

TIME WARNER INC.
Form PRE 14A
March 29, 2011

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
SCHEDULE 14A**

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

Time Warner Inc.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

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

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

(4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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April , 2011

Dear Fellow Stockholder:

You are cordially invited to attend Time Warner Inc.'s 2011 Annual Meeting of Stockholders. The meeting will be held on Friday, May 20, 2011, at 10:00 a.m. (local time) at the Omni Hotel at CNN Center in Atlanta, Georgia. A map with directions to the meeting is provided on the last page of this Proxy Statement. If you are unable to attend the meeting in person, please listen to the webcast live on the Internet at www.timewarner.com/annualmeetingmaterials.

Details about the business to be conducted at the Annual Meeting and other information can be found in the attached Notice of Annual Meeting of Stockholders and Proxy Statement. As a stockholder, you will be asked to vote on a number of proposals.

Whether or not you plan to attend the Annual Meeting of Stockholders in person, your vote is important. After reading the attached Notice of Annual Meeting of Stockholders and Proxy Statement, please submit your proxy or voting instructions promptly.

We look forward to seeing those of you who are able to attend the Annual Meeting in person.

Sincerely,

Jeffrey L. Bewkes
*Chairman of the Board
and Chief Executive Officer*

**YOUR VOTE IS IMPORTANT. PLEASE PROMPTLY SUBMIT YOUR PROXY
BY INTERNET, TELEPHONE OR MAIL.**

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Time Warner Inc.
One Time Warner Center
New York, NY 10019-8016

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The Annual Meeting (the Annual Meeting) of Stockholders of Time Warner Inc. (the Company) will be held on Friday, May 20, 2011, at 10:00 a.m. (local time). The meeting will take place at:

Omni Hotel at CNN Center
Grand Ballroom, M4 Level, North Tower
100 CNN Center
Atlanta, GA 30303

(see directions and parking instructions on back cover)

The purposes of the meeting are:

1. To elect 13 directors for a term of one year and until their successors are duly elected and qualified;
2. To ratify the appointment of the firm of Ernst & Young LLP as independent auditors of the Company for 2011;
3. To hold an advisory vote on executive compensation;
4. To hold an advisory vote on the frequency of holding an advisory vote on executive compensation;
5. To approve an amendment to the Company's Restated Certificate of Incorporation to remove absolute majority vote provisions;
6. To consider and vote on the stockholder proposal described in the attached Proxy Statement, if properly presented at the Annual Meeting; and
7. To transact such other business as may properly come before the Annual Meeting.

The close of business on March 25, 2011, is the record date for determining stockholders entitled to vote at the Annual Meeting or any adjournments or postponements thereof. Only holders of the Company's common stock as of the record date are entitled to vote on the proposals described in this Notice of Annual Meeting of Stockholders and the accompanying Proxy Statement.

You can vote your shares using one of the following methods:

If you received a Notice of Internet Availability of Proxy Materials, submit your proxy or voting instructions via the Internet using the instructions included in the Notice of Internet Availability of Proxy Materials;

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If you received a paper copy of the proxy materials, follow the instructions on the proxy card or voting instruction form and submit your proxy or voting instructions (i) via the Internet, (ii) by telephone or (iii) by completing and signing the written proxy card or voting instruction form and returning it in the pre-addressed reply envelope included with the printed proxy materials; or

Attend and vote at the Annual Meeting.

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Whether or not you plan to attend the Annual Meeting in person, please promptly submit your proxy or voting instructions by Internet, telephone or mail by following the instructions found on your Notice of Internet Availability of Proxy Materials, proxy card or voting instruction form. Any holder of record who is present at the Annual Meeting may vote in person instead of by proxy, thereby canceling any previous proxy. Please note that if your shares are held through a bank or brokerage account, you will need to contact your bank or broker to obtain a written legal proxy from the record holder of your shares to vote in person at the Annual Meeting.

If you are planning to attend the Annual Meeting in person, because of security procedures, **you should register in advance to be admitted to the Annual Meeting**. You can register in advance by calling (855) 896-3388 by Wednesday, May 18, 2011. In addition to registering in advance, **you will be required to present government-issued photo identification** (e.g., driver's license or passport) to be admitted to the Annual Meeting. Inspection of packages and bags, among other measures, may be employed to enhance the security of those attending the Annual Meeting. These procedures may require additional time, so please plan accordingly. To avoid disruption, admission may be limited once the Annual Meeting begins.

Time Warner Inc.

Paul F. Washington
Corporate Secretary

April , 2011

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TIME WARNER INC.

One Time Warner Center
New York, NY 10019-8016

PROXY STATEMENT

This Proxy Statement is being furnished in connection with the solicitation of proxies by the Board of Directors of Time Warner Inc., a Delaware corporation (Time Warner or the Company), for use at the Annual Meeting of the Company's stockholders (the Annual Meeting) to be held on Friday, May 20, 2011, at the Omni Hotel at CNN Center in Atlanta, Georgia, commencing at 10:00 a.m., local time, and at any adjournment or postponement, for the purpose of considering and acting on the matters set forth in the accompanying Notice of Annual Meeting of Stockholders and in this Proxy Statement. Stockholders attending the Annual Meeting in person should follow the directions provided on the last page of this Proxy Statement.

As permitted by rules adopted by the Securities and Exchange Commission (the SEC), the Company has elected to provide the majority of its stockholders with access to its proxy materials over the Internet rather than providing them in paper form. Accordingly, the Company will send a Notice of Internet Availability of Proxy Materials with instructions for accessing the proxy materials via the Internet to most of its stockholders of record as of the close of business on March 25, 2011. If you received a Notice of Internet Availability of Proxy Materials, you will not receive a printed copy of the proxy materials unless you request it by following the instructions in the notice for requesting printed materials. On or about April , 2011, the Company will begin mailing the Notice of Internet Availability of Proxy Materials to stockholders entitled to vote at the Annual Meeting, as well as printed copies of the Proxy Statement and accompanying form of proxy to some stockholders.

A copy of the Company's 2010 Annual Report to Stockholders has been sent simultaneously with this Proxy Statement or has been made available to all stockholders entitled to vote at the Annual Meeting.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on Friday, May 20, 2011:

This Proxy Statement and the Company's 2010 Annual Report to Stockholders are available electronically at www.timewarner.com/annualmeetingmaterials.

Submitting Your Proxy

Time Warner stockholders should submit their proxy or voting instructions as soon as possible.

If you received a Notice of Internet Availability of Proxy Materials: Please submit your proxy or voting instructions via the Internet using the instructions included in the Notice of Internet Availability of Proxy Materials.

If you received a paper copy of the proxy materials: If you are submitting your proxy by mail, please complete, sign and return the proxy card. To assure that your proxy is received in time to be voted at the Annual Meeting, the proxy card must be completed in accordance with the instructions on it and received prior to the Annual Meeting. If you are submitting your proxy by telephone, follow the Vote by telephone instructions on the Electronic Voting Instructions section of the proxy card delivered with the proxy materials. If you are submitting your proxy by Internet, follow the Vote by Internet instructions on the Electronic Voting Instructions section of the proxy card delivered with the proxy materials. Whichever method you select, to assure that your proxy is counted, you must submit it prior to 1:00 a.m., Central Time, on May 20, 2011. If your Time Warner common stock, par value \$0.01 per share (Common Stock), is

held in street name, you should submit your voting instructions in accordance with the instructions on the voting instruction form provided by the bank, brokerage firm or other nominee that holds Common Stock on your behalf.

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**INFORMATION ABOUT THIS PROXY STATEMENT AND
THE ANNUAL MEETING**

What proposals are being presented at the Annual Meeting?

Time Warner intends to present the following proposals at the Annual Meeting:

To elect 13 directors for a term of one year and until their successors are duly elected and qualified.

To ratify the appointment of the firm of Ernst & Young LLP as independent auditors of the Company for 2011.

To hold an advisory vote on executive compensation.

To hold an advisory vote on the frequency of holding an advisory vote on executive compensation.

To approve an amendment to the Company's Restated Certificate of Incorporation to remove absolute majority vote provisions.

To consider a stockholder proposal on shareholder action by written consent, if the proposal is properly presented at the Annual Meeting.

To transact such other business as may properly come before the Annual Meeting.

Other than matters set forth in this Proxy Statement, Time Warner does not know of any business or proposals to be considered at the Annual Meeting.

How does the Board of Directors recommend stockholders vote?

The Board of Directors recommends stockholders vote **FOR** the election of the nominees for election as directors; **FOR** the ratification of the appointment of Ernst & Young LLP as independent auditors of the Company for 2011; **FOR** the approval, on an advisory basis, of the compensation of the Company's named executive officers; **FOR** the approval, on an advisory basis, of a vote on executive compensation every **3 YEARS**; **FOR** an amendment to the Company's Restated Certificate of Incorporation to remove absolute majority vote provisions; and **AGAINST** the stockholder proposal described in this Proxy Statement. When voting via the Internet or by telephone, you may indicate that you wish to vote as recommended by the Board.

Who is entitled to vote?

Only holders of record of Common Stock at the close of business on March 25, 2011, the record date, are entitled to vote at the Annual Meeting.

How many votes do I have?

Every holder of Common Stock on the record date will be entitled to one vote per share on all matters properly presented at the Annual Meeting. On March 25, 2011, there were _____ shares of Common Stock outstanding and entitled to vote at the Annual Meeting.

How do I attend the Annual Meeting?

For admission to the Annual Meeting, stockholders should register in advance by calling (855) 896-3388. In addition, stockholders will be required to present government-issued photo

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identification (e.g., driver's license or passport) to be admitted to the Annual Meeting. The Annual Meeting will begin at 10:00 a.m. (local time) on Friday, May 20, 2011.

How do I vote?

If you are a holder of Common Stock on the record date, you can vote in the following ways:

If you received a Notice of Internet Availability of Proxy Materials:

By Internet: by submitting your proxy (if you are a registered holder) or voting instruction form (if you hold your shares through a bank, brokerage firm or other nominee) by following the instructions included in the Notice of Internet Availability of Proxy Materials.

If you are a registered holder and received a paper copy of the proxy materials:

By Internet: by submitting your proxy by following the Vote by Internet instructions on the Electronic Voting Instructions section of the proxy card at any time until 1:00 a.m., Central Time, on May 20, 2011.

By Telephone: by submitting your proxy by following the Vote by telephone instructions on the Electronic Voting Instructions section of the proxy card at any time until 1:00 a.m., Central Time, on May 20, 2011.

By Mail: by marking, dating and signing your proxy card in accordance with the instructions on it and returning it by mail in the pre-addressed reply envelope provided with the proxy materials. The proxy card must be received prior to the Annual Meeting.

If you hold your shares through a bank, brokerage firm or other nominee and received a paper copy of the proxy materials, you should submit your voting instructions in accordance with the instructions on the voting instruction form provided by the nominee who holds the shares on your behalf.

If you are planning to attend the Annual Meeting and wish to vote your shares in person, you will be given a ballot at the meeting. If your shares are held through a bank, brokerage firm or other nominee, you must obtain a legal proxy from the record holder of your shares to vote at the Annual Meeting.

Even if you plan to be present at the Annual Meeting, you are encouraged to vote your shares of Common Stock by submitting your proxy or voting instructions.

What does it mean to vote by proxy?

By submitting your proxy, you authorize the persons named in the proxy (Paul T. Cappuccio, John K. Martin, Jr. and Karen Magee) to vote your shares at the Annual Meeting in accordance with your instructions. All shares entitled to vote and represented by properly executed proxies received prior to the Annual Meeting, and not revoked, will be voted as instructed on those proxies. The Board does not currently know of any other matters to be presented at the Annual Meeting. If any other matters are properly presented at the Annual Meeting for consideration, the persons named in the proxy will have discretion to vote on those matters in accordance with their own judgment to the same extent you would be entitled to vote. They may also vote your shares to adjourn the Annual Meeting and will be authorized to vote your shares at any adjournments or postponements of the meeting. In accordance with the Company's By-laws, the Annual Meeting may be adjourned, including by the Chairman, to permit the solicitation of additional proxies. You may not appoint more than three persons to act as your proxy at the Annual Meeting.

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May I change or revoke my proxy after I submit my proxy or voting instructions?

Yes, you may change your proxy at any time before it is exercised by either:

Filing with the Corporate Secretary of the Company, at or before the taking of the vote at the Annual Meeting, a written notice of revocation or a duly executed new proxy, in either case dated later than the prior proxy relating to the same shares; or

Attending the Annual Meeting and voting in person (although attendance at the Annual Meeting will not by itself revoke a proxy).

The written notice of revocation or subsequent proxy should be delivered to Time Warner Inc., One Time Warner Center, New York, NY 10019-8016, Attention: Corporate Secretary, or hand delivered to the Corporate Secretary before the taking of the vote at the Annual Meeting.

If you are a beneficial owner and hold shares through a broker or other nominee, you must contact your broker or nominee to revoke any prior voting instructions.

What if I submit my proxy card or voting instruction form but do not indicate how I am voting?

If you sign and return your proxy card or voting instruction form without indicating your instructions for voting, your Common Stock will be voted FOR each of the Company proposals described as Proposals 1, 2, 3 and 5 in the Proxy Statement, for the approval of an advisory vote on executive compensation every 3 YEARS, and AGAINST the stockholder proposal described as Proposal 6 in the Proxy Statement.

If you hold an interest in the Time Warner Inc. Stock Fund under the Time Warner Savings Plan and you sign and return your voting instruction card without indicating your instructions for voting, Fidelity Management Trust Company, as Trustee, will vote your proportionate interest in the Common Stock held in the Time Warner Inc. Stock Fund FOR each of the Company proposals described as Proposals 1, 2, 3 and 5 in the Proxy Statement, for the approval of an advisory vote on executive compensation every 3 YEARS, and AGAINST the stockholder proposal described as Proposal 6 in the Proxy Statement. If you do not provide any voting instructions via the Internet or by telephone and do not return a signed voting instruction card, your interest will be voted in the same proportion as other participants' interests in the Time Warner Savings Plan for which Fidelity has received voting instructions. If you hold interests attributable to accounts transferred from the Time Incorporated Payroll-Based Employee Stock Ownership Plan and the WCI Employee Stock Ownership Plan, your interests attributable to such accounts will not be voted.

What constitutes a quorum?

The presence, in person or by proxy, of the holders of a majority of the Common Stock outstanding and entitled to vote at the Annual Meeting constitutes a quorum and is necessary for the conduct of business at the Annual Meeting.

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<i>Proposal</i>	<i>Vote Required</i>	<i>Broker Discretionary Voting Permissible</i>
PROPOSAL 1: Election of Directors	The affirmative vote of a majority of the votes duly cast by the holders of Common Stock with respect to each nominee is required for the election of that nominee as a director.	No
PROPOSAL 2: Ratification of Appointment of Independent Auditors	The affirmative vote of a majority of the votes duly cast by the holders of Common Stock.	Yes
PROPOSAL 3: Advisory Vote on Executive Compensation	The affirmative vote of a majority of the votes duly cast by the holders of Common Stock.	No
PROPOSAL 4: Advisory Vote on the Frequency of Holding an Advisory Vote on Executive Compensation	The affirmative vote of a majority of the votes duly cast by the holders of Common Stock.	No
PROPOSAL 5: Approval of an Amendment to the Company's Restated Certificate of Incorporation to Remove Absolute Majority Vote Provisions	The affirmative vote of a majority of the outstanding shares of Common Stock.	No
PROPOSAL 6: Shareholder Action by Written Consent	The affirmative vote of a majority of the votes duly cast by the holders of Common Stock.	No

With respect to Proposals 1, 2, 3, 5 and 6, you may vote FOR, AGAINST or ABSTAIN. With respect to Proposal 4, you may vote for every 3 YEARS, 2 YEARS, 1 YEAR or ABSTAIN.

How are abstentions and broker non-votes counted?

If you are a beneficial owner of shares held in street name and do not provide the bank or broker that holds your shares with specific voting instructions, then under New York Stock Exchange rules, the bank or broker will have discretion to vote your shares on Proposal 2, but not with respect to the other Proposals, in which case your shares will be counted as a broker non-vote on those proposals.

Abstentions and broker non-votes are not included in the tabulation of the voting results on the election of directors or other issues requiring approval of a majority of the votes cast and, therefore, do not have the effect of votes in opposition. Abstentions and broker non-votes will, however, have the effect of a vote against any proposals requiring the affirmative vote of holders of a majority of the outstanding shares of Common Stock entitled to vote, such as Proposal 5. Broker non-votes and shares with respect to which a stockholder abstains are included in determining

whether a quorum is present at the Annual Meeting.

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How can I find the voting results?

The Company will disclose the final results of the voting in a Current Report on Form 8-K filed with the SEC within four business days of the Annual Meeting.

What does it mean if I receive more than one Notice of Internet Availability of Proxy Materials or set of proxy materials?

It means you have multiple accounts at the transfer agent and/or with banks and stockbrokers. Please submit proxies or voting instructions for all of your Common Stock.

I share the same address with another Time Warner stockholder. Why has our household received only one Notice of Internet Availability of Proxy Materials or set of proxy materials?

The SEC's rules permit the Company to deliver a single Notice of Internet Availability of Proxy Materials or a single set of proxy materials to one address shared by two or more of the Company's stockholders. This practice is intended to reduce the Company's printing and postage costs. The Company has delivered only one Notice of Internet Availability of Proxy Materials or one set of proxy materials to stockholders who hold their shares through a bank, broker or other holder of record and share a single address, unless the Company received contrary instructions from any stockholder at that address.

If you have received only one copy of the Notice of Internet Availability of Proxy Materials or set of proxy materials and wish to receive a separate copy for each stockholder in your household or if you have received multiple notices or sets of proxy materials and wish to receive only one, please notify your bank, broker or other holder of record, or Broadridge Financial Solutions, Inc. at (800) 542-1061 or in writing at Broadridge, Householding Department, 51 Mercedes Way, Edgewood, NY 11717.

Who will bear the cost of solicitation?

Time Warner will bear all expenses of the solicitation, including the cost of preparing and mailing the Notice of Internet Availability of Proxy Materials and the proxy materials. In addition to solicitation by the use of the mail, directors, officers and employees of Time Warner may solicit proxies and voting instructions by telephone or other means of communication. Such directors, officers and employees will not be paid additional compensation but may be reimbursed for reasonable out-of-pocket expenses incurred in connection with such solicitation. Time Warner has retained D.F. King & Co., Inc. at an estimated cost of \$24,500, plus reimbursement of expenses, to assist in its solicitation of proxies. Time Warner has also agreed to pay the reasonable expenses of banks, brokerage firms and other nominees for mailing the Notices of Internet Availability of Proxy Materials and proxy materials to beneficial owners of shares held of record by such banks, brokerage firms and other nominees.

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COMPANY PROPOSALS

PROPOSAL 1: Election of Directors

Director Nominees for 2011 Annual Meeting

Upon the recommendation of the Nominating and Governance Committee of the Board of Directors (the Nominating Committee), the Board nominated for election at the Annual Meeting the slate of 13 nominees listed below. The section Directors of the Company on pages 29 to 41 of this Proxy Statement contains information regarding the backgrounds of the nominees, including the key skills and professional qualifications that the Board considered in concluding that the nominees are qualified to serve on the Company's Board.

Directors are elected by a majority of the votes cast unless the election is contested, in which case directors are elected by a plurality of the votes cast. If an incumbent director nominee in an uncontested election receives more against votes than for votes, the director must submit an offer to resign from the Board. The Board will then consider the resignation offer and may either (i) accept the resignation offer or (ii) reject the resignation offer and seek to address the underlying cause(s) of the against votes. The Board is required to make its determination within 90 days following the certification of the stockholder vote and make a public announcement of its decision, including a statement regarding the reasons for its decision if the Board rejects the resignation offer.

Each of the nominees currently serves as a director of the Company and, other than Mr. Wachter (who was elected by the Board of Directors in October 2010 in accordance with the Company's By-laws), was elected by the stockholders at the Company's 2010 Annual Meeting of Stockholders. The nominees for director at the 2011 Annual Meeting will be elected to serve for a one-year term until the next annual meeting of stockholders and until their successors have been duly elected and qualified or until their earlier death, resignation or retirement. If any director nominee is unable or unwilling to serve as a director at the time of the annual meeting of stockholders, the persons who are designated as proxies intend to vote, in their discretion, for such other persons, if any, as may be designated by the Board. As of the date of this Proxy Statement, the Board of Directors has no reason to believe that any of the nominees will be unable or unwilling to serve as a nominee or as a director if elected.

The persons named in the proxy intend to vote such proxy for the election of each of the 13 nominees named below, unless the stockholder indicates on the proxy that the vote should be against any or all of the nominees.

The Board of Directors recommends a vote **FOR** the election of the 13 director nominees listed below.

James L. Barksdale
William P. Barr
Jeffrey L. Bewkes
Stephen F. Bollenbach
Frank J. Caufield
Robert C. Clark
Mathias Döpfner
Jessica P. Einhorn
Fred Hassan
Michael A. Miles
Kenneth J. Novack
Paul D. Wachter

Deborah C. Wright

Vote Required for Approval

A majority of the votes duly cast by the holders of Common Stock with respect to each director is required for the election of that director.

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PROPOSAL 2: Ratification of Appointment of Independent Auditors

The Audit and Finance Committee of the Board of Directors (the Audit Committee) has appointed Ernst & Young LLP as independent auditors of the Company to audit its consolidated financial statements for 2011, and the Board of Directors has determined that it would be desirable to request that the stockholders ratify such appointment. Representatives of Ernst & Young LLP will be present at the Annual Meeting with the opportunity to make a statement if they desire to do so and to respond to appropriate questions from stockholders.

The Board of Directors recommends a vote **FOR** the ratification of the appointment of Ernst & Young LLP as independent auditors.

Vote Required for Approval

The affirmative vote of a majority of the votes duly cast by the holders of Common Stock is required to ratify the appointment of Ernst & Young LLP. However, stockholder approval is not required for the appointment of Ernst & Young LLP because the Audit Committee is responsible for selecting the Company's independent auditors. No determination has been made as to what action the Audit Committee or the Board of Directors would take if stockholders do not ratify the appointment.

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PROPOSAL 3: Advisory Vote on Executive Compensation

In accordance with Section 14A of the Securities Exchange Act of 1934 (the Exchange Act), which was added by the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), and the related rules of the SEC, the Company is providing stockholders an advisory vote on executive compensation.

The Company's executive compensation program is designed to advance the philosophy of the Compensation and Human Development Committee of the Board of Directors (the Compensation Committee) of motivating and retaining executives, holding the executives accountable for business and individual performance, and aligning the executives' interests with those of the Company's stockholders. To align executive pay with both the Company's financial performance and the creation of long-term stockholder value, a significant portion of the compensation paid to the named executive officers is linked to performance-based short-term incentives (*e.g.*, annual bonus) and long-term incentives (*e.g.*, equity awards with multi-year vesting schedules or performance periods). The Compensation Committee continually reviews the compensation program to assess whether it achieves the desired goals.

The Compensation Committee and the Board of Directors believe that the Company's 2010 executive compensation programs align well with the Compensation Committee's philosophy and are linked to the Company's performance. Stockholders are encouraged to read the Compensation Discussion and Analysis on pages 55 to 81 for information about the Company's executive compensation programs and how they reflect the Compensation Committee's philosophy and are linked to the Company's performance.

The Company will ask its stockholders to vote on the following resolution at the Annual Meeting:

RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation paid to the Company's named executive officers, as disclosed in the Company's Proxy Statement for the 2011 Annual Meeting of Stockholders pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narratives.

The Board of Directors recommends a vote FOR the approval of the resolution.

Vote Required for Approval

The affirmative vote of a majority of the votes duly cast by the holders of Common Stock is required to adopt this proposal. However, the vote on executive compensation is advisory and, therefore, not binding on the Company, the Board of Directors or the Compensation Committee. The Board of Directors and the Compensation Committee may take into account the outcome of the vote when making future executive compensation decisions.

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PROPOSAL 4: Advisory Vote on the Frequency of Holding an Advisory Vote on Executive Compensation

In addition to the advisory vote on executive compensation in Proposal 3 above, in accordance with Section 14A of the Exchange Act, the Company is providing stockholders with an opportunity to vote, on an advisory basis, on whether future executive compensation advisory votes should be held every year, every two years, or every three years.

After careful consideration, the Board of Directors is recommending a vote in favor of holding an advisory vote on executive compensation every three years. In reaching this recommendation, the Board has considered the relevant legislative and regulatory requirements, the Company's compensation programs and governance policies, the results of prior votes by the Company's stockholders regarding proposals to hold advisory votes on executive compensation, the views expressed by the Company's stockholders in discussions over recent months, and evolving industry practices.

The Board notes that the Company's stockholders have expressed a range of views on the appropriate frequency of holding an advisory vote on executive compensation, and that in recent consultations the Company's stockholders have expressed support for either a triennial or annual vote in approximately equal numbers. The Board has determined that, on balance, holding a vote every three years, with the flexibility to hold a vote more frequently if appropriate, is the best approach for Time Warner for the following reasons:

A periodic vote is consistent with the Company's practice in making changes to its executive compensation program. Typically, the Company has not made significant changes to its executive compensation program on an annual basis, but has done so less frequently and expects to do the same in the future. For example, the most recent significant change to the Company's executive compensation program was in 2007 with the introduction of performance stock units to the Company's long-term incentive program.

It is also consistent with the long-term focus of the Company's compensation objectives and programs, as discussed in this Proxy Statement, including the multi-year vesting and performance periods for long-term incentive compensation.

Further, an advisory vote is an additional, but not exclusive, opportunity for stockholders to communicate with the Board and the Compensation Committee regarding the Company's executive compensation programs.

A longer cycle also reinforces a longer-term perspective with respect to executive compensation, providing the Compensation Committee with time to evaluate the results of the most recent advisory vote on executive compensation, as well as to develop and implement changes to the Company's compensation programs and policies that may be appropriate, and then providing both the Compensation Committee and stockholders with the opportunity to assess the impact of those changes before the next advisory vote.

The Board of Directors looks forward to hearing from its stockholders on this Proposal and reviewing the results of this advisory vote.

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Stockholders may cast their vote on their preferred voting frequency by choosing the option of one year, two years or three years or may abstain from voting. In considering this vote, stockholders may wish to review the information presented in connection with the advisory vote (Proposal 3) above and the Compensation Discussion and Analysis on pages 55 to 81.

The Board of Directors recommends a vote for the option of every THREE YEARS as the frequency with which stockholders are provided an advisory vote on executive compensation.

Vote Required for Approval

The vote on this proposal is not intended to approve or disapprove the recommendation of the Board of Directors. If one of the frequency options (one year, two years or three years) receives the vote of a majority of the votes duly cast by the holders of Common Stock, it will be the frequency preferred by the stockholders. Because this vote is advisory and not binding on the Company or the Board of Directors, the Board will consider the vote, but may decide that it is in the best interests of the stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the option determined to be the frequency preferred by the stockholders.

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PROPOSAL 5: Approval of an Amendment to the Company's Restated Certificate of Incorporation to Remove Absolute Majority Vote Provisions

The Board has approved an amendment to the Company's Restated Certificate of Incorporation and a related amendment to the Company's By-laws, and recommends that the Company's stockholders approve the amendment to the Company's Restated Certificate of Incorporation described below. The purpose and effect of these amendments will be to remove all remaining provisions in the Company's Restated Certificate of Incorporation and By-laws that provide for stockholder action by more than a simple majority vote (*i.e.*, a majority of the votes cast) other than where Delaware corporation law requires a different vote standard.

Specifically, the Board recommends that the stockholders approve an amendment to the Company's Restated Certificate of Incorporation to remove the provisions in Articles VII and VIII that provide for an absolute majority vote standard (*i.e.*, a majority of the Company's outstanding shares) for certain stockholder actions. The amendment to Article VII removes the absolute majority vote requirement for stockholders to adopt, amend or repeal any provision of the Company's By-laws. The amendment to Article VIII also removes the express requirement of an absolute majority vote (i) to amend, alter or repeal Article VIII, Article IX (which limits the liability of the directors of the Company to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by law), or Section 5 of Article IV (which authorizes the Company to redeem shares when a redemption is necessary to prevent the loss or secure the reinstatement of any license or franchise of the Company or its subsidiaries from a government agency) of the Restated Certificate of Incorporation or (ii) to adopt any provision inconsistent with Article VIII, Article IX, or Section 5 of Article IV of the Restated Certificate of Incorporation.

The Board has also approved an amendment to the Company's By-laws to change the required vote of the stockholders to amend the By-laws from an absolute majority vote to a simple majority vote, subject to and effective upon the approval by the stockholders of the proposed amendment to the Company's Restated Certificate of Incorporation.

In making this recommendation, the Nominating Committee and Board have considered the requirements of Delaware law, the potential governance implications of changing the stockholder vote standards, discussions with Company stockholders over the course of several months, and the vote in favor of a stockholder proposal calling for the Company to implement a simple majority vote standard that was presented at the Company's annual meeting of stockholders in 2010. Based on these considerations, and the recommendation of the Nominating Committee, the Board has determined that the amendment to the Company's Restated Certificate of Incorporation to remove the provisions in Articles VII and VIII requiring an absolute majority vote is in the best interests of the Company and its stockholders.

Summary of the Proposed Amendment and Required Vote Standard

The proposed amendment to the Restated Certificate of Incorporation is set forth in Annex A to this Proxy Statement, with deletions indicated by strikeouts. The form of the Certificate of Amendment to the Restated Certificate of Incorporation is set forth in Annex B to this Proxy Statement. The following description of the proposed amendments to Articles VII and VIII is qualified in its entirety by reference to the proposed amendment set forth in Annexes A and B.

Article VII of the Restated Certificate of Incorporation: If the proposed amendment is approved, Article VII of the Restated Certificate of Incorporation will be amended to remove the requirement for an absolute majority vote for the stockholders to adopt, amend or repeal any

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provision of the Company's By-laws. As a result, the Company's By-laws would govern the vote required for any amendment to the By-laws by the stockholders. As noted above, the Board has approved an amendment to the By-laws that will become effective upon the approval by the stockholders of the proposed amendment to the Restated Certificate of Incorporation. The By-laws, as amended, will require that any amendment to the By-laws approved by the stockholders must be approved by a majority of the votes cast by the stockholders entitled to vote thereon who are present in person or represented by proxy at a meeting of stockholders, *i.e.*, a simple majority vote. Therefore, if the proposed amendment is approved, once the Certificate of Amendment is filed with the Secretary of State of Delaware and becomes effective, the vote required for stockholders to amend the Company's By-laws will be a simple majority vote.

Article VIII of the Restated Certificate of Incorporation: Article VIII requires an absolute majority vote to alter, amend or repeal Article VIII itself, Article IX or Section 5 of Article IV of the Restated Certificate of Incorporation or to adopt any provision inconsistent with any of those sections. If the proposed amendment is approved, Article VIII will be amended to remove the express requirement of an absolute majority vote and will simply provide that the Company reserves the right to amend, alter or repeal any provision contained in the Restated Certificate of Incorporation in accordance with law. Article IX limits the liability of the directors of the Company to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by law. Section 5 of Article IV permits the Company to redeem shares of its common stock or other series or class of stock from stockholders if the redemption is necessary to prevent the loss or secure the reinstatement of a license or franchise from any governmental agency that requires some or all of the holders of the Company's common stock or any other class or series of stock to possess certain qualifications. This provision protects the Company's ability to take the steps necessary to retain valuable licenses and franchises granted by a governmental agency that might otherwise be subject to forfeiture based on the identify or qualifications of the Company's stockholders.

The amendment to Article VIII will not have any current impact in practice because Delaware corporation law requires approval by a majority of the outstanding shares entitled to vote thereon to amend a corporation's certificate of incorporation, which is an absolute majority voting standard. If Delaware corporation law is amended to provide for a different voting standard, then that voting standard would automatically apply to amendments to the Company's Restated Certificate of Incorporation.

Implementation of the Proposed Amendment

If the proposed amendment is approved by the stockholders, the Company will file a Certificate of Amendment to the Restated Certificate of Incorporation with the Delaware Secretary of State promptly after the Annual Meeting, and the Certificate of Amendment will become effective upon filing. In addition, if this proposal is approved by the stockholders, the amendment to the By-laws (to require a simple majority vote for stockholders to amend the By-laws), which was previously approved by the Board of Directors, will become effective.

The Board of Directors recommends a vote **FOR** the approval of the proposed amendment to the Restated Certificate of Incorporation.

Vote Required for Approval

The affirmative vote of a majority of the Company's outstanding shares of Common Stock is required to approve the proposed amendment to the Restated Certificate of Incorporation.

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STOCKHOLDER PROPOSAL

PROPOSAL 6: Shareholder Action by Written Consent

Mr. William Steiner, 12 Abbottsford Gate, Piermont, NY 10968, the beneficial owner of 4,200 shares of Common Stock, has advised the Company that he intends to propose a resolution at the Annual Meeting. Mr. Steiner has appointed John Chevedden of 2215 Nelson Ave., No. 205, Redondo Beach, CA 90278 and/or his designee to act on his behalf in matters relating to the proposed resolution. The proposed resolution and statement in support there are set forth below:

6 Shareholder Action by Written Consent

RESOLVED, Shareholders hereby request that our board of directors undertake such steps as may be necessary to permit written consent by shareholders entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote thereon were present and voting (to the fullest extent permitted by law).

Taking action by written consent in lieu of a meeting is a means shareholders can use to raise important matters outside the normal annual meeting cycle. A study by Harvard professor Paul Gompers supports the concept that shareholder dis-empowering governance features, including restrictions on shareholder ability to act by written consent, are significantly related to reduced shareholder value.

The merit of this Shareholder Action by Written Consent proposal should also be considered in the context of the need for improvement in our company's 2010 reported corporate governance status:

The Corporate Library www.thecorporatelibrary.com, an independent investment research firm, rated our company D with High Governance Risk and Very High Concern for executive pay \$19 million for our CEO Jeffrey Bewkes.

Mr. Bewkes' pay was too concentrated in market-priced stock options. Thus small increases in our company's share price (unrelated to CEO performance) can result in a windfall.

Our board was the only significant directorship for 5 of our directors. This could indicate a significant lack of current transferable director experience for 40% of our board. Regarding the future trend in our director selection process, two of our newest directors bring experience from D-rated boards: Fred Hassan from Avon Products and William Barr from Dominion Resources.

Michael Miles was marked as a Flagged (Problem) Director by The Corporate Library because of his Citadel Broadcasting directorship as it went bankrupt in 2009. Mr. Miles was still allowed to be on our Executive Pay Committee and attracted our highest negative votes.

We had no independent Board Chairman, no Lead Director, no shareholder right to proxy access, no cumulative voting and no shareholder written consent. In spite of this we also had two inside-related directors who made up 40% of our Nomination committee (independence concern): James Barksdale and Kenneth Novack.

Please encourage our board to respond positively to this proposal and remedy the above type of practices:

Shareholder Action by Written Consent Yes on 6.

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COMPANY RECOMMENDATION:

The Board of Directors recommends a vote **AGAINST** this proposal for the following reasons:

- (i) Without proper procedural protections, stockholder action by written consent (as proposed in the proposal) can deprive stockholders of a voice on an important matter and of information regarding the matter approved in the written consent;
- (ii) Stockholder meetings are a better method to raise important matters for consideration by stockholders, and holders of 15% of the outstanding Common Stock already have the right to request a special meeting of stockholders; and
- (iii) The adoption of the proposal as proposed will not enhance the Company's existing corporate governance practices, which already provide stockholders with meaningful access to the Board and significant rights and protections.

First, without procedural protections, stockholder action by written consent can exclude minority stockholders from participating in an action or even receiving information regarding the matter approved in a written consent. The proposal provides no procedural protections, such as a requirement to provide a description of the proposed action and the reasons for the proposed action. This means that, for example, a group of stockholders representing a majority of the Common Stock could take a significant action, such as agreeing to sell the Company, without providing prior notice to all stockholders, an opportunity to discuss or raise objections to the proposed action or an opportunity to vote on the proposed action.

In addition, the proposal does not provide for reasonable procedural protections to prevent or limit the abuse of this mechanism for stockholder action. For example, if multiple groups of stockholders are able to solicit written consents at any time and as often as they wish, the solicitation of written consents could create a considerable amount of confusion and disruption among the Company's stockholders.

Second, the Board believes that presenting matters to stockholders at a stockholder meeting is a superior method for stockholder action. The Company's Common Stock is widely held by a large number of stockholders and, therefore, soliciting the Company's stockholders for written consents would be expensive, time-consuming and impractical. By contrast, stockholders can present appropriate matters for a vote by the stockholders at an annual or special meeting by following advance notice and disclosure requirements, as set forth in the Company's By-laws or as otherwise required by SEC rules, which allow all the Company's stockholders to have an opportunity to be informed about matters that are being presented to stockholders for a vote. At a stockholder meeting, stockholders are able to ask questions, discuss any concerns or views that they have regarding a proposal, and vote on the matter. Under the Company's By-laws, holders of 15% of the outstanding Common Stock may request that a special meeting of stockholders be held. Thus, the Company's stockholders already have an effective mechanism for raising important matters for consideration by stockholders outside of the normal annual meeting cycle.

Third, the Company believes that its stockholders already have significant access to the Board, and rights and protections that reduce the need to be able to act by written consent. For example:

As stated above, holders of 15% of the outstanding Common Stock may request a special meeting of stockholders.

Stockholders may submit proposals for presentation at an annual meeting (including nominations of director candidates).

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Stockholders may communicate directly with any director (including the Lead Independent Director), any Board committee or the full Board.

The Board has been responsive to stockholder concerns, whether expressed through proposals or discussions between stockholder representatives and the Company. For example, following discussions with stockholders, the Company implemented changes so that holders representing at least 15% of the Company's outstanding common stock can request a special meeting.

Stockholders elect directors annually by majority vote in uncontested director elections, and any incumbent director who does not receive a majority of the votes cast for his or her election is required to offer to resign from the Board.

The Board consists of a significant majority of independent directors (*i.e.*, all of the directors except the Company's CEO).

The Board believes that the Company's existing corporate governance policies and practices provide stockholders with meaningful access to and accountability of Board members and better methods to bring matters before all the stockholders in an orderly and non-discriminatory fashion. Accordingly, the Board believes that the proposal, in the form presented, is not in the best interests of the Company or its stockholders and, therefore, it recommends a vote **AGAINST** the proposal.

Vote Required for Approval

The affirmative vote of a majority of the votes duly cast by the holders of Common Stock is required to adopt this proposal.

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CORPORATE GOVERNANCE AND BOARD MATTERS

Time Warner is committed to maintaining strong corporate governance practices that allocate rights and responsibilities among the Company's stockholders, Board of Directors (the Board or the Board of Directors) and management in a manner that benefits the long-term interests of the Company's stockholders. The Board regularly reviews and updates its corporate governance practices in light of proposed and adopted laws and regulations, the practices and experience of other leading companies, the recommendations of various corporate governance authorities, and discussions with and the expectations of the Company's stockholders.

During 2010 and early 2011, the Board took a number of steps to further enhance the Company's corporate governance practices, including the following:

Special Stockholder Meetings. At the Company's 2010 annual meeting of stockholders, the Company proposed an amendment to its By-laws to lower the percentage of the combined voting power of the Company's outstanding capital stock that can request a special meeting of stockholders from 25% to 15%. The proposed amendment was approved by the stockholders, and the By-laws were amended, effective May 21, 2010.

New Independent Director. In October 2010, the Board elected an additional independent director, Paul D. Wachter. Mr. Wachter is the founder and Chief Executive Officer of Main Street Advisors, Inc., a company that provides investment advisory services. As described below under Directors of the Company Professional Qualifications of Director Nominees for 2011 Annual Meeting and Directors of the Company Background of Director Nominees for 2011 Annual Meeting, Mr. Wachter brings to the Board his background in finance, investments and banking and the entertainment industry. Mr. Wachter also brings personal qualities that are important for service on the Board, such as integrity and sound judgment. The Nominating Committee led the director search process. Mr. Wachter was initially suggested as a potential candidate by officers of the Company other than the Chief Executive Officer. Mr. Wachter met with all of the members of the Nominating Committee, and the Nominating Committee recommended Mr. Wachter's election to the Board.

Committee Charters and Corporate Governance Policy. In February 2011, the Board amended the charters of its three standing committees and the Corporate Governance Policy as follows:

The Audit Committee's charter was amended to (i) authorize the Audit Committee to periodically review the Company's strategy for and use of derivatives (including swaps that are subject to the exception for end users from the mandatory clearing and exchange trading provisions of the Dodd-Frank Act) and (ii) eliminate the provisions relating to the Audit Committee's role as a Qualified Legal Compliance Committee (the Company's chief legal officer now performs those duties).

The Nominating Committee's charter was amended to, among other things, specify that the Nominating Committee, along with the Compensation Committee, will make recommendations to the Board regarding the frequency of stockholder advisory votes on executive compensation.

The Compensation Committee's charter was amended to, among other things, specify that (i) the Compensation Committee may, as appropriate, consider stockholder views and the results of the most recent advisory vote on executive compensation in determining executive compensation and (ii) the Compensation Committee will make recommendations to the Board regarding the frequency of stockholder advisory votes on executive compensation and any other Company proposals regarding executive compensation for inclusion in the Company's annual proxy statement.

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The Corporate Governance Policy was amended to provide that the Lead Independent Director will serve as the Chairman of the Board on an interim basis in the event of the death or disability of the Chairman.

The foregoing changes reflect in part the results of the Company's long-standing practice of engaging with stockholders on corporate governance matters and responding to their views. In addition, following the adoption of Dodd-Frank Act in July 2010, the Company had additional discussions with stockholders regarding their views on various aspects of the legislation, including the stockholder advisory vote on executive compensation and the frequency of holding such vote.

The remainder of this section of the Proxy Statement summarizes the key features of Time Warner's corporate governance practices.

Corporate Governance Documents

The Company has a corporate governance webpage at www.timewarner.com/governance. The Company's By-laws, the Corporate Governance Policy (which includes the categorical standards for director independence), the charters of the Board's three standing committees, the Policy Regarding Audit Partner Rotation, the Report on Executive Compensation Consultant, the Company's codes of conduct, the Policy and Procedures Governing Related Person Transactions, the Policy on Determining the Leadership Structure of the Board of Directors, and the most recent Report on Determination of Current Board Leadership Structure are available on the Company's corporate governance webpage. These documents are also available in print to any stockholder who requests them by writing to the Office of the Corporate Secretary, Time Warner Inc., One Time Warner Center, New York, New York 10019-8016.

Board Responsibilities and Oversight of Risk

The Board's primary responsibility is to seek to maximize long-term stockholder value. The Board selects senior management of the Company, monitors management's and the Company's performance, and provides advice and counsel to management. Among other things, at least annually, the Board reviews the Company's strategy and approves a business plan and budget for the Company. The Board also reviews and approves transactions in accordance with guidelines that the Board may adopt from time to time. In addition, the Board reviews and approves the leadership structure of the Board on at least an annual basis. In fulfilling the Board's responsibilities, directors have full access to the Company's management, internal and external auditors, and outside advisors.

As described in the Corporate Governance Policy, the Board is charged with general oversight of the management of the Company's risks. The Board considers, as appropriate, risks among other factors in reviewing the Company's strategy, business plan, budgets and major transactions. Each of the Board's committees assists the Board in overseeing the management of the Company's risks within the areas delegated to the committee. In particular, the Audit Committee assists the Board by reviewing a report from management on at least an annual basis on the risks facing the Company, management's actions to address those risks, and the Company's risk management processes. The report is also provided to the Board. In addition, the Compensation Committee oversees risks related to the Company's compensation programs and policies and reviews at least annually management's report on such risks.

Independent Directors

The Board undertook its annual review of director independence in March 2011 and determined that 12 of the 13 current directors (or 92% of the Board) and 12 of the 13 nominees for director are

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independent under the listing standards of the NYSE and the Company's By-laws and Corporate Governance Policy, which includes the categorical standards for director independence adopted by the Board. To assist the Board with its determination, the categorical standards follow the NYSE rules and establish guidelines as to employment and commercial relationships that may affect a director's independence and categories of relationships that are not deemed material for purposes of director independence. The following directors were determined by the Board to be independent: James L. Barksdale, William P. Barr, Stephen F. Bollenbach, Frank J. Caufield, Robert C. Clark, Mathias Döpfner, Jessica P. Einhorn, Fred Hassan, Michael A. Miles, Kenneth J. Novack, Paul D. Wachter and Deborah C. Wright. Mr. Bewkes is an executive officer of the Company and thus cannot qualify as an independent director. Each of the current directors is a nominee for director and there are no nominees who do not currently serve as a director. Each member of the Audit Committee, Compensation Committee, and Nominating Committee satisfies the respective standards of independence applicable to such committees.

In evaluating the independence of each director, the Board considered the following types of transactions or relationships:

Business Transactions: The Board considered that the Company and its subsidiaries in the ordinary course of business have: (i) received advertising revenues during the last three years from Harvard University (Mr. Clark is a Distinguished Service Professor), Axel Springer AG (Mr. Döpfner serves as Chairman and Chief Executive Officer) and Staples, Inc. (an immediate family member of Mr. Miles serves as an executive officer) and the 2010 advertising revenues from such companies were, in each case, less than 0.02% of the Company's total revenues in 2010, (ii) purchased products or services during the last three years from (x) Axel Springer AG (license rights, content, advertising and promotional fees) and that the 2010 purchases were less than 0.01% of Axel Springer's total revenues in 2009 and (y) Staples, Inc. (office supplies) and that the 2010 purchases were less than 0.002% of Staples, Inc.'s total revenues in 2010, and (iii) received professional legal services from Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC during the last three years (Mr. Novack is a Senior Counsel and a retired partner who no longer practices law and does not have a direct or indirect interest in the legal services provided to the Company) and that the fees for the 2010 services were less than 0.25% of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo's total revenues in 2009 and less than 0.7% of the total fees paid by the Company in 2010 for professional legal services. In addition, the Board considered that the Time Warner Foundation, Inc., a non-profit organization, holds one certificate of deposit at Carver Federal Savings Bank (Ms. Wright serves as Chairman, President and Chief Executive Officer) that was less than 0.06% of Carver Federal Savings Bank's total deposits in 2010.

Charitable Contributions: Discretionary charitable contributions to organizations for which a director or a director's spouse serves as an executive officer. These contributions were consistent with the Company's philanthropic practices and well below the thresholds set forth in the Company's Corporate Governance Policy. None of the contributions exceeded \$230,000 to any single organization.

Other Relationships: The Board also considered the following relationships that existed in 2010 or early 2011: (i) Mr. Caufield is a co-founder of Kleiner Perkins Caufield & Byers, where Mr. Barksdale served as a strategic limited partner; (ii) Mr. Hassan serves as a director of Avon Products, Inc., where Ann Moore, the recently retired Chairman and CEO of Time Inc., a subsidiary of the Company, serves as a director; and (iii) Ms. Wright serves as Chairman, President and Chief Executive Officer of Carver Bancorp, Inc. where an officer of the Company (who is not an executive officer) previously served as a director until February 2010.

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The Nominating Committee and the Board of Directors reviewed the transactions or relationships described above and, based on the Company's categorical standards and the NYSE rules governing director independence, the Board determined that the transactions or relationships did not impair the applicable director's independence.

Board Leadership

Policy on Determining the Leadership Structure of the Board of Directors. Under the Company's Policy on Determining the Leadership Structure of the Board of Directors, the Nominating Committee is responsible for reviewing the leadership structure of the Board on at least an annual basis and at times of potential change in individuals holding Board leadership positions (*e.g.*, retirement, resignation, or renewal of employment agreements). As part of this review, the Nominating Committee evaluates: (i) whether to have a Lead Independent Director, (ii) the responsibilities of the positions of Chairman of the Board and Lead Independent Director, and (iii) the qualifications for those positions, including whether the position of Chairman of the Board should be held by the CEO, an independent director, or a non-independent director other than the CEO. The Nominating Committee makes its recommendations to the full Board, which is responsible for approving the leadership structure of the Board. The policy sets forth the factors the Nominating Committee and Board consider in making the determinations.

In January 2011, upon the recommendation of the Nominating Committee, the Board determined that the current structure, with one individual serving as Lead Independent Director and another serving as the Company's Chairman of the Board and Chief Executive Officer, is effective and appropriate. The report on the Board's determination of its leadership structure is posted on the Company's corporate governance webpage. As set forth in this report, the Board believes that having a single individual serve as both Chairman and CEO is effective and appropriate and provides clear governance, leadership and accountability as the Company executes its strategy as a content-focused company, including the digital transformation of its businesses. The Board also believes that the current structure has provided for an effective flow of information to, and discussion among, members of the Board regarding the Company's strategy and performance.

As described in the report, the Nominating Committee considered numerous factors prior to providing its recommendation to the Board that the current Board leadership structure be maintained, including (among other factors): (i) the scope and nature of the respective responsibilities of the Chairman of the Board, CEO and Lead Independent Director and the qualifications for each position, (ii) the current policies and practices that the Company has in place to ensure independent oversight of management, (iii) the views expressed by the Company's directors and stockholders regarding the Board's leadership structure, (iv) the practices in the United States and other countries, (v) recent legislative and regulatory developments relating to board leadership, and (vi) the impact that changing the current effective leadership structure would have on the Company.

Lead Independent Director. Mr. Caufield has served as Lead Independent Director since 2006. He was most recently re-elected to the position in May 2010 by the independent directors. As described in the Company's Corporate Governance Policy, the Lead Independent Director presides at executive sessions of the Board (see Board Meetings, Executive Sessions and Attendance below) and serves as the liaison between the Chairman and the other directors (unless the matter under consideration is within the jurisdiction of one of the Board's committees). In addition, the Lead Independent Director's responsibilities include (i) advising the Chairman of the Board with respect to the schedule, agenda and information for Board meetings (including possessing the ability to include specific items on those agendas), (ii) advising the Chairman of the Board with respect to

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consultants who may report directly to the Board, and (iii) being available, as appropriate, for communication with the Company's stockholders. The Lead Independent Director will also serve as the Chairman of the Board on an interim basis in the event of the death or disability of the Chairman.

Board Meetings, Executive Sessions and Attendance

The Board of Directors generally holds at least six meetings each year, including a meeting devoted to addressing the Company's strategy. The Board of Directors also communicates informally with management on a regular basis.

The Company's independent directors meet by themselves, without management or any non-independent directors present, at every regularly scheduled Board meeting. Any independent director may request additional executive sessions. These executive sessions are led by the Lead Independent Director, except for those portions of the executive session when it is appropriate for a Chair of the committee that has primary responsibility for the matter being discussed to lead the discussion.

During 2010, the Board met 10 times. No incumbent director attended fewer than 75% of (i) the total number of meetings of the Board held during the period for which he or she served as a director or (ii) the total number of meetings of the committees held during the period for which he or she served as a committee member. The Company's directors are encouraged and expected to attend the annual meetings of the Company's stockholders. Eleven of the 12 directors nominated for election at the 2010 Annual Meeting of Stockholders attended that meeting. Mr. Döpfner was not able to attend the meeting, and Mr. Wachter was appointed to the Board after the 2010 Annual Meeting of Stockholders.

Board Self-Evaluation

The Board of Directors conducts a self-evaluation of its performance annually, which includes a review of the Board's composition, responsibilities, leadership and committee structure, processes and effectiveness. Each standing committee of the Board also conducts an annual self-evaluation.

Director Orientation and Education

Upon joining the Board of Directors, each new director is provided with an orientation regarding the role and responsibilities of the Board and the Company's operations. As part of this orientation, new directors meet with members of the Company's senior management. From time to time, the Company's executives and the heads of its business groups make presentations to the Board regarding their respective areas. The Company is also committed to the ongoing education of its directors and therefore reimburses directors for reasonable expenses relating to ongoing director education.

Committees of the Board

The Board has three standing committees: the Audit and Finance Committee (also referred to as the Audit Committee), the Nominating and Governance Committee (also referred to as the Nominating Committee) and the Compensation and Human Development Committee (also referred to as the Compensation Committee), each of which has a written charter that is posted on the Company's corporate governance webpage. Each committee is composed entirely of independent directors. The Chair of each committee is elected by the Board and rotated periodically. Each committee holds regular executive sessions at which management is not present. Each committee is also authorized to retain its own outside counsel and other advisors as it desires.

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The table below provides a brief summary of the committees' current members and the number of meetings held by each committee during 2010:

Independent Director	Audit Committee	Nominating Committee	Compensation Committee
James L. Barksdale			
William P. Barr			
Stephen F. Bollenbach			CHAIR
Frank J. Caufield			
Robert C. Clark		CHAIR	
Mathias Döpfner			
Jessica P. Einhorn			
Fred Hassan			
Michael A. Miles			
Kenneth J. Novack			
Paul D. Wachter			
Deborah C. Wright	CHAIR		
Number of Meetings in 2010	8	7	8

Audit Committee. The Audit Committee assists the Board of Directors in fulfilling its responsibilities in connection with the Company's (i) independent auditors, (ii) internal audit function, (iii) ethics and compliance program and risk management policies and processes, (iv) responses to any regulatory actions involving financial, accounting and internal control matters, (v) earnings releases and guidance, financial statements and systems of disclosure controls and procedures and internal control over financial reporting, (vi) capital structure and financial capacity and strategy and (vii) the performance and funding of the Company's retirement programs.

The Board has determined that each of the members of the Audit Committee is financially literate in accordance with the NYSE listing standards. In addition, the Board has determined that each of Messrs. Bollenbach, Clark, Hassan and Wachter and Ms. Wright is an audit committee financial expert as defined under rules promulgated by the SEC.

Nominating Committee. The Nominating Committee is responsible for assisting the Board in relation to (i) corporate governance, (ii) director nominations, (iii) committee structure and appointments, (iv) Board leadership structure, Chairman and CEO performance evaluations and CEO succession planning, (v) annual Board performance evaluations, (vi) non-employee director compensation, (vii) regulatory matters relating to corporate governance, (viii) stockholder proposals and communications, (ix) related person transactions, and (x) the Company's corporate social responsibility activities.

Compensation Committee. The Compensation Committee is responsible for (i) approving the compensation of and employment agreements for, and reviewing benefits provided to, the Company's senior executives, (ii) approving long-term incentive awards, (iii) overseeing the Company's disclosure regarding executive compensation, (iv) reviewing the Company's overall compensation structure and benefit plans, including risks related to the Company's compensation programs and policies, (v) reviewing the Company's response to regulatory developments affecting compensation and stockholder advisory votes regarding compensation, (vi) reviewing and recommending officer appointments, and (vii) overseeing the Company's human development

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programs, including recruitment, retention, development, diversity and internal communication programs.

Compensation Committee Interlocks and Insider Participation

Consistent with the Company's categorical standards for director independence and the charter of the Compensation Committee, none of the Compensation Committee members (i) has ever been an officer or employee of the Company or (ii) was a participant in a related person transaction in 2010. None of the Company's executive officers serves, or in 2010 served, as a member of the board of directors or compensation committee of any entity that has one or more of its executive officers serving as a member of the Company's Board of Directors or the Compensation Committee.

Criteria for Membership on the Board

In accordance with the Company's Corporate Governance Policy and the Nominating Committee's policy statement regarding director nominations, the Nominating Committee and the Board take into consideration many factors, including independence, in reviewing candidates to select as nominees for director. The Nominating Committee and the Board also apply the same criteria to all candidates, whether the candidate is proposed by a stockholder or is identified through another source.

Criteria Applicable to All Directors. The Board of Directors believes it is important for the Board to reflect the appropriate combination of skills, professional experience, and diversity of backgrounds in light of the Company's current and expected future business needs. Each director must possess certain personal qualities, including financial literacy and a demonstrated reputation for integrity, judgment, and business acumen, as well as high personal and professional ethics. In addition, each director must be at least 21 years of age at the commencement of service as a director and less than 72 years of age at the time of nomination.

Each director must have the time and ability to make a constructive contribution to the Board, as well as a clear commitment to fulfilling the director's fiduciary duties and serving the interests of all the Company's stockholders. Each director must satisfy the requirements of antitrust laws, which limit service as an officer or director of the Company's significant competitors. In addition, to help ensure that directors have sufficient time to devote to their responsibilities as a member of Time Warner's Board, the Board has determined that directors should generally serve on no more than five other public company boards. Directors are also required to offer their resignation upon a significant change in their primary professional responsibilities, and, in such case, the Nominating Committee will make a recommendation to the Board as to whether to accept the offer of resignation.

Additional Criteria for Incumbent Directors. Incumbent directors on the Board are expected to attend the meetings of the Board and of any committees on which they serve and the annual meetings of stockholders, to stay informed about the Company and its businesses, to participate in the discussions of the Board and its committees, to comply with applicable Company policies, and to provide advice and counsel to the Company's management.

Additional Criteria for New Directors. The Nominating Committee has identified additional criteria for new members of the Board in light of the Company's current and expected structure and

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business needs. The following criteria may further evolve over time depending on changes in the Board and the Company's business needs and environment:

Professional Experience. New candidates for the Board should have significant high-level leadership experience at a public corporation or other firm, in government or at a non-profit institution.

Diversity. Although the Company does not have a specific policy on diversity of the Board, the Company's Corporate Governance Policy requires the Nominating Committee and the Board to consider the Board's overall composition when considering director candidates, including whether the Board has an appropriate combination of professional experience, skills, knowledge and variety of viewpoints and backgrounds in light of the Company's current and expected future business needs. In addition, as set forth in the Nominating Committee's policy statement regarding director nominations, the Nominating Committee also believes that it would be desirable for new candidates to contribute to the variety of viewpoints on the Board, which may be enhanced by a mix of different professional and personal backgrounds and experiences.

Committee Eligibility. In addition to satisfying the independence requirements that apply to directors generally, the Nominating Committee believes that it would be desirable for new candidates for the Board to satisfy the requirements for serving on the Board's committees, as set forth in the charters for those committees and applicable regulations.

Director Experience. The Nominating Committee believes it would also be useful for candidates for the Board to have experience as a director of a major public corporation.

Independence. Under NYSE rules, the Company must have a majority of independent directors who satisfy applicable independence standards. The Company's By-laws also provide that a majority of the members of the Board must be independent. In addition, the Board has established the objective that a substantial majority of the Board should be independent. The Board and the Nominating Committee have established a policy that any newly nominated non-employee director must satisfy the requirements to be an independent member of the Board. For a director to be considered independent, the director must satisfy the applicable regulatory requirements, including the NYSE's listing standards, and the categorical standards for director independence set forth in the Company's Corporate Governance Policy. The Board must also determine that the director has no material relationship with the Company or its subsidiaries and that the director is free of any other relationship—whether with the Company or otherwise—that would interfere with his or her exercise of independent judgment. All of the Company's directors and nominees for director are independent, except for Mr. Bewkes, the Company's Chairman and CEO.

Director Nomination Process and Director Elections

There are a number of different ways in which an individual can be nominated for election to the Board of Directors.

Nominations Developed by the Nominating Committee. The Nominating Committee may identify and propose an individual for election to the Board. This involves the following steps:

The Nominating Committee conducts periodic assessments of the overall composition of the Board in light of the Company's current and expected future business needs and, as a result of such assessments, the Nominating Committee may establish specific qualifications that it will seek in Board candidates. The Nominating Committee reports on the results of these assessments to the full Board of Directors.

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In light of such assessments, the Nominating Committee may seek to identify new candidates for the Board who possess the specific qualifications established by the Nominating Committee and satisfy the other requirements for Board service. In identifying new director candidates, the Nominating Committee seeks advice and names of candidates from Committee members, other members of the Board, members of management, major stockholders, and other public and private sources. The Nominating Committee may also, but need not, retain a search firm to assist it in these efforts. The Nominating Committee retained an outside search firm that assisted the Nominating Committee in identifying Mr. Wachter as a director nominee.

The Nominating Committee reviews the potential new director candidates identified through this process, including the candidates' qualifications as compared to the specific criteria established by the Nominating Committee and the more general criteria established by the By-laws and Corporate Governance Policy. The Nominating Committee may also select certain candidates to be interviewed by one or more Committee members.

The Nominating Committee also reviews the qualifications of incumbent candidates for re-nomination to the Board annually. This review involves an analysis of the criteria described above that apply to incumbent directors.

The Nominating Committee recommends a slate of candidates for the Board of Directors to submit for approval to the stockholders at the annual stockholders meeting. This slate may include both incumbent and new director nominees. In addition, apart from this annual process, the Nominating Committee may, in accordance with the By-laws, recommend that the Board elect new members of the Board who will serve until the next annual stockholders meeting.

Stockholder Nominations Submitted to the Nominating Committee. Stockholders may submit names of director candidates, including their own, to the Nominating Committee for its consideration. The process for stockholders to use in submitting names of director candidates to the Nominating Committee is described below under **Other Procedural Matters** **Procedures for Submitting Director Recommendations and Nominations.**

Stockholder Nominations Submitted to Stockholders. Stockholders may choose to submit nominations directly to the Company's stockholders. The Company's By-laws set forth the process that stockholders may use if they choose this approach, which is described below under **Other Procedural Matters** **Procedures for Submitting Director Recommendations and Nominations.**

Corporate Governance Policy

The Corporate Governance Policy describes the principles and practices that guide the Board of Directors in carrying out its duties, including its size and composition, the categorical standards used in analyzing director independence, the criteria and process used in selecting directors, leadership structure, term, compensation and stock ownership, responsibilities, communications with stockholders, meetings, committees, and education and orientation programs.

Codes of Conduct

To help assure the highest levels of business ethics at the Company, the Board of Directors has adopted the following three codes of conduct.

The Company's Standards of Business Conduct apply to the Company's employees, including any employee directors, and establish policies pertaining to employee conduct in the workplace, electronic communications and

information security, accuracy of books, records and financial statements, securities trading, confidentiality, conflicts of interest, fairness in business practices,

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the Foreign Corrupt Practices Act, antitrust laws and political activities and solicitations. Failure to observe the terms of the Standards of Business Conduct can result in disciplinary action (including termination of employment).

The Company's Code of Ethics for Senior Executive and Senior Financial Officers applies to certain senior executives of the Company, including the Company's Chief Executive Officer, Chief Financial Officer and Controller, and serves as a supplement to the Standards of Business Conduct. Among other things, the code mandates that the designated officers engage in honest and ethical conduct, avoid and disclose potential conflicts of interest, comply with all applicable governmental rules and regulations and promptly report any possible violation of the code. Additionally, the code requires that these individuals promote full, fair, understandable and accurate disclosure in the Company's publicly filed reports and other public communications and sets forth standards for accounting practices and records. There were no waivers in 2010 under either the Code of Ethics for Senior Executive and Senior Financial Officers or the Standards of Business Conduct with respect to any of the senior executives covered by the Code of Ethics for Senior Executive and Senior Financial Officers.

The Guidelines for Non-Employee Directors assist the Company's non-employee directors in fulfilling their fiduciary and other duties to the Company. In addition to affirming the directors' duties of care and loyalty, the guidelines set forth specific policies addressing, among other things, securities trading and reporting obligations, gifts, the Foreign Corrupt Practices Act, political contributions and antitrust laws.

Policy and Procedures Governing Related Person Transactions

The Time Warner Inc. Policy and Procedures Governing Related Person Transactions sets forth procedures for the review and approval or ratification of transactions involving related persons, which consist of directors, director nominees, executive officers, holders of more than 5% of any outstanding class of the Company's voting securities, and immediate family members or certain affiliated entities of any of the foregoing persons. The Nominating Committee (or its Chair, under certain circumstances) is responsible for applying the policy with the assistance of the General Counsel or his designee (if any). Transactions covered by the policy consist of any financial transaction, arrangement or relationship or series of similar transactions, arrangements or relationships, in which (i) the aggregate amount involved will or may be expected to exceed \$120,000 in any calendar year, (ii) the Company (including any of its consolidated subsidiaries) is, will or may be expected to be a participant, and (iii) any related person has or will have a direct or indirect material interest.

The policy also includes a list of categories of transactions identified by the Board as having no significant potential for an actual or apparent conflict of interest or improper benefit to a related person, and thus are not subject to review by the Nominating Committee. These excluded transactions consist of the following:

Ordinary Course Transactions with Other Entities. Transactions between the Company and another entity with which a related person is affiliated, if the transactions occur in the ordinary course of business and are consistent with other transactions in which the Company has engaged with third parties, unless (a) the related person serves as an executive officer, employee, or beneficial owner of an equity interest of 10% or more in the other entity and (b) the transactions, in the aggregate, represent more than 5% of the Company's consolidated gross revenues for the prior fiscal year or 2% of the other entity's gross revenues for the prior fiscal year;

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Charitable Contributions. Discretionary charitable contributions by the Company to an established non-profit entity with which a related person is affiliated, if the contributions are consistent with the Company's philanthropic practices, unless (a) the related person is an executive officer or director of the non-profit entity and (b) the Company's contributions represent (or are expected to represent), for the most recent fiscal year, more than: (i) the greater of \$100,000 or 10% of the individual non-profit entity's annual gross revenues (for entities with gross revenues up to \$10.0 million per year), or (ii) the greater of \$1.0 million or 2% of the individual non-profit entity's annual gross revenues (for entities with gross revenues of more than \$10 million per year), or (iii) the greater of \$1.0 million or 2% of the annual gross revenues in the aggregate of all of the related person's affiliated non-profit entities that have received charitable contributions by the Company during the current calendar year;

Transactions with Significant Stockholders. Transactions between the Company and another entity known to the Company to be the beneficial owner of more than 5% of any outstanding class of the Company's voting securities (a Significant Stockholder), if the transactions occur in the ordinary course of business and are consistent with other transactions in which the Company has engaged with third parties, unless the transactions, in the aggregate, represent more than 5% of the Company's consolidated gross revenues for the prior fiscal year or 2% of the Significant Stockholder's gross revenues for the prior fiscal year;

Non-employee Position with Other Affiliated Entities. Transactions where the related person's interest in the transaction is based solely on his or her position as a non-employee director of a for-profit entity or a non-employee director, trustee or unpaid volunteer at a non-profit organization;

Reported Executive or Director Compensation. Compensation paid to a director or an executive officer of the Company if the compensation is required to be reported in the Company's annual report on Form 10-K or proxy statement under the SEC's compensation disclosure requirements;

Other Executive Compensation. Compensation paid to an executive officer of the Company if (a) he or she is not an immediate family member otherwise covered by the policy and the compensation would be reported in the Company's annual report on Form 10-K or proxy statement if the executive officer was a named executive officer (as defined under SEC rules) and (b) the Compensation Committee approved (or recommended that the Board approve) such compensation;

Transactions Where All Stockholders Receive Proportional Benefits. Transactions where the related person's interest arises solely from the ownership of the Common Stock and all holders of the Common Stock received the same benefit on a pro rata basis (e.g., dividends);

Transactions Involving Competitive Bids, Regulated Transactions and Certain Banking-Related Services. Transactions involving a related person (i) where the rates or charges involved are determined by competitive bids, (ii) involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority, or (iii) involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services;

Indemnification Payments. Indemnification payments made to a related person pursuant to the Company's By-laws; and

Other. Other categories of transactions that may be identified by the Nominating Committee from time to time.

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The General Counsel or his designee will assess whether any proposed transaction involving a related person is a related person transaction covered by the policy. If so, the transaction will be presented to the Nominating Committee for review and consideration at its next meeting or, in certain instances where waiting to the next meeting is not advisable, to the Chair of the Nominating Committee. Review of a proposed transaction should occur before the commencement of a transaction or entry into a contract related to a transaction that requires review under the policy. If advance Committee review and approval of a related person transaction is not feasible or not identified prior to commencement of a transaction, then the transaction will be considered and, if the Nominating Committee determines it to be appropriate, ratified at the Nominating Committee's next regularly scheduled meeting. In determining whether to approve or ratify a related person transaction covered by the policy, the Nominating Committee may review such facts and circumstances and take into account such factors as it deems appropriate. Since the beginning of 2010, there were no transactions with any related person that were reportable as related person transactions under SEC rules and no transactions covered by the Policy and Procedures Governing Related Person Transactions.

Corporate Social Responsibility

Time Warner is committed to effective corporate governance practices, including keeping stockholders, the investment community and others informed of the Company's activities relating to environmental, social and governance matters. The Company intends to update the information about its corporate social responsibility efforts regularly as appropriate on its website to provide stockholders with information in a dynamic and timely manner. As a result of discussions with stockholders represented by Investor Voice, working on behalf of Newground Social Investment, the information available on the Company's website will include a discussion of the Company's engagement with its stockholders and others, the Board's role in reviewing sustainability matters, and other areas related to the Company's corporate social responsibility efforts.

Ethical Sourcing Guidelines

The Time Warner Ethical Sourcing Guidelines set forth the standards in areas such as employment, health, safety and the environment that the Company expects its vendors to follow. The Company expects that its vendors will establish and actively review, monitor and modify their management processes and business operations so that their operations align with the principles set forth in the Guidelines. The failure to follow the Guidelines may impact a vendor's ability to continue to do business with the Company. The Guidelines are posted on the Company's website at www.timewarner.com/citizenship under the topic of Global Supply Chain Ethical Sourcing.

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DIRECTORS OF THE COMPANY

Professional Qualifications of Director Nominees for 2011 Annual Meeting

The Board of Directors believes that the Company would be best served by a board of directors consisting of individuals who have a variety of complementary skills, professional experience and backgrounds and who bring diverse viewpoints and perspectives to the Board. The Nominating Committee and the Board consider these individual skills, professional experience and backgrounds in the broader context of the Board's overall composition, so that the Board collectively possesses the appropriate skills and experience to oversee the Company's business. In light of the Company's current and expected business needs, the Board considered the following categories of business experience in evaluating the director candidates to be nominated for election to the Board of Directors.

Leadership and Senior Management: Each of the Company's director nominees has significant experience serving as a founder, chief executive officer or a senior executive of a major corporation or firm (or a comparable position in government or the non-profit sector).

Media, Communications or Technology Businesses: Each of Messrs. Barksdale, Barr, Bewkes, Bollenbach, Caufield, Döpfner, Miles, Novack and Wachter has extensive knowledge of and experience in media, communications and/or technology businesses.

Finance, Investments or Banking: Each of Messrs. Barksdale, Barr, Bollenbach, Caufield, Clark, Hassan, Novack and Wachter and Ms. Einhorn and Wright has extensive knowledge of and experience in finance, investments and/or banking.

Consumer-Focused Businesses: Each of Messrs. Barksdale, Barr, Bewkes, Bollenbach, Döpfner, Hassan, Miles, Novack and Wachter and Ms. Wright has extensive knowledge of and experience in businesses with products or services that directly serve consumers.

Legal, Regulatory and Government Relations. Each of Messrs. Barr, Clark, Hassan, Novack and Wachter and Ms. Einhorn and Wright has extensive legal, regulatory and/or government relations experience.

International Operations or Global Economic Policy: Each of Messrs. Barksdale, Barr, Bewkes, Bollenbach, Caufield, Döpfner, Hassan and Miles and Ms. Einhorn has extensive knowledge of and experience in managing or investing in companies with international operations or experience with policies regarding global economic development and cooperation.

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Background of Director Nominees for 2011 Annual Meeting

Set forth below is information regarding each of the 13 nominees, including their age as of the date of the 2011 Annual Meeting, current and prior professional experience, tenure on the Company's Board, service on the boards of directors of other companies, and key skills and professional qualifications that the Board considered, along with the information under Professional Qualifications of Director Nominees for 2011 Annual Meeting above, in concluding that the director nominees are qualified to serve on the Company's Board. To the extent that any of the director nominees previously served as a director of either the company then known as America Online, Inc. (Historic AOL) or the company then known as Time Warner Inc. (Historic TW) prior to the merger of Historic AOL and Historic TW on January 11, 2001, this prior service is described in the information set forth below.

James L. Barksdale Age 68 Director since January 2001

Chairman and President of Barksdale Management Corporation, a private investment management company April 1999 to present.

Prior Professional Experience: Mr. Barksdale served as President and Chief Executive Officer of Netscape Communications Corp. from 1995 to 1999 (when it was acquired by Historic AOL); Chief Operating Officer and then Chief Executive Officer of McCaw Cellular Communications (now AT&T Wireless Services) from 1992 to 1994; Chief Information Officer and then Executive Vice President and Chief Operating Officer of FedEx Corporation from 1979 to 1992; and Chief Information Officer and in other management positions at Cook Industries from 1972 to 1979.

Public Company Directorships: Mr. Barksdale serves as a director of FedEx Corporation. During the past five years, Mr. Barksdale also served as a director of Sun Microsystems, Inc. (now Oracle Corporation). He served as a director of Historic AOL from March 1999 to January 2001.

Key Skills and Qualifications: Mr. Barksdale brings more than 25 years of leadership and senior management experience as a former senior executive (including Chief Executive Officer) of several major companies with international operations. Mr. Barksdale's experience includes leadership roles at consumer-focused, technology-based companies, such as Netscape Communications Corp., McCaw Cellular Communications (now AT&T Wireless Services) and FedEx Corporation. Mr. Barksdale is also a former director of Sun Microsystems (now Oracle Corporation). Mr. Barksdale also brings financial experience to the Board, including through his role at Barksdale Management Corporation.

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William P. Barr Age 60 Director since July 2009

Former Attorney General of the United States.

Prior Professional Experience: Mr. Barr served as Of Counsel of Kirkland & Ellis LLP from January 2009 to July 2009; Executive Vice President and General Counsel of Verizon Communications Inc. from June 2000 to December 2008; Executive Vice President and General Counsel of GTE Corporation from 1994 to June 2000; a partner of Shaw, Pittman, Potts & Trowbridge (now Pillsbury Winthrop Shaw Pittman LLP) from 1993 to 1994; the 77th Attorney General of the United States from 1991 to 1993; Deputy Attorney General of the United States from 1990 to 1991; Assistant Attorney General for the Office of Legal Counsel from 1989 to 1990; and a partner of Shaw, Pittman, Potts & Trowbridge from 1984 to 1989.

Public Company Directorships: Mr. Barr serves as a director of Dominion Resources, Inc. and Selected Funds.

Key Skills and Qualifications: Mr. Barr brings significant leadership experience as a former Attorney General of the United States and head of the U.S. Department of Justice. He also has more than 14 years of senior management experience in major corporations as the former Executive Vice President and General Counsel of Verizon Communications Inc. and its predecessor, GTE Corporation. As a former Attorney General of the United States, General Counsel and partner of a major law firm, Mr. Barr is able to provide his views on a variety of legal, regulatory and/or government relations issues. In addition, due to his service as General Counsel of Verizon Communications Inc. and GTE Corporation, Mr. Barr has knowledge of and experience in consumer-focused businesses with international operations in the communications field. As a director of Selected Funds, Mr. Barr has knowledge of and experience in finance and investments.

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Jeffrey L. Bewkes Age 58 Director since January 2007

Chairman of the Board and Chief Executive Officer of the Company January 2009 to present.

Prior Professional Experience: Mr. Bewkes served as President and Chief Executive Officer of the Company from January 2008 through December 2008; President and Chief Operating Officer of the Company from January 2006 through December 2007; Chairman, Entertainment & Networks Group, of the Company from July 2002 through December 2005; Chairman and Chief Executive Officer of the Home Box Office division of the Company from 1995 to July 2002; and President and Chief Operating Officer of the Home Box Office division of the Company from 1991 to 1995.

Public Company Directorships: During the past five years, Mr. Bewkes served as a director of the Company's former subsidiaries, Time Warner Cable Inc. (from April 8, 2008 to March 12, 2009) and AOL Inc. (from November 17, 2009 to December 8, 2009).

Other Directorships: Mr. Bewkes is a member of the board of non-profit organizations, including Yale University, the Yale School of Management and The Paley Center for Media.

Key Skills and Qualifications: Mr. Bewkes has 20 years of senior management experience serving as the Chief Executive Officer or in other senior executive positions at the Company and HBO. His more than 30 years of experience at the Company and its subsidiaries provide him with a unique in-depth knowledge of the Company's history and businesses and the media and entertainment industry. His strong understanding of the Company's business operations and strategy, as well as the media and entertainment industry, provide him a strong base for leading the Board, as Chairman, and facilitating effective communication between management and the Board.

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Stephen F. Bollenbach Age 68 Director since January 2001

Former Co-Chairman and Chief Executive Officer of Hilton Hotels Corporation.

Prior Professional Experience: Mr. Bollenbach served as Co-Chairman and Chief Executive Officer of Hilton Hotels Corporation from May 2004 to October 2007; President and Chief Executive Officer of Hilton Hotels Corporation from 1996 to 2004; Senior Executive Vice President and Chief Financial Officer of The Walt Disney Company from 1995 to 1996; President and Chief Executive Officer of Host Marriott Corporation from 1993 to 1995; and Chief Financial Officer of Marriott Corp. from 1992 to 1993.

Public Company Directorships: Mr. Bollenbach serves as a director of KB Home and Macy's, Inc. During the past five years, Mr. Bollenbach also served as a director of American International Group, Inc., Harrah's Entertainment, Inc. and Hilton Hotels Corporation. He served as a director of Historic TW from 1997 to January 2001.

Key Skills and Qualifications: Mr. Bollenbach has more than 15 years of leadership experience as a former Chief Executive Officer or senior executive of several major companies. In particular, he has experience in the media and entertainment industry, international operations, and consumer-facing businesses through his experience at companies including The Walt Disney Company and Hilton Hotels Corporation. Further, Mr. Bollenbach also has extensive knowledge of and experience in finance and investments as a former Chief Financial Officer of several major companies, including The Walt Disney Company.

Frank J. Caufield Age 71 Director since January 2001

Co-Founder of Kleiner Perkins Caufield & Byers, a venture capital firm.

Prior Professional Experience: Mr. Caufield served as General Partner and Manager of Oak Grove Ventures, a venture capital partnership in Menlo Park, California, from 1973 to 1978.

Public Company Directorships: During the past five years, Mr. Caufield served as a director of JER Investors Trust Inc. Mr. Caufield served as a director of Historic AOL from 1991 to January 2001.

Key Skills and Qualifications: Mr. Caufield brings leadership experience and knowledge of technology, finance and investments, as a co-founder and former partner of Kleiner Perkins Caufield & Byers, a venture capital firm based in Silicon Valley and one of the largest venture capital firms in the United States. Mr. Caufield also has broad international experience through his role at Kleiner Perkins Caufield & Byers, as well as his service as a director of non-profit organizations such as The U.S. Russia Foundation for Economic Advancement and the Rule of Law, The Council on Foreign Relations, and Refugees

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Robert C. Clark Age 67 Director since January 2004

Distinguished Service Professor at Harvard University July 2003 to present.

Prior Professional Experience: Mr. Clark served as the Dean and Royall Professor of Law at Harvard Law School from 1989 to 2003; a professor at Harvard Law School from 1978 to 2003; a professor at Yale Law School from 1974 to 1978; and an associate at Ropes & Gray from 1972 to 1974.

Public Company Directorships: Mr. Clark serves as a director of Omnicom Group, Inc. During the past five years, Mr. Clark also served as a director of Collins & Aikman Corporation.

Other Directorships: Mr. Clark is a trustee of TIAA, a large pension fund serving the higher education community.

Key Skills and Qualifications: Mr. Clark has substantial leadership experience from serving as Dean of Harvard Law School for 14 years. Mr. Clark's background includes extensive experience in corporate law, governance, finance and regulation, and his expertise and insights in these areas are useful to the Nominating and Governance Committee, which he chairs, as well as the rest of the Board. His service on the boards of directors of other companies provides him with experience in a number of industries. As a trustee of a large pension fund, Mr. Clark also brings his understanding of finance and investments, as well as the views of pension funds and other institutional investors.

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Mathias Döpfner Age 48 Director since July 2006

Chairman and Chief Executive Officer of Axel Springer AG, a large newspaper and magazine publishing company based in Germany January 2002 to present. Also serves as Head of the Newspapers Division (November 2000 to present) and the International Division (January 2008 to present) of Axel Springer AG.

Prior Professional Experience: Mr. Döpfner served as a member of the Executive Board of the Electronic Media Division of Axel Springer AG from July 2000 to November 2000; Editor-in-Chief of Die Welt from 1998 to 2000; Editor-in-Chief of Hamburger Morgenpost from 1996 to 1998; and Editor-in-Chief of Wochenpost from 1994 to 1996.

Public Company Directorships: Mr. Döpfner serves as a supervisory board member of RHJ International SA. During the past five years, Mr. Döpfner also served as a director of Schering AG and Deutsche Telekom AG.

Key Skills and Qualifications: Mr. Döpfner brings more than 9 years of leadership experience serving as Chairman and Chief Executive Officer of Axel Springer AG. Because Axel Springer's business largely consists of newspaper and magazine publishing, Mr. Döpfner has a deep understanding of the publishing industry, as well as digital activities. As the Chairman and Chief Executive Officer of a major media and communications company with operations throughout Europe, Mr. Döpfner has knowledge and experience in managing a major consumer-focused media company with international operations.

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Jessica P. Einhorn Age 63 Director since May 2005

Dean of the Paul H. Nitze School of Advanced International Studies (SAIS) at The Johns Hopkins University June 2002 to present.

Prior Professional Experience: Ms. Einhorn served as a consultant at Clark & Weinstock, a strategic communications and public affairs consulting firm, from 2000 to 2002; a Visiting Fellow at the International Monetary Fund from 1998 to 1999; and in various executive positions (including Managing Director for Finance and Resource Mobilization) at The World Bank from 1978 to 1979 and 1981 to 1999.

Other Directorships: Ms. Einhorn serves as a director of the Peterson Institute for International Economics, the Center for Global Development, and the National Bureau of Economic Research. Ms. Einhorn is also an advisory board member of Rock Creek Group and a policy council member of the Una Chapman Cox Foundation.

Key Skills and Qualifications: Ms. Einhorn brings more than 8 years of leadership experience serving as the Dean of the Paul H. Nitze School of Advanced International Studies (SAIS) at The Johns Hopkins University and more than 18 years of leadership experience serving in various executive positions at The World Bank. Ms. Einhorn has extensive knowledge of policies and practices in international finance, economic development and government relations through her roles at the International Monetary Fund and The World Bank, membership on the boards of research and public policy institutions and her ongoing research interest in finance. She also serves on the advisory board of Rock Creek Group, a global alternative asset manager. She also previously served for over six years as a director of Pitney Bowes Inc., which has international operations.

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Fred Hassan Age 65 Director since October 2009

Partner at Warburg Pincus, a private equity firm January 2011 to present.

Prior Professional Experience: Mr. Hassan served as Senior Advisor at Warburg Pincus from November 2009 through December 2010; Chairman and Chief Executive Officer of Schering Plough Corporation (now Merck & Co., Inc.) from 2003 to November 2009; Chairman and Chief Executive Officer of Pharmacia Corporation from 2001 to 2003; Chief Executive Officer of Pharmacia Corporation from 2000 to 2001; and Chief Executive Officer of Pharmacia & Upjohn, Inc. from 1997 to 2000.

Public Company Directorships: Mr. Hassan serves as a director of Avon Products Inc. During the past five years, Mr. Hassan also served as a director of Schering-Plough Corporation (now Merck & Co., Inc.).

Key Skills and Qualifications: Mr. Hassan served for more than 12 years as a former Chairman and/or Chief Executive Officer of major pharmaceutical companies with intellectual-property based business models and international operations, which provided him with strong and relevant operational and strategic experience. Because the pharmaceutical business is a highly regulated field, Mr. Hassan also has knowledge and experience in regulatory and government relations. As a partner at Warburg Pincus, Mr. Hassan also brings his knowledge of finance and investments to the Board and the Audit Committee.

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Michael A. Miles Age 71 Director since January 2001

Special Limited Partner at Forstmann Little & Company, a private equity firm February 1995 to present.

Prior Professional Experience: Mr. Miles served as Chairman and Chief Executive Officer of Philip Morris Companies Inc. (now Altria Group, Inc.) from 1991 to 1994; Vice Chairman and a director of Philip Morris Companies Inc. and Chairman and Chief Executive Officer of Kraft Foods, Inc. from 1989 to 1991; and President and Chief Operating Officer and then President and Chief Executive Officer of Kraft Foods from 1982 to 1991. Mr. Miles previously held executive positions at Heublein, Inc., a producer and distributor of food and beverages, from 1971 to 1982 and was an advertising executive at Leo Burnett Co., a Chicago-based advertising agency, from 1961 to 1971.

Public Company Directorships: Mr. Miles serves as a director of AMR Corporation. During the past five years, Mr. Miles also served as a director of Citadel Broadcasting Corporation, Dell Inc. and Sears Holding Corporation. Mr. Miles served as a director of Historic TW from 1995 to January 2001.

Key Skills and Qualifications: Mr. Miles brings more than 23 years of senior management experience as a former Chief Executive Officer or senior executive of major companies with international operations that serve consumers directly. He also serves as a director of AMR Corporation (the parent company of American Airlines) and previously served as a director of Sears Holding Corporation, both of which are consumer-focused companies with international operations. As a former director of Dell Inc. for 14 years, Mr. Miles also brings his experience in the technology field.

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Kenneth J. Novack Age 69 Director since January 2001

Senior Counsel at Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC, a Boston-based law firm January 2004 to present. Mr. Novack is a retired partner of this law firm and no longer practices law.

Prior Professional Experience: Mr. Novack served as Vice Chairman of the Company from January 2001 through December 2003; Vice Chairman of Historic AOL from 1998 to January 2001; and Of Counsel (from 1998 to 2001) and an attorney (from 1966 to 1998) at Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC. Mr. Novack served on the law firm's executive committee from 1972 until his retirement in 1998.

Other Directorships: Mr. Novack serves in the noted capacities at the following privately held companies: a director of Appleton Partners, Inc., Humedica, Inc., Leerink Swann Holdings, LLC and Paratek Pharmaceuticals, Inc. and an advisory board member of General Catalyst Partners and Gordon Brothers Group. He served as a director of Historic AOL from January 2000 to January 2001.

Key Skills and Qualifications: Mr. Novack has held key leadership roles at the Company and at Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, PC, a major law firm. With more than five years of experience serving as Vice Chairman of the Company or Historic AOL, he has an in-depth knowledge of the Company's businesses. In addition, Mr. Novack brings more than 30 years of legal, corporate governance and regulatory experience as a corporate attorney at Mintz, Levin. Mr. Novack also brings his experience in finance and investments through his service on the boards of privately held investment companies and experience practicing securities law for over 30 years.

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Paul D. Wachter Age 54 Director since October 2010

Founder and Chief Executive Officer of Main Street Advisors, Inc., a private company that provides investment advisory services to a select group of high net worth individuals and companies 1997 to present.

Prior Professional Experience: Mr. Wachter served as Managing Director of Schroder & Co. Incorporated from 1993 to 1997; Managing Director of Kidder Peabody from 1987 to 1993; an investment banker at Bear, Stearns & Co., Inc. from 1985 to 1997; and an attorney at Paul, Weiss, Rifkind, Wharton and Garrison from 1982 to 1985.

Prior Public Company Directorship: During the past five years, Mr. Wachter served as a director of American Skiing Company.

Other Directorships: Mr. Wachter serves in the following capacities at the following privately held companies: a director of Haworth Marketing and Media Company, Oak Productions, Inc. and Content Partners LLC (Co-Chairman) and a member of the board of managers of Beats Electronics, LLC.

Key Skills and Qualifications: Mr. Wachter brings knowledge of and experience in finance, investments and banking as the founder and Chief Executive Officer of Main Street Advisors, through serving as the Chairman of the Investment Committee of the Board of Regents of the University of California, and as a former Managing Director at several investment banks. Mr. Wachter's background includes roles as an investment banker focusing on the entertainment industry and a director of companies in the entertainment industry, including Content Partners LLC. Mr. Wachter also serves on the board of managers of Beats Electronics, LLC, which is a technology-based company that manufactures and distributes headphones. Mr. Wachter also has experience in regulatory and government relations through his service on the Board of Regents of the University of California, as an adviser to the former Governor of California and through his work as a tax attorney at a major law firm.

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Deborah C. Wright Age 53 Director since May 2005

Chairman, President and Chief Executive Officer of Carver Bancorp, Inc. and Carver Federal Savings Bank February 2005 to present. Carver Bancorp, Inc. is the holding company for Carver Federal Savings Bank, a federally chartered savings bank.

Prior Professional Experience: Ms. Wright served as President and Chief Executive Officer of Carver Bancorp, Inc. and Carver Federal Savings Bank from 1999 to 2005; President and Chief Executive Officer of the Upper Manhattan Empowerment Zone Development Corporation from 1996 to 1999; Commissioner of the Department of Housing Preservation and Development from 1994 to 1996; a member of the New York City Planning Commission from 1992 to 1994; and a member of the New York City Housing Authority Board from 1990 to 1992.

Public Company Directorships: Ms. Wright serves as a director of Carver Bancorp, Inc. and Kraft Foods Inc.

Key Skills and Qualifications: Ms. Wright has extensive leadership experience through her more than 11 years of service as the Chairman, President and/or Chief Executive Officer of Carver Bancorp., Inc. and Carver Federal Savings Bank and approximately 9 years of leadership roles at non-profit organizations or governmental bodies. Ms. Wright brings financial expertise to the Board, which is important in her role as Chair of the Company's Audit Committee. Ms. Wright also brings her experience with businesses that provide products or services directly to customers gained through her service at Carver Bancorp., Inc. and Carver Federal Savings Bank, as well as her long-term service as a director of Kraft Foods Inc. Ms. Wright also has extensive experience in regulatory and government relations through her senior roles in government and non-profit organizations.

Table of Contents**DIRECTOR COMPENSATION**

Under its charter, the Company's Nominating Committee is responsible for reviewing the compensation for the Company's non-employee directors and making recommendations to the Board of Directors for its approval. In carrying out this responsibility, the Nominating Committee reviews information provided by Stephen Hall & Partners, an independent consultant, regarding compensation paid to non-employee directors at other public companies, most recently the Fortune 200 companies and the same peer companies used by the Compensation Committee when determining executive compensation. Executive officers of the Company and other members of management help coordinate the delivery of materials containing the information provided by the Nominating Committee's independent consultant to the Nominating Committee members, but do not determine or recommend the amount or form of compensation for the Company's non-employee directors. Final compensation decisions regarding director compensation are made by the full Board of Directors, based on recommendations by the Nominating Committee. While the Board does not tie non-employee director compensation to a specific peer group percentile, the overall compensation level places Time Warner near the median for its industry peer group, which consists of the 23 companies described on page 66 of the Compensation Discussion and Analysis section below.

In December 2009, upon the recommendation of the Nominating Committee, the Board approved the following compensation program for non-employee directors, which sets each non-employee director's overall compensation at \$250,000:

Annual cash retainer	\$125,000, any or all of which amount may be deferred, at the director's option, pursuant to the deferred compensation plan for non-employee directors
Annual equity compensation grant	Aggregate fair value of \$125,000 on the date of grant ⁽¹⁾

- (1) Each non-employee director who is elected to the Board at an annual meeting of stockholders will receive a grant of (a) options to purchase Common Stock having a fair value of \$40,000 on the date of grant and (b) restricted stock units (RSUs) with respect to Common Stock having a fair value of \$85,000 on the date of grant. The date of grant is the date following the annual meeting at which the director was elected.

No additional compensation is paid for service as a committee chair or member or for attendance at meetings of the Board or any Board committee. Mr. Bewkes is the only director who is also an officer of and employed by the Company (or any of its subsidiaries). He does not receive any additional compensation for his Board activities.

Annual Cash Retainer. The annual cash retainer is intended to provide a balance between cash and equity compensation, as well as to allow the directors to use the cash to pay taxes on their RSUs as they vest without having to sell shares to pay those taxes. New directors who join the Board after an annual meeting of stockholders receive a pro-rated cash retainer.

Options. Stock options granted to directors in 2010 (prior to September 16, 2010) were made from the Time Warner Inc. 2006 Stock Incentive Plan (the 2006 Stock Incentive Plan). Grants of stock options to non-employee directors after such date are made under the Time Warner Inc. 2010 Stock Incentive Plan (the 2010 Stock Incentive Plan). The number of stock options granted with a fair value of \$40,000 is based on the closing sale price of a share of Common Stock as reported on the NYSE Composite Tape on the date of grant and the Black-Scholes methodology of valuing

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options. New directors who join the Board after an annual meeting of stockholders will receive a pro-rated grant of stock options. All of the options granted to non-employee directors have an exercise price equal to the fair market value of the Common Stock on the date of grant and a term of 10 years and vest fully in one year and immediately if the director ceases to serve as a director of the Company under certain conditions, including because the director is not nominated by the Board of Directors to stand for re-election at the annual meeting of stockholders, is not re-elected by the stockholders at the annual meeting, or resigns after receiving fewer than a majority of for votes of the votes cast in an uncontested election of directors.

Restricted Stock Units. The RSUs represent a contingent right to receive the designated number of shares of Common Stock upon completion of the vesting period. The number of RSUs having a fair value of \$85,000 is determined based on the closing sale price of a share of Common Stock as reported on the NYSE Composite Tape on the date of grant. New directors who join the Board after an annual meeting of stockholders will receive a pro-rated grant of RSUs. All of the RSUs granted to non-employee directors in 2010 vest and shares of Common Stock are issued and delivered to the non-employee director (along with any distributions retained by the Company) on the anniversary of the first day of the month in which the RSUs were granted. The RSUs also vest in full upon the termination of the non-employee director's service on the Board on account of (i) retirement either due to a mandatory retirement policy or after serving at least five years as a director, (ii) failure to be re-elected by the stockholders after nomination, (iii) resignation after receiving fewer than a majority for votes of the votes cast in an uncontested election of directors, (iv) death or disability, (v) the occurrence of certain transactions involving a change in control of the Company, or (vi) under certain other designated circumstances, with the approval of the Board on a case-by-case basis. If a non-employee director leaves the Board for any other reason, then his or her unvested RSUs are forfeited to the Company. During the vesting period, the directors may not vote the RSUs or transfer their rights with respect to the RSUs. The directors are entitled to receive dividend equivalents on the RSUs in an amount equal to the regular quarterly cash dividends declared and paid by the Company at the same time that the dividends are paid on outstanding shares of Common Stock.

Expenses. Non-employee directors are reimbursed for expenses (including costs of travel, food and lodging) incurred in attending Board, committee and stockholder meetings. While travel to such meetings may include the use of Company aircraft, if available and appropriate under the circumstances, the directors generally use commercial air or rail transportation services. Directors are also reimbursed for reasonable expenses associated with other Company-related business activities, including participation in director education programs.

The Company provides directors with representative samples of the Company's products (such as DVDs), promotional items and other merchandise. The Company also periodically invites directors and their spouses to attend Company-sponsored events, such as film premieres, screenings and cultural events. The Company believes that receiving these products and attending these types of functions serve a business purpose by expanding the directors knowledge of the Company's business, products, services, business partners and other constituencies. The Company also invites directors and their spouses to attend the annual meeting of stockholders and, from time to time, other events. The Company generally provides for, or reimburses expenses of, the spouses' travel, food and lodging for attendance at the annual meeting of stockholders and other events to which directors' spouses and guests have been invited. For the year ended December 31, 2010, the aggregate incremental cost to the Company of these Company products, events and related expenses was well below \$10,000 per director. The Company also reimburses the non-employee director for the estimated taxes incurred in connection with any income recognized by the director as a result of

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the non-employee director's or spouse's attendance at such events. The reimbursements paid by the Company in early 2011 for such taxes incurred by certain directors in 2010 are included in the All Other Compensation column of the table below.

From time to time, spouses may also join non-employee directors on Company aircraft when a non-employee director is traveling to or from any Board, committee, or stockholder meeting. While the Company generally incurs no additional cost, this travel may result in the non-employee director recognizing income for tax purposes. The Company does not reimburse the non-employee director for the estimated taxes incurred in connection with such income. In limited circumstances (such as medical emergencies or other exigent circumstances), non-employee directors may also use Company aircraft for personal use. Such personal use of Company aircraft will result in the non-employee director recognizing income for tax purposes, and the Company does not reimburse the non-employee director for any taxes incurred in connection with such personal use.

Ownership Guidelines. The Company's Corporate Governance Policy provides that directors are encouraged to own Common Stock (whether obtained through the exercise of stock options, the vesting of RSUs or the purchase of shares). In addition, under the Company's Corporate Governance Policy, it is expected that, within five years of joining the Board, a non-employee director will own at least 10,000 shares of Common Stock. Seven of the non-employee directors own at least 10,000 shares of Common Stock and three of the non-employee directors are expected to own at least 10,000 shares of Common Stock by May 2011 due to the vesting of RSUs on May 1. The remaining two non-employee directors have been members of the Board for less than five years.

Deferred Compensation Plan. The Company maintains a deferred compensation plan for non-employee directors. Under the Time Warner Inc. Non-Employee Directors' Deferred Compensation Plan, non-employee directors may elect each year to defer receipt of 10% to 100% of their cash compensation payable during the next calendar year. During the time that the cash compensation amounts are deferred, each director can elect from the following crediting alternatives to determine the amounts that will be paid: (i) the amount deferred plus annual interest at the prime rate in effect on May 1 of each annual period plus 2%, (ii) the value of a hypothetical investment in shares of Common Stock made at the time of the deferral, plus the notional reinvestment of dividend equivalents based on any regular cash dividends paid by the Company on the Common Stock, or (iii) an allocation of 50% of the amount deferred to each of the crediting alternatives. The crediting election can be changed by the director at any time with respect to cash compensation earned after the date of the election. Amounts deferred are payable in cash in a lump sum or in installments after a director leaves the Board, based on the director's election made at the time the director elected to defer receipt of the compensation.

Prior Retirement and Deferred Compensation Programs. The Company does not currently maintain a retirement plan for its non-employee directors. Prior to 1996, the Company maintained a plan called the Time Warner Retirement Plan for Outside Directors. Mr. Miles participated in this plan due to his service as a director of Historic TW. When he leaves the Board, he will receive a payment of \$30,000 and another payment of \$15,000 in the following year, which reflects the 1.5 years he served as a non-employee director of Historic TW prior to May 1996, when the plan was frozen. In addition, Mr. Novack receives retirement benefits under the terms of the Company's benefit plans as a result of his past service as an employee of the Company.

The Company also has a prior deferred compensation plan for non-employee directors under which the directors could previously elect to defer all or a portion of their cash compensation. Amounts deferred under this deferred compensation plan are increased based on the seven-year Treasury bond rate or the hypothetical investment of the amounts deferred in shares of Common

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Stock and any dividends thereon, with the higher valuation of the two used to determine the amount paid upon distribution. Amounts deferred are payable generally upon the director reaching age 70 or ceasing to be a director of the Company for certain specified reasons. The Company currently maintains accounts under this plan on behalf of Mr. Bollenbach.

The table below sets forth 2010 compensation information regarding the Company's non-employee directors. The material factors necessary to understand the director compensation set forth in the table are described in "Director Compensation" above.

**DIRECTOR COMPENSATION
FOR FISCAL YEAR 2010**

Name	Fees Earned or Paid in Cash	Stock Awards (1)(2)	Option Awards (2)(3)	Change in Pension Value and Nonqualified Deferred Compensation All Other Earning Compensation		Total
				Non-Equity Incentive Plan Compensation (4)	(5)	
James L. Barksdale	\$ 125,000	\$ 85,006	\$ 39,391		\$ 19	\$ 249,416
William P. Barr	\$ 125,000	\$ 85,006	\$ 39,391			\$ 249,397
Stephen F. Bollenbach (4)	\$ 125,000	\$ 85,006	\$ 39,391		\$ 19	\$ 249,416
Frank J. Caufield	\$ 125,000	\$ 85,006	\$ 39,391		\$ 19	\$ 249,416
Robert C. Clark	\$ 125,000	\$ 85,006	\$ 39,391			\$ 249,397
Mathias Döpfner	\$ 125,000	\$ 85,006	\$ 39,391			\$ 249,397
Jessica P. Einhorn	\$ 125,000	\$ 85,006	\$ 39,391			\$ 249,397
Fred Hassan	\$ 125,000	\$ 85,006	\$ 39,391		\$ 51	\$ 249,448
Michael A. Miles	\$ 125,000	\$ 85,006	\$ 39,391			\$ 249,397
Kenneth J. Novack	\$ 125,000	\$ 85,006	\$ 39,391			\$ 249,397
Paul D. Wachter (6)	\$ 72,917	\$ 49,576	\$ 22,695			\$ 145,188
Deborah C. Wright	\$ 125,000	\$ 85,006	\$ 39,391			\$ 249,397

(1) The amounts set forth in the Stock Awards column represent the aggregate grant date fair value of RSUs granted by the Company to non-employee directors in 2010. On May 22, 2010, the Company awarded 2,826 RSUs to each of the non-employee directors except Mr. Wachter, who was not a director at such time. The Company awarded 1,532 RSUs to Mr. Wachter on October 28, 2010 when he joined the Board. The grant date fair value of each RSU award was calculated using the closing sale price of the Common Stock on the NYSE Composite Tape on the date of grant. The actual value, if any that is realized by a director from any RSU award will depend on the performance of the Company's stock. For additional information about the weighted average assumptions used to determine the grant date fair value of the RSUs granted in 2010, see Note 12 to the Company's consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2010 (the "2010 Form 10-K"). The awards of RSUs granted in 2010 vest on the anniversary of the

first day of the month in which the RSUs were granted, subject to acceleration upon the occurrence of certain events, as described under Restricted Stock Units above. Each director has a right to receive dividend equivalents on his or her unvested RSUs, based on regular cash dividends paid by the Company on the Common Stock.

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- (2) Presented below is the aggregate number of outstanding stock awards and stock option awards held by the non-employee directors on December 31, 2010.

Name	Total Stock Awards (Restricted Stock and RSUs) Outstanding at 12/31/10	Total Option Awards Outstanding at 12/31/10
James L. Barksdale	6,945	76,736
William P. Barr	2,826	9,325
Stephen F. Bollenbach	7,293	76,736
Frank J. Caufield	6,945	76,736
Robert C. Clark	6,945	28,590
Mathias Döpfner	6,945	19,920
Jessica P. Einhorn	6,945	24,737
Fred Hassan	2,826	9,325
Michael A. Miles	7,293	76,736
Kenneth J. Novack	6,945	991,445
Paul D. Wachter	1,532	2,967
Deborah C. Wright	6,945	24,737

- (3) The amounts set forth in the Option Awards column represent the aggregate grant date fair value of stock options granted by the Company in 2010. On May 22, 2010, the Company awarded options to purchase 5,472 shares of Common Stock to each of the non-employee directors (except Mr. Wachter, who was not a member of the Board at that time). The Company awarded options to purchase 2,967 shares of Common Stock to Mr. Wachter on October 28, 2010 when he joined the Board.

The grant date fair value of the stock options awarded to the non-employee directors on May 22, 2010 was determined using the Black-Scholes option pricing model based on the following assumptions: an expected volatility of 29.2%; an expected term to exercise of 6.3 years from the date of grant; a risk-free interest rate of 2.8%; and a dividend yield of 2.8%. The grant date fair value of Mr. Wachter's stock options awarded on October 28, 2010 was calculated using the Black-Scholes option pricing model based on the following assumptions: an expected volatility of 30.4%; an expected term to exercise of 6.3 years from the date of grant; a risk-free interest rate of 2.0%; and a dividend yield of 2.8%. For additional information about the weighted-average assumptions used to determine the grant date fair value of options granted in 2010, see Note 12 to the Company's consolidated financial statements included in the 2010 Form 10-K. The discussion in Note 12 reflects weighted-average assumptions on a combined basis for both retirement-eligible and non-retirement eligible employees and non-employee directors.

The actual value, if any, that is realized by a non-employee director from any stock option will depend on the amount by which the market value of the Common Stock exceeds the exercise price of the stock option on the date the stock option is exercised. Accordingly, there is no assurance that the value realized by a non-employee director will be at or near the grant date fair value presented above. These amounts should not be used to predict stock performance. None of the stock options were awarded with tandem stock appreciation rights.

- (4) Based on the elections made by the participants, all earnings on the cash compensation deferred pursuant to the Time Warner Inc. Deferred Compensation Plan for Non-Employee Directors were based on the value of a

hypothetical investment in shares of Common Stock

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made at the time of the deferral, plus the notional reinvestment of dividend equivalents based on any regular cash dividends paid by the Company on the Common Stock. The earnings on the cash compensation deferred pursuant to a deferred compensation plan for non-employee directors previously offered by the Company were based on the higher of the seven-year Treasury bond rate or the hypothetical investment of the amounts deferred in shares of Common Stock and any dividends thereon. Only Mr. Bollenbach elected to defer receipt of 100% of his 2010 cash compensation pursuant to the terms of the Time Warner Inc. Deferred Compensation Plan for Non-Employee Directors.

- (5) The amounts shown in the All Other Compensation column consist of the Company's payments made in 2011 for the estimated taxes incurred in 2010 in connec