kathy P. Vrabeck and Lawrence S. Zilavy is independent under the NYSE standards as well as under standards set forth in SEC regulations, and that the Audit Committee, Nominating and Corporate Governance Committee and Compensation Committee are comprised exclusively of independent Directors under the foregoing standards. Our Board did not determine Messrs. Raines, Fontaine and DeMatteo to be independent because of their current or former executive positions with the Company.

The non-management Directors of the Company hold regularly scheduled executive sessions without management present at least once annually and the independent Directors hold at least one meeting annually with only independent Directors present. The presiding Director for each non-management or independent Director executive session is Mrs. Shern.

#### Board Leadership Structure

The Board's current leadership structure is comprised of an Executive Chairman position that is separate from the Chief Executive Officer position, as well as ten other Directors of which eight are independent, including a lead independent Director who is also the Chair of the Audit Committee. Under the Board's current structure, Mr. DeMatteo is the Executive Chairman and is also a member of management and former Chief Executive Officer of the Company. The Board believes that Mr. DeMatteo's in-depth knowledge of the Company's business and its challenges, as well as his experience in the video game industry as a whole, make him the best qualified person to serve as Executive Chairman. In addition, this structure facilitates better communication between management and the Board and allows Mr. DeMatteo to more effectively oversee the execution of the Company's strategic initiatives, including the implementation of the Company's multi-concept retail strategy and provide guidance to the senior management team, including our Chief Executive Officer. Mr. J. Paul Raines, the Chief Executive Officer of the Company, also serves as a Director. The Board believes that Mr. Raines' service as a Director further enhances the Board's oversight of the Company's day-to-day operations and provides additional management expertise with respect to the complexities of the Company's business units, including the existing video game store base, international operations, digital and mobile initiatives and the new diversification into other retail concepts, including AT&T and Cricket branded wireless stores and Simply Mac branded Apple reseller stores. The Board believes that at this time the Company's stockholders are best served by this structure as it helps facilitate the Company's continuing transformation to a multi-concept retailer. All Directors play an active role in overseeing the Company's business both at the Board and committee level. For additional oversight, the lead independent Director presides over regularly scheduled meetings with the other non-management Directors to discuss and evaluate the Company's business without members of management present. This structure, together with our other corporate governance practices, provides strong independent oversight of management while ensuring clear strategic direction for the Company.

#### Risk Oversight

Responsibility for risk oversight resides with the full Board of Directors. Committees have been established to help the Board carry out this responsibility by focusing on key areas of risk inherent in the business. The Audit Committee oversees risk associated with financial and accounting matters, including compliance with legal and regulatory requirements, related-party transactions and the Company's financial reporting and internal control systems. The Audit Committee also oversees the Company's internal audit function and regularly meets separately with the Company's head of internal audit, general counsel, external auditors and other financial and executive management. The Compensation Committee oversees risks associated with compensation policies and the retention and development of executive talent, including the development of policies that do not encourage excessive risk-taking by our executives. These policies include various factors to help mitigate risk, including fixed compensation components and variable

components that include mitigating factors such as a consistent structure across all business units, generally involving consolidated income components; targeted award amounts that are not significant as a percentage of revenue; and vesting periods, equity ownership policies, and claw-back provisions. The Compensation Committee and management also regularly review the Company's compensation policies to determine effectiveness and to assess the risk they present to the Company. Based on this review, the Company has concluded that its compensation policies and procedures are not reasonably likely to have a material adverse effect on the Company. In addition, at least annually, the Board conducts a formal business review including a risk assessment related to the Company's existing business and new initiatives. Because overseeing risk is an ongoing process and inherent in the Company's strategic decisions, the Board also discusses risk throughout the year at other meetings in relation to specific topics or actions.



## Director Compensation

The following table provides information regarding compensation earned by the non-employee Directors during fiscal 2013:

## Director Compensation

Name	Fees	Stock	All Other	Total
	Earned or Paid in Cash(1) (\$)	Awards(2) (\$)	Compensation (3)(\$)	
R. Richard Fontaine(4)	\$50,417	\$113,179	\$194,588	\$358,184
Jerome L. Davis(5)	55,000	113,179	145,858	314,037
Thomas N. Kelly Jr.(6)	55,000	113,179	86,556	254,735
Shane S. Kim(7)	55,000	113,179	147,277	315,456
Steven R. Koonin(5)	55,000	113,179	145,858	314,037
Stephanie M. Shern(8)	55,000	113,179	145,858	314,037
Gerald R. Szczepanski(5)	55,000	113,179	145,858	314,037
Kathy P. Vrabeck(9)	55,000	113,179	86,011	254,190
Lawrence S. Zilavy(5)	55,000	113,179	145,858	314,037

Represents amounts earned and paid for service in fiscal 2013. Mr. Fontaine retired from his position as the Company's Chairman International effective as of March 2013; therefore, the cash retainer shown in the table above has been prorated to reflect the portion of fiscal year 2013 during which Mr. Fontaine served solely in a non-employee Director capacity.

Reflects the grant date fair values in accordance with FASB ASC Topic 718 for the fiscal 2013 grants of 4,560 shares of restricted stock for each of the Board members based on the closing price of our Common Stock on the date of grant. Grants of restricted shares vest in equal annual increments over a three-year period after the grant date, subject to continued service to the Company as well as accelerated vesting in the case of retirement under certain circumstances. The assumptions used by the Company in calculating the grant date fair value are incorporated herein by reference to Note 14 to the Company's consolidated financial statements in its Form 10-K filed April 2, 2014.

Reflects cash bonus awards granted along with the fiscal 2013, fiscal 2012 and fiscal 2011 grants of restricted stock. The awards vest in equal annual increments over a three-year period after the grant date, subject to continued service to the Company as well as accelerated vesting in the case of retirement under certain circumstances. The amounts reflected represent the amount of the awards earned during fiscal 2013 for service on the Board. The amounts reflected also represent the dividends paid on unvested restricted shares during fiscal 2013, all of which were under \$10,000 with the exception of Mr. Kelly, Mr. Kim and Ms. Vrabeck. Additionally, the amount reflected in this column for Mr. Fontaine includes salary, life insurance coverage, contributions under the 401(k) plan and payments for disability insurance coverage totaling \$48,730 for the portion of fiscal 2013 during which Mr. Fontaine was an executive of the Company.

As of February 1, 2014, the named Director held 8,780 shares of restricted stock that have not vested and options to purchase 300,000 shares of Common Stock.

As of February 1, 2014, the named Director held 8,780 shares of restricted stock that have not vested.

As of February 1, 2014, the named Director held 9,316 shares of restricted stock that have not vested.

As of February 1, 2014, the named Director held 9,300 shares of restricted stock that have not vested.

As of February 1, 2014, the named Director held 8,780 shares of restricted stock that have not vested and options to purchase 31,000 shares of Common Stock.

As of February 1, 2014, the named Director held 8,920 shares of restricted stock that have not vested.

In fiscal 2013, total compensation for each non-employee Director was \$280,000, which consisted of a \$55,000 cash retainer and target total long-term compensation of \$225,000 split equally between restricted stock and long-term cash

that vest ratably over three years. In fiscal 2014, total compensation for each non-employee Director will be maintained at \$280,000, with the value split equally between a cash retainer and a restricted stock grant which vests after one year. In addition, we reimburse our Directors for expenses in connection with attendance at Board and committee meetings. Other than with respect to reimbursement of expenses, Directors who are our employees do not receive additional compensation for their services as Directors and none of the Directors receive additional compensation for their services as committee chairpersons or as lead Director.

Additionally, because the Board believes that it is important for each Director of the Company to have a financial stake in the Company to help align the Director's interests with those of the Company's stockholders, the Company has an equity ownership policy

requiring that each non-employee Director of the Company maintain a certain level of ownership of Common Stock. In fiscal 2013, the equity ownership policy for non-employee Directors was five times the annual cash retainer, which equaled \$275,000 when applied to the fiscal 2013 cash retainer. In fiscal 2014, the equity ownership policy for non-employee Directors was set equal to \$275,000. Newly appointed Directors have five years to comply with this requirement. For a Director who retires after reaching age 72 or ceases to serve after at least ten years of Board service to the Company, with the consent of the Compensation Committee, all awards granted to such Director fully vest upon termination of Board service.

#### Executive Officers

The following table sets forth the names and ages of our executive officers and the positions they hold:

Name	Age	Position with the Company
Daniel A. DeMatteo	66	Executive Chairman
J. Paul Raines	50	Chief Executive Officer
Tony D. Bartel	50	President
Robert A. Lloyd	52	Executive Vice President and Chief Financial Officer
Michael K. Mauler	53	Executive Vice President, GameStop International
Michael P. Hogan	55	Executive Vice President, Strategic Business and Brand Development

In this Proxy Statement, the term "Named Executive Officers" means our Chief Executive Officer (our Principal Executive Officer, or "PEO"), our Chief Financial Officer (our Principal Financial Officer, or "PFO"), and our Executive Chairman, President and Executive Vice President, Strategic Business and Brand Development, who were our three most highly compensated executives other than our PEO and PFO in fiscal 2013. In fiscal 2012 and fiscal 2011, our Named Executive Officers were our PEO, PFO, Executive Chairman, President and Executive Vice President, GameStop International.

#### Roles of Executive Chairman and Chief Executive Officer

The Company employs an Executive Chairman (Mr. DeMatteo) and a Chief Executive Officer (Mr. Raines). As Executive Chairman, Mr. DeMatteo is responsible for the leadership and coordination of the activities of the Board of Directors, for overseeing the strategic direction of the Company and for providing guidance to the Company's Chief Executive Officer and other executives. As Chief Executive Officer, Mr. Raines has responsibility for development and execution of our strategic plans, for leadership and oversight of all of the Company's day-to-day operations and performance.

From June 2010 until March 2013, the Company employed Mr. Fontaine as Chairman International. In this role, Mr. Fontaine consulted with the Company on its international and overall strategies and operations, relying on his experience as one of the Company's founders and its former Chairman and Chief Executive Officer and, subsequently, as its Executive Chairman. In these roles, Mr. Fontaine had direct oversight of our international operations for seven years until March 2013. Mr. Fontaine now serves as a Director of the Company.

#### Business Experience of Executive Officers

Information with respect to executive officers of the Company who are also Directors or nominees for Director is set forth in "Information Concerning the Directors and Nominees" above.

Tony D. Bartel is President of GameStop, a role he has held since June 2010. He served as the Executive Vice President of Merchandising and Marketing from 2007 to 2010. Prior to that, Mr. Bartel was the Senior Vice President of International Finance, a role he held since joining GameStop in 2005. Mr. Bartel joined GameStop from NCH Corporation where he was the Chief Administrative Officer from 2003 to 2005. From 1989 to 2003, Mr. Bartel held various positions with PepsiCo and Yum! Brands, Inc., including Operational Finance, Strategic Planning, Controller and eventually Chief Financial Officer of Pizza Hut. Prior to 1989, Mr. Bartel held various positions with the public accounting firm of KPMG Peat Marwick.

Robert A. Lloyd is Executive Vice President and Chief Financial Officer, a role he has held since 2010. Mr. Lloyd also served as our Chief Accounting Officer, a position he held from 2005 to 2010. Prior to that, Mr. Lloyd was the

Vice President - Finance of GameStop or its predecessor companies from 2000 and was the Controller of GameStop's predecessor companies from 1996 to 2000. From 1988 to December 1996, Mr. Lloyd held various financial management positions as Controller or Chief Financial Officer, primarily in the telecommunications industry. Prior to 1988, Mr. Lloyd held various positions with the public accounting firm of Ernst & Young. Mr. Lloyd is a Certified Public Accountant. Mr. Lloyd currently serves on the Board of Directors of the Make-A-Wish Foundation of North Texas, a non-profit organization.

Michael P. Hogan is the Executive Vice President of Strategic Business and Brand Development, a role he has held since 2012. He joined GameStop in 2008 as Senior Vice President and Chief Marketing Officer. Previously, Mr. Hogan served as a Principal with Strategic Frameworking, a strategic consulting firm. Mr. Hogan also served as a Senior Vice President of Marketing at Dean Foods Company and as Vice President of International Marketing at Frito-Lay. Mr. Hogan currently serves on the Board of Directors of Feed the Children, a non-profit organization. Michael K. Mauler has been Executive Vice President of GameStop International since 2010. Mr. Mauler was formerly the Company's Senior Vice President of Supply Chain and International Support, a position he held since 2005. Prior to that, Mr. Mauler was the Vice President of Logistics of Electronics Boutique. Mr. Mauler has also held senior management positions for Baxter Healthcare, Dade Behring and Fisher Scientific, where he led operations for 22 countries.

#### Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The following table sets forth the number of shares of our Common Stock and exercisable options to purchase such stock beneficially owned on May 2, 2014 by each Director, each of the Named Executive Officers, each holder of 5% or more of our Common Stock and all of our Directors and executive officers as a group. Except as otherwise noted, the individual Director or executive officer or his or her family members had sole voting and investment power with respect to the identified securities. Except as otherwise noted, the address of each person listed below is GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051. The total number of shares of our Common Stock outstanding as of May 2, 2014 was 114,592,476.

Name	Shares Beneficially Owned	
	Number <sup>1</sup>	%
FMR LLC 82 Devonshire Street Boston, MA 02109	13,308,045	<sup>2</sup> 11.6
The Vanguard Group 100 Vanguard Boulevard Malvern, PA 19355	9,233,271	<sup>3</sup> 8.1
BlackRock, Inc. 40 East 52 <sup>nd</sup> Street New York, NY 10022	8,847,707	<sup>4</sup> 7.7
Daniel A. DeMatteo	410,263	<sup>5</sup> *
J. Paul Raines	625,322	<sup>6</sup> *
Tony D. Bartel	458,251	<sup>7</sup> *
Robert A. Lloyd	260,740	<sup>8</sup> *
Michael P. Hogan	150,606	<sup>9</sup> *
Jerome L. Davis	39,150	<sup>10</sup> *
R. Richard Fontaine	566,898	<sup>11</sup> *
Thomas N. Kelly Jr.	11,694	<sup>12</sup> *
Shane S. Kim	13,720	<sup>13</sup> *
Steven R. Koonin	18,240	<sup>10</sup> *
Stephanie M. Shern	38,871	<sup>14</sup> *
Gerald R. Szczepanski	27,780	<sup>10</sup> *
Kathy P. Vrabeck	11,100	<sup>15</sup> *
Lawrence S. Zilavy	28,860	<sup>10</sup> *
All Directors and Officers as a group (16 persons)	2,925,158	<sup>16</sup> 2.6

\*Less than 1.0%.

(1) Shares of Common Stock that an individual or group has a right to acquire within 60 days after May 2, 2014 pursuant to the exercise of options, warrants or other rights are deemed to be outstanding for the purpose of

computing the beneficial ownership of shares and percentage of such individual or group, but are not deemed to be outstanding for the purpose of computing the beneficial ownership of shares and percentage of any other person or group shown in the table.

Based on information included in its Amendment No. 4 to Schedule 13G filed with the SEC on February 14, 2014,  
(2) FMR LLC has the sole power to vote or to direct the vote with respect to 59,209 of these shares and sole power to dispose or direct the disposition with respect to 13,308,045 of these shares.

Based on information included in its Amendment No. 2 to Schedule 13G filed with the SEC on February 11, 2014,  
(3) The Vanguard Group has the sole power to vote or to direct the vote with respect to 190,173 of these shares, the sole power to dispose or direct the disposition with respect to 9,056,198 of these shares and the shared power to dispose or direct the disposition with respect to 177,073 of these shares.

Based on information included in its Amendment No. 6 to Schedule 13G filed with the SEC on January 29, 2014,  
(4) BlackRock, Inc. has the sole power to vote or to direct the vote with respect to 6,901,209 of these shares and sole power to dispose or direct the disposition with respect to 8,847,707 of these shares

(5) Of these shares, 29,310 are issuable upon exercise of stock options (all of which are vested as of the record date) and 159,530 are unvested restricted shares.

(6) Of these shares, 46,890 are issuable upon exercise of stock options (all of which are vested as of the record date) and 405,992 are unvested restricted shares.

(7) Of these shares, 28,130 are issuable upon exercise of stock options (all of which are vested as of the record date) and 255,824 are unvested restricted shares.

(8) Of these shares, 19,700 are issuable upon exercise of stock options (all of which are vested as of the record date) and 183,994 are unvested restricted shares.

(9) Of these shares, 14,070 are issuable upon exercise of stock options (all of which are vested as of the record date) and 116,552 are unvested restricted shares.

(10) Of these shares, 4,640 are unvested restricted shares.

(11) Of these shares, 300,000 are issuable upon exercise of stock options (all of which are vested as of the record date) and 4,640 are unvested restricted shares.

(12) Of these shares, 10,174 are unvested restricted shares.

(13) Of these shares, 7,720 are unvested restricted shares.

(14) Of these shares, 31,000 are issuable upon exercise of stock options (all of which are vested as of the record date) and 4,640 are unvested restricted shares.

(15) Of these shares, 9,580 are unvested restricted shares.

(16) Of these shares, 483,170 are issuable upon exercise of stock options (all of which are vested as of the record date) and 1,382,648 are unvested restricted shares.

#### Compensation Committee Interlocks and Insider Participation

The members of the Compensation Committee are Gerald R. Szczepanski (Chair), Thomas N. Kelly Jr. and Shane S. Kim, none of whom has ever been an employee of the Company. No member of the Compensation Committee had a relationship requiring disclosure in this Proxy Statement under Items 404 or 407 of SEC Regulation S-K.

## COMPENSATION DISCUSSION AND ANALYSIS

### Executive Summary

#### Introduction

The Compensation Committee believes that our Directors and senior executives should be compensated commensurate with their success in maintaining the growth, profitability, cash flow and high level of performance necessary for GameStop to produce ongoing and sustained value for our stockholders. Our strategic initiatives are critical to providing ongoing and sustained value as they transform us into a multi-concept retailer and expand our multichannel operations in the video game business. Our efforts led to the acquisitions of Spring Communications, Inc. ("Spring Mobile"), an AT&T reseller and Simply Mac, Inc. ("Simply Mac"), a certified Apple reseller, and the launch of Cricket stores, an AT&T pre-paid wireless brand, and have resulted in market share growth and continuing growth in our digital gaming and mobile businesses over the past few years. The Compensation Committee will continue to develop and recommend compensation programs to support these critical objectives. The Board of Directors will continue to have sole approval rights over the Compensation Committee's recommendations. In response to stockholder input, in the last three years, we made a number of enhancements to our executive compensation disclosures and our executive compensation program, including increasing the amount of each Named Executive Officer's total compensation package tied to performance measures. Since the beginning of fiscal 2011, the Compensation Committee targeted between 50% to 60% of each Named Executive Officer's total compensation to be tied to performance measures and such compensation is therefore at risk.

#### 2013 Performance

In fiscal 2013, we delivered strong performance during the fiscal year, including making substantial progress on our strategic initiatives to develop into a global multichannel retailer of one of the largest entertainment categories — video games, both digital and physical, as well as to expand our business into other retail concepts, which we refer to as Technology Brands. All of these factors were reflected in our share price and in our executive compensation outcomes. Under the leadership of our executive management team, we completed the following initiatives in fiscal 2013 in support of our overall strategy:

- captured the leading retail position in selling the next generation video game consoles and new video game titles introduced throughout the year, resulting in an increase in comparable store sales of 3.8% for fiscal 2013;
- continued the expansion of our multichannel initiatives, providing customers with convenience and choice through our retail website, mobile apps, web-in-store and pickup@store programs, resulting in sales growth in our multichannel business of 47.5% in fiscal 2013 over fiscal 2012;
- completed the acquisitions of Spring Communications, Inc. ("Spring Mobile") and Simply Mac, Inc. ("Simply Mac"), which enabled us to expand our Technology Brands business and resulted in \$63 million in revenues in the fourth quarter of fiscal 2013;
- continued the growth of the mobile and consumer electronics business enabled by our video game stores, which includes buying, selling and trading pre-owned mobile devices and consumer electronics, from revenues of approximately \$13 million in fiscal 2011 to over \$240 million in fiscal 2013;
- grew digital receipts from \$630 million in fiscal 2012 to \$724 million in fiscal 2013, achieving growth of 15%; and
- continued the growth of PowerUp Rewards, our customer loyalty program which was launched during fiscal 2010, expanding from 22.3 million members by the end of fiscal 2012 to 27 million members by the end of fiscal 2013.

Additionally, under the effective leadership of our executive management team, we continued to demonstrate disciplined capital allocation, with the following accomplishments:

- generated record free cash flow of \$632.6 million\*;
- repurchased 6.3 million shares of Common Stock at an average price of \$41.12 per share for a total of \$258.3 million, bringing cumulative share repurchases since the inception of our share repurchase program in January 2010 to 60.6 million shares at an average price of \$22.61 per share for a total of \$1.4 billion;
- paid quarterly dividends of \$0.275 per share, or \$1.10 annually, in fiscal 2013, which represents an increase of 37.5% annually in comparison to dividends of \$0.80 per share paid in fiscal 2012;
- strategically invested in the expansion of our Technology Brands business through the acquisitions of Spring Mobile and Simply Mac;



reduced capital expenditures by 10%; and

continued to return free cash flow to our stockholders in the form of dividends and share repurchases.

\* Refer to Appendix A for a computation of free cash flow and a reconciliation to GAAP.

In March 2014, as a result of our strong free cash flow performance, we continued to deliver on our commitment to return value and capital to stockholders by increasing the quarterly dividend by an additional 20% in March 2014 to \$0.33 per share.

The price of our Class A Common Stock increased from \$24.69 on February 1, 2013 (the last trading day of fiscal 2012) to \$35.07 on January 31, 2014 (the last trading day of fiscal 2013), an increase of 42% in fiscal 2013.

Additionally, the following chart illustrates our total shareholder return (after considering our dividend payments) during fiscal 2013 and our cumulative three-year total shareholder return, each in comparison to the total shareholder return for the Standard & Poor's 500 (the "S&P 500") over the same time frames:

At the beginning of fiscal 2013, the Named Executive Officers were awarded the typical annual compensation package consisting of salaries, annual short-term incentive cash bonuses based on operating earnings with payouts based on a percentage of annual salary, and long-term incentives which consisted of performance-based and time-vested restricted shares and time-vested stock options. The Committee believes this structure helps to align the interests of our executive officers with the interests of our stockholders. Approximately one-half of the value of the fiscal 2013 awards were restricted stock grants subject to vesting both on the basis of continued service and the achievement of defined performance goals, with awards to be earned in a greater or lesser amount if performance is above or below target. Approximately twenty-five percent of the value of the fiscal 2013 awards were restricted stock grants subject to vesting based on continued service with a performance condition intended to achieve tax deductibility under Section 162(m), and the remaining approximately twenty-five percent of the value of the fiscal 2013 awards were stock option grants subject to vesting solely on the basis of continued service.

We achieved 100.8% of the targeted operating earnings related to the short-term incentive award for fiscal 2013 and, as a result, the Compensation Committee and the Board authorized payment of 100% of the targeted award for eligible Named Executive Officers and all other bonus eligible employees. We achieved 101% of the targeted earnings per share related to the long-term incentive performance award for fiscal 2013 and, as a result, the Compensation Committee and the Board authorized payment of 102.5% of the targeted award for Named Executive Officers. The achievement and targets are discussed in greater detail in the "Key Elements of Compensation" section below.

#### Recent Compensation Events

##### New Employment Agreements Executed in Fiscal 2013

We entered into new employment agreements with J. Paul Raines, Robert A. Lloyd, Daniel A. DeMatteo, Tony D. Bartel and Michael P. Hogan effective May 10, 2013 as the existing employment agreements in effect at that time for Messrs. Raines, Lloyd, DeMatteo and Bartel were set to expire between March and June 2013. We further amended and restated the employment agreement with Mr. Raines on November 13, 2013. More specifics regarding these new employment agreements is included in the "Employment Agreements" section below.

#### Reduction in Compensation for Executive Chairman

Due to the evolution of Mr. DeMatteo's role as Executive Chairman, the Compensation Committee reduced the compensation package for Mr. DeMatteo from fiscal 2011 through fiscal 2013. The compensation package was reduced approximately \$2.2 million, or 30%, from fiscal 2011 to fiscal 2012 to align Mr. DeMatteo's compensation with compensation packages typical for the executive chairman role he occupies. The overall compensation package for fiscal 2012 for Mr. DeMatteo was set by the Compensation Committee after consideration of the pay packages for executive chairmen for the approximately 80 companies in the S&P 500 that had an executive chairman role. Mr. DeMatteo's fiscal 2013 total targeted compensation package of approximately \$4.75 million was reduced approximately 9% from his total targeted compensation for fiscal 2012 and is approximately 66% of the fiscal 2013 total targeted annual compensation package of approximately \$7.18 million for Mr. Raines.

#### Re-Introduction of Stock Options into Long-Term Incentive Compensation Mix

In fiscal 2013, the Compensation Committee continued to grant 50% of the total long-term incentive mix in the form of performance-based restricted stock, and reduced the use of time-based restricted stock from 50% to 25% of the total long-term incentive mix. The re-introduction of time-based stock options in fiscal 2013 accounted for the remaining 25% of the total long-term incentive mix. The Committee believes that adding stock options provides a well-balanced mix of equity vehicles.

#### Adoption of Retirement Policy

In March 2014, the Compensation Committee recommended, and the Board approved, a retirement policy with respect to individuals, including any Named Executive Officer who meets the criteria described below (the "Retirement Policy"), providing for vesting of certain awards granted under the 2011 Incentive Plan upon such employee's retirement. The Retirement Policy was originally scheduled to become effective as May 3, 2014 but has since been deferred to August 3, 2014. Pursuant to the Retirement Policy, employees who attain a minimum age of 55 and a minimum period of service with the Company and its affiliates of 10 years and whose age plus service equals or exceeds 70, will, upon termination (other than a for cause termination) (an "Eligible Retirement"), become vested with respect to certain unvested awards granted under the 2011 Incentive Plan. When the policy becomes effective in August 2014, Mr. DeMatteo is the only Named Executive Officer who would be eligible to retire and receive the vesting offered under the Retirement Policy. Additional details regarding the Retirement Policy are included in the "Employment Agreements and Potential Payments Upon Termination or Change in Control" section below.

#### General

Our executive officer compensation program is administered by the Compensation Committee of the Board of Directors.

The program is based upon the following guiding principles:

1. Total compensation provided by us to our executive officers should be competitive and allow us to attract and retain individuals whose skills are critical to our long-term success.  
The compensation we offer should reward and motivate individual and team performance in attaining business objectives and maximizing stockholder value, while avoiding the encouragement of unnecessary or excessive risk-taking.
2. Compensation awards should be based on the fundamental principle of aligning the long-term interests of our employees with those of our stockholders. Therefore, a meaningful portion of most management employees' compensation will be in the form of long-term equity compensation. All of the short-term incentives, in the form of annual cash bonuses, and a large portion of equity compensation for Named Executive Officers are tied to performance measures, and may include situational bonuses, as appropriate, in recognition of meeting unique, time-sensitive performance challenges that may arise.

3. The overall value of the incentive and total compensation opportunities will be designed to be consistent with the level of our operational performance over time and the level of returns provided to stockholders.

The compensation program is designed to reward the executive officers for the dedication of their time, efforts, skills and business experience to our operations. The compensation program is designed to reward both annual and

long-term performance. Annual performance is rewarded through salary and annual bonus and is measured by our operating earnings and growth, among other factors. Long-term performance is rewarded through performance-based and time-vested restricted stock and time-vested stock options, with approximately 50% of the total long-term incentive compensation mix tied to the achievement of performance measures.

The Compensation Committee oversees risks associated with compensation policies and the retention and development of executive talent, including the development of policies that do not encourage excessive risk-taking by our executives. These policies include various factors to help mitigate risk, including fixed compensation components and variable components that include mitigating factors such as a consistent structure across all business units, generally involving consolidated income components; targeted award amounts that are not significant as a percentage of revenue; and vesting periods, equity ownership policies, and claw-back provisions. The Compensation Committee and management also regularly review our compensation policies to determine effectiveness and to assess the risk they present

to the Company. Based on this review, we have concluded that our compensation policies and procedures are not reasonably likely to have a material adverse effect on the Company.

#### Response to Advisory Vote on Executive Compensation

A substantial majority of our stockholders (88% of votes cast) approved the fiscal 2012 compensation for our Named Executive Officers at the 2013 Annual Meeting of Stockholders. We interpreted these results, coupled with discussions that we have had from time to time with investors regarding compensation, as a validation of our pay-for-performance compensation program. As a result, we have retained our general approach to executive compensation as described more fully in the "Key Elements of Compensation" section below. Nonetheless, the Compensation Committee continues to work with its independent consultant to consider alternatives and intends to make changes to the program where it determines it appropriate.

#### Role of Compensation Consultants and Market Benchmarking

The Compensation Committee has the authority under its charter to retain a compensation consultant to assist in the evaluation of Director and executive compensation, whose research and viewpoints provide one of several data points used by the Compensation Committee in developing specific recommendations to the Board of Directors. The Compensation Committee believes that such a consultant can play an essential role in the process of providing an impartial evaluation of compensation programs and practices, developing effective recommendations to the Board of Directors and evaluating the Company's pay practices.

In fiscal 2013, the Compensation Committee retained ClearBridge Compensation Group ("ClearBridge") to advise on matters related to Director and executive compensation. ClearBridge reports directly to the Compensation Committee and does not provide any other services to the Company. The Compensation Committee reviewed the independence of ClearBridge under SEC rules and NYSE listing standards regarding compensation consultants and has concluded that ClearBridge's work for the Compensation Committee is independent and does not raise any conflicts of interest. ClearBridge gathers benchmark data from the peer group, which the Compensation Committee considers among other factors (e.g., individual performance and potential, job responsibilities, historical compensation levels, etc.) in assessing and determining total compensation opportunities for the Named Executive Officers. The peer group is generally comprised of specialty retailers which are 0.5x to 2x the Company's revenue and 0.2x to 5x the Company's market capitalization. The specific companies included in the fiscal 2013 peer group, which were unchanged from fiscal 2012, are listed below:

Abercrombie & Fitch	Dick's Sporting Goods	OfficeMax
Advance Auto Parts	Foot Locker	O'Reilly Automotive
AutoZone	Gap	PetSmart
Barnes & Noble	L Brands	Ross Stores
Bed Bath & Beyond	Office Depot	Tiffany & Co

#### Key Elements of Compensation

Since 2010, the Company has maintained employment agreements with all of its Named Executive Officers. These employment contracts cover the key elements of the Company's executive compensation package, which consist of base salary, annual bonus and incentive awards (including stock options or restricted stock), and cover severance and termination benefits. These employment agreements and the Company's policies with respect to each of the key elements of its executive compensation package are discussed below. In addition, while the elements of compensation described below are considered separately, the Compensation Committee also considers and reviews the full compensation package afforded by the Company to its executive officers, including insurance and other benefits. The Compensation Committee makes its determinations after receiving and considering the recommendations of the Company's Executive Chairman and Chief Executive Officer and after considering recommendations and research of the independent compensation consultant when such research has been performed. The Compensation Committee makes recommendations to the Board of Directors, which ultimately approves the executive compensation package for each year.

Base Salaries

A Named Executive Officer's base salary is determined by evaluating the responsibilities of the position held, the individual's experience and the competitive marketplace for executive talent. The base salary is intended to be competitive with base salaries paid to executive officers with comparable qualifications, experience and responsibilities at other companies of comparable size, growth and operations.

## Fiscal 2013 Salaries

The Compensation Committee met on February 18, 2013 to establish the base salaries for fiscal 2013 for the Named Executive Officers. In setting the base salaries of these executive officers for fiscal 2013, the Compensation Committee considered, among other things, the recommendations received from ClearBridge following its research, the results of the benchmarking against the peer group, the Company's growth and continued expansion into digital and mobile businesses in fiscal 2012, projections for fiscal 2013 and the responsibilities of each executive officer. The Compensation Committee also considered the recommendation of Mr. DeMatteo in setting the base salary for Mr. Raines and considered the recommendations of Messrs. Raines and DeMatteo in setting the base salaries for the other Named Executive Officers.

For fiscal 2013, the Compensation Committee increased the base salaries of J. Paul Raines, Chief Executive Officer, Tony D. Bartel, President, and Michael P. Hogan, Executive Vice President of Strategic Business and Brand Development by 3% and increased the base salary of Robert A. Lloyd, Executive Vice President and Chief Financial Officer by 6%. The following table summarizes the base salaries for fiscal 2013, as established by the Compensation Committee, for the Named Executive Officers:

Named Executive Officer	Base Salary
J. Paul Raines	\$ 1,060,000
Robert A. Lloyd	636,000
Daniel A. DeMatteo	900,000
Tony D. Bartel	830,000
Michael P. Hogan	500,000

## Fiscal 2014 Salaries

The Compensation Committee met on March 3, 2014 to establish the base salaries for fiscal 2014 for the Named Executive Officers. In setting the base salaries of these executive officers for fiscal 2014, the Compensation Committee considered, among other things, the recommendations received from ClearBridge following its research, the results of the benchmarking against the peer group, the Company's growth and continued expansion into digital and mobile businesses in fiscal 2013, projections for fiscal 2014 and the responsibilities of each executive officer. The Compensation Committee also considered the recommendation of Mr. DeMatteo in setting the base salary for Mr. Raines and considered the recommendations of Messrs. Raines and DeMatteo in setting the base salaries for the other Named Executive Officers.

The Board of Directors set salaries for fiscal 2014 for the Named Executive Officers as follows:

Named Executive Officer	Base Salary
J. Paul Raines	\$ 1,210,000
Robert A. Lloyd	655,000
Daniel A. DeMatteo	900,000
Tony D. Bartel	855,000
Michael P. Hogan	515,000

## Annual Bonuses

## General

In addition to a base salary, each Named Executive Officer is eligible for a performance-based annual cash bonus. The Company has chosen to include performance-based annual bonuses as an element in the current compensation plan as they are an accepted and expected part of most compensation plans for Fortune 500 executives and serve to motivate individual and team performance in attaining business objectives and maximizing stockholder value.

Prior to June 2013, bonuses for the Named Executive Officers of the Company were based upon the criteria used in, and were calculated in accordance with, the Supplemental Compensation Plan. Following the approval of an amendment to the 2011 Incentive Plan by our stockholders in June 2013, bonuses for our Named Executive Officers are granted under the 2011 Incentive Plan, as amended and approved by the Company's stockholders at the 2013 Annual Meeting of Stockholders.

Participating executive officers are entitled to a cash bonus in an amount equal to a percentage of their base salary which is pre-determined for each participating executive officer by the Compensation Committee, with input from the

Executive Chairman and Chief Executive Officer, for each fiscal year. The purpose of these performance-based annual cash bonuses is to permit the Company to attract,

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retain and motivate management who, because of the extent of their responsibilities, can and do make significant contributions to the success of the Company by their ability, loyalty and exceptional service.

The bonus amount is calculated after each fiscal year in accordance with a sliding scale formula based on the extent to which a pre-established performance target is attained. In general, not later than 90 days after the start of each fiscal year of the Company (and before 25% of the relevant period of service has elapsed), the Compensation Committee establishes in writing a performance target for each participating executive officer (the "Target"). Targets are typically based on budgeted operating earnings for the fiscal year. Operating earnings are generally budgeted each year based on an increase in the actual operating earnings achieved during the previous year in order to challenge the executive officers of the Company to increase revenues, control costs and find operating efficiencies, and to demonstrate earnings growth. Consideration may be given in any year to investments the Company may make in its strategic initiatives in order to better prepare the Company for its long-term future and the impact these investments have on operating earnings. Consideration may also be given in any year to the stage of the console cycle and projected variability in industry growth rates and the impact these may have on the Company's revenues and operating earnings in such year. Because the Target is established in the first 90 days of the year, the attainment of the Target is substantially uncertain at the time the Target is established. The establishment of the Target as a measure of operating earnings for the participating executive officers considers the importance of their individual roles in the overall performance and results of the Company. Individual objectives and performance are considered in the establishment of the individual pre-determined percentage of base salary for which each of the executive officers is eligible (as discussed further below).

For purposes of determining performance results against the pre-established Target, the Compensation Committee, at its discretion and as provided for under the terms of the 2011 Incentive Plan may make certain adjustments to actual performance results, including amounts defined under accounting principles generally accepted in the United States of America ("GAAP"). The Compensation Committee provides for certain adjustments when it believes the adjusted results provide a performance measure that best represents actual performance results that are within the executives' sphere of control and accountability. Actual performance results may be adjusted to eliminate the effects of, among other things, asset impairments and restructuring charges, acquisitions, debt retirement expenses, foreign currency changes, buybacks of the Company's shares, and the impact to income taxes related to the difference in budgeted and actual income tax rates.

Each participating executive officer is entitled to receive a cash bonus in the amount of their pre-determined percentage of base salary (the "Target Bonus") as follows:

If the Performance Period Results are:	Then the Percentage of the Target Bonus Received is:
Less than 85% of Target	None
85% or more but less than 90% of Target	Scaled between 50% and 70%
90% or more but less than 100% of Target	Scaled between 75% and 97.5%
100% or more but less than 110% of Target	Scaled between 100% and 109%
110% or more but less than 125% of Target	Scaled between 110% and 124%
125% or more of Target	125%

The use of the scale detailed above ties the payment of short-term incentives to performance and subjects the participating executive officers to a substantial risk of non-payment if the Targets are not achieved.

The 2011 Incentive Plan limits the maximum cash bonus payable to any participating executive officer to \$6,000,000 with respect to any fiscal year. No bonuses are paid until the Compensation Committee certifies the extent to which the Target has been attained. Under the terms of the 2011 Incentive Plan, the Compensation Committee has no authority to increase the amount of a bonus that would be due upon the attainment of the Target.

#### Fiscal 2013 Bonuses

For fiscal 2013, the Compensation Committee made adjustments to the compensation for fiscal 2013 for the Executive Chairman in recognition of the continued evolution of the role as described in "Recent Compensation Events" above. As a result, the target annual bonus for Mr. DeMatteo, was decreased from 200% of salary to 150% of salary. Target

Bonuses for fiscal 2013 for our Named Executive Officers below were as follows:

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Executive Officer	Percentage of Base Salary	
J. Paul Raines	200	%
Robert A. Lloyd	100	%
Daniel A. DeMatteo	150	%
Tony D. Bartel	100	%
Michael P. Hogan	100	%

The Compensation Committee determined that the Company had met 100.8% of the Target, which was defined as operating earnings of \$600 million for fiscal 2013 in comparison to actual operating earnings (after the adjustments described below) of \$605 million for fiscal 2013, and therefore 100% of the individual target bonus was paid to each of the bonus-eligible Named Executive Officers for fiscal 2013. In determining performance results against the pre-established operating earnings target, the Compensation Committee provided for certain adjustments to actual performance results primarily to eliminate the effects of certain non-cash asset impairments. The Compensation Committee, with the approval of the Board, made the adjustments to GAAP operating earnings because the Compensation Committee believed the adjustments provided a performance measure that best represented actual fiscal 2013 performance results that were within the executives' sphere of control and accountability. The Company also used this adjusted operating earnings measure for its broader-based management incentive plan. The following bonuses were paid for fiscal 2013 to our Named Executive Officers:

Executive Officer	Base Amount
J. Paul Raines	\$2,120,000
Robert A. Lloyd	636,000
Daniel A. DeMatteo	1,350,000
Tony D. Bartel	830,000
Michael P. Hogan	500,000

#### Fiscal 2014 Bonus Targets

Target Bonuses for fiscal 2014 for our Named Executive Officers, which are based on the achievement of certain operating earnings targets, are as follows:

Executive Officer	Percentage of Base Salary	
J. Paul Raines	200	%
Robert A. Lloyd	100	%
Daniel A. DeMatteo	150	%
Tony D. Bartel	100	%
Michael P. Hogan	100	%

#### Long-Term Incentive Awards

The Company grants long-term incentive awards to Named Executive Officers, currently in the form of time-vested stock options and time-vested and performance-based restricted stock, to align the interests of the executive officers with the interests of the Company's stockholders. Additionally, long-term awards offer executive officers an incentive for the achievement of superior performance over time and foster the retention of key management personnel. Grants of long-term awards are made to executive officers, members of the Board of Directors and all other eligible full-time employees.

The equity component of long-term incentive awards made subsequent to February 2011 is made under the provisions of the 2011 Incentive Plan, which provides for the grant of options to purchase shares of Common Stock, the grant of stock appreciation rights, the grant of restricted stock awards and the grant of other share-based awards, subject to limitation. The equity component of long-term incentive awards made through February 2011 was made under the provisions of the 2001 Incentive Plan. To date, only stock options and restricted shares have been granted under the

2011 Incentive Plan. Only stock options and restricted shares were granted under the 2001 Incentive Plan. Performance-Based Restricted Stock Beginning in February 2011, fifty percent of the grants of long-term incentive awards made to participating Named Executive Officers are restricted shares subject to vesting both on the basis of continued service to the Company

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and the achievement of defined performance measures. These awards vest according to the terms of the award agreements, subject to the final determination of actual performance results as determined by the Compensation Committee. Each participating Named Executive Officer is entitled to receive the target awards according to the following performance achievement scale:

If the Performance Period Results are:	Then the Percentage of the Target Award Received is:
Less than 85% of Target	None
85% or more but less than 90% of Target	Scaled between 50% and 70%
90% or more but less than 100% of Target	Scaled between 75% and 97.5%
100% or more but less than 110% of Target	Scaled between 100% and 122.5%
110% or more but less than 115% of Target	Scaled between 125% and 145%
115% or more of Target	150%

For purposes of determining performance results against a pre-established target, the Compensation Committee, at its discretion and as provided for under the terms of the 2011 Incentive Plan, may make certain adjustments to actual performance results, including amounts defined under GAAP. The Compensation Committee provides for certain adjustments when it believes the adjustments provide a performance measure that best represents actual performance results that are within the executives' sphere of control and accountability. Actual performance results may be adjusted to eliminate the effects of, among other things, asset impairments and restructuring charges, acquisitions, debt retirement expenses, foreign currency changes, buybacks of the Company's shares, and the impact to income taxes related to the difference in budgeted and actual income tax rates.

#### Role of Compensation Committee in Grants

The Compensation Committee of the Board of Directors has the responsibility to recommend long-term incentive awards and administer the 2011 Incentive Plan and is therefore responsible for authorizing all grants under that plan. In determining annual grants to executive officers, the Compensation Committee, along with executive management, bases its decision on the individual's performance and potential to improve stockholder value. Some factors used in determining the number of options or shares granted to the Named Executive Officers include the financial performance of the Company over the preceding fiscal year, the historical amount of shares granted to each Named Executive Officer, the current share price which affects the overall value of the grant, the amount of shares available to be granted under our 2011 Incentive Plan and the results of reviews, surveys or other information from our compensation consultants.

The Compensation Committee also considers the recommendations of the Executive Chairman and the Chief Executive Officer in granting awards to executive officers and employees other than the Executive Chairman and the Chief Executive Officer. The Compensation Committee relies upon the Chief Financial Officer for the day-to-day administration and record-keeping of the 2011 Incentive Plan and the 2001 Incentive Plan.

#### Role of Executive Officers in Grants

The Executive Chairman and the Chief Executive Officer are responsible for recommending to the Compensation Committee the grant of long-term awards to all executive officers and all other eligible full-time employees other than themselves. The Executive Chairman is responsible for recommending the grant of long-term awards to the Chief Executive Officer. The Chief Financial Officer assists the Executive Chairman and the Chief Executive Officer in this process by preparing a list of eligible employees and recommended awards for all eligible employees. Consideration is given to each individual's employment standing and those employees subject to possible termination are not deemed to be eligible. Recommended amounts are based on previous grants, individual performance and responsibilities and the individual's contributions toward increasing stockholder value. As mentioned above, the Chief Financial Officer is also responsible, under the direction of the Compensation Committee, for the day-to-day administration of the outstanding awards and the related record-keeping.

#### Timing of Grants

Awards have historically been granted to executive officers and eligible full-time employees once per year. The Compensation Committee has typically met annually within the first 30 to 60 days after the start of the new fiscal year to approve the annual grant of long-term incentive awards. The Compensation Committee meets on the same date as

the regularly scheduled meeting of the Board of Directors for the first quarter. The date of these Compensation Committee and Board of Directors meetings is set by the fourth quarter of the previous fiscal year. The Board of Directors and the Compensation Committee formalized the historical practice in a policy whereby the annual awards to Directors, executive officers and eligible full-time employees will be approved at the first quarter's meeting of the Compensation Committee. Grants also occasionally occur to newly hired or promoted executives or newly named non-employee Directors. When a grant is made for a newly hired or promoted executive or newly appointed Director, it is approved by the Compensation Committee

with a grant date of the date on which the executive or director starts his or her employment or assumes his or her new role with the Company.

There is generally no effort to time the meeting and the related approval of awards with the release of material non-public information. In the event that the outcome of the meeting of the Board of Directors results in the release of material non-public information, the Company will wait at least 48 hours after the release of such material non-public information to grant awards. The Company does not release material non-public information for the purpose of affecting the value of executive compensation. The timing of grants for newly hired or promoted executives is not timed in coordination with the release of material non-public information.

#### Pricing of Grants

Under the terms of the 2011 Incentive Plan, stock options are granted with an exercise price equal to the closing price of the Common Stock reported on the NYSE as of the date of the grant or as of the most recently preceding trading day if the date of grant is not an NYSE trading day.

#### 2013 Grants

The Compensation Committee met on February 22, 2013 and, upon ratification by the Board of Directors, granted time-vested stock options and time-vested and performance-based restricted stock for fiscal 2013 based on the performance, in fiscal 2012, of the Named Executive Officers and other eligible employees. To determine the amount of stock options and restricted stock to grant to each Named Executive Officer, the Compensation Committee considered, among other things, the Company's overall performance, each Named Executive Officer's individual contributions to the Company's overall performance, including individual contributions toward achievement of strategic objectives, and comparisons of long-term incentives and total compensation of similar positions within the Company's peer group. The Company performance that received the most significant consideration included the following:

Completed the following initiatives in fiscal 2012 in support of our overall strategy:

- continued the growth of PowerUp Rewards, our customer loyalty program which was launched during fiscal 2010, expanding from 15.9 million members by the end of fiscal 2011 to 22.3 million members by the end of fiscal 2012;
- expanded gross margins by 170 basis points over fiscal 2011 and 400 basis points since 2008;

- grew digital receipts from \$453 million in fiscal 2011 to \$630 million in fiscal 2012, achieving growth of 39%;
- continued the expansion of our mobile business, which includes buying, selling and trading pre-owned mobile devices, tablets and related accessories from revenues of \$11 million in fiscal 2011 to over \$180 million in fiscal 2012; and

- completed the acquisition of BuyMyTronics, Inc., which enabled the Company to expand its mobile business.

Demonstrated disciplined capital allocation, with the following accomplishments:

- repurchased 19.9 million shares of Common Stock at an average price of \$20.60 per share for a total of \$409 million, bringing cumulative share repurchases from January 2010 through January 2013 to 54.3 million shares at an average price of \$20.47 per share for a total of \$1.1 billion;

- initiated a quarterly dividend in February 2012 of \$0.15 per share, and increased the quarterly dividend in August 2012 by 67%, to \$0.25 per share;

- reduced capital expenditures by \$25.5 million, or over 15%; and

- returned 106% of free cash flow to stockholders.

Approximately one-half of the value of the fiscal 2013 long-term incentive awards were in the form of restricted stock grants subject to vesting both on the basis of continued service and the achievement of defined performance goals, with awards to be earned in a greater or lesser amount if performance was above or below target. Approximately twenty-five percent of the value of the fiscal 2013 awards were restricted stock grants subject to vesting based on continued service with a performance condition intended to achieve tax deductibility under Section 162(m), and the remaining approximately twenty-five percent of the value of the fiscal 2013 awards were stock option grants subject to vesting solely on the basis of continued service.





Taking these factors into consideration, the Compensation Committee awarded the Named Executive Officers stock options and restricted stock as follows:

Executive Officer	Time-Vested Stock Option Grant (1)	Time-Vested Restricted Stock Grant (2)	Performance-Based Restricted Stock Grant -- EPS (3)	Performance-Based Restricted Stock Grant -- ROIC (4)	Total Shares of Restricted Stock Awarded	Total Targeted Award Value (5)
J. Paul Raines	140,670	40,320	40,320	40,320	120,960	\$4,000,000
Robert A. Lloyd	59,100	16,950	16,950	16,950	50,850	1,680,000
Daniel A. DeMatteo	87,930	25,200	25,200	25,200	75,600	2,500,000
Tony D. Bartel	84,390	24,180	24,180	24,180	72,540	2,400,000
Michael P. Hogan <sup>(6)</sup>	42,210	12,090	12,090	12,090	36,270	1,200,000

Stock options, vesting in equal installments on February 22<sup>nd</sup> of each of the years 2014 through 2016, subject to (1) continued service to the Company, with an exercise price of \$24.82 per share of Common Stock, which was the closing price of the Common Stock on the grant date, and a Black-Scholes fair value of approximately \$7.10.

Restricted shares of Common Stock, subject to a performance condition intended to achieve tax deductibility under Section 162(m) of the Code. The award vests in equal installments on February 22<sup>nd</sup> of each of the years 2014 through 2016, subject to continued service to the Company and subject to achieving operating earnings of \$200 million for fiscal 2013, which performance condition was satisfied.

Restricted shares of Common Stock, subject to a performance target tied to achieving earnings per share of \$3.13 (on a constant share count basis and excluding restructuring, impairment and debt retirement expenses), which target was measured following the completion of fiscal 2013 and resulted in achievement of 101% of the targeted (3) amount, based on our actual earnings per share of \$3.15 for fiscal 2013 (as adjusted for the items described above). The achievement resulted in shares earned at 102.5% of the target and the earned shares vest in equal annual installments on February 22<sup>nd</sup> of each of the years 2014 through 2016, subject to continued service to the Company.

Restricted shares of Common Stock, subject to a three-year performance target tied to achieving a certain return on invested capital target, with such target to be measured following the completion of fiscal 2015. The earned shares (4) will be vested subject to and following completion of the audited consolidated financial statements for fiscal 2015, but no earlier than February 22, 2016, subject to continued service to the Company.

The fair value of stock-denominated awards is based on a stock price of \$24.82 per share of Common Stock for (5) restricted stock, which was the closing price of our Common Stock on the grant date, and a Black-Scholes grant date fair value of approximately \$7.10 for stock options.

In addition to grants presented above, Mr. Hogan received a grant of 60,440 time-vested restricted shares with a target value of \$1,500,000 after being promoted to Executive Vice President, Strategic Business and Brand (6) Development. This award will vest in its entirety on February 22, 2016, subject to Mr. Hogan's continued service to the Company.

The Compensation Committee, at its discretion and as provided for under the 2011 Incentive Plan, may make certain adjustments when it believes the adjusted results provide a performance measure that best represents actual performance results that are within the executives' sphere of control and accountability. In determining performance results against the pre-established earnings per share target described above, the Compensation Committee provided for certain adjustments to actual performance results to eliminate the effects of certain asset impairments and restructuring charges, acquisitions, certain foreign currency changes, buybacks of the Company's shares, and the impact to income taxes related to the difference in budgeted and actual income tax rates. The Compensation Committee made the adjustments to GAAP earnings per share because the Compensation Committee believed the adjusted results provided a performance measure that best represented actual fiscal 2013 performance results that were

within the executives' sphere of control and accountability.

#### 2014 Grants

The Compensation Committee met on March 4, 2014 and, upon ratification by the Board of Directors, granted a combination of time-vested stock options and time-vested and performance-based restricted stock for fiscal 2014 based on the performance, in fiscal 2013, of the Named Executive Officers and other eligible employees. The target value of the 2014 long-term incentive awards was determined effective as of March 7, 2014. The Compensation Committee continued to incorporate the use of stock options in the grant because the Compensation Committee believes including stock options as a part of the long-term incentive compensation package provides greater alignment of management's interests with those of stockholders. To determine the amount of stock options and restricted stock to grant to each Named Executive Officer, the Compensation Committee considered, among other things, the Company's overall performance, each Named Executive Officer's individual contributions to the Company's overall performance, including individual contributions toward achievement of strategic objectives, and comparisons of long-term incentives and total compensation of similar positions within the Company's peer group. The target value for the long-term incentive award for Mr. Raines was increased by \$1,000,000

in fiscal 2014 to make his compensation more consistent with that of the Company's peer group. The Company performance that received the most significant consideration is discussed in detail in the "Executive Summary" section of Compensation Discussion and Analysis.

Approximately one-half of the value of the fiscal 2014 long-term incentive awards were in the form of restricted stock grants subject to vesting both on the basis of continued service and the achievement of defined performance goals, with awards to be earned in a greater or lesser amount if performance is above or below target. Approximately 25% of the value of the fiscal 2014 awards were restricted stock grants subject to vesting based on continued service with a performance condition intended to achieve tax deductibility under Section 162(m), and the remaining approximately 25% of the value of the fiscal 2014 awards were stock option grants subject to vesting solely on the basis of continued service.

Taking these factors into consideration, the Compensation Committee awarded the Named Executive Officers stock options and restricted stock as follows:

Executive Officer	Time-Vested Stock Option Grant (1)	Time-Vested Restricted Stock Grant (2)	Performance-Based Restricted Stock Grant -- EPS (3)	Performance-Based Restricted Stock Grant -- ROIC (4)	Total Shares of Restricted Stock Awarded	Total Targeted Award Value (5)
J. Paul Raines	101,170	32,460	32,460	32,460	97,380	\$5,000,000
Robert A. Lloyd	33,960	10,920	10,920	10,920	32,760	1,680,000
Daniel A. DeMatteo	50,550	16,230	16,230	16,230	48,690	2,500,000
Tony D. Bartel	48,510	15,600	15,600	15,600	46,800	2,400,000
Michael P. Hogan	24,270	7,800	7,800	7,800	23,400	1,200,000

Stock options, vesting in equal installments on March 7th of each of the years 2015 through 2017, subject to (1) continued service to the Company, with an exercise price of \$38.52 per share of Common Stock, which was the closing price of the stock on March 7, 2014, and a Black-Scholes fair value of approximately \$12.37.

Restricted shares of Common Stock, subject to a performance condition intended to achieve tax deductibility under (2) Section 162(m) of the Code. The award vests in equal installments on March 7th of each of the years 2015 through 2017, subject to continued service to the Company and subject to achieving a certain level of net earnings in fiscal 2014.

Restricted shares of Common Stock, subject to a performance target tied to achieving a certain earnings per share target (on a constant share count basis and excluding restructuring, impairment and debt retirement expenses) with (3) such target to be measured following the completion of fiscal 2014. The earned shares will be vested, subject to and following completion of the audited consolidated financial statements for fiscal 2014, in equal annual installments on March 7th of each of the years 2015 through 2017, subject to continued service to the Company.

Restricted shares of Common Stock, subject to a three-year performance target tied to achieving a certain return on invested capital target, with such target to be measured following the completion of the three-year period ended (4) January 30, 2017 ("fiscal 2016"). The earned shares will be vested immediately subject to and following completion of the audited consolidated financial statements for fiscal 2016, but no earlier than March 7, 2017, subject to continued service to the Company.

The fair value of stock-denominated awards is based on a stock price of \$38.52 per share of Common Stock for (5) restricted stock, which represents the closing price of our Common Stock on the grant date and a Black-Scholes grant date fair value of approximately \$12.37 for stock options.

Severance/Change in Control Benefits

On May 10, 2013, the Company entered into new employment agreements with each of Messrs. Raines, Lloyd, DeMatteo, Bartel and Hogan, and on November 13, 2013, the Company further amended and restated its employment agreement with Mr. Raines (collectively, as amended, the “New Employment Agreements”). Pursuant to the New Employment Agreements, each executive’s employment may be terminated upon death or disability, by GameStop with or without cause (as defined) or by the executive within twelve months of a good reason event. If an executive’s employment is terminated due to death or disability, by the Company with cause or by the executive without good reason, the executive is entitled to payment of base salary through the date of death, disability or termination of employment.

Termination with cause is defined under the terms of each of the New Employment Agreements and has been revised to include any of the following: (i) conviction of, or plea of nolo contendere to, a felony or any crime involving fraud or dishonesty; (ii) willful misconduct, whether or not in the course of service, that results (or that, if publicized, would be reasonably likely to result) in material and demonstrable damage to the business or reputation of the Company; (iii) material breach by the executive of any agreement with, policy of or duty owed to the Company or any of its subsidiaries; or (iv) willful refusal by the executive to perform his duties to the Company or the lawful direction of his or her supervisor that is not the result of a disability. If a cause event set forth in subsection (iii) or (iv) occurs, the executive will have a 30-day period in which to cure the event if the Board determines that such event is capable of cure.

Pursuant to the New Employment Agreements, a good reason event has been revised to include the following: (i) a material diminution in the executive's base salary or the executive's target annual bonus opportunity; (ii) a material diminution in the executive's authority, duties, or responsibilities; (iii) the Company relocates the executive's principal worksite outside of the Dallas/Ft. Worth metropolitan area; or (iv) in the event of a sale of substantially all the business and assets of the Company, a failure of the Company to assign, or a refusal of the principal purchaser of assets to assume, the Company's then continuing obligations under the New Employment Agreements. The Company generally has a 30-day period after notification by the executive to cure any good reason event.

Upon an executive's termination of employment without cause or by the executive for good reason, the executive, subject to an effective release, would receive an amount equal to two times (A) the executive's base salary plus (B) the executive's target bonus. Such amount would be paid in a lump sum. If such termination occurred within 18 months following a change in control (as defined in the New Employment Agreements) the "two" would be replaced by two and one-half (three in the case of the Chief Executive Officer and the Executive Chairman). The executive would also receive continuation of medical benefits for up to 18 months. Additionally, any time-based equity grants made to the executive would become fully vested. Any performance-based equity grants made to the executive will remain outstanding and will vest, if at all, based on actual performance through the end of the applicable performance period. Any options held by the executive will generally remain outstanding until the earlier of the original stated expiration date of the option or one year from the date of termination.

If the executive's employment with the Company is terminated due to death or disability, then the same treatment with respect to equity would apply; provided that if the executive's employment terminates due to death, all performance-based equity grants will vest and be paid at the target level. Any options held by the executive will generally remain outstanding until the earlier of the original stated expiration date of the option, one year from the date of termination or any accelerated expiration date of the options provided under the 2011 Incentive Plan, as amended, including upon a change of control.

The triggering events which would result in the payment of the severance amounts described above were selected because they provide employees with a guaranteed level of financial protection upon loss of employment and are considered competitive with severance provisions being offered currently in the market. The estimated minimum payments upon termination for each of the Named Executive Officers are detailed in "—Potential Payments upon Termination or Change in Control" below.

#### Employment Agreements

As described above, the Company entered into New Employment Agreements with J. Paul Raines, Robert A. Lloyd, Daniel A. DeMatteo, Tony D. Bartel and Michael P. Hogan effective May 10, 2013, and on November 13, 2013, the Company further amended and restated its employment agreement with Mr. Raines. These New Employment Agreements replaced all prior employment agreements that we had previously entered into with such executive officers. In addition to certain changes with respect to the triggers for and the payment of severance, as described above in the section entitled "—Severance/Change in Control Benefits," the New Employment Agreements also differ from the prior agreements in that (A) the term of each of the New Employment Agreements is "at will" and may be terminated by the Company or the executive at any time and (B) each executive is restricted from competing with GameStop for two years after termination of employment regardless of the reason for the termination.

Under the terms of the New Employment Agreements, each executive shall be entitled to all benefits afforded to management personnel or as determined by the Board of Directors, including, but not limited to, insurance programs, vacation, sick leave and 401(k) benefits. Additionally, the terms of the New Employment Agreements for each of these executive officers provide for minimum annual salaries as follows:

	Minimum Annual Salary
Executive Officer	
J. Paul Raines	\$1,060,000
Robert A. Lloyd	636,000
Daniel A. DeMatteo	900,000

Tony D. Bartel	830,000
Michael P. Hogan	500,000

Other Considerations

Relationship Among the Different Components of Compensation

In order to ensure that the Named Executive Officers are held accountable for the Company's performance and changes in stockholder value, management and the Compensation Committee generally allocate total compensation such that the portion of compensation attributable to fixed elements, such as salary and benefits, decreases with increasing levels of responsibility, and the portion attributable

to variable, performance-based elements increases. The portions of the targeted total compensation for fiscal 2014 that are attributable to performance-based measures are 55% and 57%, respectively, for Mr. DeMatteo and Mr. Raines and 50% for each of Messrs. Bartel, Lloyd and Hogan.

#### Stock Ownership

Effective February 2, 2011, the Company adopted a stock ownership policy which requires its Named Executive Officers and Directors to be stockholders in the Company. The Compensation Committee believes that ownership of stock of the Company that is material to the income of the individuals involved is sufficient to provide the required incentive to such officers and Directors and align their interests with the interests of the Company's stockholders. For a description of the stock ownership policy, see "Equity Ownership Policy" above.

#### Claw-back of Awards

Effective February 2, 2011, the Company adopted a formal claw-back policy to recover past compensation awards from executive officers in the event of fraud or a restatement. For a description of the claw-back policy, see "Claw-back Policy" above. The Company has not historically had any restatements or adjustments of this nature.

#### Anti-Hedging

Effective February 2, 2011, the Company adopted a formal anti-hedging policy prohibiting its employees and Directors from entering into any form of hedging strategies or transactions using short sales, puts, calls or other types of financial instruments to protect against a loss in value of Common Stock. For a description of the anti-hedging policy, see "Anti-Hedging Policy" above.

#### Retirement Benefits

Each of the Company's executive officers is entitled to participate in the Company's defined contribution 401(k) plan on the same basis as all other eligible employees. The Company matches the contributions of participants, subject to certain criteria. Under the terms of the 401(k) plan, as prescribed by the Internal Revenue Service ("IRS"), the contribution of any participating employee is limited to a maximum percentage of annual pay or a maximum dollar amount (\$17,500 for 2013). Our executive officers are subject to these limitations and therefore the Company does not consider its retirement benefits to be a material portion of the compensation program for our executive officers.

#### Dividends

The Company began declaring dividends in February 2012. Under the terms of the 2001 Incentive Plan and 2011 Incentive Plan and related award agreements, holders of unvested restricted stock are entitled to receive dividends on those shares of stock. The Compensation Committee approved the payment of these dividends only on unvested shares that are subject to time vesting. Dividends on unvested shares subject to performance measures are being accrued on behalf of the Named Executive Officers and will only be paid to the extent earned. Accordingly, our Named Executive Officers received dividends on certain of their unvested restricted shares of stock during fiscal 2013. Beginning in fiscal 2014, all dividends related to unvested shares will be accrued on behalf of the recipient and will only be paid when the underlying shares vest.

#### Perquisites

The Company maintains traditional health and welfare benefit plans and a qualified 401(k) plan, which are generally offered to all employees (subject to basic plan eligibility requirements) and are consistent with the types of benefits offered by other similar corporations. In addition to these traditional benefits, the Company offered in fiscal 2013 certain executive level perquisites to key executives, including all Named Executive Officers, which are designed to be competitive with the compensation practices of similar corporations, including life insurance and disability insurance commensurate with executive salaries, third party financial planning services and annual physical examinations. None of the Named Executive Officers utilized the annual physical examinations in fiscal 2013, and Messrs. Raines, Bartel, Lloyd and Hogan utilized the third party financial planning services in fiscal 2013. In addition, Messrs. Raines, Lloyd, DeMatteo, Bartel and Hogan are eligible to use the Company plane for personal use. Mr. DeMatteo occasionally uses the plane for personal use and reimburses the Company for costs in accordance with IRS guidelines. Messrs. Raines, Lloyd, Bartel and Hogan did not use the plane for personal use during fiscal 2013, fiscal 2012 or fiscal 2011. Amounts disclosed in the "All Other Compensation" column of the Summary Compensation Table for the personal use of the Company plane represent actual incremental costs to operate the plane in excess of the amounts reimbursed in accordance with IRS guidelines. None of the Named Executive Officers

receives any other compensation or benefits which would be defined as perquisites.



## Tax and Accounting Implications

### Impact of Section 162(m) of the Internal Revenue Code

The Compensation Committee has considered the potential impact of Section 162(m) of the Code, adopted under the Revenue Reconciliation Act of 1993. This section disallows a tax deduction for any publicly held corporation, for individual compensation exceeding \$1,000,000 in any taxable year paid to its chief executive officer or any of its three other most highly-compensated officers unless (i) the compensation is payable solely on account of the attainment of performance goals, (ii) the performance goals are determined by a committee of two or more outside directors, (iii) the material terms under which compensation is to be paid are disclosed to and approved by stockholders and (iv) the determining committee certifies that the performance goals were met. Because it is in the best interests of the Company to qualify to the maximum extent possible the compensation of its executives for deductibility under applicable tax laws, the Company obtained stockholder approval for the 2011 Incentive Plan, which provides for the payment of compensation in compliance with the above guidelines. The 2011 Incentive Plan was amended and restated at the 2013 annual meeting of stockholders to increase the maximum amount of cash bonus payable under the Plan to \$6,000,000.

The Supplemental Compensation Plan was replaced with provisions contained in the 2011 Incentive Plan that was amended and approved by the stockholders at the 2013 annual meeting of stockholders, which allows for continued deductibility of bonuses under Section 162(m) of the Code.

### Accounting for Stock-Based Compensation

The Company records share-based compensation expense in earnings based on the grant-date fair value of options or restricted stock granted in accordance with Financial Accounting Standards Board Accounting Standards Codification 718, Compensation—Stock Compensation (“ASC 718”).

## Executive Compensation

The following table (the “Summary Compensation Table”) sets forth the compensation earned during the fiscal years indicated by our PEO, our PFO and our three other most highly compensated executive officers.

## Summary Compensation Table

Name and Principal Position	Year (1)	Salary (\$)(2)	Bonus (\$)	Stock Awards (\$)(3)	Option Awards (\$)(3)	Non-Equity Incentive Plan Compensation (\$)(4)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)(6)	Total (\$)
J. Paul Raines Chief Executive Officer	2013	\$1,059,423	\$975,000 <sup>(5)</sup>	\$3,002,227	\$998,757	\$2,120,000	\$—	\$193,692	\$8,349,099
	2012	1,049,808	1,515,000 <sup>(7)</sup>	7,164,087	—	1,545,000	—	163,299	11,437,194
	2011	1,027,692	2,254,445 <sup>(7)</sup>	1,042,500	—	1,545,000	—	5,743	5,875,380
Robert A. Lloyd Executive Vice President and Chief Financial Officer	2013	635,308	409,500 <sup>(5)</sup>	1,262,097	419,610	636,000	—	112,920	3,475,435
	2012	607,692	542,512 <sup>(5)</sup>	3,526,278	—	450,000	—	85,132	5,211,614
	2011	546,154	785,433 <sup>(5)</sup>	437,850	—	412,500	—	6,940	2,188,877
Daniel A. DeMatteo Executive Chairman	2013	900,000	877,500 <sup>(5)</sup>	1,876,392	624,303	1,350,000	—	147,580	5,775,775
	2012	944,231	1,477,500 <sup>(5)</sup>	2,534,364	—	1,350,000	—	144,100	6,450,195
	2011	1,250,000	2,254,000 <sup>(5)</sup>	938,250	—	1,875,000	—	77,913	6,395,163
Tony D. Bartel President	2013	829,566	585,000 <sup>(5)</sup>	1,800,443	599,169	830,000	—	140,234	4,784,412
	2012	819,115	985,000 <sup>(5)</sup>	4,862,277	—	604,500	—	123,754	7,394,646
	2011	773,077	1,260,000 <sup>(5)</sup>	625,500	—	581,250	—	10,966	3,250,793
Michael P. Hogan <sup>(8)</sup> Executive Vice President, Strategic Business and Brand Development	2013	499,717	345,000 <sup>(5)</sup>	2,400,342	299,691	500,000	—	143,593	4,188,343

(1) Reflects fiscal 2013, fiscal 2012 and fiscal 2011.

(2) Reflects salary paid for fiscal 2013 which consisted of 52 weeks, fiscal 2012, which consisted of 53 weeks and fiscal 2011, which consisted of 52 weeks.

- Reflects the grant date fair value for the designated fiscal years for the restricted stock awards in accordance with ASC 718 based on the Common Stock price (or in the case of the stock options, the estimated Black-Scholes fair value) on the date of grant. For fiscal 2013, the amount in the "Stock Awards" column for Mr. Hogan includes a time-vested grant in the amount of \$1,500,000 following his promotion to Executive Vice President, Strategic Business and Brand Development, which equates to three times Mr. Hogan's base salary for fiscal 2013. For fiscal 2012, the amounts for Messrs. Raines, Lloyd and Bartel include a performance-based retention grant in the amount of three times the respective base salary for fiscal 2012 for each executive. A portion of the restricted shares granted will vest in equal annual increments over a three-year period after the grant date, subject to continued service to the Company. The remaining restricted shares granted are subject to certain performance measures and
- (3) will vest, if at all, based on the achievement of such measures at the end of each respective performance period, subject to confirmation by the Compensation Committee and continued service to the Company. The assumptions we used to calculate the grant date fair values of the option awards and stock awards are incorporated herein by reference to Note 14 to the consolidated financial statements included in our Annual Report on Form 10-K filed April 2, 2014. For fiscal 2013, the grant date fair values of the performance shares included in the table above, assuming performance at target (which was the most likely outcome for such awards as of the grant date), were \$2,001,485 for Mr. Raines, \$841,398 for Mr. Lloyd, \$1,250,928 for Mr. DeMatteo, \$1,200,295 for Mr. Bartel and \$2,100,268 for Mr. Hogan. Assuming achievement of the performance targets at the maximum level, the grant date values of the performance shares granted in fiscal 2013 were \$3,002,227 for Mr. Raines, \$1,262,097 for Mr. Lloyd, \$1,876,392 for Mr. DeMatteo, \$1,800,443 for Mr. Bartel and \$3,150,403 for Mr. Hogan.
- For fiscal 2013, reflects incentive-based bonuses earned in fiscal 2013 but paid in April 2014. For fiscal 2012, (4) reflects incentive-based bonuses earned in fiscal 2012 but paid in March 2013. For fiscal 2011, reflects incentive-based bonuses earned in fiscal 2011 but paid in March 2012.
- Reflects cash bonuses awarded along with the fiscal 2011, fiscal 2010 and fiscal 2009 grants of restricted stock awards. The amounts reflected represent the amount of the bonuses charged to selling, general and administrative expenses in the Company's consolidated statements of operations in accordance with GAAP related to the cash value of the cash bonuses that were awarded simultaneously with the grants of restricted stock awards. Each recipient of a cash bonus award received the right to an amount of cash consideration that is fixed on the award date and vests ratably over a three-year service period. The Company recognizes the associated expense on a
- (5) straight-line basis over the three-year period in which the services are performed. The amount reflected for fiscal 2011 includes the expense related to the cash bonus earned for the fiscal 2011, fiscal 2010 and fiscal 2009 cash bonus awards based on continued service provided by the Named Executive Officer during fiscal 2011. For example, the fiscal 2011 amount of \$2,254,000 for Mr. DeMatteo is comprised of \$900,000 related to his fiscal 2011 grant (or one-third of the \$2,700,000 total cash bonus award for fiscal 2011), \$600,000 related to his fiscal 2010 grant (or one-third of the \$1,800,000 total cash bonus award for fiscal 2010) and \$754,000 related to his fiscal 2009 grant (or one-third of the \$2,262,000 total cash bonus award for fiscal 2009).
- The amounts reported in the "All Other Compensation" column represent the sum of (a) the aggregate incremental cost to us of all perquisites and other personal benefits, including the personal use of the Company plane,
- (6) premiums on life insurance and long-term disability insurance, third party financial planning services and annual physical examinations, (b) the amounts contributed by us to our 401(k) retirement savings plan and (c) the dollar value of dividends on unvested restricted shares. See details of these amounts in the "All Other Compensation" table below.
- The amount reflected for Mr. Raines in the "Bonus" column above represents the amount of the signing bonus considered earned by Mr. Raines during fiscal 2011, as well as \$975,000 expensed in fiscal 2013, \$1,515,000 expensed in fiscal 2012 and \$2,060,000 expensed in fiscal 2011 for cash bonus awards granted simultaneously with
- (7) the fiscal 2011, fiscal 2010 and fiscal 2009 grants of restricted stock. The bonuses related to these restricted stock awards vest in equal annual increments over a three-year period following the grant date along with the vesting of the related restricted stock, subject to continued service to the Company. See note (5) above for additional information on how the amount of the cash bonus award in the "Bonus" column is calculated.
- (8) Mr. Hogan was not a Named Executive Officer in fiscal 2012 or fiscal 2011; therefore, this table only includes Mr. Hogan's compensation for fiscal 2013.



The following table provides information regarding the amounts reported in the "All Other Compensation" column of the Summary Compensation Table above for fiscal 2013:

## All Other Compensation

Name	Aircraft(1)	401(k)	Life Insurance	Long-term Disability	Dividend on Unvested Shares	Financial Services	Wellness Credit	Total (\$)
J. Paul Raines	\$—	\$4,892	\$9,559	\$28,421	\$143,820	\$7,000	\$—	\$193,692
Robert A. Lloyd	—	5,476	7,948	28,245	63,837	7,000	414	112,920
Daniel A. DeMatteo	11,424	14,539	6,912	19,758	94,947	—	—	147,580
Tony D. Bartel	—	10,329	7,684	28,421	86,165	7,000	635	140,234
Michael P. Hogan	—	16,271	6,959	20,624	92,104	7,000	635	143,593

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Amount represents the value of the personal use by the Named Executive Officer of the Company plane, which was calculated as the excess of the portion of the incremental costs to operate the aircraft for the year (as provided (1) by the third party retained to pilot and maintain the Company plane) that was attributable to the Named Executive Officer's personal use over the amount reimbursed by the Named Executive Officer using Standard Industry Fare Level rules.

Grants of Plan-Based Awards in Last Fiscal Year

The following table shows all grants of plan-based awards, which consisted of grants of time-vested stock options, time-vested and performance-based restricted shares of our Common Stock and grants of annual performance-based bonuses under the 2011 Incentive Plan, as amended, granted to the Named Executive Officers for fiscal 2013. The grant of share-based awards on February 22, 2013 was based on the performance of the Named Executive Officers for fiscal 2012.

Grants of Plan-Based Awards in Fiscal 2013

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(3)			All Other Stock Awards(4)	All Other Securities Underlying Awards(5)	Exercise Price of Awards(5)	Grant Date Fair Value of Stock and Option Awards(5)
		Threshold (\$)(2)	Target (\$)	Maximum (\$)	Threshold (#)(2)	Target (#)	Maximum (#)	Number of Shares or Units	Number of Awards		
J. Paul Raines	2/22/2013	\$1,060,000	\$2,120,000	\$2,650,000	40,320	80,640	120,960	40,320	140,670	\$24.82	\$4,000
Robert A. Lloyd	2/22/2013	318,000	636,000	795,000	16,950	33,900	50,850	16,950	59,100	24.82	1,681,
Daniel A. DeMatteo	2/22/2013	675,000	1,350,000	1,687,500	25,200	50,400	75,600	25,200	87,930	24.82	2,500,
Tony D. Bartel	2/22/2013	415,000	830,000	1,037,500	24,180	48,360	72,540	24,180	84,390	24.82	2,399,
Michael P. Hogan	2/22/2013	250,000	500,000	625,000	12,090	24,180	36,270	72,530	42,210	24.82	2,700,

(1) Non-Equity Incentive Plan Awards were granted under the 2011 Incentive Plan, as amended.

(2) If at least 85% of target is achieved.

(3) Equity Incentive Plan Awards were granted under the 2011 Incentive Plan and consist of the portion of the fiscal 2013 long-term incentive grant related to restricted shares of Common Stock subject to achievement of performance targets. For additional information on the grant, refer to the discussion under “Long-term Incentive Awards” in the Compensation Discussion and Analysis above.

(4) Other Stock Awards were granted under the 2011 Incentive Plan and consist of the portion of the fiscal 2013 long-term incentive grant related to restricted shares of Common Stock subject to continued service to the Company. For additional information on the grant, refer to the discussion under “Long-term Incentive Awards” in the Compensation Discussion and Analysis above.

(5) The grant date fair value of each equity award was computed in accordance with ASC 718 based on the closing price of Common Stock on the grant date. For the restricted stock subject to performance measures, the grant date fair value was determined based on the vesting of 100% of the restricted shares, which was the performance threshold the Company believed to be the most likely to be achieved under the grants as of the date of the grant.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information for the executive officers named in the Summary Compensation Table regarding outstanding equity awards held as of February 2, 2013 by those executive officers. The year-end values in the table for the market value of shares that have not vested have been calculated based on the \$35.07 per share closing price of Common Stock on February 1, 2014 (the last trading date of the fiscal year).

Outstanding Equity Awards at End of Fiscal 2013

Name	Option Awards					Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable(1)	Number of Securities Underlying Unexercised Options (#) Unexercisable(1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date(1)	Number of Shares or Units of Stock That Have Not Vested(2)(#)	Market Value of Shares or Units of Stock That Have Not Vested(2)(\$)	Equity Incentive Plan Awards: Number of Shares, Units or Rights That Have Not Vested(3)(#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested(3)(\$)
J. Paul Raines	—	140,670	—	\$24.82	2/21/2023	—	—	—	—
Robert A. Lloyd	—	59,100	—	24.82	2/21/2023	—	—	—	—
Daniel A. DeMatteo	—	87,930	—	24.82	2/21/2023	—	—	—	—
Tony D. Bartel	—	84,390	—	24.82	2/21/2023	—	—	—	—
Michael P. Hogan	—	42,210	—	24.82	2/21/2023	—	—	—	—
	—	—	—	—	—	83,630	2,932,904	24,180	847,993

(1) The options reflected herein were granted under the 2011 Incentive Plan, and vest and become exercisable in equal annual increments over a three-year period following the grant date. The options expire one day before the tenth anniversary of the grant date; therefore, the grant date for each grant can be determined from the expiration dates shown above.

(2) Represents unvested restricted shares outstanding as of February 1, 2014 which will vest based upon continued service to the Company. The shares outstanding as of the end of fiscal 2013 are comprised of time-vested grants of restricted shares which were made on February 2, 2011, February 7, 2012 and February 22, 2013. Also included in this column is the earned portion of performance-based restricted shares which were granted on February 2, 2011 and February 7, 2012 for which the respective performance periods are now complete. Additionally, the amounts reflected above for Mr. Hogan include shares that were granted on February 22, 2013 and cliff vest on February 22, 2016, subject to continued service to the Company.

(3) Represents unvested restricted shares outstanding as of February 1, 2014 which will be earned, if at all, based upon the achievement of certain performance targets as well as continued service to the Company. The shares

outstanding as of the end of fiscal 2013 are comprised of performance-based grants of restricted shares which were made on February 7, 2012 and February 22, 2013. The shares granted in fiscal 2012 were subject to a performance target tied to our return on invested capital over a three-year period and will vest, to the extent earned, on February 7, 2015, which represents the end of the three-year performance period, subject to continued service to the Company. Approximately one-half of the performance-based shares granted in fiscal 2013 are subject to a performance target tied to earnings per share for fiscal 2013 and will vest, to the extent earned, in equal installments over a three-year period following the grant date, subject to continued service to the Company. The remaining one-half of the performance-based restricted shares granted in fiscal 2013 are subject to a performance target tied to the Company's return on invested capital over a three-year period, and will vest, to the extent earned, on February 22, 2016, which represents the end of the three-year performance period, subject to continued service to the Company. Additionally, the amounts reflected above for Messrs. Raines, Lloyd and Bartel include shares that cliff vest on February 7, 2015, subject to continued service to the Company and achievement of previously described three-year performance targets. The unvested restricted awards are entitled to quarterly dividends of the amount declared by the Board. The dividends on the restricted shares subject to performance measures will be accrued and paid to the recipients only if and when the shares vest.



## Option Exercises and Stock Vested

The following table provides information for the executive officers named in the Summary Compensation Table regarding exercises of options to purchase shares of Common Stock and shares acquired upon vesting of stock awards during fiscal 2013 by those executive officers. The values realized upon vesting in the table have been calculated using the stock price at the time of vesting.

## Fiscal 2013 Option Exercises and Stock Vested

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized On Exercise (\$ (1))	Number of Shares Acquired on Vesting (#)	Value Realized On Vesting (\$ (2))
J. Paul Raines	—	\$—	83,011	\$2,142,705
Robert A. Lloyd	42,000	1,412,095	37,692	1,063,755
Daniel A. DeMatteo	400,000	15,880,798	69,545	1,782,780
Tony D. Bartel	165,000	4,818,424	53,550	1,380,066
Michael P. Hogan	—	—	9,200	231,588

(1) The value realized on exercise was the number of underlying shares exercised multiplied by the difference between our closing stock price on the exercise date and the exercise price of the options. All amounts are shown prior to the surrender of shares, if any, to cover exercise price or taxes in connection with an exercise of options.

(2) The value realized on vesting was our closing stock price on the vesting date multiplied by the number of shares vested. All amounts are shown prior to the surrender of shares, if any, to cover withholding taxes in connection with the vestings.

## Pension Plans

None of the Company's Named Executive Officers participate in the Company's pension plans; therefore, we have omitted the Pension Benefits Table.

## Nonqualified Deferred Compensation

None of the Company's Named Executive Officers participate in the Company's nonqualified deferred compensation plan; therefore, we have omitted the Nonqualified Deferred Compensation Table.

## Employment Agreements and Potential Payments upon Termination or Change in Control

We have historically maintained employment agreements with our Named Executive Officers. On May 10, 2013, we entered into New Employment Agreements with our Named Executive Officers, and on November 13, 2013, we amended our employment agreement with Mr. Raines. See “— Employment Agreements” and “— Key Elements of Compensation—Severance/Change in Control Benefits” above for a description of the terms of these employment agreements. Amounts owed to the Named Executive Officers upon termination or a change in control assuming a triggering event took place on February 1, 2014, the last day of the Company’s most recently completed fiscal year, are presented below.

Name	Benefit	Termination Without Cause or For Good Reason	Termination Without Cause or For Good Reason Upon Change In Control	Termination Upon Death	Termination Upon Disability
J. Paul Raines	Salary <sup>(1)</sup>	\$2,120,000	\$3,180,000	\$—	\$—
	Bonus <sup>(2)</sup>	4,240,000	6,360,000	—	—
	Medical Benefits <sup>(3)</sup>	23,889	23,889	—	—
	Accelerated Stock Options <sup>(4)</sup>	1,441,868	1,441,868	1,441,868	1,441,868
	Accelerated Restricted Stock <sup>(5)</sup>	4,772,711	4,772,711	13,706,443	4,772,711
	Total	\$12,598,468	\$15,778,468	\$15,148,311	\$6,214,579
Robert A. Lloyd	Salary <sup>(1)</sup>	\$1,272,000	\$1,590,000	\$—	\$—
	Bonus <sup>(2)</sup>	1,272,000	1,590,000	—	—
	Medical Benefits <sup>(3)</sup>	23,889	23,889	—	—
	Accelerated Stock Options <sup>(4)</sup>	605,775	605,775	605,775	605,775
	Accelerated Restricted Stock <sup>(5)</sup>	2,012,141	2,012,141	6,518,636	\$2,012,141
	Total	\$5,185,805	\$5,821,805	\$7,124,411	\$2,617,916
Daniel A. DeMatteo	Salary <sup>(1)</sup>	\$1,800,000	\$2,700,000	\$—	\$—
	Bonus <sup>(2)</sup>	2,700,000	4,050,000	—	—
	Medical Benefits <sup>(3)</sup>	23,889	23,889	—	—
	Accelerated Stock Options <sup>(4)</sup>	901,283	901,283	901,283	901,283
	Accelerated Restricted Stock <sup>(5)</sup>	3,144,552	3,144,552	5,848,449	3,144,552
	Total	\$8,569,724	\$10,819,724	\$6,749,732	\$4,045,835
Tony D. Bartel	Salary <sup>(1)</sup>	\$1,660,000	\$2,075,000	\$—	\$—
	Bonus <sup>(2)</sup>	1,660,000	2,075,000	—	—
	Medical Benefits <sup>(3)</sup>	23,889	23,889	—	—
	Accelerated Stock Options <sup>(4)</sup>	864,998	864,998	864,998	864,998
	Accelerated Restricted Stock <sup>(5)</sup>	2,859,257	2,859,257	9,058,230	2,859,257
	Total	\$7,068,144	\$7,898,144	\$9,923,228	\$3,724,255
Michael P. Hogan	Salary <sup>(1)</sup>	\$1,000,000	\$1,250,000	\$—	\$—
	Bonus <sup>(2)</sup>	1,000,000	1,250,000	—	—
	Medical Benefits <sup>(3)</sup>	22,823	22,823	—	—

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Accelerated Stock Options <sup>(4)</sup>	432,653	432,653	432,653	432,653
Accelerated Restricted Stock <sup>(5)</sup>	2,932,904	2,932,904	3,780,897	2,932,904
Total	\$5,388,380	\$5,888,380	\$4,213,550	\$3,365,557

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Pursuant to the terms of the New Employment Agreements, this amount is calculated as two times the Named (1) Executive Officer's annual base salary in effect at the time in the event of a termination without cause or for good reason. In the event of a termination without cause or for good

reason in connection with a change in control event, this amount is calculated as three times the Named Executive Officer's annual base salary in effect at the time in the case of Messrs. Raines and DeMatteo, and two and one-half times the Named Executive Officer's annual base salary in effect at the time in the case of Messrs. Lloyd, Bartel and Hogan. No salary amounts are payable under the New Employment Agreements with respect to a termination for cause or without good reason, or a termination upon death or disability of the executive.

(2) Pursuant to the terms of the New Employment Agreements, this amount is calculated as two times the Named Executive Officer's annual incentive bonus target in effect at the time in the event of a termination without cause or for good reason. In the event of a termination without cause or for good reason in connection with a change in control event, this amount is calculated as three times the Named Executive Officer's annual incentive bonus target in the case of Messrs. Raines and DeMatteo, and two and one-half times the Named Executive Officer's annual bonus incentive target in effect at the time in the case of Messrs. Lloyd, Bartel and Hogan. No bonus amounts are payable under the New Employment Agreements with respect to a termination for cause or without good reason, or a termination upon death or disability of the executive.

(3) In the event of a termination without cause or for good reason, or a termination without cause or for good reason in connection with a change in control event, the Named Executive Officers are eligible under the New Employment Agreements to receive medical benefits until the earlier of the expiration of 18 months following the termination date or the date on which the executive becomes eligible for coverage under another employer's medical plan. The amounts in the table above reflect the estimated value of medical coverage to each Named Executive Officer assuming the maximum 18-month coverage period.

(4) Pursuant to the terms of the New Employment Agreements, unvested stock options are immediately vested and become fully exercisable upon death, disability, or termination without cause or for good reason in connection with the occurrence of a change in control event. In the case of a change in control, under the 2011 Incentive Plan, as amended, the Compensation Committee may, in its sole and absolute discretion, determine that, any award outstanding as of the effective date of such change in control will be cancelled in consideration for a cash payment or alternative award (whether from the Company or another entity that is a party to the change in control) or a combination thereof made to the holder of such cancelled award substantially equivalent in value to the fair market value of such cancelled award (provided that where the exercise or base price of such award exceeds the fair market value, then such award may be cancelled with no further compensation due to the holder). The determination of such fair market value shall be made by the Compensation Committee in its sole and absolute discretion.

The options outstanding as of February 1, 2014 (the assumed date of the change in control event) were granted in fiscal 2013 and have an exercise price of \$24.82; therefore, to estimate the potential value that each Named Executive Officer could realize with respect to these option awards upon each termination scenario, the values reflected in the table above were determined based on the number of stock options outstanding for each of the Named Executive Officers as of February 1, 2014 multiplied by the excess of the closing stock price of \$35.07 on January 31, 2014, the last trading day of fiscal 2013 over the underlying exercise price of the stock options outstanding as of February 1, 2014.

(5) Pursuant to the terms of the New Employment Agreements, unvested restricted shares that are subject to vesting based on continued service to the Company will immediately become vested upon termination without cause, termination for good reason, termination due to death or disability of the recipient, and termination without cause or for good reason in connection with the occurrence of a change in control event. Performance-vested awards held immediately prior to termination for which the performance period is not yet complete generally will remain outstanding until the end of the performance period and will vest, if at all, based on actual performance through the end of the performance period, except in the case of termination due to death of the recipient, in which case such performance-based awards will vest immediately at the target level. The values reflected in the "Termination Upon

Death" column in the table above were determined based on unvested restricted shares as of the assumed termination date (in this case, February 1, 2014) and the closing stock price of \$35.07 on January 31, 2014, the last trading day of fiscal 2013. Under all other termination scenarios outlined above, no value for the unvested performance-based restricted shares are reflected in the table as these awards would remain outstanding until the end of such performance periods, pursuant to the terms of the employment agreements.

As discussed above in "Recent Compensation Events", in 2014, the Compensation Committee recommended, and the Board approved, the Retirement Policy, which was originally slated to become effective in May 2014 but has since been deferred to August 3, 2014. The Retirement Policy provides for vesting of certain awards granted under the 2011 Incentive Plan upon an employee's retirement. Specifically, employees who attain a minimum age of 55 and a minimum period of service with the Company and its affiliates of 10 years and whose age plus service equals or exceeds 70, will, upon an Eligible Retirement, become vested with respect to certain unvested awards granted under the Plan.

Generally, any annual time-based award (of restricted shares, options and/or cash) granted under the Plan will become fully vested upon such employee's Eligible Retirement. Option awards will generally remain exercisable for one year after such Eligible Retirement. A pro-rata portion of annual awards subject to performance conditions will (based on the portion of the performance period actually worked by the employee) remain outstanding and will vest, if at all, based on actual corporate performance through the end of the performance period. The Retirement Policy is generally not applicable to off-cycle, retention, or other special awards. The Retirement Policy will continue in effect until modified or discontinued by the Committee. When the policy becomes effective in August 2014, Mr. DeMatteo is the only Named Executive Officer who would be eligible to retire and receive the vesting offered under the Retirement Policy. The impact of the Retirement Policy, when it becomes effective, on the amounts disclosed in the table above, will be reflected beginning with our 2015 Proxy Statement.

## COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this Proxy Statement with members of the Company's management. Based on such review and discussions and relying thereon, we have recommended to the Company's Board of Directors that the Compensation Discussion and Analysis set forth above be included in the Company's 2013 Annual Report on Form 10-K and in this Proxy Statement.

Compensation Committee

Gerald R. Szczepanski, Chair

Thomas N. Kelly Jr.

Shane S. Kim

## ADVISORY VOTE ON EXECUTIVE COMPENSATION

### PROPOSAL 2

We believe that it is appropriate to solicit the views of our stockholders regarding the compensation of our Named Executive Officers. Accordingly, and in accordance with SEC rules, the Company seeks a non-binding advisory vote from our stockholders on the compensation of our Named Executive Officers as described in this Proxy Statement. As discussed more fully in the "Compensation Discussion and Analysis" in this Proxy Statement, the Compensation Committee believes the Company's Named Executive Officers should be compensated commensurate with their success in maintaining the growth and high level of performance necessary for the Company to produce ongoing and sustained value for our stockholders. The Company's executive officer compensation program is based on the following guiding principles:

1. Total compensation provided by the Company to its Named Executive Officers should be competitive and allow the Company to attract and retain individuals whose skills are critical to the long-term success of the Company. The compensation offered by the Company should reward and motivate individual and team performance in attaining business objectives and maximizing stockholder value, while avoiding the encouragement of unnecessary or excessive risk-taking. Compensation awards should be based on the fundamental principle of aligning the long-term interests of GameStop's employees with those of GameStop's stockholders. Therefore, a meaningful portion of most management employees' compensation will be in the form of long-term equity compensation. All of the short-term incentives, in the form of annual cash bonuses, and a large portion of equity compensation for Named Executive Officers, are tied to performance measures, and may include situational bonuses, as appropriate, in recognition of meeting unique, time-sensitive performance challenges that may arise.
2. The overall value of the incentive and total compensation opportunities are designed to be consistent with the level of the Company's operational performance over time and the level of returns provided to stockholders.

In response to the advisory vote on the frequency of the advisory vote on executive compensation at our 2011 Annual Meeting, we provide this advisory vote on executive compensation on an annual basis. This is an advisory vote and is not binding upon the Company, the Compensation Committee or our Board of Directors. Therefore, stockholders are not ultimately voting for the approval or disapproval of the Board of Directors' recommendation on this proposal. The result of the vote will not impact any compensation that has already been paid or awarded to the executive officers. However, because we value the views of our stockholders, our Compensation Committee, which is responsible for, among other things, designing and administering the Company's executive compensation program, will review and consider the results of this advisory vote when considering future decisions with respect to executive compensation. We strongly encourage stockholders to read the "Compensation Discussion and Analysis," the compensation tables and the accompanying narrative disclosures in this Proxy Statement which discuss in greater detail the compensation of our executive officers, the Company's compensation philosophy and the factors that the Compensation Committee considered in making compensation decisions.

Accordingly, the Board of Directors recommends that stockholders vote FOR the following resolution:

"RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation of the Named Executive Officers, as disclosed in the Company's Proxy Statement for the 2014 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the

2013 Summary Compensation Table and the other related tables and disclosure.”

THE BOARD OF DIRECTORS RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR THE APPROVAL, ON A NON-BINDING ADVISORY BASIS, OF THE RESOLUTION ON COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS. PROXIES SOLICITED BY THIS PROXY STATEMENT WILL BE VOTED FOR THE PROPOSAL ABOVE UNLESS A VOTE AGAINST THE PROPOSAL OR AN ABSTENTION IS SPECIFICALLY INDICATED.

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**RATIFICATION OF APPOINTMENT OF INDEPENDENT  
REGISTERED PUBLIC ACCOUNTING FIRM  
PROPOSAL 3**

The Audit Committee of the Board of Directors has selected Deloitte & Touche LLP (“Deloitte & Touche”), an independent registered public accounting firm, which was engaged as independent public accountants for the fiscal year ended February 1, 2014, to audit the financial statements of the Company for the fiscal year ended January 31, 2015. We are submitting our selection of Deloitte & Touche for ratification by the stockholders at the Meeting. A representative of Deloitte & Touche is expected to be present at the Meeting, will have the opportunity to make a statement and is expected to be available to respond to appropriate questions. Deloitte & Touche has served as our independent registered public accounting firm since July 17, 2013. Prior to such time, BDO USA LLP (“BDO”) served as our independent registered public accounting firm. See “Change in Independent Registered Public Accounting Firm” below. We do not expect that a representative of BDO will be present at the Annual Meeting.

Change in Independent Registered Public Accounting Firm

On July 17, 2013, the Audit Committee engaged Deloitte & Touche as the Company’s independent registered public accounting firm for the Company’s fiscal year ending February 1, 2014 to replace BDO, the Company’s prior independent registered public accounting firm following a comprehensive competitive bidding process.

BDO’s reports on the Company’s consolidated financial statements as of and for the fiscal years ended February 2, 2013 and January 28, 2012 did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles. The audit reports of BDO on the effectiveness of internal control over financial reporting as of February 2, 2013 and January 28, 2012 did not contain an adverse opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles.

During the fiscal years ended February 2, 2013 and January 28, 2012, and the subsequent interim period through July 17, 2013, the date of BDO’s dismissal, there were (i) no “disagreements” as that term is defined in Item 304(a)(1)(iv) of Regulation S-K, between us and BDO on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, any of which that, if not resolved to BDO’s satisfaction, would have caused BDO to make reference to the subject matter of any such disagreement in connection with its reports for such years and interim period and (ii) no reportable events within the meaning of Item 304(a)(1)(v) of Regulation S-K during the two most recent fiscal years or the subsequent interim period.

**THE BOARD OF DIRECTORS CONSIDERS DELOITTE & TOUCHE LLP TO BE WELL QUALIFIED AND RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR RATIFICATION. PROXIES SOLICITED HEREBY WILL BE VOTED FOR THE PROPOSAL UNLESS A VOTE AGAINST THE PROPOSAL OR ABSTENTION IS SPECIFICALLY INDICATED.**



## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Information for our equity compensation plans, consisting of the 2011 Incentive Plan, as amended, and the 2001 Incentive Plan, in effect as of February 1, 2014 is as follows:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column(a)) (c)
Equity compensation plans approved by security holders	4,297,200	\$ 29.31	6,585,000
Equity compensation plans not approved by security holders	—	not applicable	—
Total	4,297,200	\$ 29.31	6,585,000

Subsequent to the fiscal year ended February 1, 2014, an additional 282,630 stock options and 309,120 shares of restricted stock were granted under the 2011 Incentive Plan, which vest in equal annual installments on March 7<sup>th</sup> of each of the years 2015 through 2017, subject to continued service to the Company. Also, subsequent to the fiscal year ended February 1, 2014, an additional 272,430 shares of restricted stock were granted under the 2011 Incentive Plan, of which 181,620 shares are subject to performance targets which will be measured following completion of the 52 weeks ending January 31, 2015 with the portion earned vesting in equal annual installments on March 7<sup>th</sup> of each of the years 2015 through 2017, subject to continued service to the Company. The remaining 90,810 shares of restricted stock were granted subject to performance targets that will be measured following the completion of the three-year period ended January 30, 2017. The earned shares will vest immediately subject to and following completion of the audit of our consolidated financial statements for fiscal 2016, but no earlier than March 7, 2017, subject to continued service to the Company. Shares subject to performance measures may generally be earned in greater or lesser percentages if targets are exceeded or not achieved by specified amounts.

## CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company's Board of Directors has adopted an Audit Committee Charter which requires the Audit Committee to review with management and the independent registered public accountants and approve all transactions and courses of dealing with parties related to the Company. This obligation of the Audit Committee is described earlier in this Proxy Statement in the "Election of Directors" section, which states that the Audit Committee is responsible for reviewing and approving related party transactions. Also, as described earlier in this Proxy Statement in the "Election of Directors" section, the Company has adopted a Code of Ethics for Senior Financial and Executive Officers and a Code of Standards, Ethics and Conduct applicable to the Company's management-level employees. The codes require that all of our employees and Directors avoid conflicts of interest, defined as situations where the person's private interests interfere in any way, or even appear to interfere, with the interests of the Company as a whole. In addition, at least annually each Director and executive officer completes a detailed questionnaire that inquires about any business relationship that may give rise to a conflict of interest and all transactions in which we are involved and in which the executive officer, a Director or a related person has a direct or indirect material interest. It is our policy that any potential conflict of interest transaction with an executive officer or Director or any transaction that triggers disclosure under Item 404(a) of Regulation S-K as a result of these inquiries is required to be reviewed and approved or ratified

by the Audit Committee. During fiscal 2013, there were no transactions requiring disclosure with, or with an immediate family member of, Directors, Named Executive Officers or persons who were the beneficial owners of more than 5% of the Company's outstanding shares during the fiscal year.

## REPORT OF THE AUDIT COMMITTEE

The role of the Audit Committee is to assist the Board of Directors in its oversight of the Company's financial reporting process. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls. The Company's independent registered auditors are responsible for auditing the Company's financial statements and its internal control over financial reporting, in accordance with the standards of the Public Company Accounting Oversight Board (PCAOB), and expressing opinions as to the conformity of the financial statements with accounting principles generally accepted in the United States and the effectiveness of internal control over financial reporting. The Audit Committee is responsible for the appointment, compensation and oversight of the work of the Company's independent registered public accounting firm.

In the performance of its oversight function, the Audit Committee has reviewed and discussed with management and the independent auditors the Company's audited financial statements. The Audit Committee has also discussed with the independent auditors the matters required to be discussed by Auditing Standard No. 16 as adopted by the PCAOB, relating to communications with audit committees. In addition, the Audit Committee has received from the independent auditors the written disclosures and letter required by the applicable requirements of the PCAOB regarding the independent registered auditors' communications with the audit committee concerning independence, has discussed with the independent auditors their independence from the Company and its management, and has considered whether the independent auditors' provision of non-audit services to the Company is compatible with maintaining the auditors' independence.

The Audit Committee discussed with the Company's internal auditors and independent auditors the overall scope and plans for their respective audits. The internal auditors are responsible for preparing an annual audit plan and conducting internal audits under the control of the Company's Divisional Vice President of Internal Audit, who is accountable to the Audit Committee. The Audit Committee met with the internal auditors and independent auditors, with and without management present, to discuss the results of their examinations, their evaluations of the Company's internal controls, and the overall quality of the Company's financial reporting. In addition, the Audit Committee met with the Chief Executive Officer and Executive Vice President and Chief Financial Officer of the Company to discuss the processes that they have undertaken to evaluate the accuracy and fair presentation of the Company's financial statements and the effectiveness of the Company's systems of disclosure controls and procedures and internal control over financial reporting.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors, and the Board of Directors approved, that the Company's audited consolidated financial statements be included in the Company's 2013 Annual Report to Stockholders and Annual Report on Form 10-K for the fiscal year ended February 1, 2014 for filing with the SEC.

Audit Committee

Stephanie M. Shern, Chair

Gerald R. Szczepanski

Kathy P. Vrabeck

Lawrence S. Zilavy

## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

As described more fully in "Ratification of Appointment of Independent Registered Public Accounting Firm—Proposal 3" above, the Audit Committee of the Board of Directors has selected Deloitte & Touche, an independent registered public accounting firm, which was engaged as independent public accountants for the fiscal year ended February 1, 2014, to audit the financial statements of the Company for the fiscal year ended January 31, 2015. The Audit Committee engaged Deloitte & Touche on July 17, 2013 as the Company's independent registered public accounting firm for the Company's fiscal year ending February 1, 2014 to replace BDO, which served as the Company's independent registered public accounting firm in prior years and through the date of their dismissal on July 17, 2013. The independent registered public accounting firm examines the annual financial statements and provides other permissible non-audit and tax-related services for the Company. The Company and the Audit Committee have considered the non-audit services provided by Deloitte & Touche and BDO and concluded they are compatible with maintaining the independence of those firms in their audits of the Company and are not considered prohibited services under the Sarbanes-Oxley Act of 2002. A representative of Deloitte & Touche will be present at the Meeting and will be available to respond to appropriate questions.

The following table sets forth information regarding fees for professional services rendered by Deloitte & Touche in fiscal 2013 and BDO in fiscal 2012:

	Fiscal 2013	Fiscal 2012
Audit Fees <sup>(1)</sup>	\$4,408,000	\$2,493,000
Audit-Related Fees <sup>(2)</sup>	17,000	43,000
Tax Fees <sup>(3)</sup>	249,000	26,000
All Other Fees	—	—
Total	\$4,674,000	\$2,562,000

Audit fees rendered by Deloitte & Touche in fiscal 2013 and BDO in fiscal 2012 include professional services for the audit of the Company's annual financial statements and financial statement schedule, for the audit of the Company's effectiveness of internal control over financial reporting, for reviews of the Company's financial statements included in the Company's quarterly reports on Form 10-Q filed with the SEC, for professional services provided in connection with statutory and regulatory filings and for other consultations concerning financial accounting and reporting standards.

(1) Company's effectiveness of internal control over financial reporting, for reviews of the Company's financial statements included in the Company's quarterly reports on Form 10-Q filed with the SEC, for professional services provided in connection with statutory and regulatory filings and for other consultations concerning financial accounting and reporting standards.

(2) Audit-related fees rendered by Deloitte & Touche in fiscal 2013 pertain to subsidiary agreed-upon procedures and BDO's audit-related fees in fiscal 2012 represented professional services for employee benefit plan audits.

(3) Tax-related services rendered by Deloitte & Touche in fiscal 2013 and BDO in fiscal 2012 included professional services for domestic and international tax compliance and tax planning and advice, including international tax consulting.

Pre-approval Policies and Procedures. The Audit Committee Charter adopted by the Board of Directors of the Company requires that, among other things, the Audit Committee pre-approve the rendering by the Company's independent auditor of all audit and permissible non-audit services. Accordingly, as part of its policies and procedures, the Audit Committee considers and pre-approves any such audit and permissible non-audit services on a case-by-case basis. The Audit Committee approved all of the services provided by Deloitte & Touche and BDO referred to above.

## SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our executive officers and Directors, and persons who own more than ten percent of a registered class of our equity securities, to file initial statements of beneficial ownership (Form 3) and statements of changes in beneficial ownership (Forms 4 and 5) of Common Stock of the Company with the SEC. Executive officers, Directors and greater than ten-percent stockholders are required to furnish us with copies of all such forms they file.

To our knowledge, based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons that no additional forms were required, all filing requirements applicable to our executive officers, Directors and greater than ten-percent stockholders were complied with, with the exception of Mr. Lloyd, who filed a late Form 4 with respect to one transaction.

## OTHER MATTERS

We do not intend to present any other business for action at the Annual Meeting and do not know of any other business intended to be presented by others. If any matters other than the matters described in the Notice of Annual Meeting of Stockholders and this Proxy Statement should be presented for stockholder action at the Meeting, it is the intention of the persons designated in the proxy to vote thereon in their discretion and according to their best judgment.

**Householding.** We have adopted a procedure, approved by the SEC, called “householding.” Under this procedure, stockholders of record who have the same address and last name and receive hard copies of the proxy materials will receive only one copy of this Notice of Annual Meeting and Proxy Statement and our 2013 Annual Report, unless we are notified that one or more of these stockholders wishes to continue receiving individual copies. If you and another GameStop stockholder living in your household do not have the same last name, you may also request to receive only one copy of future proxy statements and financial reports.

Householding conserves natural resources and reduces our distribution costs. Stockholders who participate in householding will continue to receive separate proxy cards. Also, householding will not affect dividend check mailings.

If you are eligible for householding, but you and other stockholders of record with whom you share an address currently receive multiple copies of this Notice of Annual Meeting and Proxy Statement and any accompanying documents, or if you hold GameStop stock in more than one account, and in either case you wish to receive only a single copy of each document for your household, please contact our transfer agent, Computershare, in writing, to P.O. Box 43006, Providence, RI 02940-3006; or by telephone at + 1 (800) 522-6645.

Alternatively, if you participate in householding and wish to receive a separate copy of this Notice of Annual Meeting and Proxy Statement and any accompanying documents or prefer to discontinue your participation in householding, please contact Computershare as indicated above and a separate copy will be sent to you promptly.

If you are a beneficial owner, you can request information about householding from your broker, bank or other holder of record.

**Financial and Other Information.** We are furnishing our Annual Report for the fiscal year ended February 1, 2014, including consolidated financial statements, together with this Proxy Statement.

**Cautionary Statement Regarding Forward Looking Statements.** This Proxy Statement contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited to, statements related to risks associated with our compensation programs, our future performance, our plans, objectives, expectations and intentions, and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of our management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by the statements in this Proxy Statement can be found in our most recent Annual Report on Form 10-K for the fiscal year ended February 1, 2014 filed with the SEC on April 2, 2014.

**Stockholder Proposals and Nominations for the 2015 Annual Meeting.**

Edgar Filing: GameStop Corp. - Form DEF 14A

Proposals of stockholders pursuant to Rule 14a-8 of the Exchange Act intended to be presented for inclusion in our proxy materials for the Annual Meeting of Stockholders to be held in 2015 must be received by the Secretary, at GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051, no later than January 9, 2015.

In addition, any stockholder who wishes to propose any other business for consideration at an annual meeting of stockholders (other than stockholder proposals for inclusion in our proxy materials pursuant to Rule 14a-8 of the Exchange Act), must comply with the advance notice provisions and other requirements of our Bylaws, which are on file with the SEC and may be obtained upon request in writing to the Secretary, GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051. These notice provisions require that any stockholder who wishes to propose any other business for consideration at an annual meeting of stockholders (other than stockholder proposals for inclusion in our proxy materials pursuant to Rule 14a-8 of the Exchange Act), must have given timely notice thereof in

proper written form to the Secretary. To be timely, a stockholder's notice must be delivered to or mailed and received at our principal executive offices not less than 30 days nor more than 60 days prior to the annual meeting; provided, however, that in the event that less than 40 days' notice or prior public disclosure of the date of the annual meeting is given or made to stockholders, notice by the stockholder to be timely must be received not later than the close of business on the tenth day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made. To be in proper written form, a stockholder's notice to the Secretary must set forth in writing as to each matter the stockholder proposes to bring before the annual meeting: (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; (ii) the name and address, as they appear on our books, of the stockholder proposing such business; (iii) the class and number of shares of GameStop Corp. which are beneficially owned by the stockholder; and (iv) any material interest of the stockholder in such business. These notice provisions require that the proposal of business to be considered at the Annual Meeting of Stockholders to be held in 2015 (other than shareholder proposals for inclusion in our proxy materials pursuant to Rule 14a-8 of the Exchange Act) must be received no earlier than the close of business on April 25, 2015 and no later than the close of business on May 25, 2015.

Stockholders who wish to propose a nominee for election to our Board must comply with the advance notice provisions and other requirements of our Bylaws, which are on file with the SEC and may be obtained upon request in writing to the Secretary, GameStop Corp., 625 Westport Parkway, Grapevine, Texas 76051. These notice provisions require that any stockholder who wishes to propose a nominee for election to our Board must provide timely notice in proper written form to the Secretary. To be timely, a stockholder's notice must be delivered to or mailed and received at our principal executive offices not less than 30 days nor more than 60 days prior to the meeting; provided, however, that in the event that less than 40 days' notice or prior public disclosure of the date of the meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the close of business on the tenth day following the day on which such notice of the date of the meeting was mailed or such public disclosure was made. To be in proper written form, such stockholder's notice must set forth in writing (i) as to each person whom the stockholder proposes to nominate for election or reelection as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act, including, without limitation, such person's written consent to being a nominee and to serving as a director if elected, as well as a supporting statement describing the nominee's reasons for seeking election; and (ii) as to the stockholder giving the notice, the (x) name and address, as they appear on our books, of such stockholder and (y) the class and number of shares of GameStop Corp. which are beneficially owned by such stockholder. These notice provisions require that the nomination of directors for consideration at the Annual Meeting of Stockholders to be held in 2015 must be received no earlier than the close of business on April 25, 2015 and no later than the close of business on May 25, 2015.

**STOCKHOLDERS ARE URGED TO FORWARD THEIR PROXIES WITHOUT DELAY. A PROMPT RESPONSE WILL BE GREATLY APPRECIATED.**

By Order of the Board of Directors

DANIEL A. DEMATTEO  
Executive Chairman  
May 9, 2014

## APPENDIX A

## NON-GAAP FINANCIAL MEASURES

We report our financial results in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). However, in addition to those measures, we have presented certain non-GAAP financial measures in this Proxy Statement, including free cash flow. This information is provided to assist investors and other financial statement users in making meaningful comparisons of our operating performance between periods and to view our business from the same perspective as our management.

We have defined free cash flow as net cash provided by operating activities less cash payments for investing activities other than acquisitions. We believe free cash flow is a meaningful non-GAAP measure that offers supplemental information and insight regarding the liquidity of our operations and our ability to generate sufficient cash flow above what is required in our business to sustain our operations. A reconciliation of net cash provided by operating activities, which is the most comparable U.S. GAAP financial measure, to free cash flow, is included in the table below.

This non-GAAP financial information is provided as additional information for investors and is not in accordance with, or an alternative to, GAAP. Additionally, these non-GAAP measures may be different than similar measures used by other companies. We believe that the presentation of these non-GAAP financial measures, when considered together with our GAAP financial measures and the reconciliations to the corresponding GAAP financial measures, provides investors with a more complete understanding of the factors and trends affecting our business than could be obtained absent these disclosures.

	52 weeks ended February 1, 2014	
Computation of Free Cash Flow (dollars in millions):		
Net Cash Flows Provided by Operating Activities - GAAP basis	\$762.7	
Less: Purchase of Property and Equipment	(125.6	)
Less: Cash Payments for Other Investing Activities Other than Acquisitions	(4.5	)
Free Cash Flow	\$632.6	





