

## OXFORD IMMUNOTEC GLOBAL PLC

<b>MEETING DATE</b>	Tue, 06 Jun 2017 11:00 am	<b>TYPE</b>	AGM	<b>ISSUE DATE</b>	Mon, 22 May 2017
<b>MEETING LOCATION</b>	Milton Park Innovation Centre, Thames Room, 99 Park Drive, Milton Park, Abingdon, OX14 4RY				
<b>CURRENT INDICES</b>	PIRC Global				
<b>SECTOR</b>	In vitro and in vivo diagnostic substances				

<b>PROPOSALS</b>		<b>ADVICE</b>
<b>1</b>	<b>Elect Patrick J. Balthrop, Sr.</b> Independent Non-Executive Director.	<b>For</b>
<b>2</b>	<b>Elect Patricia Randall</b> Non-Executive Director. Not considered independent as she was previously the General Counsel of the Company. However, there is sufficient independent representation on the Board. She is chair of the Nomination Committee and less than 20% of the Board are women which Triodos does not support.	<b>Oppose</b>
<b>3</b>	<b>Elect Herm Rosenman</b> Independent Non-Executive Director.	<b>For</b>
<b>4</b>	<b>Ratification of the appointment of Ernst &amp; Young LLP</b> Shareholders are requested to ratify the appointments of Ernst & Young LLP as the Company's UK Statutory auditor and US independent registered public accounting firm for the year ending December 2017. Standard proposal.	<b>For</b>
<b>5</b>	<b>Appoint the Auditors</b> E&Y proposed. No non-audit fees were paid to the auditors in the past three years. This approach is commended.	<b>For</b>
<b>6</b>	<b>Allow the Board to Determine the Auditor's Remuneration</b> Standard proposal.	<b>For</b>
<b>7</b>	<b>Receive the Annual Report</b> Strategic report meets guidelines. Adequate employment and environmental policies are in place and relevant, up-to-date, quantified, environmental reporting is disclosed. The Company also disclosed the proportion of women on the Board, in Executive Management positions and within the whole organisation. Triodos supports this resolution.	<b>For</b>
<b>8</b>	<b>Approve the Remuneration Report</b> All elements of the Single Total Remuneration Table are adequately disclosed. Performance conditions attached to the annual bonus are clearly stated. However, the precise targets on the annual bonus are not disclosed as it is considered such disclosure would be detrimental to the Company's commercial performance, which is unacceptable. Best practice would require all retrospective targets to be clearly stated given that their performance were already assessed during the vested period. Also, share prices on outstanding share incentives are not clearly stated. The CEO total variable pay is considered excessive at 298% of salary (Annual bonus: 79.8% and LTIP: 218.3%). Triodos opposes this resolution.	<b>Oppose</b>

## 9 Approve Remuneration Policy

Oppose

The key changes to the Directors' Remuneration Policy is to amend the cash compensation provisions to reference market practice (for other amendments see supporting information below). It is displeasing to see that Non-executives are still eligible to participate under the 2013 share option scheme in the proposed policy (see supporting information below). This is considered a significant governance concern as it raises questions over the independence of the Non-executive Directors. There are also concerns over the existing remuneration structure. The maximum opportunity under all incentives schemes is not appropriately defined as there is no fixed annual maximum limit on the size of LTIP awards. It is noted that such remuneration structure provides opportunity for excessive payments to Executives. Also, the share option scheme comprised of multiple awards without any performance conditions other than continued service. There is no deferral opportunity under the annual bonus scheme as it is generally paid in cash. Best practice would require at least 50% of deferral into the Company shares. The Company do not have a shareholding guidelines in place. Finally, there are concerns about the Company's termination contracts. The committee retains inappropriate discretion to provide additional benefits, including those outside the policy, where necessary to recruit new executive directors or to secure the ongoing service of existing executive directors.

Triodos opposes this resolution.

## 10 Amend 2013 Share Incentive Plan

Oppose

The Board seeks shareholders' approval of the following amendments to the 2013 Share Incentive Plan ('Plan'):

- To delete the provisions that allow for yearly increases to the shares available for issuance under the Plan. If approved, the number of shares available for issuance of the Plan would remain fixed for the duration of the Plan.
- To limit full acceleration of an equity award upon a Change of Control to those situations where a participant's employment with the Company has been terminated.
- To eliminate the Remuneration Committee's discretion to make adjustments to the number and kind of shares of stock or securities subject to awards under the Plan or the exercise or purchase prices relating to Awards changes other than in connection with a change to our capital structure.
- To approve the addition of 283,328 shares for issuance under the Amended Plan so that the maximum number of shares available for issuance under the Amended Plan is 2,684,563, which was the original amount of shares allocated for issuance under the Plan.

It is appreciated that the Board has considered to fix the maximum issuance of shares. However, the maximum opportunity under the plan is considered excessive as the pool represents more than 200% of combined salaries of Directors during the review period ( the share price is referenced to the market price as at the end of the financial year). Moreover, it is not clear if there is any defined limit of awards to Executive Directors. It is considered best practice for maximum opportunity under all annual incentive schemes to be defined as percentage of salary basis. It is also noted that the Plan is assessed based on continuity of service as opposed to a performance-based share incentive, which is considered inappropriate. On balance, the amendments proposed do not promote better alignment with shareholder.

Triodos opposes this resolution.

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## SUPPORTING INFORMATION FOR RESOLUTIONS

### Proposal 9 - Approve Remuneration Policy

The key change to the Directors' Remuneration Policy is to amend the cash compensation provisions to reference market practice. The amended policy also allows the directors flexibility to adjust the types of committees of the Board of Directors to ensure that the Company's needs are met consistent with market practice. The new policy retains non-executive equity awards but allows the Board to adjust the number of awards consistent with market practice.

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