## MEETING DATE
Tue, 15 May 2018 11:00 am

## TYPE
AGM

## ISSUE DATE
Wed, 09 May 2018

## MEETING LOCATION
3888 Calle Fortunada, San Diego, California 92123

## CURRENT INDICES
PIRC Global

## SECTOR
Electronic capacitors

### SUPPORTING INFORMATION FOR RESOLUTIONS

**Proposal 4 - Advisory Vote on Executive Compensation**

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment.

For fiscal 2017, annual cash awards were not considered to be excessive. The CEO’s actual bonus for fiscal 2017 was 540,000 USD, representing 108.00% of his base salary, which is welcomed. Best practice states that all executives should hold at least six times base salary in stocks, currently executives hold four times base salary. Executive compensation is not aligned with companies of a similar market capitalisation. Mr. Lyle received an additional milestone-based RSU award, some of which vest in less than three years. These kind of discretionary awards are not considered best practice.

The compensation rating is: DEB.

Triodos opposes this resolution.
Disclosure: D- Annual performance-based compensation is paid upon achievement of pre-established performance (financial and strategic) objectives. The financial performance metrics were revenue and adjusted earnings before interest, taxes, depreciation and amortization (EBITDA). The strategic objective component included securing design wins and delivering technology milestones to enhance the Company’s long range strategic plan. Long-term incentive compensation is awarded in the form of market stock unit awards (MSUs), certain milestone-based RSUs and service-based RSUs. The Company has not provided specific targets with respect to the Performance-Based awards. The Company uses adjusted metrics, which is against best practice as it does not permit an assessment on the challenging nature of performance metrics. Peer groups are disclosed. However, the Company failed to provide the fees it paid to the Compensation Consultants. The disclosure of these fees is encouraged in the interests of greater transparency.

Balance: E- For fiscal 2017, annual cash awards were not considered to be excessive. The CEO’s actual bonus for fiscal 2017 was 540,000 USD, representing 108.00% of his base salary, which is welcomed. Best practice states that all executives should hold at least six times base salary in stocks, currently executives hold four times base salary. Executive compensation is not aligned with companies of a similar market capitalisation. Mr. Lyle received an additional milestone-based RSU award, some of which vest in less than three years. These kind of discretionary awards are not considered best practice.

Contract: B- Maxwell Technologies Inc. has a strong compensation claw back policy in place that allows for the recoupment of payment if in the event that misconduct by an executive contributes to a restatement of the financial results. Change-in-control payments are not subject to double-trigger provisions. Good reason is not adequately defined.