Discovery Communications, Inc.
Form DEF 14A
March 30, 2012
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

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

Check the appropriate box:

¨ Preliminary Proxy Statement

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

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material under §240.14a-12

Discovery Communications, Inc.

(Name of registrant as specified in its charter)

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

Payment of Filing Fee (Check the appropriate box):

x No fee required.

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(1) Amount Previously Paid:

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

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April 2, 2012

Dear Stockholders,

You are cordially invited to attend our annual meeting of stockholders at 10:00 a.m. on Tuesday, May 15, 2012 at our corporate headquarters at One Discovery Place, Silver Spring, Maryland 20910.

If you hold shares of Series A or Series B common stock or Series A convertible preferred stock, you will be asked to vote on a number of important matters, which are listed in the Notice of Annual Meeting of Stockholders (the Notice). The Board of Directors recommends a vote **FOR** the proposals listed as Items 1 and 2 in the Notice.

Your vote is very important, regardless of the number of shares you own. Whether or not you plan to attend the Annual Meeting, please vote as soon as possible to make sure that your shares are represented.

Thank you for your continued support and interest in our company and I look forward to seeing you at the Annual Meeting.

Sincerely,

John S. Hendricks

Founder and Chairman of the Board

Discovery Communications, Inc.

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DISCOVERY COMMUNICATIONS, INC.

a Delaware company

One Discovery Place

Silver Spring, Maryland 20910

(240) 662-2000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Discovery Communications Stockholders:

You are cordially invited to attend, and notice is hereby given of, the 2012 Annual Meeting of Stockholders of Discovery Communications, Inc. to be held at our offices at One Discovery Place, Silver Spring, Maryland, on Tuesday, May 15, 2012 at 10:00 a.m., local time, for the following purposes:

1. To elect five directors, two of whom will be elected by the holders of shares of our Series A common stock and Series B common stock voting together as a single class, and three of whom will be elected by the holders of shares of our Series A convertible preferred stock, voting separately as a class.

2. To vote upon a proposal to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012.

The stockholders will also act on any other business that may properly come before the Annual Meeting or any adjournments thereof.

The close of business on March 21, 2012 was the record date for determining the holders of shares of our Series A and Series B common stock and Series A convertible preferred stock entitled to notice of and to vote at the Annual Meeting and any adjournment thereof. For a period of at least ten days prior to the Annual Meeting, a complete list of stockholders entitled to vote at the Annual Meeting will be open to the examination of any stockholder during ordinary business hours at our corporate headquarters located at One Discovery Place, Silver Spring, Maryland.

By Order of the Board of Directors,

Stephanie D. Marks

Corporate Secretary

April 2, 2012

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2012 PROXY STATEMENT

QUESTIONS AND ANSWERS ABOUT

THE 2012 ANNUAL MEETING OF STOCKHOLDERS

Q: Who is soliciting my vote?

A: The Discovery Communications, Inc. Board of Directors is soliciting your vote on proposals being submitted for consideration at our Annual Meeting of Stockholders to be held on May 15, 2012.

Q: What is the Notice of Internet Availability of Proxy Materials?

A: In accordance with the SEC s proxy delivery rules, we intend to commence distribution on or about April 2, 2012 of a notice (the Notice of Internet Availability of Proxy Materials) indicating that this Notice of 2012 Annual Meeting of Stockholders and Proxy Statement, our Annual Report to Stockholders and our Annual Report on Form 10-K will be made available at www.proxyvote.com. This website will also provide holders of our Series A and Series B common stock and Series A convertible preferred stock (Series A preferred stock) with instructions on how to vote their shares. The Notice of Internet Availability of Proxy Materials also indicates how to request printed copies of these materials, including, for holders of Series A and Series B common stock and Series A preferred stock, the proxy card or voting instruction card.

Q: What matters will be voted on at the Annual Meeting?

A: The principal business of the meeting will be the following matters:

- the election of two Class I directors by the holders of our Series A common stock and Series B common stock, voting together as a single class, and the election of three preferred stock directors by the holders of our Series A preferred stock, voting separately as a class; and

- the ratification of the appointment of PricewaterhouseCoopers LLP (PwC) to serve as our independent registered public accounting firm for the fiscal year ending December 31, 2012.

We will also transact such other business as may properly be presented at the Annual Meeting or at any postponements or adjournments thereof. However, we are not aware of any other matters to be acted upon at the Annual Meeting.

Q: Who is entitled to vote at the Annual Meeting?

A: The close of business on March 21, 2012 was the record date for determining the holders of our Series A and Series B common stock and Series A preferred stock entitled to notice of, and to vote at, the Annual Meeting and any adjournment thereof. The Notice of Internet Availability of Proxy Materials received by the holders of our Series A and Series B common stock and Series A preferred stock will explain how they may vote their shares. Holders of our non-voting Series C common stock and Series C convertible preferred stock (Series C preferred stock) may access and receive this proxy statement and related materials but are not entitled to vote at the Annual Meeting or any adjournment thereof.

Q: How many shares can vote at the Annual Meeting?

A: As of March 21, 2012, we had outstanding 145,272,343 shares of Series A common stock, with each of those shares being entitled to one vote, 6,570,067 shares of Series B common stock, with each of those shares being

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entitled to 10 votes and 106,048,462 shares of Series C common stock, which are not entitled to vote. We also had outstanding 71,107,312 shares of Series A preferred stock, with each of those shares being entitled to one vote and 57,374,821 shares of Series C preferred stock, which are not entitled to vote.

Q: How many shares must be present or represented at the Annual Meeting to conduct business at the meeting?

A: With respect to Proposal 1, the presence, in person or by properly executed proxy, of the holders of a majority of the total voting power of the outstanding shares of (a) the Series A common stock and Series B common stock, voting together as a single class, entitled to a separate vote on the election of two Class I directors at the Annual Meeting will constitute a quorum for purposes of this class vote and (b) the Series A preferred stock entitled to a separate class vote on three preferred stock directors at the Annual Meeting will constitute a quorum for purposes of this class vote. The presence, in person or by properly executed proxy, of the holders of a majority in voting power of the Series A common stock, Series B common stock and Series A preferred stock, with the preferred stock considered on an as-converted to common stock basis, voting together as a single class will constitute a quorum for the combined class votes on Proposal 2.

If a quorum is not present, the meeting will be adjourned until a quorum is obtained. Abstentions and broker non-votes (where a broker or nominee does not exercise discretionary authority to vote on a proposal) will be treated as present for purposes of determining the presence of a quorum.

Q: What vote is required to elect directors?

A: With respect to Proposal 1, two directors are to be elected by the holders of our Series A common stock and Series B common stock, voting together as a single class, and three directors are to be elected by the holders of our Series A preferred stock, voting separately as a class. In each separate class vote, the directors will be elected if they receive a plurality of the votes cast by the holders of the outstanding shares of Series A common stock and Series B common stock, voting together, and the Series A preferred stock, as applicable, present in person or by proxy and entitled to vote.

If you submitted a proxy card on which you indicated that you abstain from voting, it will have no effect on the election of directors; and

Broker non-votes will not be counted as votes cast and therefore will have no effect on the election of directors.

Q: What vote is required to ratify the selection of the independent registered public accounting firm?

A: The affirmative vote of a majority of the votes cast by the holders of the outstanding Series A common stock, Series B common stock and Series A preferred stock, voting as a single class, present in person or by proxy and entitled to vote is required to ratify Proposal 2.

If you submit a proxy card on which you indicate that you abstain from voting, your abstention will not count as a vote FOR or AGAINST this proposal and will have no effect on the outcome of the ratification of the selection of the independent registered public accounting firm; and

Broker non-votes will not be counted as votes cast and therefore will have no effect on the ratification proposal.

Q: How can I vote my shares at the Annual Meeting?

A: If you are a holder of Series A or Series B common stock or Series A preferred stock, telephone and Internet voting is available 24 hours a day through 11:59 p.m. (Eastern Time) on May 14, 2012. If you are located in the United States or Canada and are a stockholder of record, you can vote your shares by calling toll-free 1-800-690-6903. Whether you are a stockholder of record or a beneficial owner, you can also vote your shares by Internet at www.proxyvote.com.

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Both the telephone and Internet voting systems have easy to follow instructions on how you may vote your shares and allow you to confirm that the system has properly recorded your vote. If you are voting your shares by telephone or Internet, you should have on hand when you call or access the website, as applicable, the Notice of Internet Availability of Proxy Materials, the proxy card or voting instruction card (for those holders who have received, by request, a hard copy of the proxy card or voting instruction card). If you vote by telephone or Internet, you do not need to return your proxy card to us.

If you have received, by request, a hard copy of the proxy card or voting instruction card, and wish to submit your proxy by mail, you must complete, sign and date the proxy card or voting instruction card and return it in the envelope provided so that it is received prior to the Annual Meeting.

Properly completed proxies will be voted as you direct. Properly executed proxies that do not contain voting instructions will be voted FOR Proposals 1 and 2.

While we encourage holders of Series A and Series B common stock and Series A preferred stock to vote by proxy, you also have the option of voting your shares of Series A and Series B common stock and Series A preferred stock in person at the Annual Meeting. If your shares of Series A or Series B common stock or Series A preferred stock are registered directly in your name with our transfer agent, you are considered the stockholder of record with respect to such shares of stock and you have the right to attend the Annual Meeting and vote in person, subject to compliance with the procedures described below. If your shares of Series A or Series B common stock or Series A preferred stock are held in a brokerage account or by a bank or other nominee, you are the beneficial owner of such shares. As such, in order to vote in person, you must obtain and present at the time of admission a properly executed proxy from the stockholder of record (i.e., your broker, bank or other nominee) giving you the right to vote the shares of Series A or Series B common stock or Series A preferred stock.

Q: If my Discovery shares are held in street name by a broker, bank or other nominee, will the broker, bank or other nominee vote my shares on each of the annual business proposals?

A: If you hold your shares in street name and do not provide voting instructions to your broker, bank or other nominee, your shares may, in the discretion of the broker, bank or other nominee, be voted on the ratification proposal. **If you hold your shares in street name and do not provide voting instructions to your broker, bank or other nominee, your shares will NOT be voted on the election of directors proposal.**

Q: May I change my vote after returning a proxy card or voting by telephone or over the Internet?

A: Yes. Before your proxy is voted at the Annual Meeting, you may change your vote on the proposals by telephone or over the Internet (if you originally voted by telephone or over the Internet), by voting in person at the Annual Meeting or by delivering a signed proxy revocation or a new signed proxy with a later date to: Discovery Communications, Inc., c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

Any signed proxy revocation or new signed proxy must be received before the start of the Annual Meeting. Your attendance at the Annual Meeting will not, by itself, revoke your proxy.

If your shares are held in an account by a broker, bank or other nominee who you previously contacted with voting instructions, you should contact your broker, bank or other nominee to change your vote.

Q: How do I obtain admission to the Annual Meeting?

A: Stockholders of record on the record date will be admitted to the Annual Meeting with photo identification and proof of stock ownership, such as the Notice of Internet Availability of Proxy Materials. If you hold Discovery stock in street name, you must bring a copy of an account statement reflecting your stock ownership as of the record date. If you plan to attend as the proxy of a stockholder, you must present valid proof of proxy. Cameras, recording devices and other electronic devices are not permitted at the Annual Meeting.

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Q: Who will bear the cost of soliciting votes for the Annual Meeting?

A: We will pay the cost of solicitation of proxies, including the preparation, website posting, printing and delivery of the Notice of Internet Availability of Proxy Materials, proxy statement and related materials. We will furnish copies of these materials to banks, brokers, fiduciaries, custodians and other nominees that hold shares on behalf of beneficial owners so that they may forward the materials to beneficial owners.

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CORPORATE GOVERNANCE

The corporate governance practices of Discovery Communications, Inc. (us, we, the Company or Discovery) are established and monitored by our Board of Directors. The Board regularly assesses Discovery s governance policies in light of legal requirements and governance best practices.

Corporate Governance Guidelines

Discovery s corporate governance practices are embodied in a formal document that has been approved by our Board of Directors. These corporate governance guidelines (the Guidelines) are posted on our website at *www.discoverycommunications.com*. These guidelines, which provide a framework for the conduct of the Board s business, provide that:

- the Board s responsibility is to oversee the management of Discovery and to help ensure that the interests of the stockholders are served;
- a majority of the members of the Board shall be independent directors;
- the independent directors meet at least twice a year in executive session;
- directors have unimpeded access to senior management and, as necessary and appropriate, independent advisors;
- new directors participate in an orientation program and all directors are encouraged to participate in continuing director education on an ongoing basis; and
- annually, the Board and its committees will conduct a self-evaluation to determine whether they are functioning effectively.

The Board periodically reviews the Guidelines and updated them in March 2012. Printed copies of our Guidelines are available to any stockholder upon request to the Corporate Secretary, at the address specified below under Stockholder Communication with Directors.

Director Independence

It is our policy that a majority of the members of our Board of Directors be independent. For a director to be deemed independent, a director must be independent as determined under Rule 5605(a)(2) of the Nasdaq Marketplace Rules and, in the Board of Directors judgment, the director must not have a relationship with Discovery that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

Nasdaq Marketplace Rules require that, subject to specified exceptions, each member of a listed company s audit, compensation and nominating and governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the Exchange Act). Under Rule 5605(a)(2) of the Nasdaq Marketplace Rules, a director will only qualify as an independent director if, in the opinion of that company s Board of Directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Discovery s Board of Directors has determined that Robert R. Beck, Robert R. Bennett, Paul A. Gould, Lawrence S. Kramer, John C. Malone, Robert J. Miron, Steven A. Miron, M. LaVoy Robison and J. David Wargo are independent directors.

In order to be considered to be independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the Board of Directors, or any other board committee: (1) accept any consulting, advisory, or other compensatory fee from the listed company, other than for board service; or (2) be an affiliated person of the listed company. Discovery s Board of Directors has determined that Lawrence S. Kramer, M. LaVoy Robison and J. David Wargo are independent for purposes of Rule 10A-3.

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Board Leadership Structure

Discovery separates the roles of Chief Executive Officer and Chairman of the Board in recognition of the differences between the two roles. The CEO is responsible for setting Discovery s strategic direction, providing leadership and driving the performance of the Company, while the Chairman of the Board provides guidance to the CEO, sets the agenda for Board meetings and presides over meetings of the full Board. As executed through the creative vision and innovative spirit of John Hendricks, our Founder and Chairman, and the dynamic leadership of David Zaslav, our CEO, we feel that this structure is appropriate for Discovery.

Code of Conduct

We have a Code of Business Conduct and Ethics (the Code) that is applicable to all of our directors, officers and employees. The Board approved the Code in September 2008 and reviews it regularly. The Code is available, and any amendments or waivers that would be required to be disclosed are posted, on our website at *www.discoverycommunications.com*. Printed copies of the Code are also available upon request to the Corporate Secretary at the address specified below, under Stockholder Communication with Directors.

Committees of the Board of Directors

Audit Committee

The Board of Directors has established an Audit Committee, whose members are Messrs. Robison (Chair), Kramer and Wargo. The Board of Directors has determined that M. LaVoy Robison is an Audit Committee Financial Expert as defined under SEC rules. The Audit Committee reviews and monitors the corporate financial reporting and the internal and external audits of Discovery. The committee s functions include, among other things:

- appointing or replacing our independent registered public accounting firm;
- reviewing and approving in advance the scope of, and fees for, our annual audit and reviewing the results of our audits with our independent registered public accounting firm;
- reviewing and approving in advance the scope of, and the fees for, non-audit services of our independent registered public accounting firm;
- reviewing our audited financial statements with our management and independent registered public accounting firm and making recommendations regarding inclusion of such audited financial statements in certain of our public filings;
- overseeing the performance of services by our independent registered public accounting firm, including holding quarterly meetings to review the quarterly reports of our independent registered public accounting firm; discussing with our independent registered public accounting firm issues regarding the ability of our independent registered public accounting firm to perform such services; obtaining, annually, a letter from our independent registered public accounting firm addressing internal control; reviewing with our independent registered public accounting firm any audit-related problems or difficulties and the response of our management; and addressing other general oversight issues;
- reviewing compliance with, and the adequacy of, our existing major accounting and financial reporting policies;
- overseeing the implementation and maintenance of an internal audit function; discussing with our independent registered public accounting firm and management the internal audit function s responsibilities, budget and staff; periodically reviewing with our

independent registered public accounting firm the results and findings of the internal audit function and coordinating with management to ensure that the issues associated with such results and findings are addressed;

reviewing and overseeing compliance with, and establishing procedures for, the treatment of alleged violations of the Code; and

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- preparing the audit committee report required by SEC rules, which is included on page 18 of this proxy statement.

The Board of Directors has adopted a written charter for the Audit Committee, which is available on our website at *www.discoverycommunications.com*.

Compensation Committee

The Board of Directors has established a Compensation Committee, whose members are Messrs. R. Miron (Chair), Beck and Gould. The committee s functions include, among other things:

- reviewing and approving corporate goals and objectives relevant to our CEO s compensation;
- evaluating our CEO;
- determining our CEO s compensation;
- reviewing and approving the compensation of our other executive officers and certain other executives;
- reviewing and making recommendations on stock compensation arrangements for all employees;
- reviewing and making recommendations to the Board for compensation for non-employee directors for their service on the Board and its committees;
- overseeing the structure of employee benefit programs and other compensation programs;
- reviewing and discussing annually with management our Compensation Discussion and Analysis, which is included beginning on page 20 of this proxy statement; and
- preparing the compensation committee report required by SEC rules, which is included on page 19 of this proxy statement.

The Compensation Committee reviews all forms of compensation provided to our executive officers and approves the same, with the exception of equity awards and awards under the Discovery Communications, Inc. 2005 Incentive Plan (the Stock Plan), which are approved by the Equity Compensation Subcommittee, as discussed below.

Because Mr. R. Miron s son-in-law was, until his departure in April 2010, one of our employees, Mr. R. Miron could not be deemed a non-employee director under the SEC s rules, which provide certain exemptions from Section 16 of the Exchange Act of 1934 for equity awards approved by a committee composed entirely of non-employee directors. In order to have the equity-based compensation paid to our executive officers approved by a committee composed entirely of non-employee directors, the Compensation Committee established the Equity Compensation Subcommittee (the Subcommittee). The Subcommittee was established for the purpose of administering equity and equity-related awards and its members are Messrs. Gould (Chair) and Beck.

The Board of Directors has adopted a written charter for the Compensation Committee, which is available on Discovery s website at *www.discoverycommunications.com*.

The processes and procedures followed by our Compensation Committee in considering and determining executive compensation, including the use of consultants and other outside advisors, are described below in Compensation Discussion and Analysis.

Compensation Committee Interlocks and Insider Participation

No member of Discovery s Compensation Committee is a current or former officer or, during 2011 was an employee, of Discovery or any of its subsidiaries. None of Discovery s executive officers has served as a director or member of the compensation committee (or other committee serving an equivalent function) of any other entity whose executive officers served as one of our directors or a member of the Compensation Committee.

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Nominating and Corporate Governance Committee

The Discovery Board of Directors has established a Nominating and Corporate Governance Committee, whose members are Messrs. Wargo (Chair), Gould, Kramer, S. Miron and Robison. In considering whether to recommend any candidate for inclusion in the Board s slate of recommended director nominees, including candidates recommended by stockholders, the Nominating and Corporate Governance Committee will apply the criteria set forth in our Guidelines. These criteria include the candidate s integrity, business acumen, experience, commitment, diligence, conflicts of interest and the ability to act in the interests of all stockholders. Our Guidelines specify that the backgrounds and qualifications of the directors considered as a group should provide a significant breadth of experience, knowledge and abilities that will assist the Board in fulfilling its responsibilities. The Nominating and Corporate Governance Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees. The Nominating and Corporate Governance Committee does not have a formal policy with respect to diversity; however, the Board and the Nominating and Corporate Governance Committee believe that it is essential that the Board members represent diverse viewpoints. Nominees are not discriminated against on the basis of race, religion, national origin, sexual orientation, disability or any other basis proscribed by law.

The Nominating and Corporate Governance Committee s primary functions are:

- to oversee corporate governance matters generally, including reviewing and recommending changes in our Guidelines, and the independence standards and qualifications for Board membership set forth in the Guidelines;
- to oversee the annual evaluation of the performance of the Board and each of its other committees;
- to identify individuals qualified to be members of the Board and to recommend Board nominees;
- to review and make recommendations concerning the independence of Board members;
- to review and approve related person transactions;
- to review the membership qualifications of Board members under the Guidelines; and
- to review and make recommendations concerning membership on Board committees and on committee structure and responsibilities.

Discovery s Board of Directors has adopted a written charter for the Nominating and Corporate Governance Committee, which is available on Discovery s website at *www.discoverycommunications.com.*

Executive Committee

The primary function of the Executive Committee is to exercise powers of the Board on matters of an urgent nature that arise between regularly scheduled Board meetings, subject to certain limitations. For example, the Executive Committee may not exercise the Board s powers to approve matters that must be submitted to the stockholders for their approval, appoint directors or officers, amend our Articles of Incorporation or Bylaws or approve offerings of our capital stock. The members of the Executive Committee are Messrs. Hendricks (Chair), Bennett, Malone, R. Miron and Zaslav.

Other Committees

The Board, by resolution, may from time to time establish certain other committees of the Board, consisting of one or more of the directors of Discovery. Any committee so established will have the powers delegated to it by resolution of the Board, subject to applicable law.

Board Role in Risk Oversight

The Board has an active role, as a whole and at the committee level, in overseeing management of Discovery s risks. The Board regularly reviews information regarding our credit, liquidity and operations, as well as the risks associated with each. The Company s Compensation Committee is responsible for overseeing the management of risks relating to our incentive compensation plans and arrangements. The Audit Committee oversees management of financial reporting risks. The Nominating and Corporate Governance Committee manages risks associated with the independence of the Board of Directors and potential conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed through committee reports and management presentations to the full Board about such risks.

Board Meetings

During 2011, there were 12 meetings of Discovery s Board of Directors, 16 meetings of Discovery s Compensation Committee, 17 meetings of Discovery s Equity Compensation Subcommittee, six meetings of Discovery s Audit Committee, three meetings of Discovery s Nominating and Corporate Governance Committee and no meetings of Discovery s Executive Committee.

Director Attendance at Board and Annual Meetings

Each director of Discovery attended at least 75% of the aggregate of the number of Board meetings and the number of meetings held by all committees on which he served. Discovery s Board of Directors encourages all members of the Board to attend each annual meeting of the Company s stockholders. All directors attended Discovery s last annual meeting in May 2011, either in person or via teleconference.

Director Nomination Process

Under its charter, the Nominating and Corporate Governance Committee is responsible for recommending to the Board the slate of nominees to be proposed for election by the Series A and Series B common stockholders at our annual meeting and for reviewing proposals for nominations from stockholders that are submitted in accordance with the procedures summarized below.

The Nominating and Corporate Governance Committee has the authority to employ a variety of methods for identifying and evaluating potential Board nominees. Candidates for vacancies on the Board may come to the attention of the committee through several different means, including recommendations from Board members, senior management, professional search firms, stockholder nominations and other sources.

The Nominating and Corporate Governance Committee considers all nominations submitted by stockholders that meet the eligibility requirements outlined in our Bylaws. As required by our Bylaws, stockholder nominations of candidates for election as directors must be submitted in writing to the Corporate Secretary, Discovery Communications, Inc., One Discovery Place, Silver Spring, Maryland 20910, no later than the close of business on the 60th day nor earlier than the 90th day prior to the anniversary of the preceding year s annual meeting. The deadline for stockholder nominations of candidates for election as directors was March 18, 2012. We have not received any stockholder nominations of candidates for election as directors for the Annual Meeting. For information on what must be included in the written notice to nominate a candidate for election at the next annual meeting of stockholders, see Stockholder Proposals below.

In considering whether to recommend any particular candidate for inclusion in the Board s slate of director nominees, the Nominating and Corporate Governance Committee applies the criteria set forth in our Guidelines. Under these criteria, a candidate:

- should have a reputation for integrity, honesty and adherence to high ethical standards;

- should have demonstrated business acumen, experience and ability to exercise sound judgment in matters that relate to the current and long-term objectives of the Company and should be willing and able to contribute positively to the decision-making process of the Company;

- should have a commitment to understand the Company and its industry and to regularly attend and participate in meetings of the Board and its committees;

- should have an understanding of the sometimes conflicting interests of the various constituencies of the Company, which include stockholders, employees, customers, governmental units, creditors and the general public, and should act in the interests of all stockholders; and

- shall not have, nor appear to have, a conflict of interest that would impair the nominee s ability to represent the interests of all the Company s stockholders and to fulfill the responsibilities of a director.

The Guidelines also provide that directors shall be selected on the basis of talent and experience and that diversity of background, including diversity of gender, race, ethnic or geographic origin, age, and experience in business, government and education and in media, entertainment and other areas relevant to the Company s activities are factors in the selection process.

The Nominating and Corporate Governance Committee does not assign specific weights to particular criteria and no particular criterion is a prerequisite for each prospective nominee. In selecting candidates for election to the Board, the Board also considers a director s independence. These independence standards incorporate the independence standards set forth in the Corporate Governance Rules of Nasdaq.

Stockholder nominees for election to the Board will be evaluated by the Nominating and Corporate Governance Committee based on the criteria specified above and using the same process as a nominee recommended by the Board or management.

Stockholder Communication with Directors

Discovery s stockholders may send communications to Discovery s Board of Directors or to individual directors by mail addressed to the Board of Directors or to an individual director c/o Discovery Communications, Inc., One Discovery Place, Silver Spring, Maryland 20910. Communications from stockholders will be forwarded to Discovery s directors on a timely basis.

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BOARD COMPENSATION

The Compensation Committee reviews compensation for our non-employee directors. The components of our non-employee director compensation are cash fees and equity awards. The Board believes that appropriate compensation levels help attract and retain superior candidates for Board service and that director compensation should be weighted toward equity-based compensation to enhance alignment with the interests of our stockholders.

We do not have any pension or retirement plans for our non-employee directors. Employee directors do not receive any compensation for their Board service.

The following tables show the cash and equity compensation levels that were in effect in 2011. The compensation levels shown in the second table remain in effect currently.

Discovery Non-Employee Director Compensation Levels, January 1 to May 16, 2011

Board Service	
Cash Compensation	
Annual Retainer	$ 55,000
Per Meeting fee:	
Board meetings in excess of seven annually; in-person	$ 1,500
Board meetings in excess of seven annually; telephonic	$ 750
Initial and Annual Equity Compensation	
Restricted Stock Units	$ 40,000
Stock Options	$ 40,000
Committee Service (cash)	
Annual Retainer for Audit and Compensation Committees	$ 10,000
Annual Retainer for Nominating and Corporate Governance Committee	$ 5,000
Annual Retainer for Equity Compensation Subcommittee	$ 5,000
Annual Retainer for Audit and Compensation Committee Chairs	$ 10,000
Annual Retainer for Nominating and Corporate Governance Committee Chair	$ 5,000
Per Meeting fee (Audit and Compensation Committee meetings in excess of seven annually, Nominating and Corporate Governance Committee in excess of three annually):	
In-person	$ 1,500
Telephonic	$ 750

On February 14, 2011, our Board adopted changes to our non-employee director compensation arrangements. These changes include the introduction of a retainer-only compensation structure, eliminating per meeting fees, and changes to the amount of annual retainers and the value of annual equity grants. These changes were adopted to more closely reflect current trends in Board compensation design and, per our philosophy for Board member compensation, to more closely match the median target total direct compensation of our peers. The new arrangements, shown in the table below, were effective beginning with the 2011 Annual Meeting of Stockholders on May 17, 2011.

Discovery Non-Employee Director Compensation Levels, Effective as of the 2011 Annual Meeting (May 17, 2011)

Board Service	
Cash Compensation	
Annual Retainer	$ 80,000
Initial and Annual Equity Compensation	
Restricted Stock Units	$ 57,500
Stock Options	$ 57,500
Committee Service Annual Retainers (cash)	
Audit and Compensation Committees	$ 20,000
Nominating and Corporate Governance Committee	$ 10,000
Equity Compensation Subcommittee	$ 7,500
Audit and Compensation Committee Chairs	$ 30,000
Nominating and Corporate Governance Committee Chair	$ 15,000
Equity Compensation Subcommittee Chair	$ 11,250

Cash Compensation. For Board and committee service between January 1 and May 16, 2011, cash compensation for non-employee directors consisted of annual retainers and meeting fees. Beginning May 17, 2011, cash compensation for non-employee directors consisted solely of the annual retainers described above. Annual retainers are paid in quarterly installments. For the purpose of calculating these retainers and fees, the annual period commences with the election of directors at the annual meeting. The retainer paid to non-employee directors who are elected or appointed after the most recent annual stockholders meeting will be prorated based on the quarter in which they join the Board.

Equity Compensation. Non-employee directors receive stock-based compensation under our 2005 Non-Employee Director Incentive Plan (the Directors Plan). The Board determined for 2011 that the equity awards to directors should consist equally of stock options and restricted stock units (RSUs) of Series A common stock. Annual equity grants are made on the date of the annual meeting. The exercise price of options granted to our non-employee directors is equal to the fair market value of a share of our Series A common stock on the date of the grant. The number of Series A common stock options is calculated by dividing the dollar amount of the award by the Black-Scholes value of options for our Series A common stock on the day before the grant date. This may result in the Black-Scholes value of the grant being slightly different from the target value of the grants. The number of RSUs is calculated by dividing the dollar amount of the award by the fair market value of our Series A common stock on the grant date. Both stock options and RSUs will vest 100% on the one year anniversary of the grant date. Neither the RSUs nor the stock options granted to our directors include the right to receive dividends.

Deferred Compensation. Discovery has a deferred compensation program that allows non-employee directors to defer the settlement of their RSU grants until their departure from our Board. If a director elects to defer settlement of his RSU grant, he must make his irrevocable election before the end of the year prior to the year in which the grant is made, and must do so for the entire amount of his grant. For example, for the grants made in May 2011, directors made their deferral elections before the end of 2010. Directors do not receive dividends on deferred RSUs. Messrs. Beck, Gould, Kramer, R. Miron, Robison and Wargo elected to defer the settlement of their RSU grants made in 2011.

Expense Reimbursement. Non-employee directors are reimbursed for out-of-pocket costs for attending each meeting of the Board or any Board committee of which they are a member, including airfare, whether commercial aircraft or private planes.

Director Education. Under the Guidelines, Discovery encourages the participation of all directors in continuing education programs, at Discovery s expense, that are relevant to the business and affairs of Discovery and the fulfillment of the directors responsibilities as members of the Board and any of its committees.

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Charitable Contribution Matching Program. Discovery provides a charitable contribution matching program through which we match contributions made by our non-employee directors to eligible charitable organizations up to a maximum of $20,000 for each director within a given fiscal year. The program is designed to match contributions to educational, arts and cultural institutions that have been approved by the Internal Revenue Service as tax-exempt institutions to which contributions are deductible for federal income tax purposes. Certain types of contributions and institutions would not be eligible for matching, such as tuition payments, contributions made to family foundations or other charitable foundations or organizations that are affiliated with a non-employee director, or membership or alumni association dues. In order to be matched, the contribution must be tax-deductible by Discovery Communications, Inc. Matching contributions under this program are included in the following 2011 Non-Employee Director Summary Compensation Table under the All Other Compensation column.

The following table summarizes the 2011 compensation provided to all persons who served as non-employee directors during 2011.

2011 Non-Employee Director Summary Compensation Table

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)	Option Awards ($)(1)	All Other Compensation ($)(2)	Total ($)
R. Beck	110,125	57,518	57,115	8,000	232,758
R. Bennett	78,250	57,518	57,115	0	192,883
P. Gould	124,687	57,518	57,115	0	239,320
L. Kramer	112,000	57,518	57,115	20,000	246,633
J. Malone	78,250	57,518	57,115	42,088	234,971
R. Miron	113,250	57,518	57,115	0	227,883
S. Miron	90,000	57,518	57,115	20,000	224,633
M. L. Robison	122,000	57,518	57,115	0	236,633
J. D. Wargo	117,000	57,518	57,115	0	231,633

(1) The aggregate grant date fair value of the RSU awards made to all non-employee directors in 2011 was $517,662, as calculated in accordance with FASB ASC Topic 718 and the grant date fair value of the stock option awards made to all non-employee directors in 2011 as calculated in accordance with FASB ASC Topic 718 was $514,035. At December 31, 2011, the following directors held vested stock options, which include options granted for service as an officer or director of Discovery Holding Company, our predecessor entity:

Name	Series A common stock options	Series C common stock options
R. Beck	13,225	0
R. Bennett	130,457	117,232
P. Gould	27,234	14,009
L. Kramer	13,225	0
J. Malone	13,225	0
R. Miron	13,225	0
S. Miron	13,225	0
M. L. Robison	27,234	14,009
J. D. Wargo	25,251	12,026

(2) The amounts for Messrs. Beck, Kramer and S. Miron reflect matching charitable contributions made by Discovery on behalf of each of these directors. The amount for Mr. Malone reflects the value of a gift given by Discovery to Mr. Malone for his 70th birthday.

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PROPOSAL 1: ELECTION OF DIRECTORS

Nominees for Election

Our Board of Directors consists of eight common stock directors, divided among three classes, and three preferred stock directors. Our Class I directors, whose terms will expire at the Annual Meeting and who are being nominated for reelection for a term that will expire in 2015, are Robert R. Beck and J. David Wargo. Our Class II directors, who were reelected at the 2010 annual meeting for a term that will expire in 2013, are Paul A. Gould, John S. Hendricks and M. LaVoy Robison. Our Class III directors, who were reelected at the 2011 annual meeting for a term that will expire in 2014, are Robert R. Bennett, John C. Malone and David M. Zaslav. At each annual meeting, the successors of that class of directors whose terms expire at that meeting shall be elected to hold office for a term expiring at the annual meeting of Discovery stockholders held in the third year following the year of their election. The directors of each class will hold office until their respective death, resignation or removal and until their respective successors are elected and qualified. Our Bylaws provide that the number of directors will be reduced by one upon the resignation, removal or disqualification of John Hendricks from our Board of Directors.

Our Board of Directors also includes three preferred stock directors, Lawrence S. Kramer, Robert J. Miron and Steven A. Miron, whose terms will expire at the Annual Meeting. Holders of our Series A preferred stock will vote on the election of each of the preferred stock directors, but will not vote on the election of any common stock director. At each annual meeting of stockholders, the successors of the preferred stock directors will be elected to hold office for a term expiring at the following annual meeting of stockholders. The preferred stock directors will hold office until their respective death, resignation or removal and until their respective successors are elected and qualified.

Five directors will be elected at the meeting. Two of the directors will be voted upon and elected by the holders of shares of our Series A common stock and Series B common stock, voting together as a class. Three of the directors will be voted upon and elected by the holders of shares of our Series A preferred stock voting separately as a class.

Unless otherwise instructed on the proxy card, the persons named as proxies will vote the shares represented by each properly executed proxy FOR the election as directors of the persons named in this proxy statement as nominees. Each of the nominees has consented to serve if elected. However, if any of the persons nominated by the Board of Directors fails to stand for election, or declines to accept election, proxies will be voted by the proxy holders for the election of such other person or persons as the Board of Directors may recommend.

The following tables present information, including age, term of office and business experience, for each person nominated for election as a Discovery director and for those directors whose terms of office will continue after the Annual Meeting. Each member of our Board of Directors and each director nominee possesses skills and experience which make them an important component of the Board as a whole. While consideration of the information presented below regarding each director and director nominee s specific experience, qualifications, attributes and skills led our Board to the conclusion that he should serve as a director, we also believe that all of our directors and director nominees have a reputation for integrity, honesty and adherence to high ethical standards. They each have demonstrated business acumen and an ability to exercise sound judgment, as well as a commitment of service to Discovery and our Board.

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The Discovery Board of Directors recommends a vote FOR the election of the nominated directors.

Director Nominees for Election by Holders of Shares of Series A Common Stock and Series B Common Stock as Class I Directors with Terms Expiring in 2015

Robert R. Beck Born July 2, 1940	A common stock director of Discovery since September 2008. Since 2001, Mr. Beck has served as an independent consultant, advising on complex financial and business matters. Prior to 2001, Mr. Beck served as a Managing Director of Putnam Investments. Mr. Beck applies his expertise in the financial markets to the Board s deliberations. Mr. Beck s expertise in corporate finance is of great value to our Board.
J. David Wargo Born October 1, 1953	A common stock director of Discovery since September 2008. Mr. Wargo served as a director of Discovery Holding Company (DHC), our predecessor company, from May 2005 to September 2008. Mr. Wargo has served as President of Wargo & Company, Inc., a private investment company specializing in the communications industry, since January 1993. Mr. Wargo is a director of Strayer Education, Inc. and Liberty Global Inc. (Liberty Global). Mr. Wargo served on the boards of OpenTV Corp. from 2002 to 2007 and Fun Technologies, Inc. from 2007 to 2008. Having an extensive career in public company finance, Mr. Wargo brings to the Board significant business development and financial experience related to the business and financial issues facing large corporations. Mr. Wargo s expertise in public company finance is the result of over 30 years as a securities analyst.

Director Nominees for Election by Holders of Series A Preferred Stock

Lawrence S. Kramer Born April 24, 1950	A preferred stock director of Discovery since September 2008. Mr. Kramer is an adjunct professor at Syracuse University and served as senior advisor at Polaris Venture Partners, a national venture capital firm, from July 2007 to January 2009. From March 2005 to November 2006, Mr. Kramer served as the first president of CBS Digital Media, a division of CBS Television Network (CBS). From November 2006 to March 2008, Mr. Kramer held a consulting role at CBS. Prior to joining CBS, Mr. Kramer was Chairman and CEO of Marketwatch, Inc., a financial news business. Mr. Kramer was a director of Answers Corporation from May 2005 until April 2011 when the company was sold and was a director of Xinhua Sports & Entertainment Limited from July 2007 to July 2009. Mr. Kramer s many years of experience creating and managing content, along with his strong background of service in the media industry and his past experience as a chairman and chief executive officer of a public company, make him a valuable member of our Board who can assist in the development of our growth strategy and business plans.

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Robert J. Miron Born July 7, 1937	A preferred stock director of Discovery since September 2008. Mr. Miron served as Chairman of Advance/Newhouse Communications and Bright House Networks, LLC (Bright House) from July 2002, retiring in December 2010. Mr. Miron served as Chief Executive Officer of Advance/Newhouse Communications and Bright House from July 2002 to May 2008 and as President of Advance/Newhouse Communications and Bright House from April 1995 to July 2002. Mr. Miron served as President of Newhouse Broadcasting Corporation from October 1986 to April 1995. Mr. Miron has extensive knowledge of the cable television industry, as evidenced by his professional background. Our Board is benefitted by Mr. Miron s long experience in management roles within our industry.
Steven A. Miron. Born April 24, 1966	A preferred stock director of Discovery since September 2008. Mr. Miron has served as Chief Executive Officer of Advance/Newhouse Communications and Bright House since May 2008. He also served as President of Advance/Newhouse Communications and Bright House from July 2002 to May 2008. Through his experience as a cable television executive, Mr. Miron has developed a deep understanding of this industry. Mr. Miron s expertise in the cable television industry makes him a valued presence on our Board.

Common Stock Directors:

Class II Directors with Terms Expiring in 2013

Paul A. Gould Born September 27, 1945	A common stock director of Discovery since September 2008. Mr. Gould served as a director of DHC from May 2005 to September 2008. Mr. Gould has served at Allen & Company Incorporated, an investment banking services company, since 1972, including as a Managing Director and Executive Vice President for more than the last five years. Mr. Gould has served as a financial advisor to many Fortune 500 corporations and advised on a number of large media company acquisitions. Mr. Gould is a director of Ampco-Pittsburgh Corporation and Liberty Global. In 2010 Mr. Gould resigned as director of DIRECTV and declined to stand for reelection as director of Liberty Media, now Liberty Interactive Corporation (Liberty Interactive). Mr. Gould brings to our Board a wealth of experience in matters relating to public company finance. Mr. Gould s knowledge of our Company and our industry, combined with his expertise in finance, makes him an important part of our Board.
John S. Hendricks Born March 29, 1952	A common stock director of Discovery since September 2008. Mr. Hendricks is the Founder of Discovery and has served as Chairman of Discovery since September 1982. Mr. Hendricks served as Chief Executive Officer of Discovery from September 1982 to June 2004; and Interim Chief Executive Officer of Discovery from December 2006 to January 2007.

As our Founder, Mr. Hendricks has guided Discovery since our formation and brings a unique perspective to discussions of our business.

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M. LaVoy Robison Born September 6, 1935	A common stock director of Discovery since September 2008. Mr. Robison served as a director of DHC from May 2005 to September 2008. Mr. Robison has been on the board of The Anschutz Foundation, a private foundation, since January 1998, and was their executive director from 1998 to November 2010. Mr. Robison was a director of Liberty Media and following Liberty Media s restructuring, is now a director of Liberty Interactive.
	Mr. Robison has extensive knowledge of corporate accounting and audit procedure gained through over 35 years of service with the firm of Peat Marwick Mitchell (now KPMG), including over 25 years as a partner and several years as one of the firm s SEC reviewing partners. Mr. Robison s wealth of experience in corporate finance and financial accounting is an important resource for our Board.

Class III Directors with Terms Expiring in 2014

Robert R. Bennett Born April 19, 1958	A common stock director of Discovery since September 2008. Mr. Bennett served as President of DHC from March 2005 to September 2008 and a director of DHC from May 2005 until September 2008. Mr. Bennett has almost twenty years of executive management experience in the cable television industry. Mr. Bennett served as President of Liberty Media from April 1997 to February 2006 and as Chief Executive Officer of Liberty Media from April 1997 to August 2005. Mr. Bennett held various executive positions with Liberty Media since its inception in 1990. Mr. Bennett is a director of Liberty Media, Sprint Nextel Corporation and Demand Media, Inc.
	Mr. Bennett brings both industry knowledge and financial acumen to his role as a member of our Board of Directors. Mr. Bennett has served on the board of directors of multiple public and private companies over the past decade, which, combined with his considerable involvement with media companies, contributes to the knowledge base and oversight of our Board.
John C. Malone Born March 7, 1941	A common stock director of Discovery since September 2008. Mr. Malone served as Chief Executive Officer and Chairman of the Board of DHC from March 2005 to September 2008 and a director of DHC from May 2005 to September 2008. Over the last 40 years, Mr. Malone has played a central role in the cable television industry. Mr. Malone has served as Chairman of the Board and a director of Liberty Media since 1990. Mr. Malone served as Chairman of the Board of Tele-Communications, Inc. (TCI) from November 1996 to March 1999; and Chief Executive Officer of TCI from January 1973 to March 1999. Mr. Malone is Chairman of the Boards of Liberty Global, Liberty Media, and Liberty Interactive, and a director of Ascent Capital Group, Inc., Expedia, Inc., and Sirius XM Radio Inc. Mr. Malone resigned from the boards of DIRECTV and IAC/InterActiveCorp in June 2010 and Live Nation Entertainment, Inc. in February 2011.

	Mr. Malone has played a pivotal role in the cable television industry since its inception and is considered one of the preeminent figures in the media and telecommunications industry. Mr. Malone is well known for his sophisticated problem solving and risk assessment skills. His breadth of industry knowledge and unique perspective on our business make him an invaluable member of our Board.
David M. Zaslav Born January 15, 1960	President, Chief Executive Officer and a common stock director of Discovery since September 2008. Mr. Zaslav has served as President and Chief Executive Officer of Discovery since January 2007. Mr. Zaslav served as President, Cable & Domestic Television and New Media Distribution of NBC Universal, Inc., a media and entertainment company, from May 2006 to December 2006. Mr. Zaslav served as Executive Vice President of NBC and President of NBC Cable, a division of NBC, from October 1999 to May 2006. Mr. Zaslav was a member of the board of TiVo Inc. until he declined to stand for reelection in 2010.
	As CEO, Mr. Zaslav sets our goals and strategies. His ability as director to add his views to the Board s deliberations is of significant benefit to the Board.

Except for Steven A. Miron being the son of Robert J. Miron, there is no family relationship among any of Discovery s executive officers or directors, by blood, marriage or adoption.

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PROPOSAL 2: RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

As provided in its charter, the Audit Committee selects our independent registered public accounting firm, reviews the scope of the annual audit and pre-approves all audit and non-audit services permitted under applicable law to be performed by the independent registered public accounting firm. The Audit Committee has evaluated the performance of PwC and has selected them as our independent registered public accounting firm for fiscal 2012. You are requested to ratify the Audit Committee s appointment of PwC. Representatives of PwC will be present at the Annual Meeting and will be given the opportunity to make a statement, if they desire to do so, and to respond to appropriate questions from stockholders present at the meeting. Unless stockholders specify otherwise in their proxy, proxies solicited by the Board will be voted by the proxy holders at the Annual Meeting to ratify the selection of PwC as our independent registered public accounting firm for fiscal 2012. A majority of the votes cast at the Annual Meeting on this proposal is required for ratification.

Even if the selection of PwC is ratified, the Audit Committee of Discovery s Board in its discretion may direct the appointment of a different independent accounting firm at any time during the year if Discovery s Audit Committee determines that a change would be in the best interests of Discovery and its stockholders. In the event Discovery stockholders fail to ratify the selection of PwC, the Audit Committee will take this into consideration regarding the selection of another independent registered public accounting firm for the year ending December 31, 2012.

The Discovery Board of Directors recommends a vote FOR the ratification of the selection of PwC as Discovery s independent registered public accounting firm for the year ending December 31, 2012.

Description of Fees

	2011	2010
Audit fees(1)	$ 3,509,075	$ 3,432,310
Audit-related fees(2)	171,023	65,000
Tax fees(3)	1,274,718	905,046
Other fees(4)	34,850	
Total fees	$ 4,989,666	$ 4,402,356

(1) Audit fees include fees for the audit of the consolidated financial statements of Discovery and statutory audits for certain of Discovery s foreign subsidiaries, as well as fees for services provided in connection with securities offerings.

(2) Audit-related fees include due diligence related to mergers and acquisitions, attest services not required by statute or regulation, and consultations regarding financial accounting standards.

(3) Tax fees consisted of tax compliance and consultations regarding the tax implications of certain transactions. Tax compliance services relate to preparation of tax returns and claims for refunds. Tax consultation services relate to tax planning, as well as assistance with tax audits and tax advice related to acquisitions and structure.

(4) Other fees consisted of advisory support provided in connection with establishing Discovery s employee stock purchase plan.

Discovery s Audit Committee has considered whether the provision of services by PwC to Discovery other than auditing is compatible with PwC maintaining its independence and believes that the provision of such other services is compatible with PwC maintaining its independence.

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Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

Discovery s Audit Committee has adopted a policy regarding the pre-approval of all audit and permissible non-audit services provided by Discovery s independent registered public accounting firm. Pursuant to this policy, Discovery s Audit Committee has approved the engagement of Discovery s independent registered public accounting firm to provide the following services (all of which are collectively referred to as pre-approved services):

audit services as specified in the policy, including (i) financial audits of Discovery and its subsidiaries and (ii) services associated with Discovery s periodic reports, registration statements and other documents filed or issued in connection with a securities offering (including comfort letters and consents);

audit-related services as specified in the policy, including (i) due diligence services, (ii) financial audits of employee benefit plans, (iii) attestation services not required by statute or regulation, (iv) certain audits incremental to the audit of Discovery s consolidated financial statements; (v) closing balance sheet audits related to dispositions; and (vi) consultations with management as to accounting or reporting of transactions; and

tax services as specified in the policy, including federal, state, local and international tax planning, compliance and review services and tax due diligence and advice regarding mergers and acquisitions.

Notwithstanding the foregoing general pre-approval, any individual project involving the provision of pre-approved services that is expected to result in fees in excess of $50,000 requires the specific pre-approval of Discovery s Audit Committee. In addition, any engagement of Discovery s independent registered public accounting firm for services other than the pre-approved services requires the specific approval of Discovery s Audit Committee. Discovery s Audit Committee has delegated the authority for the foregoing approvals to the chairman of the Audit Committee, subject to his subsequent disclosure to the entire Audit Committee of the granting of any such approval. All audit and non-audit services provided by PwC in 2011 were approved by the Audit Committee.

Discovery s pre-approval policy prohibits the engagement of Discovery s independent registered public accounting firm to provide any services that are subject to the prohibition imposed by Section 201 of the Sarbanes-Oxley Act.

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REPORT OF THE AUDIT COMMITTEE

Each member of the Audit Committee is an independent director as determined by the Board of Directors of Discovery Communications, Inc., based on the rules of the Nasdaq Stock Market and the criteria of director independence adopted by the Board. Each member of the Audit Committee also satisfies the SEC s independence requirements for members of audit committees.

The Audit Committee reviews Discovery s financial reporting process on behalf of the Board of Directors. A description of the responsibilities of the Audit Committee is set forth above under the caption Corporate Governance Audit Committee. PwC, Discovery s registered public accounting firm for 2011, is responsible for expressing opinions on the conformity of Discovery s audited consolidated financial statements with U.S. generally accepted accounting principles.

The Audit Committee has reviewed and discussed with management and PwC Discovery s most recent audited consolidated financial statements. The Audit Committee has also discussed with PwC various communications that the Company s registered public accounting firm is required to provide to the Audit Committee, including matters required to be discussed by the Statement on Auditing Standards No. 61, as amended (AICPA, *Professional Standards*, Vol. 1, AU section 380), as adopted by the Public Company Accounting Oversight Board (PCAOB) in Rule 3200T.

The Audit Committee has received the written disclosures and the letter from PwC required by PCAOB Rule 3526 (Communications with Audit Committees Concerning Independence), and has discussed with PwC their independence.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors of Discovery that the audited financial statements be included in Discovery s Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 17, 2012 with the SEC.

This report is respectfully submitted by the members of the Audit Committee of the Board.

M. LaVoy Robison, Chairman

Lawrence Kramer

J. David Wargo

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REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management and, based on such review and discussion, has recommended that the Compensation Discussion and Analysis be included in this proxy statement.

This report is respectfully submitted by the members of the Compensation Committee of the Board.

Robert J. Miron, Chairman

Robert R. Beck

Paul A. Gould

REPORT OF THE EQUITY COMPENSATION SUBCOMMITTEE

OF THE COMPENSATION COMMITTEE

The Equity Compensation Subcommittee of the Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management and, based on such review and discussion, has recommended that the Compensation Discussion and Analysis be included in this proxy statement.

This report is respectfully submitted by the members of the Equity Compensation Subcommittee of the Compensation Committee of the Board.

Paul A. Gould, Chairman

Robert R. Beck

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COMPENSATION DISCUSSION AND ANALYSIS

Discovery is a leading global media and entertainment company, with operations that support our mission to empower people to explore their world and satisfy their curiosity. This section analyzes and discusses our compensation programs and provides information about the compensation paid by Discovery to our CEO, CFO, and the three other most highly compensated executive officers (our Named Executive Officers, or NEOs) identified below.

Highlights

Discovery had strong operating performance in 2011.

Our Company had a strong year in 2011, reporting increases in revenue, Adjusted Operating Income Before Depreciation and Amortization (OIBDA), net income available to Discovery stockholders and Free Cash Flow:

- revenues increased 12% to $4.235 billion;
- Adjusted OIBDA increased 13% to $1.914 billion;
- net income from continuing operations increased 75% to $1.134 billion; and
- Free Cash Flow increased 68% to $1.042 billion.

Through our continued focus on creating high-quality programming and leveraging that content around the globe, as well as across a growing number of digital and consumer platforms, we were able to take additional share of a strong global advertising market, build new brands and create additional growth drivers across our portfolio, including:

- Investigation Discovery was the fastest growing network in cable television in 2011;
- TLC was launched internationally to be our second flagship network, reaching 100 million global subscribers;
- Discovery Channel success, including Gold Rush on Friday nights, Flying Wild Alaska and Sons of Guns ; and
- launch of the digital techbook, which has been adopted in six states.

We continue to pay for performance through executive compensation plan design.

We believe that our executive compensation program plays a key role in the company s operating and financial success. We place great importance on our ability to attract, retain, motivate and reward talented executives who can continue to grow our business and engage audiences around the world. In 2011, our NEOs received strong short- and long-term awards as a result of the Company s financial and operational performance and their individual achievements, which reflects the direct link between financial and operational success and compensation. Our short- and long-term incentive compensation programs are structured to:

- pay for performance by aligning and measurably varying the size of performance-based awards directly with key operational outcomes, as well as the executive s individual performance;

- align the interests of management with those of our stockholders through equity and equity-type incentive awards; and

- inspire dynamic leadership while not encouraging excessive risk taking.

We continue to refine our compensation programs to strengthen the link between executive and stockholder interests.

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Named Executive Officers

Messrs. Hendricks, Liguori and Hollinger were our three most highly compensated executive officers for 2011, other than our CEO and CFO. These three individuals, together with Mr. Zaslav, our CEO, and Mr. Singer, our CFO, are our Named Executive Officers and are referred to collectively as our NEOs.

- David M. Zaslav, President and Chief Executive Officer;
- Bradley E. Singer, former Senior Executive Vice President and Chief Financial Officer (until March 2012);
- John S. Hendricks, Founder and Chairman of the Board;
- Peter Liguori, former Chief Operating Officer (until December 31, 2011); and
- Mark G. Hollinger, President and CEO, Discovery Networks International.

Andrew Warren joined the Company to become our Chief Financial Officer in March 2012.

Role of the Compensation Committee

Our Compensation Committee (referred to in this Compensation Discussion and Analysis as the Committee) operates pursuant to a written charter, a copy of which is posted on the Investor Relations section of our website, *www.discoverycommunications.com* and has the following functions and responsibilities:

- develop, review and approve our overall executive compensation philosophy, objectives and programs to motivate our NEOs to lead our Company to meet short-term and long-term goals without undue financial risk;
- regularly review best practices and market trends in executive compensation and modify our programs to support Discovery s business goals and strategies;
- conduct annual risk assessments of our compensation programs;
- align compensation decisions with our executive compensation objectives and principles;
- review and approve the amounts and elements of compensation for our NEOs, other executive officers and certain other key employees; and
- approve the annual quantitative and qualitative goals relevant to the compensation of our NEOs and other executive officers.

The Committee regularly consults with the Board regarding compensation decisions for the CEO and the Founder.

The Committee created the Equity Compensation Subcommittee (the Subcommittee), comprised of two directors who are non-employee directors within the meaning of Rule 16b-3 under the Exchange Act and outside directors for purposes of Section 162(m) of the U.S. Internal Revenue Code (Section 162(m)). The Committee delegated to the Subcommittee the authority to make and modify awards under the Stock Plan and to determine and confirm performance-based compensation for our executive officers.

Role of the CEO in Compensation Decisions

The Committee makes all compensation decisions related to the NEOs and the Company s other senior executives. The CEO plays a significant role in the decisions for the NEOs other than himself and the Founder. The CEO makes annual recommendations to the Committee and Subcommittee regarding base salary, annual cash bonus, and long-term incentive awards for each of his direct reports, including the other three NEOs (the

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administration and metrics of these programs are discussed in more detail below) early in the year. His recommendations are based on:

- his assessment of qualitative and quantitative factors, generally including the executive s annual and long-term performance;
- the performance of Discovery as well as the department or group that the executive leads;
- the executive s compensation relative to our other executives (internal equity);
- the executive s compensation relative to executives in similar roles in the companies in our peer group (external competitiveness);
- our overall approach to compensation for employees for the year; and
- contractual obligations under any applicable employment agreement.

The CEO also recommends to the Committee proposed terms for new employment agreements with our NEOs as well as extensions or amendments of existing employment agreements. The CEO works closely with our Senior Executive Vice President of Human Resources in these compensation recommendations.

The CEO also provides the Committee with proposed annual goals to be used in his annual bonus, as further described below, and the Committee considers those proposed goals in approving final annual goals for the CEO. The CEO does not participate in the Committee s deliberations or decisions relating to his compensation.

Relationship with and Role of the Compensation Consultant

The Committee has retained an independent compensation consultant, The Croner Company (Croner), to advise it on compensation matters generally and specifically on compensation decisions for our executive officers. Croner is retained directly by, and reports to, the Committee. Croner attended 15 of the 16 Committee meetings held in 2011. Croner assisted the Committee by, among other services:

- assisting in a peer group and competitive benchmarking process and analysis for executive officers and other senior executives used in the annual salary review, bonus and long-term incentive decisions;
- advising the Committee on emerging legislation and regulations affecting executive compensation, and consulting with the Committee on additional plan features and policies such as clawback and executive stock ownership policies;
- advising the Committee on competitive practices regarding long-term incentive and annual cash bonus designs, including market practices, executive compensation trends, performance measures and goal setting;
- assisting the Committee with the periodic review of its charter;
- reviewing the Compensation Discussion and Analysis; and

advising on employee equity grants, executive employment agreements and other executive compensation matters.

Prior to being engaged by the Committee, Croner historically had provided compensation survey data to the Company and performed custom surveys on industry compensation practices. In 2011, the Committee adopted a Compensation Consultant Independence Policy to address the ongoing need for this survey work and to determine the process under which work by Croner for the Company would be permitted. The Committee authorized Croner to provide survey services to management of up to $60,000 per year. Non-survey work, or survey work that exceeds $60,000 in the aggregate in a single year, requires pre-approval by the Committee.

In 2011, the only services provided by Croner to management were the pre-authorized survey services. Total fees paid to Croner by Discovery in 2011 (other than fees for Croner s services to the Committee) were less than $6,000.

Compensation Philosophy

Our compensation philosophy is to deliver above-median total direct compensation when our executives deliver above-median performance both against internally set objectives and when evaluated against the peer group.

Each of our NEOs, with the exception of Mr. Hollinger, is subject to a multi-year employment agreement with provisions that govern the compensation paid to the executive. We believe that it is in our stockholders interest to provide stability in our senior executive team and that it is consistent with industry practice to enter into these employment agreements. A number of the compensation decisions discussed below are required by the terms of these employment agreements, as further described in Executive Compensation Executive Compensation Arrangements, below.

Target Pay Positioning

The Committee generally targets executive compensation to be between the median and 75th percentile of the compensation paid by our peer group companies, which are identified below under Peer Group Analysis. The Committee uses the peer group benchmark and survey data as a reference rather than as a strict guide for compensation decisions and retains flexibility in setting individual target total direct compensation.

At the time that the Committee set target total direct compensation for 2011, the comparison to our peer group was as follows:

Mr. Zaslav	Above the 75th percentile
Mr. Singer	Between the median and the 75th percentile
Mr. Liguori	Near the median
Mr. Hollinger	Above the 75th percentile

The special one-time bonus for leadership of a joint venture given to Mr. Liguori was adopted after the Committee set the target total direct compensation for 2011 and thus was not included in this analysis.

The Committee used the peer group data as a reference point in adjusting Mr. Singer s salary in March 2011, in increasing the target bonus percentage for Mr. Hollinger in March 2011, and in determining the size of the long-term incentive awards for Messrs. Singer, Liguori, and Hollinger. After the base salary and long-term incentive awards were made in 2011, and including the target annual bonus percentage for each NEO, total direct compensation as compared to our peer group was as follows:

Mr. Zaslav	Above the 75th percentile
Mr. Singer	Between the median and the 75th percentile
Mr. Liguori	Near the median
Mr. Hollinger	Above the 75th percentile

The Committee determined that, because of Mr. Hendricks unique role as a Founder and Chairman not acting as the CEO, the peer companies did not have executives serving in positions against which it would be appropriate to compare Mr. Hendricks compensation. With respect to the CEO, CFO, and COO, the Committee compared each executive s compensation to that of the corresponding position in the peer group. The Committee compared Mr. Hollinger s compensation to that of peer company executives classified as Division Presidents, although the Committee determined this was not an exact match because of the broad scope of Mr. Hollinger s international responsibilities.

Performance-Based Pay

The majority of target total direct compensation for each NEO is performance-based, with the balance between the annual cash bonus and long-term incentive awards determined by the Committee as appropriate for

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each role. Performance-based compensation for our CEO and our Founder is weighted toward equity and equity-type compensation, with a smaller proportion in the annual cash bonus award. The Committee determined this mix is appropriate to closely align these two officers interests with the interests of our stockholders. For the remaining NEOs (Messrs. Singer, Liguori, and Hollinger), the balance between each element of compensation is more evenly divided, with a significant proportion of total direct compensation in the form of an annual cash bonus opportunity. Long-term incentive equity awards for these NEOs are based on target values that are roughly two to three times the target amount of the annual cash bonus opportunity. We believe this mix both is competitive with the compensation practices specific to our industry and appropriately balances decisions to benefit the Company in both the short- and long-term without taking undue risks. Annual cash bonus awards are more fully described in 2011 Compensation Decisions Annual Cash Bonus Awards, below, and our long-term incentive compensation programs are more fully described in 2011 Compensation Decisions Long-Term Incentive Compensation, below.

Elements of Compensation

There are three basic components of compensation for our executives, which make up the total direct compensation for each NEO:

Element of Compensation	Key Features	Purpose
Base Salary	Fixed annual cash amount, generally reviewed annually.	Provide base salaries that are competitive to attract and retain high-performing executive talent. A competitive base salary is an important component of compensation providing a degree of financial stability for executives. Base salaries also form the basis for calculating other compensation opportunities, including, for example, calculating the target amount for each NEO s annual cash bonus as a percentage of base salary.
Annual Cash Bonus	Each NEO has a target bonus amount, set as a percentage of base salary. Actual payout for each year varies based on Company and individual performance.	Deliver a substantial portion of total direct compensation in annual cash bonus awards that are aligned with Company and individual performance to focus our executives on our operational goals. Ensures that our compensation mix remains competitive with our labor market.
Long-Term Incentive Awards	Annual equity and equity-type awards, in the form of non-qualified stock options, performance-based restricted stock units (PRSUs) and units under the Discovery Appreciation Plan (DAP). Each type of award instrument vests in tranches over multiple years.	Deliver a substantial portion of an executive s total direct compensation in equity or equity-type awards to align our executives interests with those of our stockholders. PRSUs incent our NEOs to achieve longer-term financial goals that are expected to lead to increased stockholder value. The multi-year service requirements also serve as a retention tool. Both the financial metrics and the longer-term vesting schedules are designed to discourage excessive risk-taking.

Compensation Decisions Framework

The Committee and Subcommittee generally make decisions in the first 90 days of the calendar year regarding annual adjustments to base salary, annual cash bonus payouts with respect to the immediately

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preceding year, and annual long-term incentive awards for our executive officers. This annual process includes review of the following factors, designed to align the compensation actions with our compensation principles and objectives:

- market data from the Company s peer group for each NEO other than the Founder;
- a tally sheet for each NEO;
- any relevant employment contract requirements;
- a self-evaluation of each NEO s annual performance;
- the CEO s evaluation of each NEO s annual performance (other than the CEO and the Founder);
- achievement of annual quantitative goals for the Incentive Compensation Plan (ICP), the annual cash bonus program that applies to Messrs. Singer, Liguori, Hollinger, and other employees;
- Discovery s Total Shareholder Return (TSR) as compared to the peer companies; and
- with respect to the determination of the annual cash bonus for Messrs. Zaslav, Hendricks, and Singer, achievement of annual goals that are set by the Committee each year.

These factors are considered as a whole, with no specific weight given to a particular factor or factors. Factors within each compensation element may be weighted, as discussed below (e.g., weighting of qualitative and quantitative measures used in determining the annual cash bonuses for Messrs. Zaslav and Hendricks, and weighting of the performance metrics for awards of performance-based restricted stock units).

Additional detail about the factors considered in our compensation decisions is below.

Peer Group Analysis

The Committee annually reviews data from a group of eight publicly-traded peer companies to support compensation decisions for the NEOs. The peer companies are chosen to best match our Company s scope of business in terms of revenues, free cash flow, market capitalization and enterprise value, complexity of operations, and greater proximity to the sectors of the media and entertainment industry in which we operate. The peer group also represents meaningful competition for us in the executive labor market. The Committee reassesses this list annually and considers the inclusion of new, relevant peers.

The 2011 peer group consisted of:

Cablevision Systems Corporation

CBS Corporation

DIRECTV

DISH Network Corporation

Liberty Media Corporation*

Scripps Networks Interactive, Inc.

Time Warner Cable, Inc.

Viacom Inc.

* On September 23, 2011, Liberty Media Corporation, formerly in the peer group, was split off from Liberty Media, Inc. The new entity was included in the peer group after that transaction.

Total Shareholder Return

In 2011 and again in early 2012, the Committee reviewed TSR for the Company as compared to the peer group. For this analysis, TSR is calculated as follows:

TSR = (Stock Price at End Date   Stock Price at Start Date + (Dividends/Share))/Stock Price at Start Date

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The Committee reviewed the TSR of Discovery and the peer companies using it as a reference point for making long-term incentive awards. The Committee looked at TSR for both the one-year measure (2010) and the two-year period of 2009 2010. The Committee elected not to refer to a three-year measure because we became a public company in the third quarter of 2008 and thus the comparison of 2008 full-year data was not meaningful.

Company	1 Year TSR (2010)	2 Year TSR (2009-10)
Cablevision Systems Corporation	32%	112%
CBS Corporation	32%	129%
DIRECTV	18%	65%
DISH Network Corporation	-7%	82%
Liberty Media, Inc.	41%	Not measured*
Scripps Networks Interactive, Inc.	25%	125%
Time Warner Cable, Inc.	65%	50%
Viacom, Inc.	47%	121%
Discovery Communications, Inc.	35%	185%
Median (including Discovery)	32%	116%
Median (excluding Discovery)	32%	112%

* Two-year TSR not measured due anomalous effect on Liberty Media s stock price of its September 2008 announcement of the spin-off of Liberty Entertainment.

Tally Sheets

The Committee annually reviews tally sheets prepared for each of the NEOs to allow consideration of both current and historical compensation. The tally sheets allow the Committee to review an integrated snapshot of the individual and aggregated elements of each NEO s compensation. The Committee reviewed the tally sheets in determining base salary adjustments, annual cash bonus payouts, and, with respect to Messrs. Singer, Liguori, and Hollinger, long-term incentive awards, in 2011.

Tax Deductibility of Executive Compensation

We consider the tax deductibility of compensation to be paid to the NEOs. Section 162(m) generally limits the tax deductibility of compensation paid by a public company to its CEO and certain other highly compensated executive officers to $1 million in the year the compensation becomes taxable to the executive. There is an exception to this limit on deductibility for qualifying performance-based compensation.

Although we do not require all compensation paid to executives to be deductible, the Committee does consider the impact of deductibility under Section 162(m) when making decisions about the amount and forms of executive compensation. In 2011, this contributed to decisions to maintain the base salaries for Messrs. Hendricks, Liguori, and Hollinger at $1 million. The Committee increased the bonus target percentages for Messrs. Liguori and Hollinger in lieu of any increase in base salary based, in part, on these tax considerations. These considerations were also a factor in determining the general long-term incentive program for our senior executives and the use of PRSU awards for our senior executives.

NEO Responsibilities and Accomplishments

Company performance and/or individual achievements play a strong role in many of the compensation decisions for our NEOs, as further described below. The Committee considered Discovery s overall strong results as well as each NEOs responsibilities and 2011 accomplishments in making compensation decisions. We have summarized each NEO s overall performance and accomplishments below.

Mr. Zaslav: Mr. Zaslav serves as CEO and reports directly to the Board. In 2011, Mr. Zaslav led the Company in achieving our overall strong performance. In addition to operating performance, other significant

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accomplishments included driving international growth, bringing on and developing strong leadership at our emerging networks and joint ventures, producing quality content and enduring series, and growing U.S. advertising sales to outperform the market.

Mr. Singer: Mr. Singer served as CFO until March 2012, and during his employment reported to the CEO. Mr. Singer was a strong strategic partner to the CEO and management team, reorganized the global Finance team, and represented the Company well to internal and external audiences.

Mr. Hendricks: Mr. Hendricks is our Founder and Chairman and reports directly to the Board. Mr. Hendricks helped drive our strong business results and provided leadership in creating content that supports our brands and is consistent with our mission to satisfy curiosity, to inspire and to enlighten.

Mr. Liguori: Mr. Liguori served as COO until December 31, 2011, and reported to the CEO. Mr. Liguori liaised with our joint ventures and provided leadership of creative programming and marketing initiatives, founding a global Creative Council and supporting a culture that fosters creativity and innovation.

Mr. Hollinger: Mr. Hollinger is CEO and President of Discovery Networks International and reports to the CEO. Mr. Hollinger drove strong financial results for our international division and concentrated strategic focus on content. Mr. Hollinger also led the global rollout of our TLC network to significant success around the world.

2011 Compensation Decisions

The following chart summarizes the compensation decisions for 2011 with respect to each NEO s base salary, annual cash bonus and long-term incentive awards. Detailed discussion of the decisions made with respect to each element is contained in the discussions immediately below the chart.

Element of Compensation	2011 Compensation Decisions
Base Salary	Maintained base salary for Messrs. Hendricks, Hollinger, and Liguori at $1 million, consistent with the Committee s overall philosophy that base salary for executives subject to the deductibility limits of Section 162(m) should not be increased above $1 million.
	Increased Mr. Singer s base salary by 3% based on his strong individual performance. Mr. Singer s compensation is not subject to Section 162(m) limits on deductibility.
	Increased Mr. Zaslav s base salary from $2 million to $3 million. This increase was required by the terms of Mr. Zaslav s employment agreement. Mr. Zaslav is the only NEO subject to the Section 162(m) deductibility limits with a base salary in excess of $1 million.
Annual Cash Bonus	Paid annual bonuses to each of the NEOs under a program intended to exempt the bonus from the deduction limits of Section 162(m), except as described below. The bonus payouts reflected strong Company performance in 2011 as well as the assessment of each NEO s individual performance.
Long-Term Incentive Awards	Made awards of stock options to Mr. Hendricks, and PRSUs and DAP units to Mr. Zaslav, in amounts as required by their respective employment agreements.

Made awards of stock options and PRSUs to Messrs. Singer, Liguori, and Hollinger. The target value for each award was determined based on market data and individual performance.

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Base Salary

Mr. Zaslav: Mr. Zaslav is employed pursuant to a multi-year employment agreement that entitled him to an annual base salary of $3 million for 2011. Consistent with the employment agreement, Mr. Zaslav s base salary was adjusted from $2 million to $3 million, effective January 1, 2011. This agreement is further described in Executive Compensation Executive Compensation Arrangements, below.

Mr. Singer: Mr. Singer also was employed pursuant to an employment agreement, which provided that his base salary would be reviewed annually. In March 2011, the Committee increased Mr. Singer s base salary by 3%, from $993,950 to $1,023,769. This increase was the same as the overall merit increase budget for U.S.-based employees and recognized Mr. Singer s strong performance in the prior year. The Committee also considered the market data from the peer group with respect to Mr. Singer s base salary and, after the increase, Mr. Singer s total cash compensation (base salary and annual bonus at target) was between the 50^{th} and 75^{th} percentile of base salaries for CFOs in the peer group. For more information about Mr. Singer s employment agreement, please see Executive Compensation Executive Compensation Arrangements, below.

Mr. Hendricks: Mr. Hendricks is employed pursuant to a letter agreement entered into in July 2008 (the Hendricks Letter). The Hendricks Letter sets Mr. Hendricks annual base salary at $1 million. The Committee did not adjust Mr. Hendricks base salary in 2011. This aligned with the Committee s aim to preserve greater deductibility of executive compensation. For more information about the Hendricks Letter, please see Executive Compensation Executive Compensation Arrangements, below.

Mr. Liguori: Mr. Liguori s base salary was reviewed in March 2011 under our standard processes applied to all executives. The Committee elected not to adjust it, in accordance with the aim to preserve greater deductibility of executive compensation, but instead increased his target bonus opportunity from 100% of base salary to 105%.

Mr. Hollinger: Mr. Hollinger s base salary was reviewed in March 2011 under our standard processes applied to all executives. The Committee elected not to adjust it, in accordance with the aim to preserve greater deductibility of executive compensation, but instead increased his target bonus opportunity from 110% of base salary to 120%.

Annual Cash Bonus Awards

In 2011, we made annual cash bonus awards to each of the NEOs. The following chart summarizes the bonus design and payout for each NEO, with detailed discussion in the section that follows the chart:

NEO	2011 Target Amount	2011 Metrics	2011 Bonus Award
David Zaslav, CEO	$5 million	50% Qualitative Goals	$4.84 million, based on achievement of 98.76% of the quantitative goals and 94.75% of the qualitative goals (aggregate payout amount of 96.75% of target)
	167% of base salary	50% Quantitative Goals	
John Hendricks, Chairman and Founder	$600,000	50% Qualitative Goals	$581,276, based on achievement of 98.76% of the quantitative goals and 95% of the qualitative goals (aggregate payout amount of 96.88% of target)
	60% of base salary	50% Quantitative Goals	

NEO	2011 Target Amount	2011 Metrics	2011 Bonus Award
Bradley Singer, CFO	$993,950 100% of base salary	50% Qualitative Goals 50% ICP Calculation 100% of ICP assigned to achievement of Company-wide financial metrics Individual performance factored into ICP calculation with individual multiplier and allocation of performance pool	$1.24 million, based on achievement of 100% of the qualitative goals and calculation of the ICP payout. ICP calculation based on Company performance, individual multiplier, and allocation of the performance pool. The aggregate payout amount was 121% of target, reflecting Mr. Singer s strong performance in 2011.
Peter Liguori, COO	$1 million 105% of base salary Additional special one-time bonus opportunity of $500,000, for leadership of joint venture	100% ICP Calculation 100% of ICP assigned to achievement of Company-wide financial metrics Individual performance factored into ICP calculation with individual multiplier and allocation of performance pool	$1.06 million, based on calculation of the ICP payout. ICP calculation based on Company performance and an individual multiplier at target. The aggregate payout amount was 101.4% of target. $250,000 payout, the guaranteed portion of the special bonus
Mark Hollinger, President and CEO, Discovery Networks International	$1.1 million 120% of base salary	100% ICP Calculation 80% of ICP assigned to achievement of international division financial metrics and 20% to Company-wide financial metrics Individual performance factored into ICP calculation with individual multiplier and allocation of performance pool	$1.62 million, based on calculation of the ICP payout. ICP calculation based on Company and international division performance, individual multiplier, and allocation of the performance pool. The aggregate payout amount was 135% of target, reflecting the international division s strong performance and Mr. Hollinger s outstanding individual performance in 2011.

Annual bonus compensation for the NEOs is paid under the Stock Plan and intended to qualify as performance-based compensation under Section 162(m). At the beginning of each year, the Subcommittee sets a Company performance criterion and a maximum annual bonus amount for each NEO and certain other senior executives as the initial step in structuring the bonus awards as performance-based under Section 162(m). If the performance criterion for the year is met, the actual bonus award for each NEO is subject to the Subcommittee s negative discretion (downward discretion).

The Subcommittee exercises its downward discretion based on each executive s individual performance and Company performance, calculated against target bonus amounts for each executive that are expressed as a percentage of salary. With respect to Messrs. Zaslav and Hendricks, the Subcommittee considered each

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executive s achievement of quantitative and qualitative goals set by the Committee. For Messrs. Liguori and Hollinger, the Subcommittee considered the amount each executive would have received had the bonus been calculated under the ICP. For Mr. Singer, the Committee considered the ICP metrics with respect to 50% of Mr. Singer s bonus, and achievement of qualitative goals with respect to the second 50%.

For 2011, the Subcommittee set the performance threshold at $930 million in Adjusted OIBDA for purposes of determining eligibility to receive payouts of the annual cash bonus opportunity. Mr. Zaslav s annual bonus opportunity was capped at a maximum of $10 million, and each of the remaining NEOs annual bonus opportunity was capped at a maximum of 250% of base salary (using base salary determined as of the first day of the year).

The Subcommittee adopted a similar structure for the performance-based portion of Mr. Liguori s special bonus related to his leadership of our OWN LLC joint venture and set a performance threshold of $503 million in Adjusted OIBDA, measured from April 1, 2011 to December 31, 2011.

The Subcommittee determined that both of these performance thresholds were met for 2011 and exercised its downward discretion to determine each NEO s specific bonus payment amount as discussed below.

Annual Cash Bonus Awards for Messrs. Zaslav and Hendricks

Messrs. Zaslav and Hendricks are each eligible for an annual cash bonus award based on achievement of Company financial and individual qualitative goals. The Committee approved the goals for each of the two executives in March 2011, with goals based 50% on quantitative financial goals and 50% on qualitative goals related to individual accomplishments.

Under his employment agreement, Mr. Zaslav s 2011 bonus target was $5 million.

Mr. Hendricks 2011 bonus target was $600,000 (60% of base salary), consistent with the terms of the Hendricks Letter. For more information regarding these agreements, see Executive Compensation Executive Compensation Arrangements, below.

The quantitative goals for Messrs. Zaslav and Hendricks were the same and based on:

- Net Revenue;
- Adjusted Free Cash Flow; and
- Further Adjusted OIBDA.

Net Revenue and Adjusted Free Cash Flow were the same quantitative measures used in the ICP, the annual cash bonus plan that applies to employees generally, but the quantitative metrics for Messrs. Zaslav and Hendricks also include a third measure, Further Adjusted OIBDA. The Committee determined that including the Further Adjusted OIBDA measure was appropriate for the CEO and Founder given the scope of their responsibilities and direct impact on resource allocation decisions.

The Committee approved one or more adjustments to each of the three measures in determining the achievement of the bonus metric for Messrs. Zaslav and Hendricks, and for the ICP, as further described below. The Committee consulted with the Board prior to approving the adjustments. The principle applied in deriving the adjustments resulting in Further Adjusted OIBDA and Adjusted Free Cash Flow is to ensure that the calculation reflects the impact of operational decisions taken by management, excludes the impact of events over which management has little or no influence, and excludes the impact of items that were not considered at the time the targets were set.

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Financial Metric	Definition	2011 Adjustments
Net Revenue	Revenue from ordinary business operations.	Adjustment to neutralize impact of additional licensing revenue due to an extended and expanded licensing agreement.
Adjusted Free Cash Flow	Cash provided by operations less acquisitions of property and equipment, adjusted for long-term incentive payments.	Adjustment to neutralize impact of the same licensing agreement described above. Additional adjustments were to reflect incremental investment in content and other items that were not considered at the time targets were set (total additional adjustments were less than 2% of actual achievement).
Further Adjusted OIBDA	Revenues less costs of revenues and selling, general and administrative expenses excluding: (i) mark-to-market share-based compensation, (ii) depreciation and amortization, (iii) amortization of deferred launch incentives, (iv) exit and restructuring charges, (v) impairment charges and (vi) gains (losses) on business and asset dispositions.	Adjustment to neutralize impact of the licensing agreement described above.

The quantitative goals were weighted to reflect equal emphasis on the three measures. For 2011, the quantitative targets, weighting and results were:

	Weighting	Threshold	Target	Actual Achievement
Net Revenue (millions)	33.3%	$ 3,281	$ 4,096	$ 4,149
Adjusted Free Cash Flow (millions)	33.3%	$ 935	$ 1,167	$ 1,676
Further Adjusted OIBDA (millions)	33.3%	$ 1,484	$ 1,853	$ 1,839

The Committee set individual qualitative goals for Messrs. Zaslav and Hendricks related to areas of strategic priority for the Company. Mr. Zaslav s goals, with weighting, were:

drive international growth and operational efficiency, including the effective use of capital to build a strong content presence in the local markets (15%);

execute on strategies for our emerging networks and joint ventures, including bringing on and/or developing strong leadership (15%);

produce quality content on brand for global use on the channels and digital platforms (15%);

manage and support continued growth at Discovery, TLC, and Animal Planet with a special emphasis on enduring series (15%);

develop a plan that emphasizes long term investment in content globally to support increased revenue (10%);

innovate to secure advertisers for cable platforms and digital. Grow revenue to outperform market (15%);

present to the Board a strategic plan (5%);

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- move business development to become a global function that provides a profitable acquisition growth strategy (5%); and
- build a robust succession plan for all leadership roles (5%).

The weighting was based on the Committee s determination of the relative priority of each of these goals.

Mr. Hendricks goals, with weighting, included:

- progress in global content sharing (20%);
- stimulus of content for emerging networks (20%);
- leadership in science content development (20%);
- support content that defines our mission to empower people to satisfy curiosity, to inspire and to enlighten (20%); and
- operating within the Company s mission (20%).

The weighting was based on the Committee s determination that each of these goals was of equivalent relative priority.

In early 2012, the Committee reviewed the achievement of the goals, considering each executive s assessment and the input of the Board. The Committee determined that the Company met or exceeded the Net Revenue and Adjusted Free Cash Flow goals, and achieved 99.3% of the Further Adjusted OIBDA goal. With respect to the qualitative goals, the Committee, in consultation with the Board, determined that Mr. Zaslav had achieved his qualitative goals at the 94.75% level and Mr. Hendricks had achieved his qualitative goals at the 95% level. Based on these assessments, the Subcommittee certified achievement of the performance criterion and exercised its downward discretion from the maximum bonus to determine that a bonus payment of $4.84 million to Mr. Zaslav and $581,000 to Mr. Hendricks was appropriate.

Annual Cash Bonus Payments for Messrs. Singer, Liguori and Hollinger

Messrs. Singer, Liguori and Hollinger are each eligible for an annual cash bonus award of a percentage of base salary. The financial metrics that applied to Messrs. Singer and Liguori under the ICP were based on Discovery s results as a whole. The financial metrics that applied to Mr. Hollinger were based 80% on the results of the Discovery Networks International line of business, and 20% on Company results as a whole. This is consistent with the general ICP program, in which employees are assigned to metrics based on the employee s role and organizational assignment.

For Mr. Singer, 50% of his annual bonus target was based on achievement of qualitative goals, as described below.

The aggregate amount payable to an individual under the ICP is calculated by:

- first, determining the target bonus of each employee (the pre-established percentage of the employee s base salary);
- second, establishing the amount payable due to the achievement of Discovery as a whole and any applicable line of business performance measures, as applied to the target bonus amount;

third, multiplying that amount by an individual multiplier (ranging from 0 to 1.5) that reflects individual performance; and

fourth, adding to the total payout amount a specific dollar amount that is an allocation of the performance pool. The performance pool is a total amount of money that is available to allocate to high performers if the applicable financial metrics are achieved at a level higher than 100% of target.

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The calculation of the amount of the ICP award for each of the participating NEOs was as follows:

(Target bonus) X (percentage based on achievement of Company performance metrics/percentage based on applicable line of business results) X (individual performance multiplier) + (allocation of any available performance pool based on individual performance)

In addition, Mr. Liguori was eligible for a special bonus opportunity related to his leadership of our OWN LLC joint venture. The bonus target was $500,000, with $250,000 guaranteed and $250,000 based on achievement of organizational and ratings goals for the joint venture. The guaranteed portion of this bonus is not exempt from the Section 162(m) deductibility limitations. This bonus is further described in Executive Compensation Executive Compensation Arrangements, below.

2011 ICP, Paid Out in March 2012

In the first quarter of 2011, the Committee established threshold (25% payout), target (100% payout) and maximum (150% payout) amounts for each of the ICP financial metrics, a ceiling beyond which higher payments would only be made relating to such metric at the Company s discretion and a scale that determined the amount payable for achievement of results in between the minimum and the overachievement amounts.

The 2011 ICP performance targets for the Company as a whole are set forth in the following table:

Discovery Communications	Weighting	Threshold	Target	Over Achievement	Actual Achievement
Net Revenue (millions)	40%	$ 3,686.4	$ 4,096.0	$ 4,505.6	$ 4,148.7
Adjusted Free Cash Flow (millions)	60%	$ 962.2	$ 1,167.0	$ 1,425.0	$ 1,168.4

The 2011 ICP performance targets for Discovery Networks International are set forth in the following table:

Discovery Networks International	Weighting	Threshold	Target	Over Achievement	Actual Achievement
Net Revenue (millions)	40%	$ 1,257.4	$ 1,397.1	$ 1,536.8	$ 1,433.0
Further Adjusted OIBDA (millions)	60%	$ 504.6	$ 630.3	$ 756.0	$ 666.0

The Net Revenue and Adjusted Free Cash Flow measures are the same measures used with respect to the annual cash bonus for Messrs. Zaslav and Hendricks and the Adjusted Free Cash Flow achievement was subject to the same adjustments discussed above.

The determination as to whether the 2011 financial performance measures were met was made during the first quarter of 2012 following the conclusion and review of the full-year 2011 audited financial statements. Both the international division and overall Company financial metrics exceeded 100% of target so a performance pool was available for allocation for the NEOs covered by the ICP. In the cases of Messrs. Singer, Liguori, and Hollinger, Mr. Zaslav recommended an individual multiplier to be applied to the ICP calculation. Mr. Zaslav also recommended allocation of the performance pool to Messrs. Singer and Hollinger, based on their strong 2011 performance. The Subcommittee reviewed this recommendation, each of these NEOs self-assessment of individual performance for 2011 and Mr. Zaslav s review of their 2011 performance that supported his recommendation of the individual multiplier. The Subcommittee certified achievement of the Section 162(m) performance criterion and exercised its downward discretion from the maximum bonus to determine a bonus payment of $1,064,700 for Mr. Liguori (101.4% of the target amount) and $1,622,368 for Mr. Hollinger (135% of the target amount).

With respect to Mr. Singer s 2011 bonus, the Subcommittee also reviewed the achievement of Mr. Singer s qualitative goals. Mr. Singer s goals made up 50% of his bonus opportunity and, with weighting, were:

provide effective internal customer support (40%);

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- implement an effective organizational structure (10%);
- establish an appropriate capital structure (10%);
- achieve investor goals and ensuring timely, relevant, and accurate presentations (10%);
- determine an appropriate tax structure (10%); and
- work effectively with the Board and Compensation Committee to implement a sound financial goal setting process and assessment of Discovery s performance in the industry (20%).

In early 2012, the Committee reviewed the achievement of these goals. The Committee, in consultation with Mr. Zaslav, determined that Mr. Singer had achieved the qualitative goals at the 100% level. The Subcommittee certified achievement of the Section 162(m) performance criterion and exercised its downward discretion from the maximum bonus to determine that a bonus payment of $1,342,206 to Mr. Singer was appropriate (an aggregate payout amount of 121% of the target amount).

With respect to Mr. Liguori s special bonus, the Committee determined to pay out $250,000, the amount of the bonus opportunity that was guaranteed under Mr. Liguori s employment agreement.

Please refer to the Estimated Future Payouts Under Non-Equity Incentive Plan Awards column of the Grants of Plan Based Awards Table for more information regarding the range of 2011 payouts available to these NEOs and the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table for the actual amounts paid to them with respect to their 2011 awards.

Long-Term Incentive Compensation

We believe that delivering a substantial portion of an executive s total direct compensation in equity or equity-type awards helps to align our executives interests with those of our stockholders. In 2011, we made long-term equity or equity-type awards to each of the NEOs, which we believe serves to focus their attention on increasing the Company s value over time. With respect to Messrs. Singer, Liguori, and Hollinger, the Committee determined a target amount for the 2011 long-term incentive (LTI) awards, which was then converted into a number of stock options and PRSUs (50% of the target value in stock options, 50% in PRSUs, as described under Stock Plan, below). The awards for Messrs. Zaslav and Hendricks were based on the provisions of their employment agreements, which required a number of units rather than a dollar-value target amount. The following chart summarizes the equity award design for each NEO. Because the awards for Messrs. Zaslav and Hendricks were based on a number of units rather than an overall target value, we have included the fair market value as of the date of grant for their awards in the column that specifies the 2011 target amount for the other NEOs.

NEO	2011 Target Amount or FMV	2011 LTI Awards	Design
David Zaslav, CEO	$23.9 million (fair market value at time of grant)	2,326,841 DAP units	A one-for-one replenishment of DAP units that matured and paid out as of the grant date. The units mature and pay out in four equal tranches, 25% each year, as of the first four anniversaries of the date of grant. The amount of the payout, if any, is based on the appreciation in our stock price over the price at grant.

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NEO	2011 Target Amount or FMV	2011 LTI Awards	Design
	$20.3 million (fair market value at time of grant)	523,764 PRSUs	The PRSUs vest in 2013 if the Company achieves targets for revenue, Adjusted OIBDA, and Free Cash Flow over a three-year performance period (FY 2011-2013). Both awards were required by Mr. Zaslav s employment agreement, as further described below.
John Hendricks, Chairman and Founder	$6.9 million (fair market value at time of grant)	497,071 stock options	Stock options vest 25% each year on the first four anniversaries of the date of grant and expire on the eighth anniversary of the date of grant. This award was required by the terms of the Hendricks Equity Stake Transition Agreement, as further described below.
Bradley Singer, CFO	$1.9 million	63,903 stock options	Stock options vest 25% each year on the first four anniversaries of the date of grant and expire on the seventh anniversary of the date of grant.
		25,170 PRSUs	The PRSUs vest if the Company achieves targets for revenue, Adjusted OIBDA, and Free Cash Flow over a three-year performance period (FY 2011-2013). 50% are distributed on the third anniversary (assuming that performance metrics are met). If the performance metrics are met and the initial 50% vests, the remaining 50% vests on the fourth anniversary of the date of grant. Vesting is contingent upon meeting requirements of continued employment.
Peter Liguori, COO	$2.5 million	79,879 stock options	Same stock option and PRSU design as the awards made to Mr. Singer.
		31,463 PRSUs	
Mark Hollinger, President & CEO, Discovery Networks International	$3 million	95,855 stock options	Same stock option and PRSU design as the awards made to Mr. Singer.
		37,755 PRSUs	

The Subcommittee s intent is to make equity awards annually in March of each year, with new hire and promotion grants made throughout the year in the Subcommittee s regular meetings, generally on or about the 15th of each month. In 2011, this resulted in the practice of holding regularly-scheduled Subcommittee meetings on or about the 15th day of each month and making awards at each meeting, with the exercise price equal to the

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closing price of our Series A common stock as of the date of grant. On occasion for administrative convenience, we may make a grant with a future effective date, with the grant price set on the future effective date. This occurred in 2011 with respect to Mr. Hendricks award of stock options, which was required to be made as of October 1, 2011, under the terms of the Hendricks Equity Stake Transition Agreement. The Subcommittee approved the award at its regular meeting on September 15, 2011, to be effective on October 3, 2011, and with a grant price equal to the closing price of our Series A common stock as of October 3, 2011. The grant was made effective October 3 rather than October 1 because October 1 occurred on a Saturday.

Our practice of setting fixed equity award grant dates is designed to avoid the possibility that the Company could grant stock awards prior to the release of material, nonpublic information which is likely to result in an increase in its stock price, or to delay the grant of stock awards until after the release of material, non-public information that is likely to result in a decrease in the Company s stock price. The exercise price of stock option awards and measurement price of cash-settled stock appreciation rights were set at the closing price per share of the Company s Series A common stock on the Nasdaq on the date the awards were granted, or for grants made with future effective dates, as of that date.

Discovery Appreciation Program

The DAP is a long-term incentive plan that is designed to reward for increases in the market value of our Series A common stock. The DAP is consistent with our pay for performance principles because these awards are designed to focus the attention of executives on increasing Company value over time, which in turn aligns the interests of executives with our stockholders.

The DAP is the plan that Discovery Communications, LLC (DCL) administered prior to becoming a public company and that tracked the market value of DCL s predecessor, Discovery Holding Company. After we became a public company, we generally stopped making awards under the DAP and began making equity awards under the Stock Plan to allow for more flexibility in the types of awards (such as the ability to make PRSU grants to senior executives). We continued making awards under the DAP only when required by individual employment agreements, as was the case with Mr. Zaslav. Mr. Zaslav was the only NEO who received a DAP award in 2011. The substantial amount of compensation delivered in the form of performance-based equity and equity-type awards is designed to reward Mr. Zaslav for increasing Company value over time, aligning his interests with those of our stockholders. We amended Mr. Zaslav s employment agreement in December 2011 to eliminate awards under the DAP after 2011; this agreement and amendment are further described in Executive Compensation Executive Compensation Arrangements, below.

DAP awards consist of a number of units that represent an equivalent number of shares of Discovery Series A common stock and a base price that is determined based on the average of the closing stock prices of the Series A common stock on the Nasdaq Global Select Market over the 10 trading days immediately preceding and including the grant date and the 10 trading days immediately following the grant date. Each award vests as to 25% of the units on each of the four anniversaries of the date of grant, assuming continued employment. With respect to the DAP awards granted to Mr. Zaslav in 2011, as required by his employment agreement, on each vesting date, if Mr. Zaslav is employed by Discovery or any of its subsidiaries, he will be entitled to receive a cash payment equal to the product of (x) the number of units that vested on that date, multiplied by (y) the difference between the base price and the average stock price on the vesting date, calculated as described above.

Prior to becoming a public company, it had been the Company s practice under the DAP that, subject to the absence of any performance issues on the part of the applicable participant, each participant would receive a replenishment award on the date a tranche of DAP units matured. The replenishment award would be a new award of a number of units equal to the number of units that vested on that maturity date. This replenishment practice was included in Mr. Zaslav s employment agreement, and continued when the agreement was amended in September 2009 to extend the term of Mr. Zaslav s employment, so that he is contractually entitled to a DAP replenishment grant upon the maturity of a number of DAP units during the term of his agreement.

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On January 2, 2011, Mr. Zaslav received a new DAP award of 1,861,473 units, to replace the number of DAP units that matured as of that date. This award is included in the Summary Compensation Table in the Option Awards column. Although we did not make any new DAP awards to NEOs other than Mr. Zaslav in 2011, unvested DAP awards from prior years continue to vest and to pay out. Messrs. Hendricks and Hollinger, as well as Mr. Zaslav, received DAP payouts in 2011 from existing grants. The dollar amounts paid to the NEOs in 2011 on account of previously vested DAP awards are reported in the Option Exercises and Stock Vested in 2011 table.

Stock Plan

Generally. The Stock Plan is an equity-based long-term incentive plan and the primary vehicle for long-term incentive compensation for Company employees after we became a public company. The Committee has delegated the authority to make awards under the Stock Plan to the Subcommittee.

In 2011, the Committee approved a general design under which we make equity awards to our senior executives, which applied to the awards made to Messrs. Singer, Liguori and Hollinger. This involves setting a target value for the equity award that is converted into a number of stock options (based on the Black-Scholes value of the stock option) and PRSUs (based on the closing price of Discovery Series A common stock on the Nasdaq Global Select Market). In 2011, it was the Subcommittee s practice to use the Black-Scholes valuation of the stock options as of the last trading day of the month prior to the date of grant and the closing price of the PRSUs as of the trading day before the date of grant with respect to these calculations. This administrative practice allows more efficient processing of equity grants and, with respect to stock options, the ability of the Subcommittee to review the actual number of units at the time the grant is made.

The stock option awards have a four-year vesting schedule, become exercisable in equal tranches of 25% on the first four anniversaries of the date of grant, expire on the seventh anniversary of the date of grant, assuming continued employment, and are otherwise consistent with the terms of the Stock Plan and award agreement. The PRSU awards vest in two equal tranches, the first 50% on the third anniversary of the date of grant and the remaining 50% on the fourth anniversary, assuming continued employment and otherwise consistent with the terms of the Stock Plan and award agreement. Vesting of the PRSU awards is contingent on meeting Company financial performance metrics for revenue, Adjusted OIBDA, and Free Cash Flow, for a three-year performance period. The Committee adopted this design after reviewing market trends and best practices and concluding that a balance of stock options and PRSUs would:

- provide the appropriate incentives;
- link the interests of our senior executives to our stockholders, focusing our senior executive on longer-term Company financial goals;
- serve as a retention tool; and
- allow for tax deductibility of the equity awards as performance-based.

The PRSU awards are intended to qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code and follow a similar structure to that of the annual bonus design. At the beginning of each year, the Subcommittee sets a Company performance criterion and a maximum number of PRSUs for each NEO and certain other senior executives as the initial step in structuring the awards as performance-based under Section 162(m). If the performance criterion for the three-year performance period is met, the actual number of PRSUs distributed to each NEO is subject to the Subcommittee s negative discretion (downward discretion). The maximum amount of the PRSU award is the target amount. There is no upside for over-performance, which the Committee determined was appropriate to discourage excessive risk-taking by our senior executives.

Once the Subcommittee determines the performance criterion is met, the Subcommittee exercises its downward discretion based on Company performance against the revenue, Adjusted OIBDA, and Free Cash Flow targets.

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For the 2011 PRSU awards made to NEOs, the Subcommittee set the performance threshold at $2.9 billion in Adjusted OIBDA over the three-year performance period. The performance metrics to be used by the Subcommittee in its exercise of downward discretion are based on revenue, Adjusted OIBDA, and Free Cash Flow. Over-performance on the Adjusted OIBDA or Free Cash Flow measures may offset under-performance by any of the other two metrics, but over-performance on the revenue metric cannot offset under-performance on the other two metrics. The metrics and weighting are as follows:

		Performance Against Target								
	Weight	**120%**	**110%**	**105%**	**100%**	**95%**	**90%**	**85%**	**81%**	**80%**
Revenue *(millions)*	20%	15,396	14,113	13,472	12,830	12,189	11,547	10,906	10,328	10,264
Adjusted OIBDA *(millions)*	40%	7,040	6,454	6,160	5,867	5,574	5,280	4,987	4,723	4,694
Free Cash Flow *(millions)*	40%	4,055	3,717	3,548	3,379	3,210	3,041	2,872	2,720	2,703

Examples of offsetting over-performance of Adjusted OIBDA and Free Cash Flow (overall payout capped at 100%):

	120%	**110%**	**105%**	**100%**	**95%**	**90%**	**75%**	**50%**	**0%**
Revenue (no upside)	20%	20%	20%	20%	19%	18%	15%	10%	0%
Adjusted OIBDA	48%	44%	42%	40%	38%	36%	30%	20%	0%
Free Cash Flow	48%	44%	42%	40%	38%	36%	30%	20%	0%
TOTAL (max 100%)	100%	100%	100%	100%	95%	90%	75%	50%	0%

LTI Awards for Messrs. Singer, Liguori and Hollinger

Mr. Singer: In March 2011, the Subcommittee approved an equity award for Mr. Singer in the target amount of $2 million. Pursuant to the design approved by the Committee, this was calculated to provide grants of stock options and PRSUs. The target value recognized Mr. Singer s strong performance and also considered the market data with respect to the size of long-term incentive awards for the peer group companies. After the equity award, Mr. Singer s total direct compensation was between the 50^{th} and 75^{th} percentile for CFOs in the peer group.

Mr. Liguori: In March 2011, the Subcommittee approved an equity award for Mr. Liguori in the target amount of $2.5 million. Pursuant to the design approved by the Committee, this was calculated to provide grants of stock options and PRSUs. This target value considered the market data with respect to the size of long-term incentive awards for the peer group companies. After the equity award, Mr. Liguori s total direct compensation was near the median.

Mr. Hollinger: In March 2011, the Subcommittee approved an equity award for Mr. Hollinger in the target amount of $3 million. Pursuant to the design approved by the Committee, this was calculated to provide grants of stock options and PRSUs. The target value recognized Mr. Hollinger s strong performance and also considered the market data with respect to the size of long-term incentive awards for the peer group companies. After the equity award, Mr. Hollinger s total direct compensation was above the 75^{th} percentile for Division Presidents in the peer group.

Awards Under the Stock Plan for Messrs. Zaslav and Hendricks

Mr. Zaslav: Mr. Zaslav s employment agreement required that we make an award of PRSUs in 2011, with a number of units calculated in accordance with the formula specified in that agreement and described in Executive Compensation Executive Compensation Arrangements, below. In March 2011, the Subcommittee awarded Mr. Zaslav 627,775 PRSUs. Under the employment agreement, this award vests in 2014 if the Company meets financial metrics for cumulative three-year performance in 2011-2013. The performance threshold and

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three-year performance metrics are the same as those applied to the PRSU awards for the other NEOs (and as specified above), but the payout scale is different. As with the awards made to other NEOs, over-performance on the Adjusted OIBDA or Free Cash Flow measures may offset under-performance by any of the other two metrics, but over-performance on the revenue metric cannot offset under-performance on the other two metrics. The metrics and weighting are as follows:

		Performance Against Target								
	Weight	**120%**	**110%**	**105%**	**100%**	**95%**	**90%**	**85%**	**81%**	**80%**
Revenue (millions)	20%	15,396	14,113	13,472	12,830	12,189	11,547	10,906	10,328	10,264
Adjusted OIBDA (millions)	40%	7,040	6,454	6,160	5,867	5,574	5,280	4,987	4,723	4,694
Free Cash Flow (millions)	40%	4,055	3,717	3,548	3,379	3,210	3,041	2,872	2,720	2,703

Examples of offsetting over-performance of Adjusted OIBDA and Free Cash Flow (overall payout capped at 100%):

	120%	**110%**	**105%**	**100%**	**100%**	**100%**	**90%**	**80%**	**0%**
Revenue (no upside)	20%	20%	20%	20%	20%	20%	18%	16%	0%
Adjusted OIBDA	48%	44%	42%	40%	40%	40%	36%	32%	0%
Free Cash Flow	48%	44%	42%	40%	40%	40%	36%	32%	0%
TOTAL (max 100%)	100%	100%	100%	100%	100%	100%	90%	80%	0%

Mr. Hendricks: The Equity Stake Transition Agreement requires that we make stock option awards to Mr. Hendricks, one-for-one for the number of DAP units that mature each year. On October 3, 2011, the Subcommittee awarded Mr. Hendricks a stock option award for 497,071 shares, with an exercise price of $36.73, the closing price of our Series A common stock as of the date of grant. The number of stock options was based on the number of DAP units maturing as of October 1, 2011, as required by the Equity Stake Transition Agreement and with terms consistent with the Equity Stake Transition Agreement. The grant was made on October 3 rather than October 1 because October 1 occurred on a Saturday.

Retirement Benefits

The NEOs generally participate in the same benefit plans and on the same terms as offered to other U.S.-based full-time employees. We offer a 401(k) defined contribution plan as well as a non-qualified Supplemental Deferred Compensation Plan (the SRP) that is available to U.S.-based senior employees, including all of the NEOs. The NEOs participate in these plans on the same terms and conditions as other eligible employees.

To encourage participation in the 401(k) plan, the Company makes a matching contribution of (i) 100% of the employee s first 3% of salary contributions to the defined contribution plans and (ii) 50% of the employee s next 3% of salary contributions, up to a maximum amount of 4.5% of Company matching contributions, subject to certain limits under applicable tax regulations. We also make a supplemental contribution into the SRP for those employees whose base salary exceeds the IRS compensation limit under the 401(k) regulations. This Company contribution uses the same formula applied for the 401(k) match (4.5%) and is applied to the base salary in excess of the IRS limit (for 2011, this was $245,000), up to a maximum of $1 million in base salary. Participants in the SRP are also permitted to defer portions of payouts under the DAP and ICP awards into their SRP accounts. These amounts are not included in the calculation of the supplemental Company contribution into the SRP. The 401(k) and SRP accounts offer the same investment options, with the amounts actually invested for the 401(k) plan and with earnings measured hypothetically for the SRP.

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We believe the SRP is necessary to allow employees who would otherwise be limited by IRS restrictions on the amount of compensation that may be considered in participation in the Company s 401(k) plan to:

- save a proportionate amount for retirement;
- provide the same Company contribution amount to these employees that they would have received absent the IRS compensation limits in the 401(k) plan; and
- support the goals of providing competitive compensation packages to our employees.

For more information about the SRP, please refer to the Non-Qualified Deferred Compensation Table below.

Health, Welfare and Other Personal Benefits

The NEOs are eligible to participate in the health, welfare and fringe benefits generally made available by the Company to its U.S.-based regular full-time employees, such as basic and supplemental life insurance, short and long-term disability, commuter reimbursement, fitness reimbursement and access to legal resources. Employees at the level of vice president and above, including the NEOs, are also eligible to participate in executive-level long-term disability and long-term care plans.

In addition, we provide the following perquisites and other personal benefits to our NEOs:

Relocation Expenses; Related Gross-Up. Consistent with our objective to attract and retain a high-performing executive management team, we actively recruit top-notch candidates from all over the country to fill executive level openings and will reimburse the newly hired executive for relocation costs and pay the executive an amount equal to the tax resulting from the reimbursement (a gross-up). Mr. Liguori was hired in 2010 and his employment agreement provides for relocation benefits in 2011 or 2012. In 2011, we asked Mr. Liguori to work at our California offices and the offices of one of our joint ventures. We provided a miscellaneous expense payment designed to defray, in part, the cost to Mr. Liguori of an apartment he had rented near our Maryland headquarters for the time period that we requested him to work in California. We also reimbursed him for storage of household goods once his Maryland-area apartment lease ended, again based on our request that he work in our California offices. These transition expenses and related gross-ups are reflected in the Summary Compensation Table.

Aircraft Usage; Related Gross-Up. We have an agreement with NetJets Inc. pursuant to which we lease the right to a specified amount of travel each calendar year on NetJets aircraft. We allow Messrs. Zaslav and Hendricks to use a portion of our allotted travel time on NetJets aircraft for personal use. Personal use of the aircraft by each of these two NEOs is limited to $157,000 of aggregate incremental cost per calendar year, inclusive of all incremental costs associated with any personal guests that may accompany him on flights. Excluded from this limitation on personal flight time is personal use of the aircraft where we request that family members or guests accompany Messrs. Zaslav or Hendricks on a business trip. Mr. Zaslav is also permitted to use the NetJets aircraft for some trips that are considered commuting for tax purposes but that we consider to be consistent with Company business requirements, as further explained below.

In general, we do not permit Mr. Zaslav to use the NetJets aircraft for commuting, which we view as flights between New York and Maryland that occur at the beginning or end of the work week. In some circumstances, however, we allow Mr. Zaslav to use the NetJets aircraft for travel between New York and Maryland if we determine that it supports our business needs. This situation generally arises because Mr. Zaslav is in Maryland at the beginning of the work week and is required to return to New York for a mid-week business commitment, or stays in New York for the beginning of the work week for a business commitment. In some cases, this type of travel may be reported as a perquisite in our Summary Compensation Table and may be considered commuting for tax purposes. To allow Mr. Zaslav to attend to the regular Company business commitments that he has in New York without limiting his travel options, we allow him to use NetJets aircraft for this type of travel. We also gross up any imputed income associated with travel that is approved for this treatment.

Family members may accompany Messrs. Zaslav and Hendricks on authorized NetJets business flights at no aggregate incremental cost to the Company. For 2011, we provided a gross-up to Messrs. Zaslav and Hendricks to cover taxes for imputed income arising when a family member accompanied the executive on business travel at the request of the Company. In addition, we provided Mr. Zaslav a gross-up to cover taxes arising from his mid-week travel that we treated as commuting.

Mobile Access. We reimburse Messrs. Zaslav and Hendricks for limited home office expenses, including monthly satellite, cable and related television charges and Internet access.

Car Allowance. We provide Mr. Zaslav with a monthly car allowance as provided in his employment agreement.

Split Dollar Life Insurance. The Company historically has maintained a split dollar life insurance policy for Mr. Hendricks. In 2011, Mr. Hendricks requested and the Committee approved that the Company convert the arrangement to a non-equity endorsement structure. As a result of this change, Mr. Hendricks had a one-time recognition of income equal to the difference in the then-current cash surrender value and premiums paid by the Company as of the conversion date. This amount is reflected in the All Other Compensation column of the Summary Compensation table.

For more information regarding the perquisites provided in 2011 to each NEO, please refer to the All Other Compensation column of the Summary Compensation Table.

Executive Stock Ownership Policy

In 2012, the Committee adopted an executive stock ownership policy that applies to the NEOs and certain other senior executives. The policy is effective March 15, 2012 and requires each covered executive to hold a specified amount of our stock, calculated as a multiple of the executive s base salary, as described in the table below.

Title	Requirement (multiple of base salary)	Timeframe to reach (from later of effective date or becoming covered by policy)
CEO and Founder	5X	5 years
Covered executive with LTI target grant value >1X of base salary	2X	5 years
Covered executive with LTI target grant value <1X of base salary	1X	6 years

The Committee determined that any shares of our stock beneficially owned by the covered executive, as well as unvested awards of PRSUs and Restricted Stock Units (RSUs), would be counted for purposes of meeting the stock holding target. Once an executive meets the target, the executive is expected to maintain holdings at the target for as long as he or she remains in a role that is identified as a covered executive under the policy.

The Committee may consider failure to meet the requirements of the policy in making compensation decisions for a covered executive, and may take any other action appropriate to support the intent of the policy, including requiring an executive to retain a percentage of shares pursuant to stock option exercises or vesting events in future years.

Clawback Policy

All employees are subject to a clawback policy, adopted by the Committee in 2010. Under this policy, in addition to any other remedies available to the Company (but subject to applicable law), if the Board, or the

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Committee, determines that any employee has engaged in fraud or misconduct that resulted in a financial restatement, the Company may recover, in whole or in part, any bonus or other incentive-based or equity-based compensation, received by the employee from the Company in the 12 months after the filing of the financial statement that was found to be non-compliant. The Committee determined that it was appropriate to adopt the policy to provide a further deterrent to fraudulent activity.

Say on Pay and Say When on Pay

At the Company s Annual Meeting of Stockholders held on May 17, 2011, we held an advisory vote on executive compensation and an advisory vote on the frequency of future executive compensation advisory votes. A majority of stockholders voted in favor of the Company s executive compensation and in favor of providing stockholders with an advisory vote on future executive compensation every three years. In light of the voting results and other factors, the Board determined to provide stockholders with an advisory vote on future executive compensation every three years. Accordingly, the next advisory vote on executive compensation will occur at the Annual Meeting of Stockholders to be held in 2014.

EXECUTIVE COMPENSATION

The following tables set forth compensation information for our Chief Executive Officer, our Chief Financial Officer and our three other most highly compensated executive officers (computed in accordance with the SEC s rules) who were serving as executive officers as of December 31, 2011.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)(3)	All Other Compensation ($)(4)	Total ($)
David M. Zaslav	2011	2,961,539		20,301,093	23,873,389	4,837,719	430,379(5)	52,404,119
President and Chief Executive	2010	2,000,000		20,333,632	15,412,996	4,410,000	432,668	42,589,296
Officer	2009	2,000,000			5,483,457	3,900,000	272,393	11,655,850
Bradley E. Singer	2011	1,018,034		975,589	919,564	1,235,575	50,125	4,198,887
Senior Executive Vice President	2010	988,383		850,011	850,003	1,342,206	49,292	4,079,895
and Chief Financial Officer	2009	846,731			2,282,745	1,458,986	1,170,780	5,759,242
John S. Hendricks	2011	1,000,000			6,899,345	581,276	411,462(6)	8,892,083
Founder and Chairman of the	2010	1,000,000			7,697,561	588,000	260,864	9,546,425
Board	2009	1,000,000			15,459,181	600,000	238,327	17,297,508
Mark G. Hollinger	2011	1,000,000		1,463,384	1,379,353	1,622,368	54,255(8)	5,519,360
President and CEO,	2010	1,000,000		1,500,013	1,500,001	1,551,208	51,495	5,602,717
Discovery Networks	2009	1,000,000			3,453,927	1,587,520	48,530	6,089,977
International(7)								
Peter Liguori(9)	2011	1,000,000	250,000	1,219,506	1,149,459	1,064,700	118,272(10)	4,801,937
Former Chief Operating Officer	2010*	919,231	200,000	1,250,027	1,250,003	1,090,964	222,330	4,932,555

* Partial year.

(1) The dollar amounts in this column represent the grant date fair value compensation expense, computed in accordance with FASB ASC Topic 718, of performance restricted stock unit (PRSU) awards. For each of the PRSU awards, the grant date fair value is calculated using the closing price of our Series A common stock on the grant date as if these awards were fully vested and issued on the grant date. There can be no assurance that these grant date fair values will ever be realized by the NEOs. See the Grants of Plan-Based Awards in 2011 table below for information on PRSU awards made in 2011.

(2) The dollar amounts in this column reflect the grant date fair value computed in accordance with FASB ASC Topic 718 with respect to the DAP awards, cash-settled stock appreciation rights and option awards granted to our NEOs for each of the applicable fiscal years. See Note 13 to our Annual Report on Form 10-K for information regarding the assumptions used in determining the value of the option awards. For the DAP awards and cash-settled stock appreciation rights, we also calculate the grant date fair value using the Black-Scholes model, using the assumptions described in Note 13 to our Annual Report on Form 10-K. These amounts do not reflect actual payments made to our NEOs. There can be no assurance that the full grant date fair value will ever be realized by any NEO.

(3)

These amounts reflect the cash performance awards earned by the applicable NEO under Discovery s 2005 Incentive Plan, which is more fully described under Compensation Discussion and Analysis Compensation Decisions 2011 ICP, Paid Out in March 2012 above. The 2011 award amounts were determined and paid out during the first quarter of 2012, the 2010 award amounts were determined and paid out during the first quarter of 2011 and the 2009 awards were determined and paid out during the first quarter of 2010.

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(4) We offer executives basic life insurance as well as executive level disability and long-term care coverage. We also offer matching contributions to an executive s 401(k) plan and contributions to the supplemental retirement plan, subject to certain limitations. Below are the payments made on behalf of the NEOs to the foregoing plans in 2011:

			Matching Contributions	
	Basic Life ($)	Disability/Long Term Care ($)	401(k) ($)	SRP ($)
Mr. Zaslav	1,020	6,469	11,025	33,975
Mr. Singer	1,020	4,105	11,025	33,975
Mr. Hendricks	1,020	0	11,025	33,975
Mr. Hollinger	1,020	6,344	11,025	33,975
Mr. Liguori	1,020	5,218	11,025	33,975

For more information regarding these benefits, please see Compensation Discussion and Analysis Retirement Benefits and Health, Welfare and Other Personal Benefits above.

(5) This amount includes $156,891 for personal use of aircraft (including family travel and flights deemed commuting for which Mr. Zaslav is not provided a tax gross-up), $89,639 for travel that is treated for tax purposes as commuting but that we consider business travel and family travel at our request for business purposes and $9,980 for related tax gross-ups for the commuting and family travel. See Compensation Discussion and Analysis Health, Welfare and Other Personal Benefits Aircraft Usage; Related Gross-Up above for more information regarding our policies for Mr. Zaslav s use of our allotted travel on the NetJets aircraft. Also includes $15,798 for non-flight travel and other commuting expenses and $13,577 for related tax gross-ups. Also included in the table are $16,800 for a car allowance and $11,329 in respect of home office expenses. The table also includes $41,299 for personal security services provided to Mr. Zaslav for personal and business overseas travel that we provided after consulting with an independent security company, and $22,577 in related tax gross-ups for the security services provided for the personal travel.

(6) This amount includes $156,799 for personal use of aircraft for which Mr. Hendricks is not provided a tax gross-up, $63,010 for family and business associate travel at our request for business purposes and $23,252 for related tax gross-ups for the family and business associate travel. See Compensation Discussion and Analysis Health, Welfare and Other Personal Benefits Aircraft Usage; Related Gross-Up above for more information regarding our policies regarding Mr. Hendricks use of our allotted travel on the NetJets aircraft. Also included in the table is $1,970 in respect of home office expenses and $120,411 for a split-dollar life insurance policy consisting of a $70,262 one-time imputed income amount due to the transition of Mr. Hendricks insurance benefits and $50,149 of premium payments. See Compensation Discussion and Analysis Health, Welfare and Other Personal Benefits Split Dollar Life Insurance above for more information on the transition of Mr. Hendricks life insurance policy.

(7) Mr. Hollinger was named President and Chief Executive Officer of Discovery Networks International in December 2009. Prior to that time, he was the Chief Operating Officer of Discovery.

(8) Includes amounts with respect to family travel at our request for business purposes.

(9) Mr. Liguori joined the Company on January 19, 2010 and terminated employment with the Company on December 31, 2011.

(10) This amount includes $6,480 in relocation expenses and a one-time payment of $60,000 intended to defray Mr. Liguori s ongoing costs in renting his Washington, DC apartment while he continued to work in our Los Angeles office as his primary business location, as provided in an amendment to his employment agreement. Also includes amounts with respect to personal travel.

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Grants of Plan-Based Awards in 2011

		Estimated Possible Payouts Under Non-Equity Incentive Plan Awards			Estimated Possible Payouts Under Equity Incentive Plan Awards					
Name	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**All Other Option Awards: Number of Securities Underlying Options (#)**	**Exercise or Base Price of Option Awards ($/Sh)**	**Grant Date Fair Value of Stock and Option Awards($)**
David M. Zaslav	(1)		5,000,000	10,000,000						
	1/2/2011							2,326,841[2]	41.17	23,873,389
	3/16/2011				424,249[3]	523,764[3]				20,301,093
Bradley E. Singer	(1)		1,023,768	2,559,420						
	3/16/2011							63,903[4]	38.76	919,564
	3/16/2011				20,136[5]	25,170[5]				975,589
John S. Hendricks	(1)		600,000	2,500,000						
	10/3/2011							497,071[6]	36.73	6,899,345
Mark G. Hollinger	(1)		1,200,000	2,500,000						
	3/16/2011							95,855[4]	38.76	1,379,353
	3/16/2011				30,204[5]	37,755[5]				1,463,384
Peter Liguori	(1)		1,050,000	2,500,000						
	3/16/2011							79,879[4]	38.76	1,149,459
	3/16/2011				25,171[5]	31,463[5]				1,219,506

(1) These amounts reflect the possible payouts with respect to awards of annual cash bonus under the Stock Plan (as defined herein) for performance in 2011. Each NEO is assigned a target bonus amount and is eligible to receive an annual cash bonus award of up to 400% of base salary for Mr. Zaslav and 250% of base salary for all other NEOs, subject in each case to the Subcommittee s authority to exercise downward discretion and the Stock Plan s $10 million limit. The amounts of annual cash bonus awards actually paid for performance in 2011 are disclosed in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table above. For more information regarding the terms of these annual cash bonus awards and the factors used by the Subcommittee in exercising its downward discretion, please see Compensation Discussion and Analysis 2011 Compensation Decisions Annual Cash Bonus Awards.

(2) Reflects the number of units granted under a DAP award. The award vests as to 25% of the units on each anniversary of the grant date and is automatically payable in cash following vesting.

(3) This amount represents PRSUs granted pursuant to the terms of Mr. Zaslav s employment agreement. The vesting of the PRSUs is based on three-year performance metrics. A full tranche of the PRSUs will be earned only upon full (100%) achievement of the target for each performance metric. If Mr. Zaslav s performance relative to the targets is less than 80% of such targets, then no portion of the tranche will be earned; and if Mr. Zaslav s performance relative to the targets is between 80% and 100%, then the amount of the tranche earned shall be prorated from 0% to 100%. To the extent a tranche is earned, 60% will be paid in the year following the end of the three-year performance period. The remaining 40% of each earned tranche will be distributed as follows: (a) if Mr. Zaslav remains employed as our chief executive officer after February 1, 2015, in three equal installments in each of 2015, 2016 and 2017, or (b) if Mr. Zaslav separates from service on or prior to February 1, 2015, in two equal installments in each of 2015 and 2016. For more details regarding vesting and performance criteria for these PRSUs, please see Compensation Discussion and Analysis Long-Term Incentive Compensation.

(4) These amounts represent stock options that will vest 25% per year for four years on the anniversary of the grant date and expire on March 16, 2018.

(5) These amounts represent PSRU awards. The PRSUs vest if we achieve certain three-year performance targets. Of the grant, 50% will be distributed on each of the third and fourth anniversaries of grant, assuming the achievement

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of the three-year performance targets. For more information regarding these awards, including the performance targets, please see Compensation Discussion and Analysis Long-Term Incentive Compensation.

(6) These amounts represent stock options that will vest 25% per year for four years beginning on the first anniversary of the grant date and expire on October 3, 2018.

Outstanding Equity Awards at Fiscal Year-End

	Option Awards				Stock Awards	
Name	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)**	**Option Expiration Date**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)**	**Equity Incentive Plan Awards: Grant Date Market Value or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)**
David M. Zaslav		298,981	22.91	[1]		
		744,589	14.34	[1]		
		1,396,105	31.69	[1]		
		2,326,841	41.17	[1]		
					627,775[2]	20,333,632
					523,764[2]	20,301,093
Bradley E. Singer	91,277	202,094	17.72	10/01/2015[3]		
		170,000	15.34	03/10/2016[4]		
	17,827	53,482	32.39	03/15/2017[5]		
	—	63,903	38.76	03/16/2018[6]		
					26,243[7]	850,011
					25,170[7]	975,589
John S. Hendricks	2,451,216	1,427,073	14.53	10/01/2018[8]		
	622,283	622,284	28.91	10/01/2018[9]		
	124,267	372,804	43.27	10/01/2018		